PRO-VISION, INC.
(A NON-PROFIT ORGANIZATION)

REPORT ON FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2025 and 2024

BREEDLOVE & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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BREEDLOVE & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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JILL A. HENZE, CPA
President

NICOLE BREEDLOVE HUNT, CPA
CEO

INDEPENDENT AUDITORS' REPORT

June 24, 2026

Board of Directors
Pro-Vision, Inc.
Houston, Texas

Opinion

We have audited the accompanying financial statements of Pro-Vision, Inc. (a nonprofit organization) which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pro-Vision, Inc. as of December 31, 2025 and 2024, and the changes in the net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Pro-Vision, Inc.'s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Pro-Vision, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Breedlove & Co., P.C.

PRO-VISION, INC.

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31,

	2025	2024
ASSETS		
Cash and cash equivalents	$ 77 763	$ 111 711
Restricted cash	135 088	21 601
Grants and promises to give receivable	907 632	-
Other receivables	20 799	671 303
Due from affiliate	136 221	130 808
Prepaid expenses	69 234	66 490
Investments	16 379	11 775
Property and equipment, net	14 642 949	15 110 505
Other assets	32 979	64 402
Right-of-use operating leases	108 011	169 274
Lease receivable	2 595 213	2 943 792
Total Assets	$ 18 742 268	$ 19 301 661
LIABILITIES AND NET ASSETS		
Accounts payable	$ 4 266	$ 19 479
Accrued expenses	266 508	306 269
Deferred lease income	2 302 027	2 929 853
Line of credit	500 000	-
Notes payable	5 024 363	5 003 159
Other liabilities	-	190 426
Right-of-use operating leases	115 254	178 339
Total Liabilities	8 212 418	8 627 525
Net assets without donor restrictions	9 527 262	10 674 136
Net assets with donor restrictions	1 002 588	-
Total Net Assets	10 529 850	10 674 136
Total Liabilities and Net Assets	$ 18 742 268	$ 19 301 661

See the Accompanying Independent Auditors' Report and Notes to Financial Statements.

PRO-VISION, INC.

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31,

	Without Donor Restrictions	With Donor Restrictions	2025	2024
Support and Revenues				
Grants and contributions	$ 446 301	$ 1 375 360	$ 1 821 661	$ 1 376 561
Rental income	627 826	-	627 826	333 975
Investment income, net	31 877	-	31 877	2 738
Other income	719	-	719	606
Product sales	-	17 115	17 115	-
Net assets released from restrictions	389 887	(389 887)	-	-
Total Support and Revenues	1 496 610	1 002 588	2 499 198	1 713 880
Expenses				
Program Services				
Community outreach	423 269	-	423 269	318 319
Urban farm	499 752	-	499 752	543 942
Affordable housing	482 467	-	482 467	458 710
Character development	787 639	-	787 639	869 433
Total Program Services	2 193 127	-	2 193 127	2 190 404
Support Services				
Management and general	211 435	-	211 435	228 961
Fundraising	180 046	-	180 046	145 472
Total Supporting Services	391 481	-	391 481	374 433
Total Expenses	2 584 608	-	2 584 608	2 564 837
Other Expenses				
Loss on Disposal of Other Assets	58 876	-	58 876	-
Total Other Expenses	58 876	-	58 876	-
Change in Net Assets	(1 146 874)	1 002 588	(144 286)	(850 957)
Net Assets at Beginning of Year	10 674 136	-	10 674 136	11 525 093
Net Assets at End of Year	$ 9 527 262	$ 1 002 588	$ 10 529 850	$ 10 674 136

See the Accompanying Independent Auditors' Report and Notes to Financial Statements.

