

Guiding Eyes for the Blind, Inc.

Financial Statements
Year Ended September 30, 2025

The report accompanying these financial statements was issued by BDO USA, P.C., a Virginia professional corporation, and the U.S. member of BDO International Limited, a UK company limited by guarantee.



Guiding Eyes for the Blind, Inc.

Financial Statements
Year Ended September 30, 2025

Guiding Eyes for the Blind, Inc.

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Independent Auditor's Report

The Board of Directors
Guiding Eyes for the Blind, Inc.
Yorktown Heights, New York

Opinion

We have audited the financial statements of Guiding Eyes for the Blind, Inc. (Guiding Eyes), which comprise the statement of financial position as of September 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Guiding Eyes as of September 30, 2025, and the results of its operations and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Guiding Eyes and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Guiding Eyes' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Guiding Eyes' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Guiding Eyes' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Guiding Eyes' 2024 financial statements, and our report, dated February 14, 2025, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein, as of and for the year ended September 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

BDO USA, P.C.

January 16, 2026

Guiding Eyes for the Blind, Inc.

Statement of Financial Position (with comparative totals for 2024)

<i>September 30,</i>	2025	2024
Assets		
Current Assets		
Cash and cash equivalents (Notes 2 and 3)	\$ 57,474,032	\$ 46,919,389
Investments, at fair value (Notes 2, 3, 4, and 5)	68,757,783	62,930,589
Bequests receivable (Notes 2 and 3)	2,106,057	3,129,166
Contributions receivable, current portion (Notes 2 and 3)	435,508	152,664
Prepaid expenses and other assets	256,216	427,567
Total Current Assets	129,029,596	113,559,375
Contributions Receivable, net of current portion and discounts (Note 2)	1,124,062	523,536
Deferred Compensation Plan Asset (Notes 4 and 8)	508,566	606,980
Right-of-Use Asset - Operating Lease (Notes 2 and 7)	661,802	766,146
Fixed Assets, Net (Notes 2 and 6)	31,013,630	23,494,367
Total Assets	\$ 162,337,656	\$ 138,950,404
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	\$ 2,475,459	\$ 465,053
Payroll and payroll taxes payable	880,629	795,791
Operating lease liability, current portion (Notes 2 and 7)	109,176	104,343
Total Current Liabilities	3,465,264	1,365,187
Deferred Compensation (Notes 4 and 8)	508,566	606,980
Reserve for Health Insurance (Note 2)	510,000	430,000
Gift Annuity Reserve (Notes 3 and 5)	865,344	1,313,460
Operating Lease Liability, less current portion (Notes 2 and 7)	601,685	709,061
Total Liabilities	5,950,859	4,424,688
Commitments and Contingencies (Notes 5, 7, 8, 10, 11, and 12)		
Net Assets (Notes 2, 3, 10, 11, and 12)		
Without donor restrictions	146,198,208	124,550,593
With donor restrictions (Notes 3, 10, 11, and 12)	10,188,589	9,975,123
Total Net Assets	156,386,797	134,525,716
Total Liabilities and Net Assets	\$ 162,337,656	\$ 138,950,404

See accompanying notes to financial statements.

Guiding Eyes for the Blind, Inc.

Statement of Activities (with comparative totals for 2024)

Year ended September 30,

	Without Donor Restrictions	With Donor Restrictions	Total	
			2025	2024
Public Support and Revenue				
Contributions (Notes 2 and 12)	\$ 23,877,209	\$ 5,255,107	\$ 29,132,316	\$ 24,347,717
Bequests (Note 2)	19,288,526	1,125,369	20,413,895	17,791,875
Special events, net of direct donor benefits of \$137,022 and \$114,622 in 2025 and 2024, respectively	169,887	-	169,887	101,303
Net investment income (Note 4)	8,522,191	660,036	9,182,227	14,232,268
Other income	402,912	-	402,912	648,068
Net assets released from restrictions (Notes 10 and 11)	6,827,046	(6,827,046)	-	-
Total Public Support and Revenue	59,087,771	213,466	59,301,237	57,121,231
Expenses				
Program services:				
Guide dog training and student services	10,564,720	-	10,564,720	10,429,640
Residential and graduate services	2,380,819	-	2,380,819	2,057,226
Veterinary hospital and kennel	10,297,802	-	10,297,802	9,815,957
Canine breeding	927,688	-	927,688	914,863
Facilities management	1,510,735	-	1,510,735	1,425,464
Enrichment and education	2,019,604	-	2,019,604	1,841,513
Total Program Services	27,701,368	-	27,701,368	26,484,663
Supporting services:				
Management and general	619,407	-	619,407	1,181,643
Fundraising	9,134,081	-	9,134,081	8,391,899
Total Supporting Services	9,753,488	-	9,753,488	9,573,542
Total Expenses	37,454,856	-	37,454,856	36,058,205
Change in Net Assets, before gain on disposal of fixed assets	21,632,915	213,466	21,846,381	21,063,026
Gain on Disposal of Fixed Assets	14,700	-	14,700	378,752
Change in Net Assets	21,647,615	213,466	21,861,081	21,441,778
Net Assets, beginning of year	124,550,593	9,975,123	134,525,716	113,083,938
Net Assets, end of year	\$ 146,198,208	\$ 10,188,589	\$ 156,386,797	\$ 134,525,716

See accompanying notes to financial statements.

