THE INTERNATIONAL DARK-SKY
ASSOCIATION, INC. dba
DARKSKY INTERNATIONAL

Audited Financial Statements

For the years ended December 31, 2025 and 2024

THE INTERNATIONAL DARK-SKY ASSOCIATION, INC. dba
DARKSKY INTERNATIONAL

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The International Dark-Sky Association, Inc. dba
DarkSky International

Opinion

We have audited the accompanying financial statements of The International Dark-Sky Association, Inc. dba DarkSky International (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 (collectively, "financial statements").

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The International Dark-Sky Association, Inc. dba DarkSky International as of December 31, 2025 and 2024, and the changes in its 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The International Dark-Sky Association, Inc. dba DarkSky International 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 The International Dark-Sky Association, Inc. dba DarkSky International's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audits 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 auditor's 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.

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Auditor's Responsibilities for the Audits of the Financial Statements, continued

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 The International Dark-Sky Association, Inc. dba DarkSky International'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 The International Dark-Sky Association, Inc. dba DarkSky International'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.

Lunonth Kkmeko Ruomer PLLC

July 16, 2026

THE INTERNATIONAL DARK-SKY ASSOCIATION, INC. dba
DARKSKY INTERNATIONAL

STATEMENTS OF FINANCIAL POSITION
December 31, 2025 and 2024

ASSETS

	2025	2024
Current assets:		
Cash	$ 1,726,759	$ 870,488
Unconditional promises to give, current portion	165,000	95,000
Grants and contributions receivable	346,678	448,000
Accounts receivable	27,216	42,194
Prepaid expenses	96,611	45,520
Investments	307,858	240,937
Investments - other, current portion	35,284	462,434
Total current assets	2,705,406	2,204,573
Unconditional promises to give, non-current portion, net	204,877	106,277
Investments - other, non-current portion	130,076	116,080
Software, net	32,993	45,765
Total assets	$ 3,073,352	$ 2,472,695

LIABILITIES AND NET ASSETS

	2025	2024
Current liabilities:		
Accounts payable and accrued expenses	$ 58,026	$ 64,743
Accrued payroll and related expenses	133,752	148,441
Total liabilities	191,778	213,184
Net assets:		
Without donor restrictions		
Undesignated	541,201	522,242
Designated by the Board	490,000	490,000
Total net assets without donor restrictions	1,031,201	1,012,242
With donor restrictions:		
Purpose and time restrictions	1,801,473	1,205,369
Perpetual in nature	48,900	41,900
Total net assets with donor restrictions	1,850,373	1,247,269
Total net assets	2,881,574	2,259,511
Total liabilities and net assets	$ 3,073,352	$ 2,472,695

See independent auditor's report and
accompanying notes to financial statements.

THE INTERNATIONAL DARK-SKY ASSOCIATION, INC. dba
DARKSKY INTERNATIONAL

STATEMENT OF ACTIVITIES
For the year ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and support:			
Contributions	$ 1,223,470	$ 1,818,939	$ 3,042,409
Program revenue	439,783	-	439,783
Other income	139,000	-	139,000
Investment income	93,154	-	93,154
Donated services	4,000	-	4,000
Net assets released from restrictions:			
Satisfaction of donor restrictions	1,215,835	(1,215,835)	-
Total revenues and support	3,115,242	603,104	3,718,346
Expenses:			
Program services	2,168,711	-	2,168,711
General and administrative	418,540	-	418,540
Fund-raising	509,032	-	509,032
Total expenses	3,096,283	-	3,096,283
Change in net assets	18,959	603,104	622,063
Net assets, beginning of year, restated	1,012,242	1,247,269	2,259,511
Net assets, end of year	$ 1,031,201	$ 1,850,373	$ 2,881,574

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THE INTERNATIONAL DARK-SKY ASSOCIATION, INC. dba
DARKSKY INTERNATIONAL

STATEMENT OF ACTIVITIES
For the year ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and support:			
Contributions	$ 1,056,709	$ 1,377,159	$ 2,433,868
Program revenue	392,039	-	392,039
Investment income	85,874	-	85,874
Other income	73,260	-	73,260
Net assets released from restrictions:			
Satisfaction of donor restrictions	1,013,687	(1,013,687)	-
Total revenues and support	2,621,569	363,472	2,985,041
Expenses:			
Program services	1,768,158	-	1,768,158
General and administrative	358,625	-	358,625
Fund-raising	381,429	-	381,429
Total expenses	2,508,212	-	2,508,212
Change in net assets	113,357	363,472	476,829
Net assets, beginning of year	898,885	883,797	1,782,682
Net assets, end of year, restated	$ 1,012,242	$ 1,247,269	$ 2,259,511

See independent auditor's report and
accompanying notes to financial statements.

