RESEARCH TO PREVENT BLINDNESS

Combined Financial Statements
for year ended
December 31, 2016

CONDON
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Independent Auditor's Report

To the Board of Trustees
Research to Prevent Blindness

We have audited the accompanying combined financial statements of Research to Prevent Blindness (the "Organization") which comprise the combined statement of financial position as of December 31, 2016 and the related combined statements of activities, cash flows and functional expenses for the year then ended and the notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 combined 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 combined financial statements based on our audit. We conducted our audits 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 combined financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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 combined 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 combined financial statements referred to in the first paragraph of the previous page present fairly, in all material respects, the financial position of Research to Prevent Blindness at December 31, 2016 and the results of its activities, cash flows and functional expenses for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

We have previously audited the Organization's 2015 financial statements, and our report dated March 15, 2016, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2015, is consistent in all material respects, with the audited financial statements from which it has been derived.

Condon O'Meara McGinty & Donnelly LLP

March 14, 2017

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Combined Statement of Financial Position

Assets

	December 31 2016	December 31 2015
Cash and cash equivalents	$ 5,126,562	$ 6,079,779
Investments, at fair value	256,580,983	250,182,307
Interest and other receivable	292,684	1,074,054
Contributions receivable	518,547	199,866
Due from investment managers – net	828,686	-
Prepaid expenses	78,814	45,837
Equipment and leasehold improvements, at cost		
Equipment, at cost (less accumulated depreciation of $70,607 in 2016 and $970,961 in 2015)	282,996	175,403
Leasehold improvements, at cost (less accumulated depreciation of $47,877 in 2016 and $-0- in 2015)	818,697	40,000
Total assets	**$264,527,969**	**$257,797,246**

Liabilities and Net Assets

	2016	2015
Liabilities		
Accounts payable and accrued expenses	$ 96,944	$ 66,924
Due to investment managers – net	-	686,884
Grants payable	7,913,819	7,702,286
Deferred lease incentives	918,822	-
Total in activities liabilities	8,929,585	8,456,094
Net assets		
Unrestricted		
General operating	161,146,624	153,953,756
Designated	34,251,912	35,091,811
Total unrestricted	195,398,536	189,045,567
Temporarily restricted	6,792,071	6,903,054
Permanently restricted	53,407,777	53,392,531
Total net assets	255,598,384	249,341,152
Total liabilities and net assets	**$264,527,969**	**$257,797,246**

See notes to combined financial statements.

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Combined Statement of Activities
Year Ended December 31, 2016
(With Summarized Comparative Information for the Year Ended December 31, 2015)

