MAZARS USA LLP

VISIONS/Services for the Blind and Visually Impaired

Financial Statements

September 30, 2017 and 2016

MAZARS

MAZARS USA LLP IS AN INDEPENDENT MEMBER FIRM OF MAZARS GROUP.

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Independent Auditors' Report

The Board of Directors
VISIONS/Services for the Blind and Visually Impaired

We have audited the accompanying financial statements of VISIONS/Services for the Blind and Visually Impaired, which comprise the statement of financial position as of September 30, 2017, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of VISIONS/Services for the Blind and Visually Impaired as of September 30, 2017 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Prior Period Financial Statements

The September 30, 2016 VISIONS/Services for the Blind and Visually Impaired financial statements were audited by other auditors, whose report dated December 20, 2016, expressed an unmodified audit opinion on those audited financial statements. In their opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Mazars USA LLP

January 22, 2018

Statements of Financial Position

September 30, 2017

(With summarized comparative amounts as of September 30, 2016)

	2017	2016
Assets		
Cash	$ 615,528	$ 995,859
Investments - unrestricted (Note 3)	6,163,418	5,828,479
Interest and dividends receivable	44,706	40,299
Government grants receivable	2,184,741	914,883
Contributions receivable, net (Note 2)	237,500	487,278
Prepaid expenses and other assets	150,216	120,359
Fixed assets, net	9,832,858	1,734,114
Beneficial interest in perpetual trusts (Notes 3 and 6)	3,634,344	3,392,384
Long-term investments - permanently restricted (Note 6)	74,839,940	75,298,826
Total assets	$ 97,703,251	$ 88,812,481
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	$ 635,253	$ 329,517
Advances	152,830	211,316
Total liabilities	788,083	540,833
Net assets		
Unrestricted	17,942,093	8,898,744
Temporarily restricted (Note 5)	498,791	681,694
Permanently restricted (Note 6)	78,474,284	78,691,210
Total liabilities and net assets	$ 97,703,251	$ 88,812,481

The accompanying notes are an integral part of these financial statements.

Statements of Activities and Changes in Net Assets

Year Ended September 30, 2017

(With summarized comparative amounts for the Year Ended September 30, 2016)

		Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2017	Total 2016
Revenues, gains and other support						
Contributions and bequests		$ 270,855	$ 757,474	$ -	$ 1,028,329	$ 1,563,770
Community events	$119,311					
Less direct expenses of community events	(27,012)	92,299	-	-	92,299	92,729
Government support		162,929	4,674,573	-	4,837,502	3,156,065
Special events	107,029					
Less direct expenses of special events	(48,646)	58,383	-	-	58,383	56,831
VCB contributions		13,684	-	-	13,684	14,984
Interest and dividends		130,847	1,593,544	-	1,724,391	1,753,693
Net realized and unrealized gain on investments, net of investment fees of $480,663		549,716	1,623,925	7,041,114	9,214,755	5,079,319
Gain on beneficial interest in perpetual trusts		-	-	241,960	241,960	120,596
Donated services		-	-	-	-	42,540
Other revenues		21,207	7,465	-	28,672	47,000
Net assets released from restrictions (Note 5)		16,339,884	(8,839,884)	(7,500,000)	-	-
Total revenues, gains and other support		17,639,804	(182,903)	(216,926)	17,239,975	11,927,527
Expenses						
Program services						
VCB		1,539,842	-	-	1,539,842	1,165,611
Community services		4,643,240	-	-	4,643,240	4,452,707
Selis Manor		1,472,457	-	-	1,472,457	1,412,259
Total program services		7,655,539	-	-	7,655,539	7,030,577
Supporting services						
Management and general		725,095	-	-	725,095	682,835
Fund raising		215,821	-	-	215,821	261,108
Total supporting services		940,916	-	-	940,916	943,943
Total expenses		8,596,455	-	-	8,596,455	7,974,520
Change in net assets		9,043,349	(182,903)	(216,926)	8,643,520	3,953,007
Net assets - beginning of year		8,898,744	681,694	78,691,210	88,271,648	84,318,641
Net assets - end of year		$ 17,942,093	$ 498,791	$ 78,474,284	$ 96,915,168	$ 88,271,648

The accompanying notes are an integral part of these financial statements.

