Georgia Society to Prevent Blindness, Inc.
(d/b/a Prevent Blindness Georgia)

Financial Report
March 31, 2014

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Independent Auditor's Report

To the Board of Directors
Georgia Society to Prevent Blindness, Inc.
(d/b/a Prevent Blindness Georgia)

We have audited the accompanying financial statements of Georgia Society to Prevent Blindness, Inc. (d/b/a Prevent Blindness Georgia) (the "Organization"), which comprise the statement of financial position as of March 31, 2014 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 Georgia Society to Prevent Blindness, Inc. (d/b/a Prevent Blindness Georgia) as of March 31, 2014, and the results of its operations and changes in net assets, functional expenses, and cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Plante & Moran, PLLC

August 22, 2014

Georgia Society to Prevent Blindness, Inc.
(d/b/a Prevent Blindness Georgia)

Statement of Financial Position
March 31, 2014

Assets		
Cash	$	89,545
Contributions receivable		133,116
Grants receivable		21,044
Investments (Note 2)		1,463,365
Prepaid expenses and other assets		14,350
Property and equipment - Net of accumulated depreciation (Note 3)		37,704
Total assets	**$**	**1,759,124**
Liabilities and Net Assets		
Liabilities		
Accounts payable	$	17,515
Accrued vacation		20,232
Due to National office (Note 4)		69,363
Short-term borrowings - Bank (Note 5)		75,000
Deferred rent		5,725
Total liabilities		187,835
Net Assets		
Unrestricted		582,251
Temporarily restricted (Note 8)		389,038
Permanently restricted (Note 9)		600,000
Total net assets		1,571,289
Total liabilities and net assets	**$**	**1,759,124**

See Notes to Financial Statements.

Georgia Society to Prevent Blindness, Inc.
(d/b/a Prevent Blindness Georgia)

Statement of Activities and Changes in Net Assets
Year Ended March 31, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue and Support				
Contributions	$ 156,042	$ 156,158	$ -	$ 312,200
Fees and grants from governmental agencies	378,336	-	-	378,336
Program service revenue	16,015	-	-	16,015
Received indirectly - Combined service campaign	2,922	-	-	2,922
Special events, net of direct costs of $49,623	211,047	-	-	211,047
Net realized and unrealized gains and losses on investments	51,849	73,631	-	125,480
Interest and dividend income	11,068	15,073	-	26,141
Total revenue and support	827,279	244,862	-	1,072,141
Net Assets Released from Restrictions	117,158	(117,158)	-	-
Total revenue, support, and net assets released from restrictions	944,437	127,704	-	1,072,141
Expenses				
Program services:				
Public health education	107,086	-	-	107,086
Professional education and training	58,070	-	-	58,070
Community services	576,938	-	-	576,938
Total program services	742,094	-	-	742,094
Support services:				
General and administrative	100,495	-	-	100,495
Fundraising	65,913	-	-	65,913
Total support services	166,408	-	-	166,408
Total expenses	908,502	-	-	908,502
Increase in Net Assets	35,935	127,704	-	163,639
Net Assets - Beginning of year	546,316	261,334	600,000	1,407,650
Net Assets - End of year	**$ 582,251**	**$ 389,038**	**$ 600,000**	**$ 1,571,289**

Georgia Society to Prevent Blindness, Inc.
(d/b/a Prevent Blindness Georgia)

Statement of Functional Expenses
Year Ended March 31, 2014

	Program Services				Support Services			
	Public Health Education	Professional Education and Training	Community Services	Total	General and Administrative	Fundraising	Total	Total Expenses
Salaries	$ 54,653	$ 22,226	$ 243,984	$ 320,863	$ 44,550	$ 30,197	$ 74,747	$ 395,610
Employee benefits	13,512	10,665	51,705	75,882	3,191	4,687	7,878	83,760
Payroll taxes	4,372	1,778	20,337	26,487	3,804	2,894	6,698	33,185
Total salaries and related expenses	72,537	34,669	316,026	423,232	51,545	37,778	89,323	512,555
Professional fees and outside services	-	-	34,390	34,390	9,441	1,308	10,749	45,139
Office supplies and equipment	623	15	8,391	9,029	4,844	3,267	8,111	17,140
Program supplies and equipment	255	456	105,175	105,886	-	114	114	106,000
Telephone	125	78	1,919	2,122	8,473	-	8,473	10,595
Printing and publications	5,500	495	11,493	17,488	1,589	2,660	4,249	21,737
Office equipment maintenance	250	300	3,736	4,286	1,300	-	1,300	5,586
Posting and shipping	500	250	4,161	4,911	-	1,250	1,250	6,161
Building occupancy	5,500	5,500	15,923	26,923	6,500	6,225	12,725	39,648
Travel and meetings	822	1,573	32,167	34,562	543	350	893	35,455
Insurance	300	235	4,000	4,535	500	500	1,000	5,535
Dues and subscriptions	435	700	-	1,135	6,562	3,262	9,824	10,959
Affiliate support of national programs	14,503	9,888	28,346	52,737	6,592	6,592	13,184	65,921
Depreciation	5,736	3,911	11,211	20,858	2,606	2,607	5,213	26,071
Special events direct expenses	-	-	-	-	-	49,623	49,623	49,623
Total functional expenses	**$ 107,086**	**$ 58,070**	**$ 576,938**	**$ 742,094**	**$ 100,495**	**$ 115,536**	**$ 216,031**	**$ 958,125**

See Notes to Financial Statements.