Guiding Eyes for the Blind, Inc.

**Statement of Functional Expenses
(with comparative totals for 2024)**

Year ended September 30,

	Program Services						Supporting Services			Total		
	Guide Dog Training and Student Services	Residential and Graduate Services	Veterinary Hospital and Kennel	Canine Breeding	Facilities Management	Enrichment and Education	Total Program Services	Management and General	Fundraising	Total Supporting Services	2025	2024
Salaries and Related Expenses												
Salaries	\$ 5,976,359	\$ 1,114,161	\$ 4,332,801	\$ 357,457	\$ 87,931	\$ -	\$ 11,868,709	\$ 188,737	\$ 1,353,366	\$ 1,542,103	\$ 13,410,812	\$ 13,375,586
Employee health and retirement benefits	1,966,914	325,668	2,066,940	84,059	43,614	-	4,487,195	75,398	424,943	500,341	4,987,536	4,999,723
Payroll taxes	461,707	87,772	334,689	27,793	7,167	-	919,128	19,914	103,929	123,843	1,042,971	1,020,079
Total Salaries and Related Expenses	8,404,980	1,527,601	6,734,430	469,309	138,712	-	17,275,032	284,049	1,882,238	2,166,287	19,441,319	19,395,388
Other Expenses												
Data processing and mailing services	36,869	8,714	33,517	2,681	2,681	269,115	353,577	42,058	714,675	756,733	1,110,310	1,093,190
Postage and shipping	10,837	1,672	4,806	73	-	535,842	553,230	4,959	1,709,355	1,714,314	2,267,544	2,091,960
Printing and publications	2,871	33,891	2,610	209	209	1,214,647	1,254,437	626	2,352,096	2,352,722	3,607,159	3,751,548
Veterinarian fees and supplies	-	-	1,484,743	-	-	-	1,484,743	-	-	-	1,484,743	1,317,142
Telephone and utilities	129,142	26,362	324,736	7,505	4,891	-	492,636	24,214	52,252	76,466	569,102	482,476
Insurance	116,878	30,273	484,011	8,313	3,971	-	643,446	83,228	21,717	104,945	748,391	711,966
Transportation and lodging	361,642	80,851	9,342	4,796	1,354	-	457,985	14,494	12,869	27,363	485,348	500,772
Professional fees	75,964	153,109	86,618	107,899	5,524	-	429,114	18,149	1,076,832	1,094,981	1,524,095	1,561,746
Dog food and supplies	195,961	411	230,751	20,901	-	-	448,024	-	-	-	448,024	393,374
Office expenses	444,600	136,271	351,357	27,419	70,898	-	1,030,545	87,301	1,027,446	1,114,747	2,145,292	1,346,196
Food and entertainment	29,436	315,844	6,770	260	260	-	352,570	779	7,226	8,005	360,575	361,945
Repairs and maintenance	-	-	21,237	1,100	720,568	-	742,905	-	-	-	742,905	654,081
Vehicle expense	-	-	-	-	185,103	-	185,103	-	-	-	185,103	186,704
Conferences, subscriptions, and dues	67,124	18,411	26,056	2,673	1,212	-	115,476	26,593	142,068	168,661	284,137	153,786
Interest expense	-	-	-	-	-	-	-	-	-	-	-	32,208
Occupancy and other costs	151,446	-	4,274	-	637	-	156,357	-	-	-	156,357	174,779
Bad debt	-	-	-	-	-	-	-	20,360	-	20,360	20,360	106
Total Expenses, before depreciation and amortization	10,027,750	2,333,410	9,805,258	653,138	1,136,020	2,019,604	25,975,180	606,810	8,998,774	9,605,584	35,580,764	34,209,367
Depreciation and Amortization	536,970	47,409	492,544	274,550	374,715	-	1,726,188	12,597	135,307	147,904	1,874,092	1,848,838
Total Expenses	\$ 10,564,720	\$ 2,380,819	\$ 10,297,802	\$ 927,688	\$ 1,510,735	\$ 2,019,604	\$ 27,701,368	\$ 619,407	\$ 9,134,081	\$ 9,753,488	\$ 37,454,856	\$ 36,058,205

See accompanying notes to financial statements.