PRO-VISION, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Program Services					Supporting Services			
	Community Outreach	Urban Farm	Affordable Housing	Character Development	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
Salaries and Related Expenses									
Employee benefits	$ 17 313	$ 31 229	$ 34 627	$ 69 278	$ 152 447	$ 20 775	$ 58	$ 20 833	$ 173 280
Payroll taxes	4 810	8 657	9 619	19 237	42 323	5 771	-	5 771	48 094
Salaries and wages	54 401	166 236	108 803	274 550	603 990	65 279	2 017	67 296	671 286
Total Salaries and Related Expenses	76 524	206 122	153 049	363 065	798 760	91 825	2,075	93 900	892 660
Other Expenses									
Advertising and promotion	801	1 441	1 601	3 203	7 046	961	5 030	5 991	13 037
Banking fees	184	314	349	698	1 545	209	110	319	1 864
Charitable Services	23	42	46	93	204	28	7 254	7 282	7 486
Computer and internet	797	2 926	1 594	3 188	8 505	956	-	956	9 461
Consultant fees	3 200	5 760	6 400	12 800	28 160	3 840	-	3 840	32 000
Contracted labor	-	45 600	-	-	45 600	-	-	-	45 600
Depreciation and amortization	46 885	84 395	93 770	187 541	412 591	56 264	-	56 264	468 855
Dues and subscriptions	767	2 494	1 535	3 169	7 965	921	1 155	2 076	10 041
Equipment lease	480	864	960	1 919	4 223	575	-	575	4 798
Events	4 866	2 658	2 953	6 208	16 685	1 772	135 077	136 849	153 534
Insurance expense	18 660	33 932	37 318	74 640	164 550	22 392	-	22 392	186 942
Interest expense	196 993	1 583	122 895	3 536	325 007	1 060	-	1 060	326 067
Licenses and permits	614	12	14	27	667	8	-	8	675
Miscellaneous	3 063	61	68	136	3 328	42	-	42	3 370
Office expense	539	905	1 077	2 154	4 675	646	-	646	5 321
Postage	74	395	149	750	1 368	89	474	563	1 931
Printing	426	767	852	1 704	3 749	512	2 888	3 400	7 149
Professional services	12 786	23 015	28 216	51 144	115 161	15 343	168	15 511	130 672
Property management	5 073	-	1 772	-	6 845	-	-	-	6 845
Property taxes	523	942	5 090	2 093	8 648	628	-	628	9 276
Rent	7 246	13 042	14 491	28 982	63 761	8 695	-	8 695	72 456
Repairs and maintenance	115	1 765	716	1 323	3 919	137	10 015	10 152	14 071
Scholarship and assistance	33 949	-	-	1 030	34 979	-	3 374	3 374	38 353
Supplies	1 616	52 971	3 232	8 884	66 703	1 940	7 460	9 400	76 103
Training	261	470	523	1 045	2 299	314	-	314	2 613
Transportation	299	6 459	596	15 188	22 542	357	1 330	1 687	24 229
Travel and meetings	1 013	2 082	1 401	9 518	14 014	841	3 636	4 477	18 491
Utilities	5 492	8 735	1 800	3 601	19 628	1 080	-	1 080	20 708
Total Other Expenses	346 745	293 630	329 418	424 574	1 394 367	119 610	177 971	297 581	1 691 948
Total Expenses	$ 423 269	$ 499 752	$ 482 467	$ 787 639	$ 2 193 127	$ 211 435	$ 180 046	$ 391 481	$ 2 584 608

See the Accompanying Independent Auditors' Report and Notes to Financial Statements.

PRO-VISION, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Program Services					Supporting Services			
	Community Outreach	Urban Farm	Affordable Housing	Character Development	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
Salaries and Related Expenses									
Employee benefits	$ 15 381	$ 27 686	$ 30 762	$ 61 524	$ 135 353	$ 18 457	$ -	$ 18 457	$ 153 810
Payroll taxes	4 877	8 778	9 753	19 506	42 914	5 851	-	5 851	48 765
Salaries and wages	56 214	173 001	112 427	298 565	640 207	67 609	-	67 609	707 816
Total Salaries and Related Expenses	76 472	209 465	152 942	379 595	818 474	91 917	-	91 917	910 391
Other Expenses									
Advertising and promotion	874	1 682	1 747	3 494	7 797	1 049	125	1 174	8 971
Banking fees	134	366	268	535	1 303	160	3	163	1 466
Charitable Services	-	-	-	-	-	-	14 675	14 675	14 675
Computer and internet	599	2 912	1 198	2 932	7 641	718	768	1 486	9 127
Consultant fees	5 750	10 350	42 500	23 000	81 600	6 900	-	6 900	88 500
Contracted labor	40	47 572	80	160	47 852	48	-	48	47 900
Depreciation and amortization	45 722	82 301	91 444	182 888	402 355	54 872	-	54 872	457 227
Dues and subscriptions	630	1 799	1 259	2 600	6 288	756	790	1 546	7 834
Equipment lease	524	943	1 048	2 096	4 611	628	-	628	5 239
Events	5	10	11	1 224	1 250	6	110 018	110 024	111 274
Insurance expense	20 206	36 729	40 412	80 824	178 171	24 248	-	24 248	202 419
Interest expense	16 044	29 345	32 086	64 771	142 246	19 252	-	19 252	161 498
Licenses and permits	18	33	36	72	159	22	-	22	181
Miscellaneous	(4 353)	17	52	41	(4 243)	12	-	12	(4 231)
Office expense	221	451	442	883	1 997	266	-	266	2 263
Postage	260	968	520	1 041	2 789	313	365	678	3 467
Printing	212	382	425	907	1 926	255	4 493	4 748	6 674
Professional services	10 642	19 156	31 160	42 571	103 529	12 771	-	12 771	116 300
Property management	-	-	29 226	-	29 226	-	-	-	29 226
Property taxes	-	-	6 896	-	6 896	-	-	-	6 896
Rent	5 801	10 442	11 601	23 202	51 046	6 959	-	6 959	58 005
Repairs and maintenance	146	10 218	305	77	10 746	22	-	22	10 768
Scholarship and assistance	121 674	3 013	3 348	22 009	150 044	2 009	1 533	3 542	153 586
Supplies	1 084	35 914	2 167	12 611	51 776	1 300	6 992	8 292	60 068
Training	52	213	104	207	576	62	62	124	700
Transportation	672	8 243	1 343	7 375	17 633	806	1 124	1 930	19 563
Travel and meetings	2 046	6 558	4 093	10 468	23 165	2 455	4 339	6 794	29 959
Utilities	12 844	24 860	1 997	3 850	43 551	1 155	185	1 340	44 891
Total Other Expenses	241 847	334 477	305 768	489 838	1 371 930	137 044	145 472	282 516	1 654 446
Total Expenses	$ 318 319	$ 543 942	$ 458 710	$ 869 433	$ 2 190 404	$ 228 961	$ 145 472	$ 374 433	$ 2 564 837

