VisionCorps and VisionCorps Foundation

Year Ended September 30, 2015, with Comparative Totals
for Year Ended September 30, 2014

Trout, Ebersole & Groff LLP

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VisionCorps and VisionCorps Foundation

Consolidated Financial Statements
with Supplementary Information

Year Ended September 30, 2015, with Comparative Totals for Year Ended September 30, 2014

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
VisionCorps and VisionCorps Foundation
Lancaster, Pennsylvania

Report on Financial Statements
We have audited the accompanying consolidated financial statements of **VisionCorps** (a nonprofit organization) and **VisionCorps Foundation** (a nonprofit organization)**,** which comprise the consolidated statement of financial position as of September 30, 2015, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

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

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Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of **VisionCorps and VisionCorps Foundation** as of September 30, 2015, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Report on Summarized Comparative Information

We have previously audited the **VisionCorps and VisionCorps Foundation's** 2014 consolidated financial statements, and our report dated November 13, 2014, expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Consolidating Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules on pages 27-30 are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations and cash flows of the individual entities, and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Trout, Ebersole & Groff, LLP

November 11, 2015
Lancaster, Pennsylvania

TROUT, EBERSOLE & GROFF, LLP
Certified Public Accountants

VisionCorps and VisionCorps Foundation

CONSOLIDATED STATEMENT of FINANCIAL POSITION

September 30, 2015, with Comparative Totals for September 30, 2014

ASSETS

	Unrestricted				Total	
	Operating	Board Designated	Temporarily Restricted	Permanently Restricted	2015	2014
CURRENT ASSETS						
Cash and Cash Equivalents	$ 1,160,020	$ 12,250	$ 10,868	$	$ 1,183,138	2,235,945
Accounts Receivable	2,051,513				2,051,513	2,386,805
Inventories	2,256,010				2,256,010	2,717,879
Prepaid Expenses	140,678				140,678	161,198
Total Current Assets	**5,608,221**	**12,250**	**10,868**	**-0-**	**5,631,339**	**7,501,827**
INVESTMENTS						
Fulton Financial Advisors	662,608	2,266,524	308,209		3,237,341	3,093,914
BNY Mellon		2,920,708			2,920,708	2,220,695
Vollmer Bequest			186,164		186,164	196,754
Peters Bequest			441,326		441,326	457,311
Endowment		220,016		73,134	293,150	309,947
Robert Y. Garrett, Jr. Memorial			4,342	10,000	14,342	14,304
Total Investments	**662,608**	**5,407,248**	**940,041**	**83,134**	**7,093,031**	**6,292,925**
PROPERTY and EQUIPMENT						
Property and Equipment	15,328,114				15,328,114	14,527,075
Accumulated Depreciation	(6,249,094)				(6,249,094)	(5,812,078)
Net Property and Equipment	**9,079,020**	**-0-**	**-0-**	**-0-**	**9,079,020**	**8,714,997**
OTHER ASSETS						
Deposits on Equipment	96,833				96,833	146,699
Beneficial Interest in Perpetual Trusts				1,216,975	1,216,975	1,341,762
Total Other Assets	**96,833**	**-0-**	**-0-**	**1,216,975**	**1,313,808**	**1,488,461**
TOTAL ASSETS	**$ 15,446,682**	**$ 5,419,498**	**$ 950,909**	**$ 1,300,109**	**$23,117,198**	**$ 23,998,210**

See notes to financial statements.

VisionCorps and VisionCorps Foundation

CONSOLIDATED STATEMENT of FINANCIAL POSITION

(Continued)

September 30, 2015, with Comparative Totals for September 30, 2014

LIABILITIES and NET ASSETS

	Unrestricted				Total	
	Operating	Board Designated	Temporarily Restricted	Permanently Restricted	2015	2014
CURRENT LIABILITIES						
Notes Payable - Current Portion	$ 67,199	$	$	$	$ 67,199	$ 66,117
Accounts Payable	703,864				703,864	1,910,589
Accrued Payroll	123,215				123,215	107,189
Accrued and Withheld Payroll Taxes	9,023				9,023	7,795
Accrued Benefits	181,806				181,806	151,372
Charitable Gift Annuities - Current Portion	4,031				4,031	4,435
Deferred Revenue	1,600				1,600	12,614
Total Current Liabilities	**1,090,738**	**-0-**	**-0-**	**-0-**	**1,090,738**	**2,260,111**
NON-CURRENT LIABILITIES						
Notes Payable, Net of Current Portion	68,307				68,307	135,498
Charitable Gift Annuities	4,149				4,149	8,180
Total Non-Current Liabilities	**72,456**	**-0-**	**-0-**	**-0-**	**72,456**	**143,678**
TOTAL LIABILITIES	**1,163,194**	**-0-**	**-0-**	**-0-**	**1,163,194**	**2,403,789**
NET ASSETS						
Unrestricted	14,283,488	5,419,498			19,702,986	19,437,300
Temporarily Restricted			950,909		950,909	732,225
Permanently Restricted				1,300,109	1,300,109	1,424,896
TOTAL NET ASSETS	**14,283,488**	**5,419,498**	**950,909**	**1,300,109**	**21,954,004**	**21,594,421**
TOTAL LIABILITIES and NET ASSETS	**$ 15,446,682**	**$ 5,419,498**	**$ 950,909**	**$ 1,300,109**	**$ 23,117,198**	**$ 23,998,210**

See notes to financial statements.

VisionCorps and VisionCorps Foundation

CONSOLIDATED STATEMENT of ACTIVITIES

Year Ended September 30, 2015, with Comparative Totals for Year Ended September 30, 2014

	Unrestricted				Total	
	Operating	Board Designated	Temporarily Restricted	Permanently Restricted	2015	2014
SUPPORT						
Contributions:						
Public	$ 310,060	$	$ 244,459	$	$ 554,519	$ 389,337
In-Kind Contributions	45,623				45,623	43,019
Fee for Services and Grants	267,386				267,386	271,270
Total Support	**623,069**	**-0-**	**244,459**	**-0-**	**867,528**	**703,626**
REVENUE						
Enterprise Group Sales	21,329,400				21,329,400	21,236,676
Client Services	8,046				8,046	7,221
Investment Income (Loss)	38,118	(100,485)	(25,775)		(88,142)	652,764
Other Income	63,724				63,724	44,240
Change in Value of Beneficial Interest in Perpetual Trusts				(124,787)	(124,787)	34,656
Change in Value of Split Interest Agreements	(825)				(825)	(880)
Total Revenue	**21,438,463**	**(100,485)**	**(25,775)**	**(124,787)**	**21,187,416**	**21,974,677**
Total Support, Revenue, and Net Assets Released from Restrictions	**22,061,532**	**(100,485)**	**218,684**	**(124,787)**	**22,054,944**	**22,678,303**
FUNCTIONAL EXPENSES						
Program Expenses:						
Enterprise Group	19,422,952				19,422,952	19,447,207
Rehabilitation	1,030,272				1,030,272	1,009,451
Youth Services	337,249				337,249	315,111
Grant Making	24,950				24,950	40,608
Education and Public Awareness	81,906				81,906	111,643
Development	282,211				282,211	202,538
Administration	726,179				726,179	654,436
Total Functional Expenses	**21,905,719**	**-0-**	**-0-**	**-0-**	**21,905,719**	**21,780,994**
Changes in Net Assets Before Bequests (Carried Forward)	**$ 155,813**	**$ (100,485)**	**$ 218,684**	**$ (124,787)**	**$ 149,225**	**$ 897,309**

See notes to financial statements.