Guiding Eyes for the Blind, Inc.

Statement of Cash Flows (with comparative totals for 2024)

<i>Year ended September 30,</i>	2025	2024
Cash Flows from Operating Activities		
Change in net assets	\$ 21,861,081	\$ 21,441,778
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	1,874,092	1,848,838
Bad debt expense	20,360	106
Interest expense	-	23,980
Contributions with restrictions - perpetual in nature	(218,136)	(240,454)
Net realized gains on sale of investments	(2,071,059)	(304,831)
Net unrealized gains on investments	(3,109,668)	(11,280,589)
Donated investments	(849,513)	(580,430)
Proceeds from sale of donated investments	844,846	575,125
Gains on disposal of fixed assets	(14,700)	(378,752)
Non-cash operating lease expense	135,645	113,348
Changes in assets and liabilities:		
Decrease (increase) in:		
Contributions receivable	(903,730)	(534,206)
Bequests receivable	1,023,109	(762,845)
Prepaid expenses and other assets	171,351	514,541
Right-of-use asset - operating lease	(31,301)	(777,719)
Increase (decrease) in:		
Accounts payable and accrued expenses	2,010,406	(191,800)
Payroll and payroll taxes payable	84,838	(52,146)
Reserve for insurance	80,000	(200,000)
Deferred compensation	(98,414)	221,401
Gift annuity reserve	(448,116)	(50,648)
Change in operating lease liability	(102,543)	711,629
Net Cash Provided by Operating Activities	20,258,548	10,096,326
Cash Flows from Investing Activities		
Assets limited as to use	98,414	(221,401)
Proceeds from sale of investments	14,830,225	25,679,352
Purchases of investments	(15,472,025)	(16,189,689)
Purchases of fixed assets, net	(9,378,655)	(793,771)
Net Cash (Used in) Provided by Investing Activities	(9,922,041)	8,474,491
Cash Flows from Financing Activities		
Contributions with restrictions - perpetual in nature	218,136	240,454
Principal payments of bond payable	-	(445,000)
Net Cash Provided by (Used in) Financing Activities	218,136	(204,546)
Net Increase in Cash and Cash Equivalents	10,554,643	18,366,271
Cash and Cash Equivalents, beginning of year	46,919,389	28,553,118
Cash and Cash Equivalents, end of year	\$ 57,474,032	\$ 46,919,389
Supplemental Disclosure of Cash Flow Information		
Right-of-use assets acquired through operating lease	\$ -	\$ 850,413
Cash paid for interest	-	32,208

See accompanying notes to financial statements.

Guiding Eyes for the Blind, Inc.

Notes to Financial Statements

1. Description of Organization

Guiding Eyes for the Blind, Inc. (Guiding Eyes) is a nonprofit 501(c)(3) organization founded in 1954 with the mission of providing guide dogs to individuals with vision loss. Guiding Eyes is passionate about connecting exceptional dogs with individuals for greater independence. Professional instructors offer on-campus training in New York and at-home training for those who are unable to travel. Specialized training programs are available for individuals with additional challenges, such as gait and balance issues, cognitive challenges, and individuals who are deafblind. Guiding Eyes' Running Guide is designed for active individuals who would like to run with their guide dogs for exercise in their home environment. All services, including travel, room, and board at the New York Training Center, are provided at no cost to students. Guiding Eyes also ensures that staff and volunteers receive training to care for and support its dogs throughout their working lives.

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of Guiding Eyes have been prepared using the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America (GAAP). In the statement of financial position, assets and liabilities are presented in order of liquidity or conversion to cash and their maturity resulting in the use of cash, respectively.

Financial Statement Presentation

The classification of a not-for-profit organization's net assets and its support, revenue, and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the classes of net assets—with donor restrictions and without donor restrictions—be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

These classes of net assets are defined as follows:

With Donor Restrictions - This class consists of net assets resulting from contributions and other inflows of assets whose use by Guiding Eyes is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of Guiding Eyes, pursuant to those stipulations. When such stipulations end or are fulfilled, such donor-restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities. Net assets resulting from contributions and other inflows of assets whose use by Guiding Eyes is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of Guiding Eyes are classified as net assets with donor restrictions - perpetual in nature.

Without Donor Restrictions - This class consists of the part of net assets that is not restricted by donor-imposed stipulations.

Income from investment gains and losses, including unrealized gains and losses, dividends, and interest, should be reported as increases (or decreases) in net assets without donor restrictions, unless the use of the income received is limited by donor-imposed restrictions.