	2016						2015
	Unrestricted						
	General Operating	Designated	Total	Temporarily Restricted	Permanently Restricted	Total	Total
Public support and revenue							
Public support							
Contributions	$ 573,308	$ -	$ 573,308	$ 1,368,708	$ 5,640	$ 1,947,656	$ 701,819
Combined Federal Campaign	2,167	-	2,167	-	-	2,167	9,755
Ophthalmological associate memberships	53,050	-	53,050	-	-	53,050	46,750
Donated investments	21,227	-	21,227	-	-	21,227	34,697
Total public support	649,752	-	649,752	1,368,708	5,640	2,024,100	793,021
Revenue							
Interest and dividends	6,723,850	6,897	6,730,747	425,691	9,606	7,166,044	11,965,683
Other revenue	3,085	-	3,085	-	-	3,085	844
Total revenue	6,726,935	6,897	6,733,832	425,691	9,606	7,169,129	11,966,527
Net assets released from restrictions or designation							
Satisfaction of program restrictions or designations	2,316,887	(1,346,796)	970,091	(970,091)	-	-	-
Satisfaction of Matching Fund restrictions	1,000,000	-	1,000,000	(1,000,000)	-	-	-
Total net assets released from restrictions or designation	3,316,887	(1,346,796)	1,970,091	(1,970,091)	-	-	-
Total public support and revenue	10,693,574	(1,339,899)	9,353,675	(175,692)	15,246	9,193,229	12,759,548
Expenses							
Program services							
Research grants, net of refunded and canceled grants of $220,341 in 2016 and $21,560 in 2015	9,712,731	-	9,712,731	-	-	9,712,731	10,522,410
Direct research support	530,864	-	530,864	-	-	530,864	573,358
Program development to stimulate laboratory expansion and eye research activities	371,668	-	371,668	-	-	371,668	381,095
Scientific symposia, seminars and surveys	321,490	-	321,490	-	-	321,490	306,465
Laboratory construction support projects	-	-	-	-	-	-	15,764
Public and professional information	740,456	-	740,456	-	-	740,456	711,291
Total program services	11,677,209	-	11,677,209	-	-	11,677,209	12,510,383
Supporting services							
Management and general	1,145,538	-	1,145,538	-	-	1,145,538	993,182
Fund raising	80,825	-	80,825	-	-	80,825	79,602
Total supporting services	1,226,363	-	1,226,363	-	-	1,226,363	1,072,784
Total expenses	12,903,572	-	12,903,572	-	-	12,903,572	13,583,167
Excess (deficiency) of revenue over expenses before realized gain (loss) and change in unrealized appreciation (depreciation) of investments and transfer	(2,209,998)	(1,339,899)	(3,549,897)	(175,692)	15,246	(3,710,343)	(823,619)
Realized gain (loss) and change in unrealized appreciation (depreciation) of investments	9,902,866	-	9,902,866	64,709	-	9,967,575	(17,772,561)
Transfer	(500,000)	500,000	-	-	-	-	-
Increase (decrease) in net assets	7,192,868	(839,899)	6,352,969	(110,983)	15,246	6,257,232	(18,596,180)
Net assets, beginning of year	153,953,756	35,091,811	189,045,567	6,903,054	53,392,531	249,341,152	267,937,332
Net assets, end of year	$ 161,146,624	$ 34,251,912	$ 195,398,536	$ 6,792,071	$ 53,407,777	$ 255,598,384	$ 249,341,152

See notes to combined financial statements.

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Combined Statement of Cash Flows

	Year Ended December 31 2016	Year Ended December 31 2015
Cash flows from operating activities		
Cash received from contributions	$ 1,684,191	$ 727,738
Interest and dividends received	7,947,415	11,500,887
Miscellaneous receipts	3,085	844
Cash paid to employees and suppliers	(2,933,383)	(3,169,635)
Grants paid	(9,501,198)	(9,831,631)
Net cash (used in) operating activities	(2,799,890)	(771,797)
Cash flows from investing activities		
Purchase of equipment and leasehold improvements, net of deferred lease incentives	(227,883)	(209,209)
Sales and maturities of investments	39,262,711	116,666,118
Purchase of investments	(37,188,155)	(117,151,489)
Net cash provided by (used in) investing activities	1,846,673	(694,580)
Net (decrease) in cash and cash equivalents	**(953,217)**	**(1,466,377)**
Cash and cash equivalents, beginning of year	**6,079,779**	**7,546,156**
Cash and cash equivalents, end of year	**$ 5,126,562**	**$ 6,079,779**
Reconciliation of increase (decrease) in net assets to net cash (used in) operating activities		
Increase (decrease) in net assets	**$ 6,257,232**	**$ (18,596,180)**
Adjustments to reconcile increase (decrease) in net assets to net cash (used in) operating activities		
Depreciation and amortization	86,641	14,007
Donated investments	(21,227)	(34,697)
Change in deferred lease incentives	173,774	-
(Increase) decrease in interest and other receivable	781,370	(501,284)
(Increase) in contributions receivable	(318,681)	(30,586)
(Increase) in prepaid expenses	(32,977)	(45,837)
Increase (decrease) in accounts payable and accrued expenses	30,020	(77,414)
Increase in grants payable	211,533	690,779
Net realized (gain) losses and change in unrealized (appreciation) depreciation of investments	(9,967,575)	17,772,561
Premiums amortized on investments	-	36,854
Net cash (used in) operating activities	**$ (2,799,890)**	**$ (771,797)**

See notes to combined financial statements.