Statements of Functional Expenses

Year Ended September 30, 2017

(With summarized comparative amounts for the Year Ended September 30, 2016)

	Program Services				Supporting Services				Total	
	VCB	Community Services	Selis Manor	Total	Management and General	Fund Raising	Direct Expenses of Events	Total	2017	2016
Salaries	$ 527,660	$2,733,855	$ 765,999	$4,027,514	$ 441,203	$ 136,413	$ -	$ 577,616	$ 4,605,130	$ 4,336,894
Payroll taxes and employee benefits	190,731	1,220,083	304,501	1,715,315	197,893	61,615	-	259,508	1,974,823	1,836,745
Total salaries, taxes and employee benefits	718,391	3,953,938	1,070,500	5,742,829	639,096	198,028	-	837,124	6,579,953	6,173,639
Occupancy	3,560	22,417	5,829	31,806	6,142	1,174	-	7,316	39,121	36,762
Insurance	43,129	69,593	15,036	127,758	10,574	2,021	-	12,595	140,353	129,369
Utilities	95,282	16,586	2,363	114,231	2,490	476	-	2,965	117,197	114,792
Telephone	11,783	21,573	12,357	45,713	2,760	527	-	3,287	49,000	48,790
Postage	613	14,018	1,029	15,660	1,032	290	-	1,323	16,982	16,153
Printing	1,053	13,284	4,614	18,952	886	4,938	-	5,824	24,775	25,419
Subscriptions, dues and conferences	4,322	18,512	5,781	28,614	2,423	2,154	-	4,577	33,192	29,233
Transportation	39,206	34,841	3,807	77,854	624	1,478	-	2,103	79,957	76,564
Food	140,974	17,123	163,534	321,631	-	-	-	-	321,631	292,032
Laundry	7,888	500	-	8,388	-	-	-	-	8,388	7,247
Professional fees	19,290	234,528	59,795	313,612	39,989	189	-	40,177	353,790	418,429
Investment management fees	-	-	-	-	480,663	-	-	480,663	480,663	469,627
Awards	2,246	-	-	2,246	-	750	-	750	2,996	660
Special events admissions and donor costs	-	-	-	-	-	-	75,331	75,331	75,331	72,813
Office supplies	2,467	7,520	4,727	14,714	1,952	523	-	2,475	17,189	15,281
Program supplies and expenses	2,029	145,033	6,854	153,916	76	14	-	90	154,006	159,556
Repairs and maintenance	142,567	26,058	48,522	217,146	4,803	918	-	5,721	222,868	207,552
Staff recruitment and development	1,898	7,937	2,411	12,246	1,622	310	-	1,933	14,179	14,832
Miscellaneous	5,663	14,723	37,450	57,836	3,760	719	327	4,806	62,642	59,099
Depreciation	297,481	25,057	27,848	350,386	6,866	1,312	-	8,177	358,563	149,653
Total expenses	1,539,842	4,643,240	1,472,457	7,655,539	1,205,759	215,821	75,658	1,497,237	9,152,776	8,517,502
Less expenses deducted directly from revenues on the statement of activities and changes in net assets	-	-	-	-	(480,663)	-	(75,658)	(556,321)	(556,321)	(542,982)
Total expenses reported by function on the statement of activities and changes in net assets	$1,539,842	$4,643,240	$ 1,472,457	$7,655,539	$ 725,095	$ 215,821	$ -	$ 940,916	$ 8,596,455	$ 7,974,520

The accompanying notes are an integral part of these financial statements.

Statements of Cash Flows

Year Ended September 30, 2017

(With summarized comparative amounts for the Year Ended September 30, 2016)

	2017	2016
Cash flows from operating activities		
Change in net assets	$ 8,643,520	$ 3,953,007
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	358,563	149,653
Gain on beneficial interest in perpetual trusts	(241,960)	(120,596)
Unrealized and realized gain on investments	(9,695,418)	(5,548,946)
Increase (decrease) in cash attributable to changes in operating assets and liabilities:		
Interest and dividends receivable	(4,407)	8,693
Government grants receivable	(1,269,858)	(109,711)
Contributions receivable	249,778	(407,278)
Prepaid expenses and other assets	(29,857)	(11,383)
Accounts payable and accrued expenses	305,736	55,626
Advances	(58,486)	7,800
Net cash used in operating activities	(1,742,389)	(2,023,135)
Cash flows from investing activity		
Proceeds on sale of investments	43,371,543	23,642,903
Purchase of investments	(33,552,178)	(20,534,225)
Purchase of fixed assets	(8,457,307)	(441,051)
Net cash provided by investing activities	1,362,058	2,667,627
Net change in cash	(380,331)	644,492
Cash - Beginning of year	995,859	351,367
Cash - End of year	$ 615,528	$ 995,859

The accompanying notes are an integral part of these financial statements.