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Notes to Financial Statements

Measure of Operations

Guiding Eyes includes in its measure of operations all revenues and expenses that are an integral part of its programs and supporting activities. Guiding Eyes excludes from its measure of operations gain on disposal of fixed assets.

Cash and Cash Equivalents

Cash equivalents represent short-term investments with original maturities of three months or less. Securities and other assets that are part of Guiding Eyes' investment holdings that meet the definition of cash and cash equivalents above are presented as cash equivalents held by investment managers on the statement of financial position and are included in end-of-year cash and cash equivalents balances.

Investments

Investments primarily consist of marketable equity securities, fixed-income, and mutual funds.

Investments are adjusted to their fair market value at the statement of financial position date, resulting in either an unrealized gain or loss.

Investment income is recognized when earned and consists of interest, dividends, and both realized and unrealized gains and losses. Dividends are recorded at the ex-dividend date. Purchases and sales are recorded on a trade-date basis. Net investment income is net of direct external investment expenses. Guiding Eyes had no internal investment expenses for the year ended September 30, 2025.

Investments donated to Guiding Eyes are recorded at fair market value at date of receipt.

Fair Value Measurements and Disclosures

GAAP establishes a three-level hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that inputs that are most observable be used when available. Observable inputs are inputs that market participants operating within the same marketplace as Guiding Eyes would use in pricing Guiding Eyes' asset or liability based on independently derived and observable market data. Unobservable inputs are inputs that cannot be sourced from a broad active market in which assets or liabilities identical or similar to those of Guiding Eyes are traded. Guiding Eyes estimates the price of any assets for which there are only unobservable inputs by using assumptions that market participants with investments in the same or similar assets would use, as determined by the money managers for each investment, based on best information available in the circumstances. The input hierarchy is broken down into three levels based on the degree to which the exit price is independently observable or determinable, as follows:

Level 1 - Valuations are based on unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis. Valuation adjustments and block discounts are not applied to Level 1 instruments.

Level 2 - Valuations are based on (i) quoted prices - those investments, or similar investments, in active markets; (ii) quoted prices - those investments, or similar investments, in markets that are

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Notes to Financial Statements

not active; or (iii) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date. Level 2 assets include those investments or similar investments that are redeemable at or near the statement of financial position date and for which a model was derived for valuation.

Level 3 - Valuations are based on inputs that are unobservable and significant to the overall fair value measurement.

Revenue Recognition

Contributions and unconditional promises to give are recorded as revenue when either unsolicited cash is received or when donors make a promise to give. Contributions and promises to give are classified within public support and revenue as with or without donor restrictions.

Conditional promises to give, including those received under multi-year grant agreements, are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. A promise is considered conditional only if the donor has stipulated one or more barriers that must be overcome before Guiding Eyes is entitled to the assets transferred or promised, and there also exists a right of return to the donor of any assets transferred or a right of release of the donor's obligation to honor the promise. A transfer of assets from a donor that contains donor conditions is accounted for as a refundable advance until the conditions have been substantially met or explicitly waived by the donor.

Bequests are recorded for items for which Guiding Eyes has received written notification from the estate executor stating an irrevocable right and a defined sum. Bequests are classified within public support and revenue as with or without donor restrictions.

Special events income is reported net of the cost of direct donor benefits. Income and expense are directly attributable to a fundraising activity or event held by Guiding Eyes to raise additional funds other than contributions.

Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Receivables

Receivables are stated at net realizable value. Management reviews its receivables on a regular basis to determine if any of the receivables may not be realized. Account balances are charged off after all means of collection have been exhausted and potential for recovery is considered remote.

Fixed Assets

All acquisitions of land, buildings, equipment, and vehicles in excess of \$10,000 are capitalized at cost. Donated property, equipment, and vehicles are recorded at the fair market value at the date

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of the gift. Depreciation of buildings and equipment is provided on the straight-line basis over the estimated useful lives of the assets. Building and leasehold improvements are amortized over the shorter of the lease term or the estimated useful life of the related assets.

The estimated useful lives of the assets are as follows:

<u>Asset Category</u>	<u>Years</u>
Building and building improvements	30
Leasehold improvements	5-30
Furniture, fixtures, and equipment	15
Computers and software	5
Vehicles	4

Impairment of Long-Lived Assets

Guiding Eyes reviews long-lived assets, including property and equipment and intangible assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. As of September 30, 2025, there have been no such losses.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Comparative Financial Information

The financial statements include certain prior year summarized comparative information. With respect to the statement of activities, the prior-year information is presented in total, not by net asset class. With respect to the statement of functional expenses, the prior-year expenses are presented by expense classification in total rather than by functional category. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with Guiding Eyes' financial statements for the year ended September 30, 2024, from which the summarized information was derived.