THE INTERNATIONAL DARK-SKY ASSOCIATION, INC. dba
DARKSKY INTERNATIONAL

STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2025

	Program Services	General and Administrative	Fund-raising	Total
Payroll	$ 1,128,175	$ 81,634	$ 246,589	$ 1,456,398
Employee benefits	123,289	50,774	27,122	201,185
Payroll taxes	96,513	6,639	20,969	124,121
Total payroll expenses	1,347,977	139,047	294,680	1,781,704
Professional fees	411,325	249,543	102,733	763,601
Computer and software	117,654	7,833	30,719	156,206
Travel	106,223	1,602	19,378	127,203
Printing and publication	54,292	129	29,892	84,313
Chapter expenses	36,110	-	-	36,110
Occupancy	25,430	1,840	5,558	32,828
Postage and shipping	26,505	57	3,005	29,567
Credit card fees	7,339	-	15,969	23,308
Insurance	-	17,304	-	17,304
Depreciation and amortization	9,893	716	2,162	12,771
Marketing and advertising	7,600	-	-	7,600
Grants	6,898	-	-	6,898
Conferences and meetings	3,642	199	2,281	6,122
Bad debt	4,650	-	-	4,650
Office expenses	740	217	1,447	2,404
Miscellaneous	923	53	1,088	2,064
Dues and subscriptions	1,510	-	120	1,630
Total expenses	$ 2,168,711	$ 418,540	$ 509,032	$ 3,096,283

See independent auditor's report and
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THE INTERNATIONAL DARK-SKY ASSOCIATION, INC. dba
DARKSKY INTERNATIONAL

STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2024

	Program Services	General and Administrative	Fund-raising	Total
Payroll	$ 941,354	$ 25,724	$ 166,233	$ 1,133,311
Employee benefits	112,094	38,030	20,424	170,548
Payroll taxes	78,482	2,157	14,006	94,645
Total payroll expenses	1,131,930	65,911	200,663	1,398,504
Professional fees	342,962	270,267	81,413	694,642
Computer and software	94,094	6,357	20,928	121,379
Travel	97,616	288	1,814	99,718
Printing and publication	33,390	-	34,952	68,342
Occupancy	26,124	714	4,613	31,451
Credit card fees	2,437	-	19,535	21,972
Postage and shipping	7,025	-	13,113	20,138
Depreciation and amortization	16,255	444	2,871	19,570
Insurance	-	10,916	-	10,916
Chapter expenses	8,605	-	-	8,605
Grants	3,747	-	-	3,747
Legal fees	-	3,544	-	3,544
Office expenses	1,467	16	676	2,159
Miscellaneous	1,298	136	646	2,080
Conferences and meetings	1,208	32	205	1,445
Total expenses	$ 1,768,158	$ 358,625	$ 381,429	$ 2,508,212

See independent auditor's report and
accompanying notes to financial statements.

THE INTERNATIONAL DARK-SKY ASSOCIATION, INC. dba
DARKSKY INTERNATIONAL

STATEMENTS OF CASH FLOWS
For the years ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Change in net assets	$ 622,063	$ 476,829
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Donated securities	(96,290)	(61,120)
Depreciation and amortization	12,772	19,570
Realized and unrealized gain on investments and investments - other	(51,665)	(40,852)
Reinvested interest and dividend income	(1,904)	(3,388)
Changes in operating assets and liabilities:		
Unconditional promises to give	(168,600)	(201,277)
Grants and contributions receivable	101,322	(428,000)
Accounts receivable	14,978	(32,894)
Prepaid expenses	(51,901)	(29,747)
Accounts payable and accrued expenses	(6,717)	12,379
Accrued payroll and related expenses	(14,689)	(10,409)
Total adjustments	(262,694)	(775,738)
Net cash provided by (used in) operating activities	359,369	(298,909)
Cash flows from investing activities:		
Purchases of investments	(243,973)	-
Purchases of investments - other	(50,000)	(253,000)
Proceeds from sale of investments - other	449,000	200,000
Accrued interest received	14,669	-
Proceeds from sale of investments	230,107	37,000
Proceeds from sale of donated securities	97,099	60,942
Net cash provided by investing activities	496,902	44,942
Cash flows from financing activities	-	-
Change in cash	856,271	(253,967)
Cash, beginning of year	870,488	1,124,455
Cash, end of year	$ 1,726,759	$ 870,488
Supplemental schedule of cash flow information:		
Cash paid for income taxes	$ -	$ -
Schedule of non-cash investing and financing activities:		
Donated securities	$ 96,290	$ 61,120
Reinvested interest and dividend income	$ 1,904	$ 3,388

See independent auditor's report and
accompanying notes to financial statements.