VisionCorps and VisionCorps Foundation

CONSOLIDATED STATEMENT of ACTIVITIES

(Continued)

Year Ended September 30, 2015, with Comparative Totals for Year Ended September 30, 2014

	Unrestricted				Total	
	Operating	Board Designated	Temporarily Restricted	Permanently Restricted	2015	2014
Changes in Net Assets Before Bequests (Brought Forward)	**$ 155,813**	**$ (100,485)**	**$ 218,684**	**$ (124,787)**	**$ 149,225**	**$ 897,309**
BEQUESTS	**210,358**	**-0-**	**-0-**	**-0-**	**210,358**	**817,769**
CHANGES in NET ASSETS	**366,171**	**(100,485)**	**218,684**	**(124,787)**	**359,583**	**1,715,078**
NET ASSETS						
Beginning of Year	13,917,317	5,519,983	732,225	1,424,896	21,594,421	19,879,343
End of Year	**$ 14,283,488**	**$ 5,419,498**	**$ 950,909**	**$ 1,300,109**	**$ 21,954,004**	**$ 21,594,421**

See notes to financial statements.

VisionCorps and VisionCorps Foundation

CONSOLIDATED STATEMENT of CASH FLOWS

Year Ended September 30, 2015, with Comparative Totals for Year Ended September 30, 2014

	2015	2014
CASH FLOWS from OPERATING ACTIVITIES		
Changes in Net Assets	$ 359,583	$ 1,715,078
Adjustments to Reconcile Changes in Net Assets		
to Net Cash Provided by Operating Activities:		
Realized and Unrealized (Gain) Loss on Investments	334,940	(427,651)
Depreciation	527,489	508,320
Net Loss on Disposal of Inventory	15,138	45,020
Change in Value of Beneficial Interest in Perpetual Trusts	124,787	(34,656)
Change in Value of Split Interest Agreements	825	880
(Increase) Decrease in:		
Accounts Receivable	335,292	1,616,756
Inventories	461,869	(751,244)
Prepaid Expenses	20,520	(111,689)
Increase (Decrease) in:		
Accounts Payable	(1,206,725)	30,007
Accrued Payroll, Taxes, and Benefits	47,688	19,849
Deferred Revenue	(11,014)	5,034
Net Cash Provided by Operating Activities	**1,010,392**	**2,615,704**
CASH FLOWS from INVESTING ACTIVITIES		
Deposits on Equipment	(96,833)	(146,699)
Purchase of Investments	(3,313,190)	(2,289,787)
Proceeds from Sale of Investments	2,178,144	2,072,520
Purchase of Property and Equipment	(768,553)	(154,588)
Proceeds from Sale of Property and Equipment	8,602	168,400
Net Cash Used by Investing Activities	**(1,991,830)**	**(350,154)**
CASH FLOWS from FINANCING ACTIVITIES		
Payments Made on Split Interest Agreements	(5,260)	(4,348)
Payments on Line of Credit	-0-	(44,677)
Proceeds from Split Interest Agreements	-0-	8,700
Principal Payments on Long-Term Borrowings	(66,109)	(99,973)
Net Cash Used by Financing Activities	**(71,369)**	**(140,298)**
INCREASE (DECREASE) in CASH and CASH EQUIVALENTS	**(1,052,807)**	**2,125,252**
CASH and CASH EQUIVALENTS		
Beginning of Year	2,235,945	110,693
End of Year	**$ 1,183,138**	**$ 2,235,945**
SUPPLEMENTAL DISCLOSURE of CASH FLOW INFORMATION		
Cash Payments for Interest	2,933	4,954

See notes to financial statements.

VisionCorps and VisionCorps Foundation

CONSOLIDATED STATEMENT of FUNCTIONAL EXPENSES

Year Ended September 30, 2015, with Comparative Totals for Year Ended September 30, 2014

	Program Expenses							Total Expenses	
	Enterprise Group	Rehabilitation	Youth Services	Grant Making	Education and Public Awareness	Development	Administration	2015	2014
EXPENSES									
Salaries and Wages	$ 1,491,377	$ 585,663	$ 210,349	$ 8,358	$ 67,848	$ 66,373	$ 301,081	$ 2,731,049	$ 2,567,664
Direct Labor	1,417,878							1,417,878	1,401,012
Payroll Taxes	199,875	43,023	15,558	766	6,217	6,081	20,815	292,335	290,212
Other Employee Benefits	369,485	79,347	17,135	424	2,618	3,239	32,873	505,121	535,263
Pension Plan Contributions	133,972	27,628	11,064	463	3,758	3,676	35,228	215,789	214,925
Indirect Labor and Taxes	106,077							106,077	96,088
Professional Services - Other	98,060	67,799	7,288				109,727	282,874	328,784
Administrative Fees							57,139	57,139	48,939
Office and Janitorial Supplies	30,719	6,441	1,711				4,347	43,218	35,576
Equipment Repairs, Rental, and Purchases	51,770	4,731	544				6,286	63,331	61,618
Items for Resale and Shipping	13,804,730	4,537						13,809,267	13,885,226
Sales Commissions and Licensing Fees	688,631							688,631	789,460
Telephone	18,153	12,534	1,836				10,130	42,653	41,105
Postage and Mailing	2,979	979	301				1,540	5,799	8,505
Utilities	202,608	21,468	15,250				15,154	254,480	237,131
Building Repairs and Maintenance	38,422	4,094	1,090				1,269	44,875	24,605
Maintenance Contracts	135,563	12,421	6,741				6,778	161,503	146,026
Insurance	55,170	12,448	3,659				11,505	82,782	70,475
Operating Supplies	18,345	24,706	5,500					48,551	52,871
Travel and Automobile Expenses	28,011	26,633	8,801				17,935	81,380	66,201
Seminars	7,457	5,118	2,779				15,002	30,356	11,748
Organization Dues and Subscriptions	88	992	25				7,205	8,310	8,643
Assistance to Individuals		5,178		14,580				19,758	29,111
Warehouse/Office Rental	73,862	6,300						80,162	72,108
Miscellaneous and Public Relations	2,191	1,301	177				28,757	32,426	37,039
Interest - Operations	2,793						140	2,933	4,954
Depreciation	402,164	72,064	27,441	359	1,465	4,431	19,565	527,489	508,320
ISO Certification	4,586							4,586	5,648
Sales and Marketing	22,848	4,867					3,703	31,418	40,920
Loss on Sale of Assets	15,138							15,138	55,487
Donations							20,000	20,000	20,000
Fundraising Events						198,411		198,411	85,330
2015 Total Expenses	**19,422,952**	**1,030,272**	**337,249**	**24,950**	**81,906**	**282,211**	**726,179**	**21,905,719**	
2014 Total Expenses	**$ 19,447,207**	**$ 1,009,451**	**$ 315,111**	**$ 40,608**	**$ 111,643**	**$ 202,538**	**$ 654,436**		**$ 21,780,994**