See the Accompanying Independent Auditors' Report and Notes to Financial Statements.

PRO-VISION, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,

	2025	2024
Operating Activities		
Decrease in Net Assets	$ (144 286)	$ (850 957)
Adjustments to Reconcile Change in Net Assets to Net Cash		
Provided by / (Used for) Operating Activities		
Amortization and depreciation	468 855	457 227
Unrealized (gain) / loss on investments	167	(5 092)
Realized (gain) / loss on investments	(30 537)	-
Investment income reinvested	(674)	-
Loss on disposition of assets, net	58 876	-
In kind contributed assets	-	(175 000)
Noncash lease (income) / expense	(281 069)	217 287
(Increase) / Decrease in accounts receivable	(907 632)	6 584
(Increase) / Decrease in grants and promises to give receivable	-	288 301
(Increase) / Decrease in prepaid expenses and other current assets	(2 744)	(636 268)
(Increase) / Decrease in due to/from affiliate	(5 413)	(180 808)
Increase / (Decrease) in accounts payable	(15 213)	(12 865)
Increase / (Decrease) in accrued expenses	(39 761)	2 184
Increase / (Decrease) in other liabilities and unearned revenue	-	19 389
Net Cash Provided by / (Used for) Operating Activities	(899 431)	(870 018)
Investing Activities		
Purchase of property and equipment	(8 018)	(618 818)
Purchase of other assets	-	(40 708)
Sale of investments	214 942	-
Net Cash Provided by / (Used for) Investing Activities	206 924	(659 526)
Financing Activities		
Proceeds from notes payable	902 481	1 400 000
Payments on notes payable	(130 435)	(135 686)
Net Cash Provided by / (Used for) Financing Activities	772 046	1 264 314
Net Increase / (Decrease) in Cash, Cash Equivalents and Restricted Cash	79 539	(265 230)
Cash, Cash Equivalents and Restricted Cash at Beginning of Year	133 312	398 542
Cash, Cash Equivalents and Restricted Cash at End of Year	$ 212 851	$ 133 312
Supplemental Disclosures		
Interest Paid	$ 326 067	$ 161 498
Cash paid for amounts included in the measurement of operating leases	$ 63 085	$ 56 073
Cash received for amounts included in the measurement of lease receivable	$ 348 579	$ 491 936
Non Cash Activities		
Contributed property and equipment	$ -	$ 175 000
Noncash Contributions	$ 217 602	$ -

See the Accompanying Independent Auditors' Report and Notes to Financial Statements.

NOTE (1) SIGNIFICANT ACCOUNTING POLICIES

Pro-Vision, Inc. (the Organization) is a non-profit organization established in 1991. The Organization has provided educational and counseling services to adults and youth of Houston, Texas since that date. The Organization is primarily supported through donor contributions and rental income from property and buildings it leases to a related party, which are utilized for the various programs. The Organization also provides other programs that teach moral and ethical living and critical job skills.

A. BASIS OF ACCOUNTING

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

B. BASIS OF PRESENTATION

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: with and without donor restrictions.

C. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include all monies in banks and highly-liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

D. PROMISES TO GIVE

Conditional promises to give are not recognized in the financial statements until the conditions are substantially met. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed.

E. INVESTMENTS AND FAIR VALUE OF FINANCIAL INSTRUMENTS

Accounting principles generally accepted in the United States of America establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy are described below:

i. Level 1—Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

ii. 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 by other means.

NOTE (1) SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. INVESTMENTS AND FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

iii. 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, on a recurring basis. There have been no changes to the methodologies used at December 31, 2025.