1. Organization

The International Dark-Sky Association, Inc. dba DarkSky International (the Organization) was organized as a non-profit corporation in 1988. The purpose of the Organization is to restore the nighttime environment and protect communities from the harmful effects of light pollution through outreach, advocacy, and conservation. The Organization receives most of its funding through membership and contributions as well as grants from various sources.

2. Summary of Significant Accounting Policies

Basis of Presentation and 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. Revenue is recognized when earned and expenses are recognized when incurred.

Financial Statement Presentation

The Organization reports net assets, revenues, gains and losses based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- Net assets without donor restrictions – net assets available for use in general operations and not subject to donor (or grantor) restrictions. As of December 31, 2025 and 2024, the Board of Directors has designated net assets in the amount of $490,000 as a general operating reserve to help ensure the long-term financial stability of the Organization.
- Net assets with donor restrictions – net assets subject to donor (or grantor) 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 that resources be maintained in perpetuity.

Contributions

Contributions are recognized as revenue when received or unconditionally promised. The Organization reports gifts of cash and other assets as increases in net assets without donor restrictions if the restrictions expire (that is, when stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net asserts released from restrictions.

Grants and Contributions Receivable

Grants and contributions are recognized as revenue in the period in which the Organization receives notification of a grant or contribution. The Organization provides an allowance for doubtful accounts that is based upon a review of outstanding receivables, historical collection information and existing economic conditions. There was no allowance for doubtful accounts at December 31, 2025 and 2024.

Conditional Grants and Contributions

The Organization received a conditional grant during the year ended December 31, 2025. The total amount of the grant is $2,309,571 and is payable over a five-year period beginning during the year ended December 31, 2025. The contribution is restricted as to use and must be invested in the Permian Lighting Alliance Network (PLAN) as defined in the agreement. The Organization received payment in the amount of $453,945 during the year ended December 31, 2025.

2. Summary of Significant Accounting Policies, Continued

Conditional Grants and Contributions, continued

The Organization received a conditional contribution during the year ended December 31, 2022. The total amount of the contribution is $1,000,000 and is payable over a three-year period beginning during the year ended December 31, 2022. The contribution is restricted as to use and must be invested in the Organization's strategic plan as defined in the agreement. The Organization received the final payment in the amount of $380,000, during the year ended December 31, 2024.

Accounts Receivable

Accounts receivable consists primarily of amounts due for program services earned. The Organization evaluates the collectability of accounts receivable based on a combination of factors. Management periodically reviewed accounts for collectability and writes off account when are deemed uncollectible. At December 31, 2025 and 2024, the Organization had $4,000 and $5,450, respectively, in accounts receivable that were greater than 90 days past due. As of December 31, 2025 and 2024, management believes all accounts receivable are fully-collectible, and accordingly no allowance for credit losses has been recorded.

Donated Services and Materials

Donated materials are valued at their fair market value. Donated services are recognized in the combined financial statements at their fair market value if the following criteria are met:

- The services require specialized skills and the services provided by individuals possessing those skills.
- The services would typically need to be purchased if not donated.

Although the Organization may utilize the services of outside volunteers, the fair value of these services has not been recognized in the accompanying combined financial statements since they do not meet the criteria for recognition under accounting principles generally accepted in the United States of America.

Donated services for the years ended December 31, 2025 and 2024 consist of legal services in the amount of $4,000 and $-0-, respectively, and were fully-utilized for program services.

Cash

For the purposes of the statement of cash flows, the Organization considers all cash and highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash balances are maintained at various financial institutions. The Federal Deposit Insurance Corporation (FDIC) insures cash accounts up to $250,000 per institution. At December 31, 2025 and 2024, the Organization had $43,531 and $87,713, respectively, on deposit with a financial institution in excess of FDIC limitations. Investments held by other institutions are covered up to $500,000 under insurance provided by the Securities Investor Protection Corporation (SIPC). However, SIPC does not protect against losses on market value. At December 31, 2025 and 2024, the Organization had cash and investments in the amount of $1,087,004 and $808,619, respectively, on deposit with a financial institution in excess of SIPC limitations. It is the opinion of management that the solvency of the referenced financial institutions is not of concern at this time.

2. Summary of Significant Accounting Policies, Continued

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the combined statement of financial position. Unrealized gains and losses are included in the change in net assets.