Notes to Financial Statements
Years Ended September 30, 2017 and 2016

1. Description of Organization and Summary of Significant Accounting Policies

Organization and Nature of Operations
VISIONS/Services for the Blind and Visually Impaired ("VISIONS") is a nonprofit rehabilitation and social service organization whose purpose is to develop and implement programs to:

- Assist people of all ages who are blind or visually impaired to lead independent and active lives in their homes and communities; and
- Educate the public to understand the capabilities and needs of people who are blind or visually impaired so that they may be integrated into all aspects of community life.

VISIONS fulfills its purpose by providing:

- Individualized rehabilitation training at home or in the community and in group settings
- Social services
- Employment training and job development
- Group and community education and activities

VISIONS programs focus on individuals with low income who are located primarily in the Greater New York Metropolitan area who are blind or visually impaired, including those with multiple disabilities, elderly, limited-English speakers and culturally diverse consumers.

In connection with the services it provides, VISIONS operates a training facility renamed VISIONS Center on Blindness ("VCB"). This facility was formerly known as Vacation Camp for the Blind. VCB is located in Spring Valley, New York. A new building and program called the Vocational Rehabilitation Center opened at VCB in August 2017. In addition, VISIONS is the service provider for the residents and guests of the building at Selis Manor located in New York City.

VISIONS is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, and has been classified as a public charity as defined in Section 509(a)(1) of the Internal Revenue Code ("IRC"), thereby qualifying donors for the maximum charitable deduction allowed under the IRC. VISIONS is funded primarily through investment income, government support and contributions.

Basis of Presentation
The financial statements have been prepared on the accrual basis of accounting.

Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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.

Financial Statement Net Asset Presentation
The classification of VISIONS net assets and its support, revenues and expenses are based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of three classes of net assets; permanently restricted, temporarily restricted and unrestricted, 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 and changes in net assets.

These three classes are defined as follows:

Permanently Restricted - Net assets resulting from contributions and other inflows of assets whose use by VISIONS is limited by donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of VISIONS, rather they remain in perpetuity.

Temporarily Restricted - Net assets resulting from contributions and other inflows of assets whose use by VISIONS is limited by donor-imposed stipulations that either expire by the passage of time or can be fulfilled and removed by actions of VISIONS pursuant to those stipulations. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets.

Unrestricted - The portion of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations.

Investments
Investments are stated at fair value. The investments are held in pooled accounts with the exception of those relating to the Fund for the Blind and the Selis Manor Fund. Investments, in general, are exposed to various risks such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, based on market fluctuations, and that such changes could materially affect the amounts reported in the financial statements.

Beneficial Interest in Perpetual Trusts
VISIONS has beneficial interests in funds held in perpetual trusts by other entities as trustees. The fair value of VISIONS beneficial interest in these perpetual trusts is estimated to be equal to the fair value of the portion of assets underlying the trusts attributable to VISIONS interest and is classified as permanently restricted net assets. These assets are not controlled by VISIONS nor are they available for use, therefore, these assets are not subject to VISIONS investments and spending policies relating to permanently restricted investments.

Fair Value Measurements
Fair value measurements establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below. Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that VISIONS has the ability to access. Level 2 inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability. Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement. The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2017 as compared to those used at September 30, 2016.

U.S. Treasury and government agency obligations, exchange traded funds, and equity securities - Valued at the closing price reported on the active market on which the individual securities are traded.

Corporate obligations and mortgage-backed securities - Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the creditworthiness of the issuer.

Mutual funds - Valued at the net asset value ("NAV") of shares held at year-end.

Beneficial interest in perpetual trusts - Valued based on the fair value of the underlying assets.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while VISIONS believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

See Note 3 for the table that sets forth by level, within the fair value hierarchy, the assets at fair value as of September 30, 2017 as compared to the prior year.

Government Grants Receivable
VISIONS records receivable from government grants based on established rates or contracts for services provided. Interest is not charged on overdue receivables.

Contributions Receivable
Unconditional promises to give are recognized as revenue when the promise is received. Unconditional promises to give that are expected to be collected within one year are recorded at fair 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 these amounts are computed using risk-adjusted 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.