Equities and mutual funds: Valued at the net asset value (NAV) of shares on the last trading day of the fiscal year, which is the basis for transactions at that date.

At December 31, 2025 and 2024, the Organizations investments consisted of mutual funds and equities totaling $16,379 and $11,775, respectively. Investments are reported at fair value using a Level 1 measure.

G. PROPERTY AND EQUIPMENT

Acquisitions of property and equipment in excess of $1,500 are capitalized. Property and equipment are carried at cost or, if donated, at fair value at the date of donation. Depreciation is computed using primarily the straight-line method.

The estimated useful lives for each major depreciable classification of property and equipment are as follows:

Buildings and improvements	10-40 years
Furniture and equipment	5-20 years
Vehicles	5 years
Construction in progress	NA
Land	NA

H. DONATED ASSETS

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

NOTE (1) SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. LEASES

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842), which supersedes existing guidance for accounting for leases under Topic 840, *Leases*. ASU 2016-02 is effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2021, with early adoption permitted. The FASB subsequently issued several ASUs, which amend and clarify Topic 842.

The Organization adopted Topic 842 on January 1, 2022, utilizing an optional transition method, which allowed the recognition of a cumulative effect adjustment to the opening balance of net assets without donor restrictions on the initial date of adoption and the application of new disclosure requirements beginning in the period of adoption. In addition, it adopted ongoing accounting policies to not recognize right-of-use (ROU) assets and lease liabilities for leasing arrangements with terms of less than one year and to not separate lease and non-lease components for all classes of underlying assets.

J. NET ASSETS

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Net assets without donor restrictions are available for use in general operations and not subject to donor restrictions. Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity.

K. CONTRIBUTIONS

Gifts of cash and other assets received without donor stipulations are reported as support and net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as support and net assets with donor restrictions. When a donor-stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Gifts having donor stipulations that are satisfied in the period the gift is received are reported as support and net assets without donor restrictions.

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Gifts of land, buildings, equipment, and other long-lived assets are reported as support and net assets without donor restrictions unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as support and net assets with donor restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of net assets with donor restrictions to net assets without donor restrictions are reported when the long-lived assets are placed in service.

Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are initially reported at fair value determined using the discounted present value of estimated future cash flows technique. The resulting discount is amortized using the level-yield method and is reported as contribution revenue. Conditional gifts depend on the occurrence of a specified future and uncertain event to bind the potential donor and are recognized as assets and revenue when the conditions are substantially met, and the gift becomes unconditional.

NOTE (1) SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. CONTRIBUTED SERVICES

The Organization receives a substantial amount of services donated by volunteers in carrying out the Organization's programs. Contributions of services are recognized as support at their estimated fair value only when the services received create or enhance nonfinancial assets or require specialized skills possessed by the individuals providing the service and the service would typically need to be purchased if not donated. No amounts have been reflected in the financial statements for those services because they do not meet the criteria for recognition.

M. FUNCTIONAL ALLOCATION OF EXPENSE

Expenses are categorized in the Statement of Activities as program services, fundraising and management and general. The Organization's expenses are allocated on a functional basis among these benefited categories.

Program service expenses include direct and indirect (allocated) expenses for the various programs offered by the Organization. Expenses that can be identified with a specific program and support services are allocated directly according to their natural expenditure classification. Other expenses, that are common to several functions, are allocated to program services on the basis of time and effort.

N. ADVERTISING

Advertising costs are expensed as incurred. Advertising expenses for the years ended December 31, 2025 and 2024 were $13,037 and $8,971, respectively.

O. INCOME TAXES

The Organization is a nonprofit corporation that is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code ("Code") and comparable State law, and contributions to it are tax deductible within the limitations prescribed by the Code. The Organization conducted unrelated business activities in the current fiscal year. The Organization has made no provision for federal income taxes in the accompanying financial statements as the tax burden is considered immaterial.

The Organization applies the provisions of FASB ASC Topic 740, *Income Taxes*, (ASU 740), which prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. ASC 740 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosures and transition. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

P. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Q. RECLASSIFICATIONS

Certain 2024 amounts have been reclassified to conform with the 2025 financial statement presentation.

NOTE (2) CONCENTRATION OF CREDIT RISKS

All of a depositor's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, will be insured by the Federal Deposit Insurance Corporation (FDIC) up to the standard maximum deposit insurance amount ($250,000), for each deposit insurance ownership category. The Organization maintains cash balances at financial institutions located in Texas.

At December 31, 2025, the Organization’s cash balances were fully insured by the FDIC. There were instances during the year ended December 31, 2025 when the funds were inadequately covered. At December 31, 2024, the Organization’s cash balances were fully insured by the FDIC. There were instances during the year ended December 31, 2024 when the funds were inadequately covered.