See notes to financial statements.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

VisionCorps (Agency) is a charitable organization providing a variety of employment, educational, clinical, and social services to sight impaired individuals in Lancaster, Lebanon, Berks, Chester and Somerset Counties (until June 30, 2015), and offers employment opportunities in Philadelphia, Pennsylvania. The mission of the **VisionCorps Foundation** (Foundation) is to provide financial support for projects that support employment opportunity, career development, education, and research for the benefit of persons who are blind.

Principles of Consolidation

The consolidated financial statements include the accounts of the Agency and the Foundation, a controlled, related affiliate (together, the Consolidated Group). The Foundation is a controlled affiliate of the Agency, because the Agency's Board of Directors appoints the members of the Board of Trustees of the Foundation. Furthermore, there is an element of economic interest in that all grant requests made to the Foundation by the Agency that are necessary to maintain the financial stability of the Agency must be given priority, and must be considered before the Foundation may consider grant requests from other eligible applicants. While principal and earnings of the Foundation may be used to provide grants to the Agency, only earnings may be used to provide grants to other organizations and programs. In accordance with the FASB ASC Topic 958, *Not-For-Profit Entities*, consolidation is required. All material interorganizational accounts and transactions have been eliminated.

Basis of Presentation

The Consolidated Group's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP). Current US GAAP standards are contained in the Accounting Standards Codification (ASC) as set forth by the Financial Accounting Standards Board (FASB).

The financial statement presentation follows the recommendations of FASB ASC Topic 958, *Not-For-Profit Entities.* Under this standard, the Consolidated Group is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Basis of Accounting

The financial statements of the Consolidated Group have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Financial Statement Presentation

Information for the year ended September 30, 2014, is not intended to be a complete presentation in accordance with US GAAP and is presented for comparative purposes only.

Use of Estimates

The process of preparing consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates relate primarily to the valuation of contributions and accounts receivable, fair value of investments, depreciation of property and equipment, charitable gift annuities, the allocation of expenses to the various functional areas of the Consolidated Group's operations, and other unsettled transactions and events as of the date of the consolidated financial statements. Accordingly, actual results may differ from estimated amounts.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents
For purposes of the consolidated statement of cash flows, the Consolidated Group considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Accounts Receivable
Accounts receivable that management has the intent and ability to hold for the foreseeable future, or until maturity or payoff, are reported at outstanding principal adjusted for charge offs. Account balances generally are written off when management judges such balances uncollectible, such as an account in bankruptcy. Management continually monitors and reviews accounts receivable balances.

The Consolidated Group records an allowance for doubtful accounts relative to its accounts receivable and promises to give balances. The allowance for doubtful accounts is based on management's assessment of the collectability of specific balances and the aging of the receivables and promises to give. If there is a deterioration of a customer or major contributor's financial status or actual defaults are higher than the historical experience, management's estimates of the recoverability of amounts due the Consolidated Group could be adversely affected. No allowance was deemed necessary at September 30, 2015 and 2014.

Promises to Give
Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Bequests receivable are receivable in less than one year.

Contributions receivable that are expected to be collected within one year are recorded at net realizable value. Contributions receivable that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discounts on those amounts are computed using a rate of return that a market participant would demand at the date of the promise to give. Amortization of the discounts is included in contribution revenue.

Inventories
Inventories consist mainly of workshop raw materials and finished goods. Raw material inventories are recorded at lower of FIFO cost or market. Finished goods inventory is recorded at cost and an allocation for applicable overhead.

Investments
Investments are recorded at fair value in the consolidated statement of financial position in accordance with FASB ASC Subtopic 958-320, *Not-For-Profit Entities - Investments - Debt and Equity Securities*. Gains and losses on investments are required to be reported in the consolidated statement of activities as increases or decreases in unrestricted net assets unless restrictions are stipulated by the donor or the law.

The Consolidated Group has adopted FASB ASC Topic 820, *Fair Value Measurements.* This standard defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment
The Consolidated Group previously capitalized assets with a cost or fair market value in excess of $1,000 and a useful life of at least one year. On October 1, 2014, the Consolidated Group began capitalizing assets with a cost or fair market value in excess of $5,000 and a useful life of at least five years. The cost of maintenance and repairs is expensed as incurred; expenditures for betterments which extend the useful life of property and equipment are capitalized. Property and equipment are capitalized at cost or fair market value at the date of donation and depreciated on the straight-line basis over their estimated useful lives. The Consolidated Group does not imply time restrictions with respect to donations of long-lived assets. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in income for the period. The estimated useful lives of significant property and equipment categories are as follows:

Building	40 Years
Vehicles	2 to 5 Years
Equipment	3 to 10 Years
Office Furniture	3 to 10 Years

Restricted and Unrestricted Revenue and Support
Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when the purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions. Restricted donations whose restrictions are met in the same reporting period are accounted for as unrestricted support, except for certain grant revenues, where the grantor has stipulated that revenues be reported as temporarily restricted and released from restrictions.

Donated Services
Donated marketable securities and other noncash donations are recorded as contributions at their estimated fair values at the date of donation.

Enterprise Group Contracts
The Consolidated Group records profits or losses on its contracts on the completed contract method of accounting on a shipment by shipment basis. Under this method, revenue and costs are accumulated during the period of processing, but no profits are recorded before completion. For tangible goods, the contract is considered complete upon delivery or shipment, depending upon the F.O.B. point. For service-type contracts, the contract is considered complete when delivered to and accepted by the customer. Operating expenses, including costs and administrative expenses, are charged as incurred to operations and not allocated to contract costs.

Planned Major Maintenance Activity
The Consolidated Group uses the direct expensing method of accounting for planned major maintenance. Under this method, actual costs incurred are expensed directly when maintenance is performed.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Tax Status
The Agency and the Foundation operate as nonprofit organizations and are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and are not private foundations as determined by the Internal Revenue Service.

