



**ECOAGRICULTURE INTERNATIONAL, INC.**

FINANCIAL STATEMENTS

DECEMBER 31, 2023






**ECOAGRICULTURE INTERNATIONAL, INC.**

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2023 AND 2022

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Ecoagriculture International, Inc.

### Opinion

We have audited the accompanying financial statements of Ecoagriculture International, Inc., which comprise the statements of financial position as of December 31, 2023 and 2022, 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 Ecoagriculture International, Inc. as of December 31, 2023 and 2022, 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 Ecoagriculture International, 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 Ecoagriculture International, Inc.'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 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 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.

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 Ecoagriculture International, 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 Ecoagriculture International, 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.

*Calibre CPA Group, PLLC*

Bethesda, MD  
January 14, 2025



# ECOAGRICULTURE INTERNATIONAL, INC.

## STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 810,288	\$ 600,442
Grants, contracts and contributions receivable	<u>1,221,791</u>	<u>1,427,371</u>
Total current assets	2,032,079	2,027,813
<b>Furniture and equipment</b>		
Net of accumulated depreciation of \$23,365 and \$23,527, respectively	<u>-</u>	<u>810</u>
Total assets	<u>\$ 2,032,079</u>	<u>\$ 2,028,623</u>
<b>Liabilities and Net Assets</b>		
<b>Current liabilities</b>		
Accounts payable and accrued expenses	\$ 112,523	\$ 166,447
Deferred revenue	<u>23,093</u>	<u>-</u>
Total liabilities	<u>135,616</u>	<u>166,447</u>
<b>Net assets</b>		
Without donor restrictions	311,213	273,055
With donor restrictions	<u>1,585,250</u>	<u>1,589,121</u>
Total net assets	<u>1,896,463</u>	<u>1,862,176</u>
Total liabilities and net assets	<u>\$ 2,032,079</u>	<u>\$ 2,028,623</u>

See accompanying notes to financial statements.



## ECOAGRICULTURE INTERNATIONAL, INC.

### STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Support and revenue</b>			
Grants and contributions	\$ 682,783	\$ 907,232	\$ 1,590,015
Contract and service fee revenue	96,949	-	96,949
Interest income	85	-	85
Net assets released from restrictions	<u>911,103</u>	<u>(911,103)</u>	<u>-</u>
Total support and revenue	<u>1,690,920</u>	<u>(3,871)</u>	<u>1,687,049</u>
<b>Expenses</b>			
Program			
1000 Landscapes for 1 Billion People	925,045	-	925,045
Landscape management and finance	<u>188,781</u>	<u>-</u>	<u>188,781</u>
Total program	1,113,826	-	1,113,826
Management and general	528,655	-	528,655
Fund raising	<u>10,281</u>	<u>-</u>	<u>10,281</u>
Total expenses	<u>1,652,762</u>	<u>-</u>	<u>1,652,762</u>
<b>Change in net assets</b>	38,158	(3,871)	34,287
<b>Net assets</b>			
Beginning of year	<u>273,055</u>	<u>1,589,121</u>	<u>1,862,176</u>
End of year	<u>\$ 311,213</u>	<u>\$ 1,585,250</u>	<u>\$ 1,896,463</u>

See accompanying notes to financial statements.



## ECOAGRICULTURE INTERNATIONAL, INC.

### STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Support and revenue</b>			
Grants and contributions	\$ 374,782	\$ 1,800,000	\$ 2,174,782
Contract and service fee revenue	47,312	-	47,312
Other income	49	-	49
Net assets released from restrictions	<u>1,143,902</u>	<u>(1,143,902)</u>	<u>-</u>
Total support and revenue	<u>1,566,045</u>	<u>656,098</u>	<u>2,222,143</u>
<b>Expenses</b>			
Program			
1000 Landscapes for 1 Billion People	998,145	-	998,145
Landscape management and finance	<u>207,582</u>	<u>-</u>	<u>207,582</u>
Total program	1,205,727	-	1,205,727
Management and general	318,054	-	318,054
Fund raising	<u>20,344</u>	<u>-</u>	<u>20,344</u>
Total expenses	<u>1,544,125</u>	<u>-</u>	<u>1,544,125</u>
<b>Change in net assets</b>	21,920	656,098	678,018
<b>Net assets</b>			
Beginning of year	<u>251,135</u>	<u>933,023</u>	<u>1,184,158</u>
End of year	<u>\$ 273,055</u>	<u>\$ 1,589,121</u>	<u>\$ 1,862,176</u>

See accompanying notes to financial statements.