NOTE (3) RESTRICTED CASH

Cash balances totaling $135,088 for the year ended December 31, 2025 are restricted for the new Trade and Skills program being offered in conjunction with Pro-Vision Educational Services, Inc., (the School).

Cash balances totaling $21,601 for the year ended December 31, 2024 are restricted for the building campaign related to construction costs of building and improvements.

NOTE (4) GRANTS AND PROMISES TO GIVE RECEIVABLE

At December 31, 2025, the Organization had unconditional promises to give in the amount of $40,132 and conditional promises to give in the amount of $867,500.

During the year ended December 31, 2025, the Organization was awarded $1,000,000 from a related party to develop a Trade and Skills program in conjunction with the School. These funds will be received over 5 years in equal installments. Of the $867,500 conditional promises to give at December 31, 2025, $800,000 was for the Trade and Skills Program, $38,750 is for the Character Development program and the remaining $28,750 is for the continued development of the Urban farm.

During the year ended December 31, 2025, the Organization submitted requests for reimbursement to the U.S. Department of Housing and Urban Development (HUD) under the Economic Development Initiative Community project in the amount of $361,608. These funds were received in the year. The remaining grant funds available are $638,392. This grant is a reimbursable agreement, and the program term ends August 31, 2032.

At December 31, 2024, there were no promises to give. During the year ended December 31, 2024, the Organization was awarded a federal grant from HUD under the Economic Development Initiative Community project in the amount of $1,000,000. This grant is a reimbursable agreement, and the program term ends August 31, 2032. As of December 31, 2024 the Organization had not requested any reimbursement of expenditures. No recognition of this grant was made since the funding is contingent upon approval of expenditures by HUD.

NOTE (4) GRANTS AND PROMISES TO GIVE RECEIVABLE (Continued)

Grants and promises to give receivable are summarized as follows:

	2025	2024
Character Development	$ 38 750	$ -
Urban Farm	28 750	-
Trade and Skills	800 000	
Operations - Unrestricted	40 132	-
Total promises to give	907 632	-
		-
Receivable in less than one year	$ 302 632	$ -
Receivable in more than one year	605 000	-
Total promises to give	$ 907 632	$ -

Certain promises to give receivable are from board members, see *Note 8 – Related Party Transactions*.

NOTE (5) PROPERTY AND EQUIPMENT

As of December 31, 2025 and 2024, property and equipment consisted of the following:

	2025	2024
Land	$ 5 417 178	$ 5 310 299
Buildings and improvements	13 569 676	13 567 616
Construction in progress	21 040	398 708
Furniture and fixtures	292 924	292 924
Equipment	949 115	692 672
Vehicles	37 566	52 066
Subtotal property and equipment	20 287 499	20 314 285
Less: accumulated depreciation	(5 644 550)	(5 203 780)
Total property and equipment, net	$ 14 642 949	$ 15 110 505

Depreciation expense charged to operations for the years ended December 31, 2025 and 2024 was $455,270 and $447,812, respectively.

For the year ended December 31, 2025 no contributions in kind were received. For the year ended December 31, 2024 the Organization received contribution in kind of land with a fair market value of $175,000. This amount is included in land above.

NOTE (6) NOTES PAYABLE

On February 22, 2018, the Organization entered into a construction loan agreement with Amegy Bank. The construction loan agreement is in the form of an advancing term loan for construction of improvements in a principal amount of up to $4,000,000. Interest is a fixed rate per annum equal to four and one-half percent (4.5%) with a maturity date of February 22, 2028.

Repayment of principal and interest are as follows:

a. Accrued and unpaid interest on the Note is due and payable monthly commencing on April 1, 2018 until and including February 1, 2022.
b. Installments of principal in an amount sufficient to reduce the outstanding aggregate principal amount of all advances to an amount not to exceed:
    i. $3,500,000 due and payable on February 22, 2020;
    ii. $3,250,000 due and payable on February 22, 2021;
c. Monthly installments of principal and interest, each in an amount sufficient to amortize the principal amount of all advances outstanding on the February 22, 2021, over a period of twenty (20) years at an interest rate equal to four and one-half percent (4.5%) due and payable commencing March 1, 2021, until February 22, 2028.
d. Final installment in the amount of all outstanding principal, plus accrued and unpaid interest due and payable on the maturity date of February 22, 2028.

During the year ended December 31, 2025, the Organization repaid the balance of the note payable in full. For the year ended December 31, 2024, the balance of the note payable was $2,831,714.