Income Taxes

Guiding Eyes was incorporated in the state of New York and is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code) and, therefore, has made no provision for income taxes in the accompanying financial statements. In addition, Guiding Eyes has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Code. There was no unrelated business income for the year ended September 30, 2025.

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Notes to Financial Statements

Under GAAP, an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not the position will be sustained upon examination by a taxing authority. Guiding Eyes does not believe it has taken any material uncertain tax positions and, accordingly, it has not recorded any liability for unrecognized tax benefits. Guiding Eyes has filed for and received income tax exemptions in the jurisdictions where it is required to do so. For the year ended September 30, 2025, there were no interest or penalties recorded or included in the statement of activities. Guiding Eyes is subject to routine audits by a taxing authority, but as of September 30, 2025, there were no examinations in progress.

Concentration of Credit Risk

Financial instruments that potentially subject Guiding Eyes to concentration of credit risk consist primarily of cash and cash equivalents. At various times, Guiding Eyes has cash deposits at financial institutions, which exceed the Federal Deposit Insurance Corporation insurance limits. These financial institutions have strong credit ratings and management believes that credit risk related to these accounts is minimal.

Employee Medical and Dental Benefits

Guiding Eyes is self-insured for all employee medical and dental benefits. The provisions for estimated medical and dental claims include estimates for both reported claims and estimates of the ultimate cost of claims incurred but not reported as of September 30, 2025. Guiding Eyes has protected itself against catastrophic claims by purchasing a stop-loss insurance policy with a deductible of \$85,000, per covered individual.

Net Asset Classifications

Guiding Eyes follows GAAP related to *Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA)*, and *Enhanced Disclosures for all Endowment Funds*, which requires that disclosures be made on Guiding Eyes' endowments by net asset classifications.

On September 17, 2010, New York State enacted the New York Prudent Management of Institutional Funds Act (NYPMIFA). This law, which is a modified version of UPMIFA, made significant changes to the rules governing how New York not-for-profit organizations may manage, invest, and spend their endowment funds. The law is designed to allow organizations to cope more easily with fluctuations in the value of their endowments and to afford them greater access to funds needed to support their programs and services in difficult financial times. It also expands the options available to organizations seeking relief from donor restrictions on funds that have become obsolete, impracticable, or wasteful. NYPMIFA applies to New York not-for-profits, educational and religious corporations, associations organized and operated exclusively for charitable purposes, and certain trusts.

Guiding Eyes for the Blind, Inc.

Notes to Financial Statements

3. Liquidity and Availability of Resources

Guiding Eyes' financial assets available for use within one year of the statement of financial position date for general expenditures are as follows.

September 30, 2025

Cash and cash equivalents	\$ 57,474,032
Investments	68,757,783
Bequests receivable	2,106,057
Contributions receivable, current portion	435,508
Financial Assets, end of year	128,773,380
Less those unavailable for general expenditures within one year, due to:	
Donor-imposed restrictions:	
Donor-imposed restrictions	(10,188,589)
Liability for gift annuity reserve	(865,344)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	\$ 117,719,447

Guiding Eyes' investment portfolio consists, in part, of donor-restricted amounts. Income from the donor-restricted amounts can be either available for general expenditures or restricted for a specific purpose, in accordance with the agreement between the donor and Guiding Eyes.

As part of Guiding Eyes' liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. In addition, Guiding Eyes invests cash in excess of daily requirements in short-term investments.

4. Investments, at Fair Value

Guiding Eyes' assets recorded at fair value have been categorized based upon a fair value hierarchy, in accordance with GAAP. See Note 2 for a discussion of Guiding Eyes' policies regarding this hierarchy. A description of the valuation techniques applied to Guiding Eyes' major categories of assets measured at fair value is as follows:

Equity and Fixed-Income Mutual Funds - Guiding Eyes has investments in mutual funds, which are invested primarily in investment-grade bonds and large- and mid-capitalization equity securities. For these investments, Guiding Eyes has ownership interest in the mutual fund but not in the individual securities held by the fund. The assets of each mutual fund consist primarily of shares of the underlying holdings. Each mutual fund net asset value (NAV) is the value of a single share that is actively traded on national securities exchanges. The mutual funds are valued on a daily basis at the close of business day. These funds are valued primarily on the basis of market quotation or on the basis of information furnished by a nationally recognized pricing service, based on observable market data, and are classified as Level 1 within the fair value hierarchy.

The following table shows, by level within the fair value hierarchy, Guiding Eyes' financial assets that are accounted for at fair value on a recurring basis. The financial assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Guiding

Guiding Eyes for the Blind, Inc.

Notes to Financial Statements

Eyes' assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement within the fair value hierarchy levels.