## ECOAGRICULTURE INTERNATIONAL, INC.

### STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2023

	Program Services			Management and General	Fund Raising	Total
	1000 Landscapes for 1 Billion People	Landscape Management and Finance	Total Program Services			
<b>Personnel</b>						
Salaries	\$ 326,438	\$ 127,075	\$ 453,513	\$ 297,003	\$ -	\$ 750,516
Payroll taxes and fringe benefits	38,450	8,249	46,699	90,077	-	136,776
Total personnel	<u>364,888</u>	<u>135,324</u>	<u>500,212</u>	<u>387,080</u>	<u>-</u>	<u>887,292</u>
<b>Consulting, contractual and subawards</b>	<u>401,197</u>	<u>32,681</u>	<u>433,878</u>	<u>59,654</u>	<u>-</u>	<u>493,532</u>
<b>Professional and administrative services</b>	<u>8,406</u>	<u>258</u>	<u>8,664</u>	<u>21,144</u>	<u>-</u>	<u>29,808</u>
<b>Publication and outreach costs</b>	<u>50,522</u>	<u>16,317</u>	<u>66,839</u>	<u>-</u>	<u>-</u>	<u>66,839</u>
<b>Office expense</b>						
Bank and other fees	1,287	598	1,885	3,530	223	5,638
Dues and subscriptions	1,286	2,295	3,581	13,497	1,500	18,578
Supplies	2,191	-	2,191	5,371	-	7,562
Insurance	-	-	-	5,679	-	5,679
Telephone	410	16	426	1,628	-	2,054
Postage and delivery	434	-	434	-	-	434
Small equipment and depreciation	-	-	-	2,765	-	2,765
Other	300	60	360	9,843	-	10,203
Total office expense	<u>5,908</u>	<u>2,969</u>	<u>8,877</u>	<u>42,313</u>	<u>1,723</u>	<u>52,913</u>
<b>Travel and meetings</b>	<u>94,124</u>	<u>1,232</u>	<u>95,356</u>	<u>18,464</u>	<u>8,558</u>	<u>122,378</u>
Total expenses	<u>\$ 925,045</u>	<u>\$ 188,781</u>	<u>\$ 1,113,826</u>	<u>\$ 528,655</u>	<u>\$ 10,281</u>	<u>\$ 1,652,762</u>

See accompanying notes to financial statements.



## ECOAGRICULTURE INTERNATIONAL, INC.

### STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2022

	Program Services			Management and General	Fund Raising	Total
	1000 Landscapes for 1 Billion People	Landscape Management and Finance	Total Program Services			
<b>Personnel</b>						
Salaries	\$ 332,332	\$ 81,436	\$ 413,768	\$ 94,757	\$ 14,424	\$ 522,949
Payroll taxes and fringe benefits	<u>143,449</u>	<u>35,568</u>	<u>179,017</u>	<u>29,998</u>	<u>5,920</u>	<u>214,935</u>
Total personnel	<u>475,781</u>	<u>117,004</u>	<u>592,785</u>	<u>124,755</u>	<u>20,344</u>	<u>737,884</u>
<b>Consulting, contractual and subawards</b>	<u>470,760</u>	<u>82,536</u>	<u>553,296</u>	<u>80,901</u>	<u>-</u>	<u>634,197</u>
<b>Professional and administrative services</b>	<u>3,436</u>	<u>999</u>	<u>4,435</u>	<u>33,368</u>	<u>-</u>	<u>37,803</u>
<b>Publication and outreach costs</b>	<u>1,662</u>	<u>6,943</u>	<u>8,605</u>	<u>314</u>	<u>-</u>	<u>8,919</u>
<b>Office expense</b>						
Bank and other fees	160	100	260	5,461	-	5,721
Dues and subscriptions	-	-	-	992	-	992
Supplies	6,059	-	6,059	1,671	-	7,730
Insurance	-	-	-	4,535	-	4,535
Telephone	986	-	986	1,461	-	2,447
Postage and delivery	-	-	-	365	-	365
Small equipment and depreciation	-	-	-	218	-	218
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,520</u>	<u>-</u>	<u>7,520</u>
Total office expense	<u>7,205</u>	<u>100</u>	<u>7,305</u>	<u>22,223</u>	<u>-</u>	<u>29,528</u>
<b>Travel and meetings</b>	<u>39,301</u>	<u>-</u>	<u>39,301</u>	<u>56,493</u>	<u>-</u>	<u>95,794</u>
 Total expenses	 <u>\$ 998,145</u>	 <u>\$ 207,582</u>	 <u>\$ 1,205,727</u>	 <u>\$ 318,054</u>	 <u>\$ 20,344</u>	 <u>\$ 1,544,125</u>

See accompanying notes to financial statements.