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Combined Statement of Functional Expenses
Year Ended December 31, 2016
(With Summarized Comparative Information for the Year Ended December 31, 2015)

	2016									2015
	Program Services						Supporting Services			
	Research Grants and Direct Research Support	Research Program Development	Scientific Symposia, Seminars and Surveys	Laboratory Construction Support Projects	Public and Professional Information	Total Program Services	Management and General	Fund Raising	Total Expenses	Total Expenses
Grants	$ 9,712,731	$ -	$ -	$ -	$ -	$ 9,712,731	$ -	$ -	$ 9,712,731	$10,522,410
Salaries, pension and benefits	220,688	193,102	165,516	-	496,548	1,075,854	262,067	41,379	1,379,300	1,289,355
Professional fees and services	39,310	30,541	13,317	-	34,799	117,967	751,349	10,730	880,046	811,023
Conferences, seminars, meetings and travel	88,939	19,702	61,283	-	5,737	175,661	3,808	-	179,469	188,807
Telecommunications	1,790	2,461	4,475	-	12,305	21,031	1,119	224	22,374	27,668
Printing, stationery, postage and shipping	1,111	9,117	7,739	-	28,561	46,528	1,359	10,027	57,914	40,265
Office supplies, maintenance and occupancy	142,224	91,474	53,121	-	120,989	407,808	63,533	14,164	485,505	599,567
Dues, subscriptions, insurance and miscellaneous	9,077	7,943	7,375	-	19,856	44,251	53,639	1,702	99,592	90,065
Depreciation and amortization	27,725	17,328	8,664	-	21,661	75,378	8,664	2,599	86,641	14,007
Total expenses – 2016	$ 10,243,595	$ 371,668	$ 321,490	$ -	$ 740,456	$11,677,209	$ 1,145,538	$ 80,825	$ 12,903,572	$13,583,167
Total expenses – 2015	$ 11,095,768	$ 381,095	$ 306,465	$ 15,764	$ 711,291	$12,510,383	$ 993,182	$ 79,602		

See notes to combined financial statements.

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Notes to Combined Financial Statements
December 31, 2016

Note 1 – Nature of organization

Research to Prevent Blindness, Inc. ("RPB") is a publicly supported charity formed in 1960 for the purpose of providing the organizational and financial resources necessary to support a comprehensive program of eye research.

In May 1988, Research to Prevent Blindness Endowment Fund, Inc. ("RPBEF") was incorporated with its purpose being to support and benefit RPB and efficiently manage the assets of certain endowment funds. The officers of RPBEF are also officers of RPB.

RPBEF makes financial grants to institutions engaged in eye research.

Research to Prevent Blindness, Inc. is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified as a publicly supported charity described in Section 509(a)(1) of the Internal Revenue Code. Research to Prevent Blindness Endowment Fund, Inc. operates as a support organization exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified as a publicly supported charity described in Section 509(a)(3) of the Internal Revenue Code.

Note 2 – Summary of significant accounting policies

Basis of presentation

The accompanying combined financial statements include the accounts of RPB and its support organization, RPBEF. The effects of all transactions between RPB and RPBEF have been eliminated.

Net assets

Unrestricted net assets represent resources over which the Board of Trustees has full discretion with respect to use. Temporarily restricted net assets represent expendable resources, which have been time or purpose restricted by the donor (see note 9).

When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets represent contributions and other gifts, which require that the corpus be maintained intact and that only the income be used as designated by the donor (see note 9).

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Notes to Combined Financial Statements (continued)
December 31, 2016

Note 2 – Summary of significant accounting policies (continued)

Contributions

Bequests are recorded as revenue when a legally binding obligation is received and when a fair value can reasonably be determined.

Grants payable

RPB records grants when the Board of Trustees approves them and the grantee is notified. Long-term grants are discounted to their present value using a rate of 5% to reflect the time value of money. Amortization of the discount to par value is reported as grant expense.

Cash equivalents

RPB considers short-term investments with original maturities of 90 days or less to be cash equivalents. Included as cash equivalents are money market funds.