Investments – Other

Investments - other is comprised of various certificates of deposit held for investment that are not debt securities. The certificates of deposit mature between September 2026 and December 2028 have an annual fixed interest rates ranging from 3.45% to 4.9% and are recorded at fair market value.

Certificates of deposit with original maturities greater than three months and remaining maturities less than one year are classified as current, and certificates of deposit with remaining maturities greater than one year are classified as non-current.

Furniture, Equipment and Software

Purchases of furniture, equipment and software having a unit cost of $5,000 or more and an estimated useful life of more than one year are capitalized at cost. Donated furniture, software and equipment meeting the same criteria is recorded at estimated fair market value on the date of the donation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets which range from five to ten years. Amortization of software is calculated using the straight-line method over the estimated useful life of five years.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). However, net income from advertising activities not directly related to the Organization's tax-exempt purpose may be subject to taxation as unrelated business income. There was no income tax expense for such unrelated business income for the years ended December 31, 2025 and 2024. The Organization is classified as other than a private foundation under Section 509(a) of the IRC.

The Organization's policy is to disclose or recognize income tax positions based on management's estimate of whether it is reasonably possible or probable, respectively, that a liability has been incurred for unrecognized income tax positions. As of December 31, 2025, there were no uncertain tax positions that are potentially material. In addition, management is not aware of any matters which would cause the Organization to lose its tax-exempt status.

2. Summary of Significant Accounting Policies, Continued

Functional Expenses

The financial statements report certain categories of expense that are attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, rent and other occupancy-related costs, as well as salaries related expenses, travel, office expenses, printing, professional fees and information technology, which are allocated on the bases of time and effort estimates.

Unconditional Promises to Give

Unconditional promises to give are recognized as revenue in the period received. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. Management evaluates unconditional promises to give and establishes an allowance for doubtful unconditional promises to give based on an estimate of uncollectible amounts. There was no allowance for doubtful accounts at December 31, 2025 and 2024.

3. Liquidity and Availability of Resources

The Organization structures its financial assets to be available as its general expenditures, liabilities and other obligations become due. Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, are comprised of the following at December 31,:

	2025	2024
Cash	$ 1,726,759	$ 870,488
Unconditional promises to give, current portion	165,000	95,000
Grants and contributions receivable	346,678	448,000
Accounts receivable	27,216	42,194
Investments	307,858	240,937
Investments - other, current portion	35,284	462,434
Total financial assets available within one year	2,608,795	2,159,053
Less:		
Amounts unavailable for general expenditure within one year due to:		
Restrictions by donors with purpose restrictions	1,479,923	990,802
Restrictions by donors with time restrictions	370,450	256,467
Total amounts unavailable for general expenditures within one year	1,850,373	1,247,269
Amounts unavailable to management without board approval:		
Designated by the Board	490,000	490,000
Total financial assets available to management for general expenditure within one year	$ 268,422	$ 421,784

Although donor restrictions and board designations limit freely available liquidity, the Board can release its reserves for general operations if needed.

4. Unconditional Promises to Give

Unconditional promises to give consist of grants and donations to be paid over future years. Unconditional promises to give due after one year are discounted at 5% at December 31, 2025 and consists of balances to be paid in future years as follows at December 31,:

	2025	2024
2025	$ -	$ 95,000
2026	165,000	95,000
2027	95,000	25,000
2028	70,000	-
2029	70,000	-
Total unconditional promises to give	400,000	215,000
Less interest component at 5%	(30,123)	(13,723)
Unconditional promies to give, net	369,877	201,277
Less current portion	165,000	95,000
Non-current portion	$ 204,877	$ 106,277

5. Investments

Investments are stated at market value and are comprised of exchange traded funds in the amount of $307,858 and $240,937 at December 31, 2025 and 2024, respectively.

Investment income, including earnings on investments – other and cash deposits, consists of the following for the years ended December 31,:

	2025	2024
Interest and dividend income	$ 41,489	$ 45,022
Realized and unrealized gain on investments	51,665	40,852
Investment income	$ 93,154	$ 85,874

6. Software

The Organization has capitalized software purchases related to its website in the amount of $63,858 as of December 31, 2025 and 2024. Accumulated amortization on the software is $30,865 and $18,093 as of December 31, 2025 and 2024, respectively.

7. Fair Value Measurements

The Financial Accounting Standards Board has established 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 as follows:

7. Fair Value Measurements, Continued

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.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value as of December 31, 2025 and 2024.

- *Exchange traded funds:* valued at fair value based on national trade listing.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation method is 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.