Uncertain Tax Positions
Under provisions of FASB ASC Topic 740, *Income Taxes*, related to accounting for uncertainty in income taxes, the Consolidated Group recognizes the benefits or liability associated with a tax position during the period which, based on all available evidence, management believes it is “more likely than not” (greater than fifty percent probability) that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. The portion of the benefits associated with income tax positions claimed on income tax returns that does not meet the above threshold is reflected as a liability for uncertain tax positions in the accompanying consolidated statement of financial position. Interest and penalties associated with uncertain tax positions (those not meeting the fifty percent probability threshold) are recorded in the consolidated statement of activities and any related accrual is recognized on the consolidated statement of financial position. Tax positions that are other than routine business transactions are reevaluated on an annual basis for both potential recognition and derecognition. Generally, the Consolidated Group is no longer subject to examination for returns filed in U.S. Federal and Pennsylvania jurisdictions for years prior to September 30, 2012.

Management is not aware of any uncertain tax positions taken by the Consolidated Group.

Concentration of Credit Risk
Financial instruments that potentially subject the Consolidated Group to concentration of credit risk consist principally of cash deposits and accounts receivable. The Consolidated Group maintains its cash and cash equivalents in various financial institutions where the account balances may at times exceed FDIC and SIPC insured limits. The Consolidated Group grants credit to its customers without collateral, all of whom are located in various regions throughout the United States.

Investments are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is possible that changes in the value of investments could occur in the near term. Such changes could materially affect investment balances.

Shipping and Handling
Shipping and handling costs are included in items for resale and shipping on the accompanying consolidated statement of functional expenses. Shipping and handling costs amounted to $334,192 and $341,566 for the years ended September 30, 2015 and 2014, respectively.

NOTE 2 - INVENTORIES

Inventories in the enterprise group as of September 30, 2015 and 2014, consist of the following:

	2015	**2014**
Raw Materials	1,068,562	1,156,778
Finished Goods	1,187,448	1,561,101
	2,256,010	**2,717,879**

NOTE 3 - INVESTMENTS

A comparison of cost and fair value of investments at September 30, 2015 and 2014, is as follows:

	2015		2014	
	Cost	**Market**	**Cost**	**Market**
Fulton Financial Advisors	2,757,582	2,910,901	2,686,570	3,030,516
BNY Mellon	2,891,585	2,920,708	1,909,068	2,220,695
Fulton Scholarship	173,652	167,510	62,276	63,398
Fulton Youth Services	164,998	158,930	-0-	-0-
Vollmer Bequest	144,901	186,164	146,105	196,754
Peters Bequest	362,457	441,326	359,064	457,311
Endowment	305,531	293,150	304,907	309,947
Robert Y. Garrett, Jr. Memorial	14,655	14,342	14,297	14,304
	6,815,361	**7,093,031**	**5,482,287**	**6,292,925**

A breakdown of the fair value of investments at September 30, 2015 and 2014, is as follows. Fair values are determined by quoted market prices.

	2015	**2014**
Money Market Funds	152,856	15,460
Mutual Funds	4,141,470	3,691,223
Fixed Income Securities	2,219,549	2,013,063
Marketable Equity Securities	579,156	573,179
	7,093,031	**6,292,925**

NOTE 4 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value 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 under FASB ASC 820 are described as follows:

Level 1 - Inputs to the valuation methodology are adjusted quoted prices for identical assets or liabilities in active markets that the Consolidated Group 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.

NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)

If the assets 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.

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, 2015 and 2014.

Common Stocks, Money Market Funds, and Fixed Income Securities: Valued at the closing price reported in the principal market on which the individual securities are traded.

Split Interest Agreements: Valued using the income approach based on the net present value of expected future cash flows under the agreements.

Mutual Funds: Valued at the net asset value (NAV) of shares held by the Consolidated Group at year end.

Beneficial Interests in Perpetual Trusts: Valued at the present value of the estimated cash flows of the underlying assets in trust.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Consolidated Group 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.

The following table sets forth by level, within the fair value hierarchy, the Consolidated Group's assets that are measured at fair value on a recurring basis as of September 30, 2015 and 2014:

NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)

The following tables set forth by level, within the fair value hierarchy, the Consolidated Group's assets that are measured at fair value on a recurring basis as of September 30, 2015 and 2014:

2015	Level 1	Level 2	Level 3	Total Fair Value
ASSETS				
Beneficial Interest in Perpetual Trusts	-0-	-0-	1,216,975	1,216,975
Fixed Income Securities:				
Government Agency Obligations	75,979			75,979
Municipal Bonds and Notes				
Bristol Township	8,551			8,551
Kutztown, PA	3,373			3,373
Meadville, PA	8,313			8,313
Pikeland, PA	8,524			8,524
Corporate Bonds and Notes	55,656			55,656
Bond Funds	68,435			68,435
Multi-Sector	1,028,480			1,028,480
Other Fixed Income Securities	962,238			962,238
Mutual Funds:				
Equity	560,671			560,671
International and Emerging Markets	1,037,218			1,037,218
Large Cap	1,307,697			1,307,697
Micro Cap	2,014			2,014
Mid Cap	233,897			233,897
Money Market	152,856			152,856
Alternative and Liquid Real Assets	522,028			522,028
Real Estate	57,462			57,462
Small Blend	44,118			44,118
Small Growth	33,078			33,078
Small Cap	343,287			343,287
Common Stocks:				
Consumer Goods	76,639			76,639
Energy	42,077			42,077
Financial	79,768			79,768
Healthcare	104,320			104,320
Industrials	26,721			26,721
Materials	14,971			14,971
Services	104,856			104,856
Technology	106,547			106,547
Utilities	23,257			23,257
	7,093,031	**-0-**	**1,216,975**	**8,310,006**

NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)

2014	Level 1	Level 2	Level 3	Total Fair Value
ASSETS				
Beneficial Interest in Perpetual Trusts	-0-	-0-	1,341,762	1,341,762
Fixed Income Securities:				
Government Agency Obligations	85,967			85,967
Municipal Bonds and Notes				
Bristol Township	8,563			8,563
Kutztown, PA	3,420			3,420
Meadville, PA	8,248			8,248
Pikeland, PA	8,564			8,564
Corporate Bonds and Notes	70,253			70,253
Active Income Funds	122,111			122,111
Bond Funds	691,490			691,490
Multi-Sector	926,580			926,580
Other Fixed Income Securities	87,867			87,867
Mutual Funds:				
Equity	548,212			548,212
International and Emerging Markets	1,089,840			1,089,840
Large Cap	1,337,426			1,337,426
Micro Cap	2,524			2,524
Mid Cap	156,911			156,911
Money Market	15,460			15,460
Alternative and Liquid Real Assets	161,781			161,781
Real Estate	72,248			72,248
Small Blend	14,975			14,975
Small Growth	32,947			32,947
Small Cap	274,359			274,359
Common Stocks:				
Consumer Goods	44,408			44,408
Energy	54,760			54,760
Financial	79,700			79,700
Healthcare	90,313			90,313
Industrials	53,857			53,857
Materials	7,712			7,712
Services	98,137			98,137
Technology	132,387			132,387
Utilities	11,905			11,905
	6,292,925	**-0-**	**1,341,762**	**7,634,687**

Level 1 and 2 Transfers

No transfers in and out of levels 1 and 2 occurred during the years ended September 30, 2015 and 2014.

NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)

Level 3 Gains and Losses

The following table sets forth a summary of changes in the fair values of the Consolidated Group's level 3 assets for the years ended September 30, 2015 and 2014:

	Assets Beneficial Interest In Perpetual Trusts
Balance - September 30, 2013	**1,307,106**
Unrealized Gains	32,167
Realized Gains	384
Receipts	59,449
Interest and Dividends	21,710
Distributions	(63,100)
Fees	(15,954)
Balance - September 30, 2014	**1,341,762**
Unrealized Losses	(191,160)
Realized Gains	69,810
Receipts	65,529
Interest and Dividends	24,847
Distributions	(76,665)
Fees	(17,148)
Balance - September 30, 2015	**1,216,975**

These gains are reported as changes in the value of beneficial interest in perpetual trusts in the accompanying consolidated financial statements.

There were no new assets or liabilities acquired which were required to be measured at fair value on a non-recurring basis as of or during the year ended September 30, 2015. During the year ending September 30, 2014, the Consolidated Group accepted a split interest agreement, which was valued at fair value upon initial recognition of the contribution (Note 8).

The following table sets forth, by level within the fair value hierarchy, the Consolidated Group's assets and liabilities that are measured at fair value on a non-recurring basis as of September 30, 2015 and 2014.

	Level 1	**Level 2**	**Level 3**	**Total Fair Value**
2015				
Liabilities:				
Split Interest Agreement	**-0-**	**-0-**	**8,180**	**8,180**
2014				
Liabilities:				
Split Interest Agreement	**-0-**	**-0-**	**12,615**	**12,615**

NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)

The fair values of split interest agreements are determined based upon discounted expected future cash flows over the actuarially determined life expectancies of the annuitants. The fair values of contributions receivable are determined based on discounted expected future cash flows.

NOTE 5 - PROPERTY and EQUIPMENT

Property and equipment as of September 30, 2015 and 2014, are as follows:

2015	Cost	Accumulated Depreciation	Net Book Value
Office Furniture and Fixtures	638,336	546,213	92,123
Vehicles	240,865	172,921	67,944
Enterprise Group Equipment	2,160,499	1,303,989	856,510
Client Services Equipment	47,628	41,464	6,164
Building	5,320,273	1,979,986	3,340,287
Building - Capital Campaign	6,589,728	2,119,588	4,470,140
Leasehold Improvements	115,405	84,933	30,472
Land	215,380	-0-	215,380
	15,328,114	**6,249,094**	**9,079,020**

2014	Cost	Accumulated Depreciation	Net Book Value
Office Furniture and Fixtures	584,026	501,707	82,319
Vehicles	232,141	162,641	69,500
Enterprise Group Equipment	1,816,139	1,219,558	596,581
Client Services Equipment	47,628	36,666	10,962
Clinic Equipment	40,898	34,867	6,031
Building	4,885,729	1,817,030	3,068,699
Building - Capital Campaign	6,589,729	1,960,729	4,629,000
Leasehold Improvements	115,405	78,880	36,525
Land	215,380	-0-	215,380
	14,527,075	**5,812,078**	**8,714,997**

NOTE 6 - BENEFICIAL INTEREST in PERPETUAL TRUSTS

Investments for the trusts significantly benefiting the Consolidated Group are included on the following schedules as of September 30, 2015 and 2014. The Consolidated Group is an income beneficiary of the trusts noted below in the capacity of trusts under will.

NOTE 6 - BENEFICIAL INTEREST in PERPETUAL TRUSTS (Continued)

2015 Trust	Statement Date	Consolidated Group Ownership	Bank	Value at Inception	Fair Values Cash Equivalents	Fair Values Fixed Investments	Fair Values Equities	Fair Values Total	Income Net of Trust Fees
Income Beneficiary:									
Raymond S. Slagen	9/30/15	50%	BNY Mellon	310,285	6,657	-0-	268,059	274,716	12,841
* James B. Doble	9/30/15	50%	Wells Fargo	204,901	6,581	30,756	151,746	189,083	14,470
Harry Andrews	9/30/15	11.5%	Fulton	3,986	3,408	-0-	166	3,574	428
Paul M. Kauffman	9/30/15	8.3%	PNC	1,307	193	5,831	11,419	17,443	824
* Frank Feagley	9/30/15	25%	BNY Mellon	798,295	2,402	155,751	535,448	693,601	44,250
Women's Auxiliary - Lanc. Heart Assoc.	9/30/15	20%	BNY Mellon	51,873	2,035	-0-	36,523	38,558	1,795
				1,370,647	**21,276**	**192,338**	**1,003,361**	**1,216,975**	**74,608**

2014 Trust	Statement Date	Consolidated Group Ownership	Bank	Value at Inception	Fair Values Cash Equivalents	Fair Values Fixed Investments	Fair Values Equities	Fair Values Total	Income Net of Trust Fees
Income Beneficiary:									
Raymond S. Slagen	9/30/14	50%	BNY Mellon	310,285	11,538	-0-	286,892	298,430	9,500
* James B. Doble	9/30/14	50%	Wells Fargo	204,901	7,317	40,712	168,824	216,853	6,858
Harry Andrews	9/30/14	11.5%	Fulton	3,986	137	2,056	1,660	3,853	400
Paul M. Kauffman	9/30/14	8.3%	PNC	1,307	623	6,071	12,113	18,807	688
* Frank Feagley	9/30/14	25%	BNY Mellon	798,295	2,328	154,359	605,234	761,921	40,500
Women's Auxiliary - Lanc. Heart Assoc.	9/30/14	20%	BNY Mellon	51,873	1,956	-0-	39,942	41,898	2,064
				1,370,647	**23,899**	**203,198**	**1,114,665**	**1,341,762**	**60,010**

* The provisions of this trust do not prohibit the distribution of principal.

In accordance with accounting principles generally accepted in the United States of America, the Consolidated Group recognizes its beneficial interests in these perpetual trusts as an asset and any change in market value of trust assets from year to year on the consolidated statement of activities. The asset held in trust is recorded at its fair value which is deemed to approximate the present value of estimated future cash receipts. The changes in value of the beneficial interest in perpetual trusts for the years ended September 30, 2015 and 2014, were $(124,787) and $34,656, respectively.