September 30, 2025

	Level 1	Level 2	Level 3	Total
Investments				
Equity mutual funds	\$ 47,187,009	\$ -	\$ -	\$ 47,187,009
Fixed-income mutual funds	21,570,774	-	-	21,570,774
Total Investments	68,757,783	-	-	68,757,783
Assets Limited to Use^(a)				
Equity mutual funds	508,566	-	-	508,566
Total Assets Limited to Use	508,566	-	-	508,566
Total	\$ 69,266,349	\$ -	\$ -	\$ 69,266,349

^(a) Assets whose use is limited relates to the deferred compensation plan assets. See Note 8 for additional information.

Guiding Eyes had no financial assets or financial liabilities that were measured at fair value on a non-recurring basis during the year ended September 30, 2025. In addition, there were no transfers between levels during the year ended September 30, 2025.

The following table summarizes investment return by net asset classification:

September 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Dividends and interest	\$ 3,363,101	\$ 237,612	\$ 3,600,713
Realized and unrealized gains	4,745,339	435,388	5,180,727
Net Return on Investments	8,108,440	673,000	8,781,440
Investment return allocated for operations	413,751	(12,964)	400,787
Investment Results, Net	\$ 8,522,191	\$ 660,036	\$ 9,182,227

5. Split-Interest Agreements

Guiding Eyes administers the following type of split-interest agreement:

Charitable Gift Annuity

Under the Charitable Gift Annuity Agreement (the Agreement), donors make contributions in exchange for a promise to receive a fixed amount over a specified period of time, usually life of donor or beneficiary. During the term of the Agreement, Guiding Eyes acts as a custodian of these funds, whereby the asset and the net present value of related liability are reflected in the statement of financial position. After the term of the Agreement, the remaining asset belongs to Guiding Eyes. At September 30, 2025, the Charitable Gift Annuity Investment Account had a fair market value of

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\$2,079,588 and is included in cash and cash equivalents and investments, at fair value in the statement of financial position, and the related liability of \$865,344 is included within gift annuity reserve in the statement of financial position.

6. Fixed Assets, Net

Fixed assets, net, consist of the following:

September 30, 2025

Land	\$	4,233,155
Building and improvements		33,471,319
Furniture, fixtures, and equipment		2,331,689
Vehicles		2,516,408
Leasehold improvements		92,370
Computers		413,619
Software		2,870,692
Construction in progress		10,757,796
		<hr/>
		56,687,048
Less: accumulated depreciation and amortization		(25,673,418)
		<hr/>
	\$	31,013,630

Depreciation and amortization expense for the year ended September 30, 2025 was \$1,874,092.

7. Leases

Guiding Eyes leases certain property and equipment under finance and operating leases. Leases are classified as either finance or operating leases based on the underlying terms of the lease agreements.

For leases with initial terms of greater than one year, Guiding Eyes records the related right-of-use assets and liabilities at the present value of the remaining lease payments to be paid over the life of the related lease. Lease payments related to periods subject to renewal options are excluded from the amounts used to determine the present value of the remaining lease payments unless Guiding Eyes is reasonably certain to exercise the option to extend the lease. The present value of the lease payments is calculated by utilizing the discount rate stated in the lease, when readily determinable. For leases for which a discount rate is not readily available, Guiding Eyes has elected to use the incremental borrowing rate based on the information available at the lease inception date. Guiding Eyes has made an accounting policy election not to separate lease components from non-lease components in contracts when determining its lease payments for all of its asset classes. As such, Guiding Eyes accounts for the applicable non-lease components together with the related lease components when determining the right-of-use asset and liability. Guiding Eyes has made an accounting policy election not to record leases with an initial term of less than one year as right-of-use assets and liabilities in the statement of financial position.

Guiding Eyes for the Blind, Inc.

Notes to Financial Statements

The following tables summarize information related to the lease asset and liability:

Year ended September 30, 2025

Lease costs:		
Operating lease cost	\$	104,343
Interest on lease liabilities		31,302
Total Lease Cost	\$	135,645

September 30, 2025

Right-of-use assets and liabilities:		
Operating lease right-of-use asset	\$	661,802
Operating lease liability		710,861

Year ended September 30, 2025

Other information:		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating lease	\$	102,543
Weighted-average remaining lease term - operating lease		5.5 years
Weighted-average discount rate - operating lease		4.22%

For operating leases, right-of-use assets are recorded in operating lease right-of-use assets, and lease liabilities are recorded in lease liability in the accompanying statement of financial position.