Allowance for Doubtful Accounts
VISIONS has determined that no allowance for uncollectible government grants receivable or contributions receivable is necessary as of September 30, 2017 and 2016. Such estimate is based on management's assessments of the creditworthiness of its funding sources, the aged basis of its receivables, as well as current economic conditions, subsequent collections and historical information.

Fixed Assets
Fixed assets are stated at cost less accumulated depreciation. These amounts do not purport to represent replacement or realizable values. Acquisitions with a cost of $500 and an estimated useful life greater than one year are capitalized at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the assets.

Advances
Advances represent grant funds received in advance, attributable to future periods.

Government Support
Revenues from government agencies are recognized when earned. Expense-based grants are recognized as allowable expenses are incurred. Performance-based grants are recognized as milestones are achieved. There were no provisions for disallowances reflected in the accompanying financial statements, since management does not anticipate any material adjustments.

VCB Contributions
VCB contributions for services are based upon ability to pay as determined by the participant.

Donated Services
The estimated fair value of donated services, which consists of donated professional fees, is recognized in the financial statements as revenue and expenses in the period in which the services were provided.

Occupancy Expense
Occupancy expense for the year ended September 30, 2017 consists of office condominium maintenance charges.

Functional Allocation of Expenses
The costs of providing the various programs and other activities are summarized on a functional basis in the statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Summarized Financial Information
The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S GAAP. Accordingly, such information should be read in conjunction with VISIONS financial statements for the year ended September 30, 2016, from which the summarized information was derived.

2. Contributions Receivable

Contributions receivable as of September 30, 2017 from two foundations are due as follows:

2018	$ 143,590
2019	109,273
	252,863
Less discount to net present value (imputed interest of 3%)	(15,363)
Net realizable value	$ 237,500

3. Investments

VISIONS investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following table presents the financial assets measured at fair value on a recurring basis and are categorized using the fair value hierarchy. The fair value hierarchy has three levels based on the reliability of the inputs used to determine fair value as follows: level 1 consisting of quoted prices in active markets for identical assets; level 2 consisting of significant other observable inputs; and level 3 consisting of significant unobservable inputs.

Investments at fair value as of September 30, 2017 are as follows:

		Total	Level 1	Level 2	Level 3
Corporate obligations		$ 2,325,140	$ -	$ 2,325,140	$ -
U.S. Treasury and government agency obligations		3,068,280	3,068,280	-	-
Mortgage-backed securities		63,853	-	63,853	-
Equity securities		54,731,901	54,731,901	-	-
Exchange traded funds					
Equity funds	$ 2,682,383			-	-
Fixed income funds	2,820,729			-	-
Total exchange traded funds		5,503,112	5,503,112	-	-
Mutual funds					
Domestic	5,560,654			-	-
Foreign	1,004,224			-	-
Total mutual funds		6,564,878	6,564,878	-	-
Total investments reported on their fair value hierarchy		72,257,164	$ 69,868,171	$ 2,388,993	-
Cash and cash equivalents		8,746,194			-
Beneficial interest in perpetual trusts		3,634,344			$ 3,634,344
Total investments		$ 84,637,702			

Investments at fair value as of September 30, 2016 are as follows:

		Total	Level 1	Level 2	Level 3
Corporate obligations		$ 2,727,213	$ -	$ 2,727,213	$ -
U.S. Treasury and government agency obligations		2,846,799	2,846,799	-	-
Mortgage-backed securities		98,244	-	98,244	-
Equity securities		54,750,293	54,750,293	-	-
Exchange traded funds					
Equity funds	$ 2,329,192	-		-	-
Fixed income funds	3,807,145	-		-	-
Total exchange traded funds		6,136,337	6,136,337	-	-
Mutual funds					
Domestic	2,710,984			-	-
Foreign	352,453			-	-
Total mutual funds		3,063,437	3,063,437	-	-
Total investments reported on their fair value hierarchy		69,622,323	$ 66,796,866	$ 2,825,457	-
Cash and cash equivalents		11,504,982			-
Beneficial interest in perpetual trusts		3,392,384			$ 3,392,384
Total investments		$ 84,519,689			

Investment management fees of $480,663 and $469,627, respectively, for the years ended September 30, 2017 and 2016 have been netted against net realized and unrealized gains on investments.