NOTE 7 - LINE of CREDIT

The Consolidated Group has a $5,000,000 ($3 million - 2014) operating line of credit with Fulton Bank, which was increased from $3,000,000 during the year ended September 30, 2015. The line bears interest at the one-month London Interbank Offered Rate (LIBOR) plus 1.90%. The line is secured by the building, accounts receivable, inventory, general intangibles, machinery, and equipment of **VisionCorps**. There was no outstanding balance on the line of credit at September 30, 2015 and 2014.

NOTE 8 - SPLIT INTEREST AGREEMENTS

On June 28, 2010, the Consolidated Group received a contribution of $25,000 from an individual for unrestricted use, of which $10,226 was recorded as a charitable gift annuity liability, which was the present value of the annuity. Under the agreement, $538 is paid quarterly to the beneficiary. In calculating present value of the liability, the discount rate used was 3.4%. The obligation for the annuity was $1,551 and $3,484 at September 30, 2015 and 2014, respectively. Amortization of the discount of the liability was $217 and $362 for the years ended September 30, 2015 and 2014, respectively.

On July 2, 2010, the Consolidated Group received a contribution of $10,000 from an individual for unrestricted use, of which $4,090 was recorded as a charitable gift annuity liability, which was the present value of the annuity. Under the agreement, $215 is paid quarterly to the beneficiary. In calculating present value of the liability, the discount rate used was 3.4%. The obligation for the annuity was $621 and $1,395 at September 30, 2015 and 2014, respectively. Amortization of the discount of the liability was $86 and $144 for the years ended September 30, 2015 and 2014, respectively.

On February 21, 2014, the Consolidated Group received a contribution of $25,000 from an individual for unrestricted use, of which $8,700 was recorded as a charitable gift annuity liability, which was the present value of the annuity. Under the agreement, $563 is paid quarterly to the beneficiary. In calculating present value of the liability, the discount rate used was 2.4%. The obligation for the annuity was $6,008 and $7,736 at September 30, 2015 and 2014, respectively. Amortization of the discount of the liability was $522 and $374 for the years ended September 30, 2015 and 2014, respectively.

NOTE 9 - NOTES PAYABLE - LONG-TERM DEBT

Notes payable as of September 30, 2015 and 2014, consisted of the following:

	2015	**2014**
Note payable to the National Industries for the Blind. Monthly payments are $5,742 with interest accruing at 1.63%, through September 2017. The note is secured by the equipment the note was used to purchase, which has a net book value of $67,719 at September 30, 2015, and substantially all other assets of **VisionCorps**.	135,506	201,615
	135,506	**201,615**
Current Maturities	67,199	66,117
Long-Term Portion	68,307	135,498

Aggregate maturities on long-term debt are as follows:

2016	67,199
2017	68,307
	135,506

NOTE 10 - FEE for SERVICES and GRANTS

The Agency receives a yearly grant for preschool early intervention services from the Lancaster-Lebanon Intermediate Unit #13. Total received from the Lancaster-Lebanon Intermediate Unit #13 during the fiscal years ended September 30, 2015 and 2014, was $40,723 and $51,186, respectively.

The Agency is under a contract agreement with the office of Mental Health/Mental Retardation of Lancaster and Lebanon counties for the preschool program. The Agency is reimbursed based on the number of hours services are rendered to preschool children. The Agency received $50,917 and $40,809 under these contracts for the fiscal years ended September 30, 2015 and 2014, respectively.

Total other fees for services and grants received amounted to $175,746 and $179,275 for the fiscal years ended September 30, 2015 and 2014, respectively.

The disbursement of funds received under these contracts generally requires compliance with terms and conditions specified in the contracts and is subject to audit by the contracting agencies. The amount of charges to these contracts that may be disallowed, if any, by such audits cannot presently be determined and no provisions for any liability that may result has been made in the consolidated financial statements. However, management believes that the Agency is in compliance with grant requirements, and no liability has arisen in the past or is currently expected.

NOTE 11 - INVESTMENT INCOME

A breakdown of the sources of investment income at September 30, 2015 and 2014, are as follows:

2015	**Operating**	**Board Designated**	**Temporarily Restricted**
Interest and Dividends	141,085	7,706	423
Unrealized Losses	(397,067)	(109,688)	(26,227)
Realized Gains	196,516	1,497	29
Trust Income	97,584	-0-	-0-
	38,118	**(100,485)**	**(25,775)**

2014	**Operating**	**Board Designated**	**Temporarily Restricted**
Interest and Dividends	120,209	4,792	364
Unrealized Gains	-0-	194,812	18,325
Realized Gains	193,403	1,829	19,284
Trust Income	99,746	-0-	-0-
	413,358	**201,433**	**37,973**

NOTE 12 - DONATED SERVICES

Volunteer Service - During the year ended September 30, 2015, volunteers gave 4,961 hours of service, which are valued at approximately $71,935. During the year ended September 30, 2014, volunteers gave 7,307 hours of service, which are valued at approximately $104,125. The value of these services is not recorded as support and expenditures on the consolidated financial statements, as they do not meet requirements for recording under FASB ASC 958, *Not-For-Profit Entities.*

Accounting Services - The Consolidated Group recorded the value of services donated from an accounting firm in the amount of $22,348 and $16,170 for the years ended September 30, 2015 and 2014, respectively.

Other Services - The Consolidated Group recorded the value of other services in the amount of $-0- and $5,669 for the years ended September 30, 2015 and 2014, respectively.

NOTE 13 - RETIREMENT PLAN

The Consolidated Group has a tax shelter annuity plan covering employees with one year of service and 1,000 hours of service, provided the employee has attained age 21.

The plan consists of 403(b) deferrals by eligible employees and employer matching contributions which consist of 50% of employee deferrals up to 3.0% of compensation deferred. Eligible employees are fully vested in their 403(b) deferral account balances at all times. The plan also provides for a discretionary contribution for eligible employees. The Board of Directors approved the amount of 4% of their salary for the years ended September 30, 2015 and 2014. Eligible employees become vested in this portion of the plan according to a vesting schedule over six years. The retirement plan contribution on behalf of the eligible employees was $215,789 and $214,925 for the years ended September 30, 2015 and 2014, respectively.

NOTE 14 - ENDOWMENT FUNDS and PERMANENTLY and TEMPORARILY RESTRICTED NET ASSETS

The Consolidated Group has adopted the provisions of FASB ASC 958, *Not-For-Profit Entities,* which relate to endowment funds. Endowment funds are invested for balanced growth, with capital appreciation and income generation of comparable importance. Funds within the account are allocated among equity and fixed income investments reflective of an average risk tolerance. As permitted by Pennsylvania Act 141, the Consolidated Group has adopted a total return policy with regard to its endowment funds whereby 5% of the five-year average market value of the investments is deemed income available for appropriation. The Consolidated Group considers this policy to be consistent with its strategy of long-term preservation of the real value of the assets.