On June 3, 2020, the Organization entered into a 30-year loan agreement with Small Business Administration. The loan was in the amount of $150,000 at 2.75% interest. During the year ended December 31, 2022, the Organization applied for additional loan funds under this note and on April 20, 2022 received an additional $300,000. From the date the loan proceeds were received interest accrued. Repayments were deferred and commenced December 2022, with payments being applied against the accrued interest until repaid. At December 31, 2025 the balance on the note was $428,318, including accrued interest. At December 31, 2024 the balance on the note was $440,216, including accrued interest.

On September 16, 2025, the Organization entered into an informal loan agreement with a board member. The loan was in the amount of $150,000 at 0% interest. During the year ended December 31, 2025 the Organization repaid the balance of the note payable in full. At December 31, 2024 the balance on the note was $150,000.

On August 2, 2024, the Organization entered into a 2-year loan agreement with a board member. The loan was in the amount of $300,000 at 0% interest. During the year ended December 31, 2025 the Organization repaid the balance of the note payable in full. At December 31, 2024 the balance on the note was $300,000.

On June 29, 2023, the Organization entered into a loan agreement with John Deere Financial to purchase new equipment. The interest rate is 2.203%, and the term is 6 years with principal and interest payments of $608 due monthly. The equipment was placed in service on June 29, 2023 and is pledged as collateral on the note. During the year ended December 31, 2025 the Organization made principal and interest payments of $6,675 and $621, respectively. At December 31, 2025 the Organization owed $24,554 to the lender.

During the year ended December 31, 2024 the Organization made principal and interest payments of $7,296 and $766, respectively. At December 31, 2024 the Organization owed $31,229 to the lender.

NOTE (6) NOTES PAYABLE (Continued)

During the year ended December 31, 2024 the Organization entered into a loan agreement with Local Initiatives Support Corporation. The loan was in the amount of $1,250,000 at 7.85% interest. Repayment of this loan is the earlier of 3 years or upon the sale of land owned by the Organization. During the year ending December 31, 2025 the Organization drew down $311,072 from the deferred loan proceeds of $650,504. During the year ended December 31, 2025 the Organization had repaid the balance of the note payable in full.

At December 31, 2024 the Organization recognized deferred loan proceeds of $650,504 which is included in other assets on the Statement of Financial Position. At the year end the Organization owed $599,496 net, to the lender.

During the year ended December 31, 2025 the Organization entered into a loan agreement with Texas First Bank. The loan was in the amount of $4,623,000 at 7.5% interest and the term is 5 years with principal and interest payments of $37,262 due monthly. During the year ending December 31, 2025 the Organization made principal and interest payments of $51,509 and $172,064, respectively. At December 31, 2025 the Organization owed the lender $4,571,491.

The balance of the notes payable for the years ended December 31, 2025 and 2024 was $5,024,363 and $5,003,159, respectively.

The future maturities of long-term debt are as follows:

Year Ending December 31,	Amount
2026	$ 117 211
2027	125 534
2028	134 495
2029	140 479
2030	4 142 976
2031-2035	74 167
2036-2040	85 086
2041-2045	97 613
2046-2050	106 802
Total	$ 5 024 363

Interest expense on the notes payable for the years ended December 31, 2025 and 2024 was $323,642 and $161,498, respectively.

NOTE (7) LINE OF CREDIT

During the year ended December 31, 2025 the Organization entered into a line of credit agreement with Texas First Bank. The line of credit was in the amount of $500,000 at 7.5% interest. During the year ended December 31, 2025 the Organization received $500,000 from this line of credit. The balance due on the line of credit at December 31, 2025 was $500,000. Interest expense on the line of credit for the year ended December 31, 2025 was $2,425. Bank advances on the credit line are payable on demand.

Subsequent to year end, the Organization renegotiated the terms of this agreement and increased the available balance to $900,000.

NOTE (8) DUE TO / FROM AFFILIATE

At January 1, 2025, Pro-Vision Villages at Chocolate Bayou (PVVCB), owed the Organization $130,808 to assist in the payment of professional fees related to the development of the affordable housing program. During the year ended December 31, 2025 the Organization loaned $367,021 to assist in the payment of professional fees related to the development of the affordable housing program. The Organization received $361,608 from HUD for the reimbursement of expenses incurred by the Organization to assist PVVCB in the development of the affordable housing program. At December 31, 2025, PVVCB owed the Organization $136,221.

At January 1, 2024, the Organization owed PVVCB, $50,000 to assist in the payment of property taxes on the land set aside for the affordable housing program. During the year ended December 31, 2024 the Organization repaid PVVCB $50,000 and loaned $130,808 to assist in the payment of professional fees related to the development of the affordable housing program. At December 31, 2024, PVVCB owed the Organization $130,808.

NOTE (9) RELATED PARTY TRANSACTIONS

For the years ended December 31, 2025 and 2024, the Organization received approximately $1,034,000 and $189,000, respectively from various board members for board dues and pledges.