The following table reconciles the undiscounted operating lease payments to the lease liabilities recorded on the accompanying statement of financial position at September 30, 2025:

Year ending September 30,

2026	\$	137,178
2027		140,510
2028		143,842
2029		147,174
2030		150,507
Thereafter		76,086
		795,297
Less: interest		(84,436)
Less: current portion		(109,176)
	\$	601,685

8. Pension Plans

Deferred Compensation Plan - 403(b)

On January 1, 2015, Guiding Eyes established a Defined Contribution Plan covering all eligible employees under Section 403(b) of the Code. Effective October 1, 2020, Guiding Eyes provides a discretionary (immediately vested) contribution on behalf of all eligible employees of 4%, and in

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Notes to Financial Statements

addition, Guiding Eyes will match employee contributions into the plan up to 6% of salary. Guiding Eyes' matching contributions will vest 20% per year of completed service and be 100% vested after the completion of five years of service. For the year ended September 30, 2025, the amount charged to operations for employer contributions to the plan amounted to \$1,230,860.

Deferred Compensation Plan - 457(b)

During fiscal year 2018, Guiding Eyes established an eligible deferred compensation plan, as described in Section 457(b) of the Code, for the benefit of certain employees of Guiding Eyes. During the year ended September 30, 2025, Guiding Eyes contributed \$103,000 to the plan. Investments associated with the plan are comprised of publicly traded mutual funds, which are recorded at their fair value as an asset limited as to use and as a corresponding deferred compensation liability on the statement of financial position. The value of the asset and liability as of September 30, 2025 was \$508,566.

9. Allocation of Joint Activity Costs

During 2025, Guiding Eyes incurred joint activity costs of \$6,284,483 for informational materials and activities that included fundraising appeals. Of these costs, \$4,264,879 was allocated to fundraising expense and \$2,019,604 was allocated to the Enrichment and Education Program.

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Guiding Eyes for the Blind, Inc.

Notes to Financial Statements

10. Net Assets with Donor Restrictions

Donor-imposed restricted net assets that are perpetual in nature and purpose restricted consist of the following:

Year ended September 30, 2025

	Perpetual-in-Nature		Purpose Restricted		
	Perpetual-in-Nature Principal	Earnings on Perpetual-in-Nature Purpose Restricted	Purpose Restricted	Total Purpose Restricted	Total
Special Needs Endowment	\$ 2,108,730	\$ 3,057,923	\$ -	\$ 3,057,923	\$ 5,166,653
The Ann MacCarthy Parke Endowment Fund	760,221	-	-	-	760,221
Isabel Kouri Endowment Fund	642,636	-	-	-	642,636
The Ethel S. Abbott Endowment Fund	525,000	-	-	-	525,000
Lilian Feder Foundation	320,000	-	-	-	320,000
Other - perpetual in nature	154,876	-	-	-	154,876
Grace Kennedy Fund	101,708	-	-	-	101,708
The Doris E. Harrington Fund	96,530	-	-	-	96,530
The Russell E. Whitmyer Endowment Fund	50,000	-	-	-	50,000
The Dorothea Jacobs Grant Fund	43,148	-	-	-	43,148
The Frances Howe Dwight Memorial Fund	35,032	-	-	-	35,032
The Paul V. Hurley Endowment Fund	33,971	-	-	-	33,971
The John and Lynn Dillon Endowment Fund	25,454	-	-	-	25,454
With Donor Restrictions - Endowment	4,897,306	3,057,923	-	3,057,923	7,955,229
Wellness and Training Center	-	-	1,709,861	1,709,861	1,709,861
Location - Arizona	-	-	121,525	121,525	121,525
Lions Project	-	-	74,487	74,487	74,487
Genetic Various	-	-	59,322	59,322	59,322
Cryopreservation	-	-	53,977	53,977	53,977
MRI Building Renovation	-	-	46,437	46,437	46,437
Other programs	-	-	44,210	44,210	44,210
Hockmeyer Veterinary Fund	-	-	30,000	30,000	30,000
Hadden Student Help Fund	-	-	21,351	21,351	21,351
Development Various Project	-	-	16,377	16,377	16,377
Keymer Technology Fund	-	-	18,649	18,649	18,649
Midwest Morton Coburn	-	-	13,298	13,298	13,298
Veterinary Equipment/Other	-	-	12,750	12,750	12,750
Keymer Miscellaneous Projects	-	-	11,116	11,116	11,116
Total Net Assets with Donor Restrictions	\$ 4,897,306	\$ 3,057,923	\$ 2,233,360	\$ 5,291,283	\$ 10,188,589

Guiding Eyes for the Blind, Inc.