Total investments as reported on the statements of financial position is comprised of the following as of September 30:

	2017	2016
Unrestricted investments	$ 6,163,418	$ 5,828,479
Beneficial interest in perpetual trusts	3,634,344	3,392,384
Long-term investments - permanently restricted	74,839,940	75,298,826
Total investments	$ 84,637,702	$ 84,519,689

Beneficial Interest in Perpetual Trusts

The table below sets forth a summary of changes in the fair value of the Level 3 assets pertaining to the Beneficial Interest in Perpetual Trusts for the years ended September 30, 2017 and 2016:

	2017	2016
Balance at beginning of year	$ 3,392,384	$ 3,271,788
Unrealized gain on assets held at year-end	241,960	120,596
Balance at end of year	$ 3,634,344	$ 3,392,384

4. Fixed Assets

Fixed assets consist of the following as of September 30:

	2017	2016	Estimated Useful Lives
Land	$ 94,500	$ 94,500	
Office condominium	1,100,000	1,100,000	40 years
Office condominium improvements	481,451	481,451	15 years
VCB building, equipment and vehicles	2,357,201	2,326,106	3-15 years
Furniture, fixtures and office equipment	211,323	210,152	3-5 years
Selis Manor improvements	47,691	76,891	15 years
Selis Manor office equipment	143,842	152,200	3-5 years
Vocational Rehabilitation Center	9,144,391	-	5-30 years
Construction-in-progress	-	772,766	
Total costs	13,580,399	5,214,066	
Less: accumulated depreciation	(3,747,541)	(3,479,952)	
Net book value	$ 9,832,858	$ 1,734,114	

During the year ended September 30, 2017, VISIONS has completed a project to build its Vocational Rehabilitation Center building on the VISIONS Center on Blindness campus. Funding for this project was derived primarily from distributions from Fund for the Blind and several grants and contributions.

5. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at September 30:

	2017	2016
Community services	$ 386,291	$ 505,444
VCB	112,500	150,000
Selis Manor	-	26,250
	$ 498,791	$ 681,694

During the year, restricted net assets were released from restrictions by incurring expenses satisfying the restricted purposes as follows:

	2017	2016
Community services	$ 2,952,053	$ 2,655,738
VCB	1,714,905	411,058
Selis Manor	955,457	911,429
General operations	3,217,469	3,080,800
	$ 8,839,884	$ 7,059,025

6. Permanently Restricted Net Assets

Permanently restricted net assets are to be held in perpetuity and are comprised of the following as of September 30:

	2017	2016
Endowment Funds:		
Fund for the Blind	$ 68,331,079	$ 69,122,972
Ilma F. Kern Fund	2,538,350	2,371,846
Selis Manor Fund	1,300,000	1,300,000
Edna F. Blum Fund	1,365,097	1,275,186
Ilma F. Kern Fund of Selis	925,464	865,523
Wick Stern Fund	261,227	244,576
Other endowment funds	118,723	118,723
Total endowment funds	74,839,940	75,298,826
Perpetual Trusts:		
Martin S. Paine	1,895,209	1,765,793
Adrian Jackson	954,177	881,521
Maude Aguilar Leland	772,088	733,439
Charles H. Ruhl	12,870	11,631
Total perpetual trusts	3,634,344	3,392,384
Total permanently restricted net assets	$ 78,474,284	$ 78,691,210

Income, except for the net appreciation (depreciation) on the assets of the Fund for the Blind, from which is expendable for general purposes is permanently restricted.

Fund for the Blind
In accordance with the Fund for the Blind documents and VISIONS by-laws, there are multiple limitations set forth preventing VISIONS from freely accessing the investment earnings derived from the funds' assets. Therefore, the asset value reported on the accompanying statement of financial position does not purport the useable value to VISIONS.

General
VISIONS permanently restricted net assets consist of 11 endowment funds whose assets are to be held in perpetuity. The income from the assets can be used for general operations.

As required by generally accepted accounting principles (GAAP), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law
The Board of Directors of the organization adopted the New York Prudent Management of Institutional Funds Act (NYPMIFA). NYPMIFA moves away from the "historic dollar value" standard, and permits charities to apply a spending policy to endowments based on certain specified standards of prudence. The organization is governed by the NYPMIFA spending policy, which establishes a maximum prudent spending limit of 7% of the average of its previous five years' balance. As a result of this interpretation, VISIONS classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by VISIONS in a manner consistent with the standard of prudence prescribed by NYPMIFA.