NOTE (10) NET ASSETS WITH DONOR RESTRICTIONS

At December 31, 2025 and 2024, the Organization had net assets with donor restrictions of 1,002,588 and $0, respectively. These amounts are restricted for the following purposes:

	2025	2024
Character Development	$ 38 750	$ -
Trade and Skills	935 088	-
Urban Farm	28 750	-
Total Net Assets with Donor Restrictions	$1 002 588	$ -

NOTE (11) NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

The following amounts were released from restrictions for the years ended December 31:

	2025	2024
Affordable Housing	$ -	$ 500
Capital Campaign	-	256 317
Character Development	220 180	8 348
Trade and Skills	67 592	-
Urban Farm	102 115	290 385
Total Net Assets Released from Restrictions	$ 389 887	$ 555 550

NOTE (12) LIQUIDITY AND AVAILABILITY

For the year ended December 31, 2025, the Organization's operations were dependent on private and public donations from individuals, foundations, and corporations as well as contractual lease income. The Organization had $1,022,573 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of cash of $77,763, grants and promises to give of $907,632, other receivables of $20,799 and investments of $16,379. The Organization has sufficient financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures.

For the year ended December 31, 2024, the Organization's operations were dependent on private and public donations from individuals, foundations, and corporations as well as contractual lease income. The Organization had $794,789 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of cash of $111,711, other receivables of $671,303 and investments of $11,775. The Organization has sufficient financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures.

The Organization sets a goal of having financial assets on hand to meet 60 days of normal cash operating expenses, which are, on average, around $285,000. As part of its liquidity management, The Organization has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations become due. The Organization also intends to transfer excess operating funds, in excess of its 60-day operating needs, to a short-term savings account which, should an unforeseen liquidity need arise, the Organization could draw upon to meet cash requirements.

NOTE (13) PROGRAMS AND SUPPORTING SERVICES

The costs of providing the various programs and other activities are shown in the accompanying statement of functional expenses. The following programs and supporting services are included in the accompanying financial statements:

Community Outreach – This program encompasses various initiatives to engage and connect with residents of the immediate community that Pro-Vision seeks to serve. This includes supporting community-oriented events, attendance and representation at community town halls, and meeting with local elected officials to ensure the needs of the community are being served by local government.

Urban Farm – The Urban Farm serves as a healthy resource by making organic produce accessible to the Sunnyside community and introducing and teaching modern agriculture techniques to its participants through its agricultural programs. It emphasizes discussion of health and proper nutrition, welcoming fresh vegetables and recipes into the home kitchen, sustainable land use practices and agricultural skills. The goal of commercial sales is to generate funds which can be used to support the remaining program services and lower the need for outside financial support.

Affordable Housing – The affordable housing program has been a long-term goal of the organization to assist residents in securing comfortable housing at a cost they can afford as a way to improve the quality of life in the community. The Housing Initiative will transform underused, industrial, and inner-city properties, in a once desolate and forgotten neighborhood, into a large and thriving affordable housing community. This activity of the model not only assumes that improved housing stock will enhance the physical space of a neighborhood, but it will also enhance community members' well-being and civic responsibility. The organization has accumulated 64 acres in the community with the goal to secure additional acreage which will allow the construction of affordable housing units in a mixed income community.

NOTE (13) PROGRAMS AND SUPPORTING SERVICES (Continued)

Character Development – The Character Development Program is anchored by the Manhood Development Program and S.H.E. (Strong, Healthy and Empowered) and provides supportive initiatives for the families of the young people participating in these programs. The program develops the character and integrity of each member by combining close mentoring relationships with exposure to situations that reinforce moral and ethical thinking. They are given the opportunity to participate in camps, job enterprise employment, and leadership positions to help develop discipline, self-esteem, and confidence to become outstanding citizens within their community and role models within their area of influence.

Trade and Skills – The Trade and Skills initiative is more than a program; it is a pathway to possibilities for young people in the Sunnyside and Greater Houston communities. Designed to meet students where they are and guide them toward meaningful futures, the initiative introduces career awareness in middle school, builds workforce readiness and technical skills in high school, and creates clear pathways to certifications, internships, apprenticeships, and living-wage employment. Through exposure to high-demand fields such as construction, electrical, HVAC, welding, logistics, healthcare, information technology, and digital technology, students begin to see a future that is both attainable and full of opportunity.

NOTE (14) CONCENTRATIONS

For the year ended December 31, 2025, approximately fifty five percent (55%) of the Organization's contribution revenue came from one (1) donor. At December 31, 2025, approximately eighty eight percent (88%) of the Organization's promises to give was due from one (1) donor.

For the year ended December 31, 2024, approximately twenty percent (13%) of the Organization's contribution revenue came from one (1) donor.