Fair values of investment assets at December 31, 2025 and 2024, all considered Level 1, include exchange traded funds of $307,858 and $240,937, respectively.

8. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted as follows at December 31,:

	2025	2024
Subject to expenditure for specified purpose:		
Campaign for Dark Skies	$ 873,095	$ 597,657
Protecting Dark Skies of the American Southwest	5,000	250,000
Chapters	97,883	97,145
Dark & Quiet Skies policy	-	46,000
Permian Lighting Alliance Network	453,945	-
DarkSky One	50,000	-
	1,479,923	990,802
Subject to passage of time:		
Future operations	321,550	214,567
Endowments:		
Perpetual in nature	48,900	41,900
Total net assets with donor restrictions	$ 1,850,373	$ 1,247,269

Activity in net assets with donor restrictions is comprised of the following for the year ended December 31, 2025:

	Contributions	Releases/ Transfers
Subject to expenditure for specified purpose:		
Campaign for Dark Skies	$ 1,007,816	$ (732,378)
Protecting Dark Skies of the American Southwest	-	(245,000)
Chapters	39,741	(39,003)
Dark & Quiet Skies Policy	-	(46,000)
DarkSky Action Fund	120	(120)
Permian Lighting Alliance Network	453,945	-
DarkSky One	50,000	-
	1,551,622	(1,062,501)
Subject to expenditure with passage of time:		
Future operations	260,317	(153,334)
Endowments:		
Perpetual in nature	7,000	-
	$ 1,818,939	$ (1,215,835)

8. Net Assets With Donor Restrictions, Continued

Activity in net assets with donor restrictions is comprised of the following for the year ended December 31, 2024:

	Contributions	Releases/ Transfers
Subject to expenditure for specified purpose:		
Campaign for Dark Skies	$ 575,000	$ (576,985)
Protecting Dark Skies of the American Southwest	250,000	(100,000)
Chapters	87,525	(14,187)
Dark & Quiet Skies Policy	-	(72,448)
DarkSky Action Fund	124,634	(124,634)
Oil and Gas Lighting Program	30,000	(30,000)
	1,067,159	(918,254)
Subject to expenditure with passage of time:		
Future operations	310,000	(95,433)
Endowments:		
Perpetual in nature	-	-
	$ 1,377,159	$ (1,013,687)

9. Endowments

The Organization's endowments include donor restricted funds. As required by accounting principles generally accepted in the United States of America applicable to nonprofit organizations, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Organization has interpreted Arizona's version (Titled the "Management of Charitable Funds Act" (the Act)) of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The Board of Directors has appropriated 2025 and 2024 earnings on unrestricted investments and on donor-restricted endowments, which are not subject to donor stipulation, for expenditure.

9. Endowments, Continued

As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Organization considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulation to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Organization has interpreted the Act to permit spending from underwater funds in accordance with the prudent measures required under the law. In accordance with the Act, the Organization considers the following factors in making a determination to appropriate or accumulate endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the Organization

Funds with Deficiencies

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). We have interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. At December 31, 2025 and 2024, there were no funds with deficiencies.

Investment and Spending Policies

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by the endowment fund while seeking to maintain the original value of any contributions to the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity. Investment income on endowment funds is appropriated for expenditure in the year earned, and is, therefore, included in net assets without donor restrictions. During the years ended December 31, 2025 and 2024, the Organization received $7,000 and $-0-, respectively, in donor-restricted endowment contributions.

10. Operating Leases

During July 2025, the Organization renewed its office space lease under a non-cancelable operating lease that will expire on August 1, 2026. The lease is for a period of 12 months and renews annually at the discretion of the Organization and the lessor. The Organization intends to renew the lease for an additional 12-month term upon its expiration. Management does not anticipate any disruption to its office operations or occupancy arrangements. Total rent expense for the years ended December 31, 2025 and 2024 was $22,658 and $21,779, respectively. Future minimum lease payments due under the lease as of December 31, 2025 are $13,119 during the year ended December 31, 2026.

11. Net Asset Restatement

The change in net assets and net assets with donor restrictions as of and for the year ended December 31, 2024 have been restated to reflect a grant award notice in the amount of $33,000 received during the year ended December 31, 2024. The Organization received payment of the grant during the year ended December 31, 2025. Since the grant award was unconditional and notice was received during the year ended December 31, 2024, the related revenue should have been recorded during 2024. As a result, the change in net assets for the year ended December 31, 2024, and net assets with donor restrictions as of December 31, 2024 have been increased by $33,000.

12. Subsequent Events

As of July 16,2026, management is not aware of any additional subsequent events that would have a material impact on the presentation of the Organization's financial statements.