The endowment account was established during the fiscal year ended September 1991 to record a donation from the Oxford Foundation in the amount of $15,000. An additional amount of $3,500 was designated by the Board of Directors for endowment purposes. In 2007, upon the termination of a perpetual trust in which the Consolidated Group had a beneficial interest, $4,313 was added to the account. In 2008, upon the termination of a perpetual trust in which the Consolidated Group had a beneficial interest, $53,821 was added to the account. The amount permanently restricted at September 30, 2015 and 2014, is $73,134.

NOTE 14 - ENDOWMENT FUNDS and PERMANENTLY and TEMPORARILY RESTRICTED NET ASSETS (Continued)

In addition, through a donor stipulated memorial for Robert Y. Garrett, Jr., $10,000 has been permanently restricted. The income from this account is temporarily restricted for training purposes. The Consolidated Group has not adopted a total return policy with regard to this account.

The following summarizes the changes in endowment net assets for the fiscal years ended September 30, 2015 and 2014, and presents the endowment net assets as of September 30, 2015 and 2014:

	Board Designated Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Balance - September 30, 2013	20,550	3,904	83,134	107,588
Investment Return:				
Investment Income	6,349	384	-0-	6,733
Net Appreciation	1,886	81	-0-	1,967
Total Investment Return	8,235	465	-0-	8,700
Contributions	213,450	-0-	-0-	213,450
Appropriation of Endowment Assets for Expenditure	(5,422)	(65)	-0-	(5,487)
Balance - September 30, 2014	**236,813**	**4,304**	**83,134**	**324,251**
Investment Return:				
Investment Income	8,961	452	-0-	9,413
Net Appreciation	(17,190)	(323)	-0-	(17,513)
Total Investment Return	(8,229)	129	-0-	(8,100)
Contributions	118	-0-	-0-	118
Appropriation of Endowment Assets for Expenditure	(8,686)	(91)	-0-	(8,777)
Balance - September 30, 2015	**220,016**	**4,342**	**83,134**	**307,492**

In 2004, the Consolidated Group received a portion of the remainder of the trust under will of Henry Vollmer. The will appointed a trustee with discretionary powers to distribute income and principal to the Consolidated Group for its general operating expenses. The funds are time restricted until such time as the trustee releases the funds.

In 2010, the Consolidated Group received a portion of the remainder of the trust under will of Kathleen D. Peters. A portion of the income is distributed semi-annually and is allowable for operating expenses. The principal will be held in trust for fifteen years.

NOTE 14 - ENDOWMENT FUNDS and PERMANENTLY and TEMPORARILY RESTRICTED NET ASSETS (Continued)

Temporarily restricted net assets are made up of the following at September 30, 2015 and 2014:

	2015	2014
Garrett - Restricted for Training	4,342	4,304
Restricted for Client Services	10,868	10,106
Restricted for Scholarships and Grants	308,209	63,750
Vollmer - Time Restricted	186,164	196,754
Peters - Time Restricted	441,326	457,311
	950,909	**732,225**

NOTE 15 - MAJOR CUSTOMERS and SUPPLIERS

A major customer of the Consolidated Group is National Industries for the Blind, which secures U.S. Government military contracts. During the year ended September 30, 2015, net sales to this firm was $16,688,359 with trade receivables having a balance of $1,738,380. During the year ended September 30, 2014, National Industries for the Blind was a major customer with net sales and trade receivables of $16,668,801 and $1,894,337, respectively.

During the years ended September 30, 2015 and 2014, the Consolidated Group had the following major supplier:

	2015	2014
Team Wendy LLC.	11,002,198	12,019,759

NOTE 16 - OPERATING LEASES

Rental expense for all operating leases totaled $67,110 for buildings and $16,752 for equipment for the year ended September 30, 2015. Remaining terms of the building and equipment leases vary from one to three years.

For the year ended September 30, 2014, rental expense for all operating leases totaled $79,371 for buildings and $10,407 for equipment.

The building leases provides for index-based escalation in future periods. FASB ASC Topic 849, *Accounting for Leases,* prescribes that if rental payments are not made on a straight-line basis, rental expense nevertheless should be recognized on a straight-line basis. The Consolidated Group has recorded rent expenses equal to the amounts actually paid. The amounts do not differ significantly from the expense that would be recorded on a straight-line basis.

NOTE 16 - OPERATING LEASES (Continued)

Future minimum lease payments under all operating leases for the years ended September 30 are as follows:

2016	94,636
2017	87,553
2018	8,132
2019	148
	190,469

NOTE 17 - PENNSYLVANIA ASSOCIATION for the BLIND GRANT

The Pennsylvania Association for the Blind contracts services from the **VisionCorps** to deliver specialized services to vision impaired clients in Lebanon, Somerset, Berks, and Chester Counties. Individuals need to meet the set criteria to be eligible for these specific services. Services include: transportation, support services, life skills education and support groups, and case management services. Individual contracts are developed and reviewed yearly to ensure clients are receiving the services that are necessary and appropriate for them. The contract assists in supporting the life skills coordinator's salary, office space, utilities, travel and/or mileage training cost. The details of the grant for the grant years ended June 30, 2015 and 2014, are as follows:

	2015	**2014**
Grant Received	100,728	100,537
Salary Expenses	(104,023)	(99,347)
Payroll Taxes	(7,958)	(7,680)
Employee Benefits	(14,605)	(11,797)
Utilities	(2,334)	(2,355)
Agency's Subsidy	**(28,192)**	**(20,642)**

The Pennsylvania Association for the Blind contracts services from the **VisionCorps** to deliver prevention of blindness services to the Lancaster, Lebanon, and Somerset communities. Services include adult and preschool vision screenings and prevention education. The contract assists in supporting prevention of blindness salaries, office space, utilities, travel, and training costs. The details of the grants for the grant years ended June 30, 2015 and 2014, are as follows:

	2015	**2014**
Grant Received	37,994	40,414
Salary Expenses	(50,742)	(47,500)
Payroll Taxes	(3,882)	(3,799)
Employee Benefits	(9,998)	(9,552)
Utilities	(918)	-0-
Agency's Subsidy	**(27,546)**	**(20,437)**

NOTE 18 - FUNDRAISING ACTIVITIES

The Consolidated Group has events to raise money to fund the mission of the Consolidated Group. Revenues and expenses related to these events are as follows for the years ended September 30, 2015 and 2014:

	2015	**2014**
Gross Revenue	45,471	66,308
Gross Expenses	25,167	43,337
Net Revenue	**20,304**	**22,971**

Revenues from fundraising activities are reported as a component of public support and related expenses are reported as a component of development expenses in the accompanying consolidated statement of activities.