Georgia Society to Prevent Blindness, Inc.
(d/b/a Prevent Blindness Georgia)

Statement of Cash Flows
Year Ended March 31, 2014

Cash Flows from Operating Activities	
Increase in net assets	$ 163,639
Adjustments to reconcile increase in net assets to net cash from operating activities:	
Depreciation	26,071
Realized and change in unrealized gain on investments	(125,480)
Deferred rent	5,725
Changes in operating assets and liabilities which (used) provided cash:	
Contributions receivable	(120,767)
Grants receivable	58,038
Prepaid expenses and other assets	(1,050)
Accounts payable	4,082
Accrued vacation	(7,175)
Amounts due to National	(8,380)
Net cash used in operating activities	(5,297)
Cash Flows from Investing Activities	
Capital expenditures	(18,215)
Purchases of investment securities	(312,957)
Proceeds from sales of investment securities	419,820
Net cash provided by investing activities	88,648
Net Increase in Cash	83,351
Cash - Beginning of year	6,194
Cash - End of year	**$ 89,545**
Supplemental Disclosure of Cash Flow Information - Cash paid for interest	**$ 3,992**

Note 1 - Nature of Business and Significant Accounting Policies

Nature of Organization - Georgia Society to Prevent Blindness, Inc. (d/b/a Prevent Blindness Georgia) (the "Organization") is a not-for-profit organization dedicated to promoting research in the causes and prevention of blindness, and increasing public awareness about blindness and vision protection.

Significant accounting policies are as follows:

Classification of Net Assets - Net assets of the Organization are classified as unrestricted, temporarily restricted, or permanently restricted depending on the presence and characteristics of donor-imposed restrictions limiting the Organization's ability to use or dispose of contributed assets or the economic benefits embodied in those assets.

Donor-imposed restrictions that expire with the passage of time or can be removed by meeting certain requirements result in temporarily restricted net assets. Permanently restricted net assets result from donor-imposed restrictions that limit the use of net assets in perpetuity. Earnings, gains, and losses on restricted net assets are classified as unrestricted unless specifically restricted by the donor or by applicable state law.

Contributions - Contributions of cash and other assets, including unconditional promises to give in the future, are reported as revenue when received, measured at fair value. Donor promises to give in the future are recorded at the present value of estimated future cash flows. Contributions resulting from split-interest agreements, measured at the time the agreements are entered into, are based on the difference between the fair value of the assets received or promised and the present value of the obligation to the third-party recipient(s) under the contract.

Contributions without donor-imposed restrictions and contributions with donor-imposed time or purpose restrictions that are met in the same period as the gift are both reported as unrestricted support. Other restricted gifts are reported as restricted support and temporarily or permanently restricted net assets.

Government Grant Revenue - The Organization enters into contracts with certain governmental and private agencies. Revenue under these contracts is recognized when earned. The activities of the Organization relating to certain contracts are subject to review or audit by the responsible governmental agency to determine compliance with award documents and may be subject to possible adjustment based on negotiations with the funding agencies. The Organization has not provided allowances in the financial statements for potential adjustments since such amounts, if any, are not expected to be significant.

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Contributions and Other Receivables - The Organization's contributions and other receivable are comprised primarily of grants and allocations committed from various funding agencies, corporations, and individuals for use in the Organization's activities. Contributions receivable at March 31, 2014 are expected to be collected within one year. The Organization has not recorded a provision for doubtful accounts since it is the opinion of management that those receivables are collectible in full.

Investments - Investments in debt and equity securities are recorded at fair value based on quoted market prices.

Property and Equipment - Property and equipment are recorded at cost when purchased or at fair value at the date of donation and are being depreciated on a straight-line basis over their estimated useful lives. All of the Organization's property and equipment have an estimated useful life of five years. Costs of maintenance and repairs are charged to expense when incurred.

Federal Income Taxes - The Organization is exempt from income tax under provisions of Internal Revenue Code Section 501(c)(3). Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or other applicable taxing authorities. Management has analyzed the tax positions taken by the Organization, and has concluded that as of March 31, 2014, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes it is no longer subject to income tax examinations for years prior to 2011.

Functional Allocation of Expenses - The costs of providing the program and support services have been reported on a functional basis in the statement of activities and changes in net assets. Indirect costs have been allocated between the various programs and support services based on estimates, as determined by management. Although the methods of allocation used are considered reasonable, other methods could be used that would produce a different amount.