Fair values of financial instruments

RPB's financial instruments consist of cash, investments and interest receivable. RPB estimates that the fair value of all financial instruments as of December 31, 2016 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying combined statement of financial position. The carrying amounts of cash and interest receivable reported in the combined statement of financial position approximate fair values because of the short maturities of those instruments. The fair value of investment securities is based on quoted market prices for those investments. The value of the alternative investments, which is adjusted for unrealized appreciation (depreciation), is based upon the most recent available information provided by management of the fund and may differ from the value that would have been used had a ready market for the alternative investments existed.

Equipment and leasehold improvements

It is RBP's policy to capitalize equipment items and leasehold improvements over $1,000 and a useful life of more than one year. Depreciation of equipment is calculated on a straight-line basis over the estimated asset lives of between three and five years. Leasehold improvements are amortized over the term of the lease.

In connection with RPB's move to new office space (see note 5), during 2016, RPB disposed of fully depreciated assets totaling $1,245,562 and removed them from RPB's books.

Note 2 – Summary of significant accounting policies (continued)

Functional allocation of expenses

Salaries are generally allocated to the various programs based on the amount of time spent by specific individuals on each program. Fringe benefits and other employee costs are allocated on an overall basis, corresponding generally to the allocation of salary expenses. All other expenses can generally be identified with the program or supporting service to which they relate.

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 amounts reported in the financial statements. Actual results could differ from these estimates.

Concentrations of credit risk

RPB's combined financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash, cash equivalents, investments and contributions receivable. RPB places its cash and cash equivalents with what it believes to be quality financial institutions. At times during the year, RPB's balances in its bank accounts were in excess of the FDIC insurance limit. RPB has not experienced any losses in such accounts to date. RPB's investments are exposed to various risks such as interest rate, market volatility, liquidity and credit risks. Due to the level of uncertainty related to these risks, it is reasonably possible that changes in these risks could affect the fair value of the investments reported in the statement of financial position at December 31, 2016. RPB routinely assesses the financial strength of its cash and investment portfolio and monitors the collectability of its contributions receivable. As a consequence, concentrations of credit risk are limited.

Comparative financial information

The combined financial statements include certain prior year summarized comparative information in total, but not by net asset class or functional classification. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with RPB's combined financial statements for the year ended December 31, 2015, from which the summarized information was derived.

Subsequent events

RPB has evaluated events and transactions for potential recognition or disclosure through March 14, 2017, which is the date the combined financial statements were available to be issued.

Note 3 – Investments

The amount due from investment managers as of December 31, 2016 was $828,686.

Fair value measurements

Fair value refers to the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The fair value hierarchy gives the highest priority to quoted market prices in active markets and the lowest priority to unobservable data. Fair value measurements are required to be separately disclosed by level within the fair value hierarchy. The three levels of inputs used to measure fair value are as follows:

Level 1 – Quoted prices in active markets for identical assets.

Level 2 – Observable inputs other than level 1 prices such as quoted prices of similar assets; quoted prices in markets with insufficient volume or infrequent transactions (less than active markets).

Level 3 – Unobservable inputs to the valuation methodology that are significant to the measurement of fair value of assets.

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Notes to Combined Financial Statements (continued)
December 31, 2016

Note 3 – Investments (continued)

The following is a summary of investments measured at fair value on a recurring basis at December 31, 2016:

	December 31, 2016	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Common stock				
Cap growth	$ 5,039,678	$ 5,039,678	$ -	$ -
Large cap growth	1,488	1,488	-	-
Total common stock	5,041,166	5,041,166	-	-
Mutual funds				
Equity				
Large cap core	44,239,290	44,239,290	-	-
Global equity	31,098,895	31,098,895	-	-
S&P 500	8,369,309	8,369,309	-	-
Bond				
Core bond funds	47,707,608	47,707,608	-	-
Enhanced yield	16,817,892	16,817,892	-	-
Inflation - Linked	19,732,289	19,732,289	-	-
Absolute return	22,894,105	22,894,105	-	-
Gold	11,268,346	11,268,346	-	-
Total mutual funds	202,127,734	202,127,734	-	-
Alternative investment				
Absolute return	49,412,083	-	39,709,075	9,703,008
Total	$256,580,983	$207,168,900	$ 39,709,075	$ 9,703,008