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11. Net Assets Released from Restrictions

Net assets with donor restrictions released from restrictions are as follows:

Year ended September 30, 2025

	With Donor Restrictions		Total
	Purpose Restricted	Related to Earnings from Perpetual in Nature	
Wellness and Training Center	\$ 5,916,147	\$ -	\$ 5,916,147
Special Needs Endowment	-	395,972	395,972
Location - Arizona	138,558	-	138,558
Guiding Eyes Strategic Growth Fund	105,190	-	105,190
Development Various Project	99,700	-	99,700
Other programs	48,320	-	48,320
Milton Scholarship	40,000	-	40,000
Midwest Morton Coburn	35,036	-	35,036
Hockmeyer Veterinary Fund	27,713	-	27,713
Veterinary equipment	20,410	-	20,410
	\$ 6,431,074	\$ 395,972	\$ 6,827,046

Guiding Eyes' net assets with donor restrictions, which include perpetual-in-nature principal, perpetual-in-nature purpose restricted, and general purpose restricted, represent donations that have occurred over many years. Net assets with donor restrictions are reviewed annually or when identified with donor restrictions. Net asset amounts that were initially incorrectly classified with donor restrictions are reclassified in the year the difference is noted. For the year ended September 30, 2025, there have been no material reclasses from with donor restrictions to without donor restrictions.

12. Endowments - Net Asset Classifications

Guiding Eyes' endowments consist of investments that are donor restricted. Under GAAP, the following applies to the endowment funds:

Interpretation of Relevant Law - The spending of endowment funds by a not-for-profit corporation in the state of New York is currently governed by NYPMIFA, a modified version of UPMIFA, as enacted in 2010 in the New York Not-for-Profit Corporation Law. Guiding Eyes has interpreted NYPMIFA as allowing the governing board of the organization to make available for expenditure as much of an endowment fund, including principal, as the governing board finds prudent, taking into consideration the "uses, benefits, purposes, and duration" for which the fund was established. The governing board must act in good faith and must consider various factors, if relevant, when making decisions, including the organization's investment policy, purposes of the organization and the fund, and general economic conditions.

Investment and Spending Policies - Guiding Eyes has adopted an investment policy to diversify investments among both equity and fixed-income securities so as to provide a balance that will

Guiding Eyes for the Blind, Inc.

Notes to Financial Statements

enhance total return while avoiding undue risk concentration in any single asset class or investment category. Guiding Eyes may appropriate for distribution each year 6% of its invested assets based upon their rolling average value over the prior 12 quarters, which is in line with their targeted rate of return. Endowment assets include those assets of donor-restricted funds that Guiding Eyes must hold in perpetuity, and as directed by the donors, and those assets that are Board-designated, as approved by the Board of Directors of Guiding Eyes. The endowment funds are invested in vehicles, such as money-market funds, mutual funds, and government and equity securities, as well as certificates of deposit.

Guiding Eyes considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the funds.
- The purposes of Guiding Eyes and the donor-restricted endowment funds.
- General economic conditions.
- The possible effect of inflation and deflation.
- The expected total return from income and the appreciation (depreciation) of investments.
- The investment policy of Guiding Eyes.
- Other resources of Guiding Eyes.

The following table represents the reconciliation of changes in with donor restrictions - endowment:

	Perpetual-in- Nature Principal	Earnings on Perpetual-in- Nature Purpose Restricted	Total with Donor Restrictions - Endowment
Endowment Net Assets, September 30, 2024	\$ 4,679,670	\$ 2,793,359	\$ 7,473,029
Net investment income	-	660,036	660,036
Transfers from endowment:			
Releases included in net assets released from restrictions	-	(395,972)	(395,972)
Contributions	217,636	500	218,136
Endowment Net Assets, September 30, 2025	\$ 4,897,306	\$ 3,057,923	\$ 7,955,229

13. Donated Services and Materials

A substantial number of unpaid volunteers have made significant contributions of their time to develop Guiding Eyes' programs, principally breeding, training, and student programs. The value of this contributed time is not reflected in the financial statements since it is not susceptible to objective measurement or valuation.

14. Methods Used for Allocation of Expenses

The financial statements contain categories of expenses that are attributable to one or more program or support functions of Guiding Eyes. Those areas include salaries and overhead expenses.

Guiding Eyes for the Blind, Inc.

Notes to Financial Statements

Overhead expenses, including compensation and benefits, are allocated based on square footage, employee headcounts per department, and the costs of specific expenses utilized.

15. Additional Estate Income

Guiding Eyes expects to receive cash, investment, and/or other assets from various estates in contributions in which Guiding Eyes has been notified that they are a beneficiary. At present, the terms and amounts of these contributions have not been finalized and are not determinable. Accordingly, no contributions or receivables have been recorded in the financial statements.

16. Subsequent Events

Guiding Eyes' management has performed subsequent events procedures through January 16, 2026, which is the date the financial statements were available to be issued, and there were no subsequent events requiring adjustments to the financial statements or disclosures.