Return Objectives, Strategies Employed and Spending Policy
The objective of VISIONS is to maintain the principal endowment funds at the original amount designated by the donor while generating income to support its programs. The investment policy to achieve this objective is to invest in low-risk securities. Investment income earned in relation to the endowment funds is recorded as temporarily restricted income and appropriated for the expenditures for which the endowment fund was established. The Trustees of the Fund for the Blind voted a 4% monthly distribution for VISIONS based on a 5-year rolling average calculated in December, beginning October 1, 2016. All principal and appreciation/depreciation is permanently restricted. The 4% transfer is all unrestricted.

Endowment Net Asset Composition by Type of Fund as of September 30, 2017:

	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets at beginning of year	$ -	$ 75,298,826	$ 75,298,826
Interest and dividends	1,593,544	-	1,593,544
Net realized and unrealized gains/(losses), net	1,623,925	7,041,114	8,665,039
Net assets released from restrictions	-	(7,500,000)	(7,500,000)
Appropriated for expenditure	(3,217,469)	-	(3,217,469)
Endowment net assets at end of year	$ -	$ 74,839,940	$ 74,839,940

Endowment Net Asset Composition by Type of Fund as of September 30, 2016:

	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets at beginning of year	$ -	$ 72,919,790	$ 72,919,790
Interest and dividends	1,628,585	-	1,628,585
Net realized and unrealized gains/(losses), net	1,452,215	3,379,036	4,831,251
Net assets released from restrictions	-	(1,000,000)	(1,000,000)
Appropriated for expenditure	(3,080,800)	-	(3,080,800)
Endowment net assets at end of year	$ -	$ 75,298,826	$ 75,298,826

Independent trustees, when requested by VISIONS, can release from restriction a portion of the Fund for the Blind's permanently restricted net assets. For the year ended September 30, 2017, $7,500,000 was released for the purposes of the vocational rehabilitation center building on the VISIONS Center on Blindness campus (Note 4).

Funds with Deficiencies
VISIONS does not have any funds with deficiencies as of September 30, 2017.

7. Retirement Plan

VISIONS sponsors a defined contribution pension program under Section 403(b) of the Internal Revenue Code. Employees may make voluntary contributions to the plan. VISIONS contributes 5% of an eligible employee's salary provided that such employee has been employed full time by VISIONS for at least one year. For the years ended September 30, 2017 and 2016, such contributions resulted in expenses of $216,307 and $180,099, respectively.

8. Concentrations and Contingencies

VISIONS maintains cash balances at multiple financial institutions. As of September 30, 2017, cash exceeded Federal Deposit Insurance Corporation limit of $250,000 per institution. The total uninsured cash balance as of September 30, 2017 was approximately $1,539,000. Management believes that credit risk related to these accounts is minimal based on the historical credit worthiness of this financial institution.

VISIONS investments are concentrated in marketable equity securities and funds that invest in marketable equity securities. Such securities are subject to various risks that determine the value of the funds. Due to the level of risk associated with certain equity securities and the level of uncertainty related to changes in the value of these securities, it is at least reasonably possible that changes in market conditions in the near term could materially affect the value of investments reported in the financial statements.

Effective February 1, 2001, The Associated Blind Housing Development Fund Corporation ("HDFC") and VISIONS entered into a service provider contract. The term of the agreement is for twenty-five years, terminating January 31, 2026, with an automatic annual renewal unless six months prior notice is given by either party. To maintain the contract, VISIONS is required to provide social, recreational and volunteer services for the residents and guests of Selis Manor, a housing complex located on West 23rd Street in Manhattan. Should the level and/or quality of service provided be deemed unsatisfactory, under certain conditions, VISIONS may be required to return the initially funded capital. The "fund" consists of $1,300,000.

9. Beneficial Interest in Perpetual Trusts

Four perpetual trusts were established for the benefit of VISIONS. Under the terms of the trusts, the income generated is payable to VISIONS. The contributions were classified as permanently restricted support and the annual distributions from the trusts are reported as investment income.

10. Related Party Transactions

The firms providing investment advisory services to The Fund for the Blind included Board members, who were also Trustees of The Fund for the Blind at various times during the year ended September 30, 2017. Fees paid for investment advisory fees during those periods totaled approximately $134,000.

11. Subsequent Events

VISIONS has evaluated subsequent events through January 22, 2018, the date the financial statements were available for issuance.

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