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Notes to Combined Financial Statements (continued)
December 31, 2016

Note 3 – Investments (continued)

The following is a summary of the changes in the fair market value of RPB's Level 3 investments for the year ended December 31, 2016:

	Absolute Return
Balance, January 1, 2016	$ 9,548,690
Net gain (realized and unrealized)	189,484
Net investment (loss)	(21,089)
Net transfers out	(14,077)
Balance, December 31, 2016	$ 9,703,008

Note 4 – Contributions receivable

As of December 31, 2016, the contributions receivable are due as follows:

Due within one year	$ 388,370
Due in subsequent years	184,385
Total	572,755
Less discount to present value	54,208
Net contributions receivable	$ 518,547

The contributions receivable as of December 31, 2016 is discounted to its present value using a rate of 5% to reflect the time value of money and is deemed to be collectible.

Note 5 – Lease commitment

RPB leased its former office premises at 645 Madison Avenue, New York, New York for a 10-year period, which expired on March 31, 2016. Total rent expense, including escalation charges, amounted to $135,655 in 2016 and $530,954 in 2015 on this lease.

In August 2015, RPB signed a new lease for office space at 360 Lexington Avenue, New York, New York which expires on August 31, 2031. In connection with the lease agreement, RPB gave the landlord an irrevocable letter of credit of $102,069 as security for the lease agreement.

In connection with the new lease agreement, RPB received eight months of free rent. RPB amortizes rent expense each year equally over the term of the lease. The difference between rent expense recorded in this manner and the actual cash paid per the lease agreement is included in the deferred lease incentives. In addition, the landlord incurred build-out costs on behalf of RPB totaling $745,048 which is included in deferred lease incentives and is being amortized over the life of the lease. Total rent expense on this lease amounted to $260,955 in 2016.

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Notes to Combined Financial Statements (continued)
December 31, 2016

Note 5 – Lease commitment (continued)

Future obligations under these leases, excluding escalation charges, are as follows:

Year	Amount
2017	$ 309,208
2018	309,208
2019	309,208
2020	309,208
2021	316,043
2022 and thereafter	3,387,719
Total	$4,940,594

Note 6 – Retirement plan

RPB has a defined contribution retirement plan covering all of its employees. Employees are partially vested on an incremental scale during their first six years of employment; thereafter, they are 100% vested. The plan expense for the years ended December 31, 2016 and December 31, 2015 totaled $157,087 and $138,364, respectively.

Note 7 – Special RPB Jules and Doris Stein Professorship Grants, RPB Career Development Awards and the David F. Weeks Award

During 1986, the Board of Trustees of RPB designated funds from unrestricted net assets of $11,500,000 to assure adequate financial support for the Jules and Doris Stein RPB Professorship Grants. During 1995, the Board designated an additional $30,000,000 for this purpose. In addition, during 2005, the Board designated an additional $4,971,303 for this purpose. The grants of $625,000 each cover a period of five years with the opportunity to apply for an additional 2-year grant for $250,000. Payments are not subject to annual renewal by the Board. Professorship grants totaling $250,000 were awarded in 2015. There were no professorship grants awarded in 2016. The balance of such designated funds amounted to $24,707,780 at December 31, 2016.

During 1990, the Board of Trustees of RPBEF designated funds from unrestricted net assets of $10,000,000 to assure adequate financial support for the RPB career development awards. During 2005, the Board designated an additional $24,458,917 for this purpose. The grants of $250,000 each cover a period of four years and were developed to attract young physicians and basic scientists into investigative careers in eye research. Career development awards totaled $1,500,000 in 2016 and $1,800,000 in 2015, respectively. Grants of $1,088 and $21,496 were refunded in 2016 and 2015, respectively. Discounted career development awards, totaling $204,244 were canceled in 2016. The balance of such designated funds amounted to $9,057,235 at December 31, 2016.