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 revenue, expenses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Subsequent Events - The financial statements and related disclosures include evaluation of events up through and including August 22, 2014, which is the date the financial statements were available to be issued.

Note 2 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the Organization's assets measured at fair value on a recurring basis at March 31, 2014 and the valuation techniques used by the Organization to determine those fair values.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

The Organization currently has no Level 2 or 3 inputs.

Note 2 - Fair Value Measurements (Continued)

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Organization's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

Assets Measured at Fair Value on a Recurring Basis at March 31, 2014

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at March 31, 2014
Investments:				
Equity securities	$ 827,411	$ -	$ -	$ 827,411
Mutual funds	616,322	-	-	616,322
Money market funds	19,632	-	-	19,632
Total investments	$ 1,463,365	$ -	$ -	$ 1,463,365

The fair values of the Organization's equity securities, mutual funds, and money market funds at March 31, 2014 were determined using quoted market prices in an active market.

Total investment income reported on the statement of activities and changes in net assets is net of investment expenses of $10,190 for the year ended March 31, 2014.

Note 3 - Property and Equipment

Property and equipment are summarized as follows:

Program equipment	$ 58,933
Office equipment	21,798
Automotive equipment	34,138
Furniture and fixtures	15,485
Total cost	130,354
Accumulated depreciation	92,650
Net property and equipment	$ 37,704

Depreciation expense was $26,071 for 2014.

Note 4 - Due to National Office

The Organization is an independent affiliate of the National Society to Prevent Blindness (National). In accordance with the terms of the affiliation agreement, the Organization remits 12 percent of all discretionary income, calculated based on prior year income, to National. Discretionary income includes all income received except interest in investments, reimbursements, fees for services, and/or sales of materials or contributions that are designed or expressly restricted by the donor. Twenty-five percent of the receipts, not expressly restricted, from legacies, inter vivos trusts, or property from testamentary trusts from decedents dying on or after January 1, 1978 and whose wills are dated before December 31, 1995 are remitted to National. Thirty-three percent of the receipts, not expressly restricted, from legacies, inter vivos trust, or property from testamentary trusts from decedents whose wills are dated on or after January 1, 1996 are remitted to National. In addition, 3 percent of the receipts received after January 1, 1996, not expressly restricted, from legacies, inter vivos trusts, or property from testamentary trusts is remitted to National for bequest development.

Note 5 - Short-term Borrowings - Bank

The Organization has an open-end revolving line of credit with SunTrust Bank with total available borrowings of $75,000. There were outstanding borrowings on this line of credit of $75,000 as of March 31, 2014. Interest is payable monthly at a rate equal to the SunTrust Prime Rate plus 2.00 percent per annum (an effective rate of 5.25 percent at March 31, 2014). The line of credit is collateralized by the Organization's general investment account.

Note 6 - Employee Benefit Plan

The Organization participates in a contributory defined contribution plan offered by Prevent Blindness America to substantially all employees who meet the eligibility requirements of age and length of service. Total contributions under the plan were $12,767 for the year ended March 31, 2014.

Note 7 - Operating Leases

The Company is obligated under certain operating leases, primarily for facilities and office equipment. Total rent expense under these leases was $38,070 for the year ended March 31, 2014.

Note 7 - Operating Leases (Continued)

Future minimum rental commitments are as follows:

Years Ending March 31		Amount
2015		$ 39,096
2016		38,188
2017		25,162
2018		479
2019		359
	Total	$ 103,284

Note 8 - Temporarily Restricted Net Assets

Temporarily restricted net assets at March 31, 2014 are restricted for the following:

Unappropriated earnings on endowment	$ 298,871
Contributions restricted by time and the Glaucoma Project	75,000
Contributions restricted for Star Pupils and the Glaucoma Project	15,167
Total temporarily restricted net assets	$ 389,038

Note 9 - Donor-restricted Endowments

The Organization's endowment consists of a donor-restricted endowment fund.

Interpretation of Relevant Law

The board of directors of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization 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 the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the Organization and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Organization
(7) The investment policies of the Organization.

Endowment Net Asset Composition by Type of Fund as of March 31, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ -	$ 298,871	$ 600,000	$ 898,871

Note 9 - Donor-restricted Endowments (Continued)

Changes in Endowment Net Assets for the Fiscal Year Ended March 31, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets - Beginning of year	$ -	$ 246,167	$ 600,000	$ 846,167
Investment return:				
Investment income - Net of related expenses of $4,225	-	15,073	-	15,073
Net appreciation (realized and unrealized)	-	73,631	-	73,631
Total investment return	-	88,704	-	88,704
Appropriation of endowment assets for expenditure	-	(36,000)	-	(36,000)
Endowment net assets - End of year	$ -	$ 298,871	$ 600,000	$ 898,871

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. There were no such deficiencies as of March 31, 2014.

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Organization has a policy of appropriating fixed dollar amounts rather than a percentage of its endowment's average fair value or some other variable computation mechanism. For the year ended March 31, 2014, the appropriations totaled $36,000.