NOTE 19 - PURCHASE COMMITMENTS

The Agency has certain purchase commitments for equipment at September 30, 2015. Certain unpaid commitments have been recorded and are reflected in accounts payable at September 30, 2015, with the offset being reflected in the deposits on equipment line item on the accompanying consolidated statement of financial position. Total deposits on equipment amounted to $96,833 at September 30, 2015. Total remaining outstanding commitments for the equipment amounted to $186,190 at September 30, 2015. This outstanding amount is not otherwise reflected in the accompanying consolidated statement of financial position as an account payable.

NOTE 20 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through November 11, 2015, which represents the date the consolidated financial statements were available to be issued. No events have occurred between September 30, 2015, and this date which would require recording or disclosure in these consolidated financial statements.

VisionCorps and VisionCorps Foundation

CONSOLIDATING SCHEDULE of FINANCIAL POSITION

September 30, 2015

ASSETS

	VisionCorps	VisionCorps Foundation	Eliminations	Consolidated
CURRENT ASSETS				
Cash and Cash Equivalents	$ 1,114,794	$ 68,344	$	$ 1,183,138
Accounts Receivable	2,282,984	16,186	(247,657)	2,051,513
Inventories	2,256,010			2,256,010
Prepaid Expenses	140,190	488		140,678
Total Current Assets	**5,793,978**	**85,018**	**(247,657)**	**5,631,339**
INVESTMENTS				
Fulton Financial Advisors		3,237,341		3,237,341
BNY Mellon		2,920,708		2,920,708
Vollmer Bequest	186,164			186,164
Peters Bequest	441,326			441,326
Endowment	293,150			293,150
Robert Y. Garrett, Jr. Memorial	14,342			14,342
Total Investments	**934,982**	**6,158,049**	**-0-**	**7,093,031**
PROPERTY and EQUIPMENT				
Property and Equipment	15,287,699	40,415		15,328,114
Accumulated Depreciation	(6,222,581)	(26,513)		(6,249,094)
Net Property and Equipment	**9,065,118**	**13,902**	**-0-**	**9,079,020**
OTHER ASSETS				
Deposits on Equipment	96,833			96,833
Beneficial Interest in Perpetual Trusts	1,216,975			1,216,975
Total Other Assets	**1,313,808**	**-0-**	**-0-**	**1,313,808**
TOTAL ASSETS	**$ 17,107,886**	**$ 6,256,969**	**$ (247,657)**	**$ 23,117,198**

See auditors' report on supplementary information.

VisionCorps and VisionCorps Foundation

CONSOLIDATING SCHEDULE of FINANCIAL POSITION

(Continued)

September 30, 2015

LIABILITIES and NET ASSETS

	VisionCorps	VisionCorps Foundation	Eliminations	Consolidated
CURRENT LIABILITIES				
Notes Payable -				
Current Portion	$ 67,199	$	$	$ 67,199
Accounts Payable	703,824	247,697	(247,657)	703,864
Accrued Payroll	119,111	4,104		123,215
Accrued and Withheld				
Payroll Taxes	9,023			9,023
Accrued Benefits	175,384	6,422		181,806
Charitable Gift Annuities -				
Current Portion		4,031		4,031
Deferred Revenue		1,600		1,600
Total Current Liabilities	**1,074,541**	**263,854**	**(247,657)**	**1,090,738**
NON-CURRENT LIABILITIES				
Notes Payable, net of Current Portion	68,307			68,307
Charitable Gift Annuities		4,149		4,149
Total Non-Current Liabilities	**68,307**	**4,149**	**-0-**	**72,456**
TOTAL LIABILITIES	**1,142,848**	**268,003**	**(247,657)**	**1,163,194**
NET ASSETS				
Unrestricted	14,022,229	5,680,757		19,702,986
Temporarily Restricted	642,700	308,209		950,909
Permanently Restricted	1,300,109			1,300,109
TOTAL NET ASSETS	**15,965,038**	**5,988,966**	**-0-**	**21,954,004**
TOTAL LIABILITIES and NET ASSETS	**$ 17,107,886**	**$ 6,256,969**	**$ (247,657)**	**$ 23,117,198**

See auditors' report on supplementary information.

VisionCorps and VisionCorps Foundation

CONSOLIDATING SCHEDULE of ACTIVITIES

Year Ended September 30, 2015

	VisionCorps	VisionCorps Foundation	Eliminations	Consolidated
SUPPORT				
Contributions:				
Public	$ 10,236	$ 544,283	$ -0-	$ 554,519
In-Kind Contributions	43,437	45,623	(43,437)	45,623
Fee for Services and Grants	556,141	30,912	(319,667)	267,386
Total Support	**609,814**	**620,818**	**(363,104)**	**867,528**
REVENUE				
Enterprise Group Sales	21,329,400			21,329,400
Client Services	8,046			8,046
Investment Income (Loss)	86,990	(175,132)		(88,142)
Other Income	63,724			63,724
Change in Value of Beneficial Interest in Perpetual Trusts	(124,787)			(124,787)
Change in Value of Split Interest Agreements	-0-	(825)		(825)
Total Revenue	**21,363,373**	**(175,957)**	**-0-**	**21,187,416**
Total Support and Revenue	**21,973,187**	**444,861**	**(363,104)**	**22,054,944**
FUNCTIONAL EXPENSES				
Program Expenses:				
Enterprise Group	19,431,793		(8,841)	19,422,952
Rehabilitation	1,052,343		(22,071)	1,030,272
Youth Services	337,249			337,249
Grant Making		293,474	(268,524)	24,950
Education and Public Awareness		81,906		81,906
Development		282,211		282,211
Administration	604,136	185,711	(63,668)	726,179
Total Functional Expenses	**21,425,521**	**843,302**	**(363,104)**	**21,905,719**
Changes in Net Assets Before Bequests and Transfers (Carried Forward)	**$ 547,666**	**$ (398,441)**	**$ -0-**	**$ 149,225**

See auditors' report on supplementary information.

VisionCorps and VisionCorps Foundation

CONSOLIDATING SCHEDULE of ACTIVITIES

(Continued)

Year Ended September 30, 2015

	VisionCorps	VisionCorps Foundation	Eliminations	Consolidated
Changes in Net Assets Before Bequests and Transfers (Brought Forward)	**$ 547,666**	**$ (398,441)**	**$ -0-**	**$ 149,225**
BEQUESTS	**191,198**	**19,160**	**-0-**	**210,358**
INTERORGANIZATIONAL TRANSFER	**(1,000,000)**	**1,000,000**		**-0-**
CHANGES in NET ASSETS	**(261,136)**	**620,719**	**-0-**	**359,583**
NET ASSETS				
Beginning of Year	16,226,174	5,368,247		21,594,421
End of Year	**$ 15,965,038**	**$ 5,988,966**	**$ -0-**	**$ 21,954,004**

See auditors' report on supplementary information.