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Notes to Combined Financial Statements (continued)
December 31, 2016

Note 7 – Special RPB Jules and Doris Stein Professorship Grants, RPB Career Development Awards and the David F. Weeks Award (continued)

In 2016, an anonymous donor contributed $500,000 to RPB as a restricted gift in partial support of an award honoring RPB Chair Emeritus David F. Weeks. The following conditions were applied to the Award:

- The $500,000 gift was matched by $500,000 from RPB with the total $1,000,000 held in restriction and invested in a Vanguard S&P 500 ETF. RPB's contribution is held as an unrestricted Board designated fund.

- From this account an annual award of $40,000 would be granted from RPB to the Association of University Programs in Ophthalmology (AUPO) to be given as an unrestricted prize to a researcher chosen by a special AUPO committee. The award will be given annually for at least 20 years and only U.S. researchers are eligible.

Note 8 – Jules and Doris Stein Matching Fund

During 1984, the Jules and Doris Stein Foundation contributed $10,756,710 to RPB to establish the Jules and Doris Stein Matching Fund (the "Fund"). This Fund, which commenced in the beginning of 1985, enables RPB to continue Dr. and Mrs. Stein's traditional year-end offers to match up to $1,000,000 in contributions from others. The principal from the Fund may be used for matching only to the extent that there is insufficient investment return. Investment return earned in excess of the matching requirements is added to the Fund balance.

The Fund had net investment return of $197,593 (interest, dividends, capital gains and losses) for the year ended December 31, 2016, and a net investment return of $257,834 for the year ended December 31, 2015. In accordance with the terms of the Fund, $1,000,000 was released in 2016 and $793,021 in 2015 for the general programs and activities of RPB to match contributions received during these years.

The principal of the Fund was decreased by $802,407 and $535,187 for the years ended December 31, 2016 and December 31, 2015, respectively.

Note 9 – Net assets

Endowments

RPB classifies as permanently restricted net assets the original value of gifts donated to the permanent endowment. The portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as unrestricted and temporarily restricted net assets based on donor stipulations.

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Notes to Combined Financial Statements (continued)
December 31, 2016

Note 9 – Net assets (continued)

Endowments (continued)

RPB's long-term assets shall be invested in accordance with sound investment practices that emphasize long-term investment fundamentals. In establishing the investment objectives of RPB, the Board of Trustees takes into account a number of factors including the financial needs and circumstances of RPB, the time horizon available for investment, the nature of RPB's cash flows and liabilities, and other factors that affect their risk tolerance.

RPB has a policy of spending the investment return generated from its permanently restricted funds, which is allowable under the donor guidelines. At December 31st, any unspent donor-restricted investment return is added to the temporarily restricted balance of the appropriate fund. This is consistent with RPB's objective to maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional growth through investment return and new gifts.

Permanently restricted net assets

These net assets represent contributions and bequests made into the following funds and are restricted to investment in perpetuity. Investment return from these funds is available for unrestricted use except with respect to the William & Mary Greve Memorial Fund, the Dolly Green Endowment Fund, the two Sybil B. Harrington Funds and the John D. and Patricia Sakona Endowment Fund, David B. Sykes Endowment Fund and The Ernest E. and Elizabeth P. Althouse Memorial Fund where investment return is temporarily restricted.

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Notes to Combined Financial Statements (continued)
December 31, 2016

Note 9 – Net assets (continued)

Permanently restricted net assets (continued)

Permanently restricted net assets activity for the year ended December 31, 2016 is as follows:

	Balance at December 31, 2015	Contributions to Fund	Investment Return	Balance at December 31, 2016
Jules & Doris Stein Endowment Fund	$ 45,087,782	$ -	$ -	$ 45,087,782
Lew R. & Edie Wasserman Fund	1,407,412	-	-	1,407,412
Sybil B. Harrington Macular Degeneration Fund	1,500,000	-	-	1,500,000
Sybil B. Harrington Eye Disease Fund	1,500,000	-	-	1,500,000
William & Mary Greve Memorial Fund	519,943	-	-	519,943
Dolly Green Fund	500,000	-	-	500,000
Desiree L. Franklin Endowment Fund	138,700	-	-	138,700
Eugene G. Blackford Memorial Fund	28,000	-	-	28,000
John D. and Patricia Sakona Endowment Fund	75,453	-	-	75,453
David B. Sykes Endowment Fund	247,345	-	9,606	256,951
The Ernest E. and Elizabeth P. Althouse Memorial Fund	2,193,667	-	-	2,193,667
William Malloy, Jr. Endowment Fund	194,229	5,640	-	199,869
Total permanently restricted net assets	$ 53,392,531	$ 5,640	$ 9,606	$ 53,407,777