NOTE (15) 401(K) PLAN

On October 1, 2022, the Organization established the Pro-Vision, Inc. 401(K) Plan (the "Plan"). The Plan is offered to full-time employees who are at least 21 years of age and have completed ninety days (90) of employment. The Organization contributes 3% of the eligible employee's annual covered salary, regardless of employee contributions. The amount of expense charged to operations for the year ended December 31, 2025 and 2024 was $16,305 and $20,115, respectively.

NOTE (16) UNEARNED REVENUES

At December 31, 2025, the Organization had no unearned revenues.

At December 31, 2024, the Organization held the insurance proceeds discussed in *Note 19*.

NOTE (17) LEASE COMMITMENTS

The Organization adopted FASB ASC 842 *Leases* due to the Organization entering into new long-term leases during the prior year whose term exceeds 12 months. These leases are the only leases required to be included on the balance sheet under FASB ASC 842.

Leases with an initial term of 12 months or less are not recorded on the balance sheet. Lease expense is recognized for these leases on a straight-line basis over the lease term. Most leases include one or more options to renew, with renewal terms that can extend the lease term from one to five years or more. The exercise of lease renewal options is at the Organization's sole discretion.

As of December 31, 2025 and 2024, the right-of-use operating lease asset had a balance of $108,011 and $169,274, as shown in total assets on the balance sheet. The operating lease liability is included in total liabilities as of December 31, 2025 and 2024, $115,254 and $178,339, respectively. The lease asset and liability were calculated utilizing the average monthly payment over the lease term, for the years ended December 31, 2025 and 2024.

Maturities of the operating lease liabilities as of December 31, 2025 are as follows:

Year ending December 31,		
2026	$	64 439
2027		50 815
Present Value of Lease Liabilities	$	115 254

NOTE (18) LEASING ACTIVITIES

The Organization has a ten (10) year operating lease agreement with Pro-Vision Educational Services, Inc. (the School) that began September 1, 2019 and expires August 31, 2029. The terms of the lease require monthly rental payments of $62,000 for thirty-six (36) months, $66,000 for the next thirty-six (36) months and $70,000 for the final forty-eight (48).

During the year ended December 31, 2024, the School requested an amendment to the lease agreement, to be effective September 1, 2025. Under the amended agreement the remaining monthly rental payments were reduced to $49,797 for twenty-four (24) months and $54,000 for the next thirty-six months (36). As a result of the lease amendment, the Organization recognized $406,500 lease activity loss. This amount is netted against rental income for the current year.

Total payments from the School to the Organization under the lease agreement amounted to $627,826 and $491,936 for each of the years ended December 31, 2025 and 2024, respectively. These payments were applied against the lease receivable balance at each year end. The Organization is reporting the lease receivable balances at each year end in line with FASB ASC 842 *Leases.*

Lease income is included on the statement of activities as rental income. Cash receipts from operating leases are classified within cash flows from operating activities.

NOTE (18) LEASING ACTIVITIES (Continued)

The following is an analysis of the carrying amounts of the underlying assets related to operating leases:

Land	$ 1 732 108
Buildings	13 557 324
Equipment	485 894
Total cost	15 775 326
Less Accumulated Depreciation Buildings	(4 844 255)
Less Accumulated Depreciation Equipment	(479 546)
Total cost, net	$ 10 451 525

The following is an analysis of the maturity of the undiscounted operating lease payments to be received:

Year ending December 31,	
2026	$ 614 376
2027	648 000
2028	648 000
2029	684 837
Total	$ 2 595 213

NOTE (19) INSURANCE PROCEEDS

On July 6, 2023 the Organization experienced property damage to two Greenhouses following a weather event. The Organization submitted an insurance claim to repair the damage. During the year ended December 31, 2023, the Organization received $104,637 in insurance proceeds related to this claim.

During the year ended December 31, 2024, the Organization received $85,789 related to this claim and may be able to claim up to an additional $49,000 should the total cost of repairs exceed $197,883. The repairs remain ongoing at year end.

At December 31, 2024 the Organization had received $190,426 in insurance proceeds relating to the claim. These funds are shown in other liabilities on the Statement of Financial Position. At year end the organization had entered into a contract for the repairs. The total cost of the project was not known at December 31, 2024.

During the year ended December 31, 2025, all repairs relating to this claim were completed. The Organization is collating the total cost of this project and assessing if they meet the criteria to make an additional claim for any expenses in excess of $197,883. There is no recognition in the financial statements for any additional claim, since such amount is unknown at the date of this report.

NOTE (20) SUBSEQUENT EVENTS

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through June 24, 2026, the date the financial statements were available to be issued and noted that no additional subsequent events have occurred, other than the item discussed at Note (7) Line of Credit, that would require recognition in the financial statements or disclosure in the financial statements.