RESEARCH TO PREVENT BLINDNESS

Notes to Combined Financial Statements (continued)
December 31, 2016

Note 9 – Net assets (continued)

Temporarily restricted net assets

Temporarily restricted net assets activity for the year ended December 31, 2016 is as follows:

	Balance at December 31, 2015	Contributions to Fund	Net Assets Released from Restrictions	Investment Return (Includes Realized Gain)	Balance at December 31, 2016
Jules & Doris Stein Matching Fund	$ 4,754,491	$ -	$ (1,000,000)	$ 197,593	$ 3,952,084
Sybil B. Harrington Fund	86,839	-	(50,000)	1,518	38,357
Income available from the Sybil B. Harrington Macular Degeneration Fund	111,035	-	(55,000)	59,225	115,260
Income available from the Sybil B. Harrington Eye Disease Fund	209,219	-	(55,000)	62,911	217,130
Income available from the William & Mary Greve Memorial Fund	628,288	-	(60,000)	41,923	610,211
Income available from the Dolly Green Fund	26,196	-	(25,000)	19,270	20,466
Walt & Lilly Disney Foundation	203,196	100,000	(200,000)	4,633	107,829
John D. & Patricia Sakona Fund	69,874	-	-	4,797	74,671
David B. Sykes Endowment Fund	8,501	-	-	-	8,501
The Ernest E. and Elizabeth P. Althouse Memorial Fund	292,730	-	(75,000)	91,632	309,362
Margaret Nelson Trust	143,841	-	(143,841)	-	-
McCreary Trust	108,770	-	-	-	108,770
Francis W. Hatch	13,450	-	-	-	13,450
Stavros S. Niarchos Foundation	246,624	-	(86,250)	-	160,374
CTA Foundation	-	100,000	-	-	100,000
Lion's Club Int'l.	-	428,911	(150,000)	-	278,911
David F. Weeks Awards	-	500,000	(20,000)	6,898	486,898
Reader's Digest Partners for Sight	-	50,000	(50,000)	-	-
Bridget Beatrice Tiedman Trust	-	189,797	-	-	189,797
Total temporarily restricted net assets	$ 6,903,054	$ 1,368,708	$ (1,970,091)	$ 490,400	$ 6,792,071

RESEARCH TO PREVENT BLINDNESS

Notes to Combined Financial Statements (continued)
December 31, 2016

Note 9 – Net assets (continued)

Designated funds

The Board of Trustees of RPB designated funds from unrestricted net assets to assure adequate financial support for the Jules and Doris Stein Professorship Grants, the RPB Career Development Awards and the David F. Weeks Awards (see note 7). The grants awarded below include the change in the discount during 2016 and 2015. Designated fund activity for the years ended December 31, 2016 and December 31, 2015 is as follows:

	December 31	
	2016	2015
Jules and Doris Stein Professorship Grants		
Balance, beginning of year	$ 24,736,422	$ 25,021,725
Grants awarded	(28,642)	(285,303)
Balance, end of year	**24,707,780**	**24,736,422**
Career Development Awards		
Balance, beginning of year	10,355,389	12,129,243
Grants awarded	(1,503,486)	(1,795,350)
Grants canceled/refunded	205,332	21,496
Balance, end of year	**9,057,235**	**10,355,389**
David F. Weeks Awards		
Balance, beginning of year	-	-
Transfer from general operating	500,000	-
Investment return	6,897	-
Grants awarded	(20,000)	-
Balance, end of year	**486,897**	**-**
Total designated funds, at year-end	**$ 34,251,912**	**$ 35,091,811**

David F. Weeks Awards

The following is a summary of the David F. Weeks Awards as of December 31, 2016:

Unrestricted – designated	$ 486,897
Temporarily restricted	486,898
Total	$ 973,795