## ECOAGRICULTURE INTERNATIONAL, INC.

### STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 34,287	\$ 678,018
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation expense	-	218
Loss on disposal of fixed assets	810	-
Change in operating assets		
Grants, contracts and contributions receivable	205,580	(585,626)
Change in operating liabilities		
Accounts payable and accrued expenses	(53,924)	100,528
Refundable advances	<u>23,093</u>	<u>-</u>
Net cash provided by operating activities	<u>209,846</u>	<u>193,138</u>
<b>Cash flows from investing activities</b>		
Purchases of fixed assets	<u>-</u>	<u>(972)</u>
Net cash used for investing activities	<u>-</u>	<u>(972)</u>
<b>Net change in cash and cash equivalents</b>	209,846	192,166
<b>Cash and cash equivalents</b>		
Beginning of year	<u>600,442</u>	<u>408,276</u>
End of year	<u>\$ 810,288</u>	<u>\$ 600,442</u>

See accompanying notes to financial statements.



## ECOAGRICULTURE INTERNATIONAL, INC.

### NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2023 AND 2022

#### NOTE 1. ORGANIZATION AND NATURE OF ACTIVITIES

Ecoagriculture International, Inc. (EcoAgriculture Partners or the Organization), a nonprofit organization, was incorporated effective January 25, 2005. Its mission is to enable landscape partnerships to engage in long-term collaboration, access finance, and influence local, national, and global policy to advance integrated landscape management. The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and treated as a publicly supported organization.

The 1000 Landscapes for 1 Billion People initiative accounted for about 83% of EcoAgriculture Partners' program expenses and 56% of total expenses. This is a collaborative initiative begun by EcoAgriculture in 2019 with six other international organizations, working with dozens of other technical and landscape partner organizations. EcoAgriculture serves as convener and program coordinator, as well as contributing technical landscape management, finance and communications expertise. The Landscape Management and Finance program accounted for about 17% of EcoAgriculture Partners' program expenses and 11% of total expenses. Many of the Landscape Management and Finance program projects and activities were related to and supportive of the 1000 Landscapes initiative and are counted towards EcoAgriculture Partners co-finance obligations for the 1000 Landscapes partnership.

#### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The Organization's financial statements have been prepared on the accrual basis of accounting. Under this basis, revenue is recognized when earned and expenses are recognized when incurred.

**Financial Statement Presentation** - Financial statement presentation follows the recommendations of U.S. generally accepted accounting principles in accordance with Financial Accounting Standards Board Accounting Standards Codification, *Not-for-Profit Entities - Presentation of Financial Statements*. Under those principles, the Organization is required to report information regarding its financial position and activities according to two classes of net assets - net assets without donor restrictions and net assets with donor restrictions.

*Net assets without donor restrictions* - These net assets are available to finance the general operations of the Organization.



## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, and the purposes specified in its organizing documents.

*Net assets with donor restrictions* - These net assets result from contributions and other inflows of assets, the use of which by the Organization is limited by donor-imposed time or purpose restrictions that may be either temporary or perpetual. At December 31, 2023 and 2022, the Organization had no net assets subject to perpetual donor restrictions.

**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, the 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 the estimates.

**Cash and Cash Equivalents** - The Organization considers cash in checking accounts and short-term investments with original maturities of 90 days or less to be cash and cash equivalents.

**Unconditional Promises to Give** - Unconditional promises to give that are expected to be collected within one year are reported at their net realizable value. Unconditional promises to give that are expected to be collected in future years are reported at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met. Management is of the opinion that all promises to give are fully collectible.

**Revenue Recognition** - Revenue is derived primarily from contribution transactions. Unconditional contributions are recognized upon receipt of cash or other assets, or when a donor promises to transfer cash or other assets in the future. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return or release, are not recognized until the conditions on which they depend have been substantially met.

*Contributions* - Contributions received are reported as increases in net assets without donor restrictions unless received with donor stipulations that require the assets be used for specific purposes or in specific time periods. All donor-restricted contributions are reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a 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 statements of activities as net assets released from restrictions.



## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Grants and Similar Agreements* - Most grant agreements are accounted for as contribution transactions. When an agreement includes both a barrier and either a right of return of assets to the resource provider or a right of release from obligation by the resource provider, the contribution is considered to be conditional. Amounts received under conditional transfers are reported as a liability (refundable advance) and recognized as contribution revenue only when the conditions are met. We also derive revenue from cost-reimbursable federal grants and contracts, which are conditioned upon certain performance requirements, compliance with federal statutes, and the incurrence of allowable qualifying expenses. Those conditions are considered to have been met and revenue is recognized when we have incurred expenditures in compliance with specific grant or contract provisions.

**Functional Allocation of Expenses** - The costs of providing the various programs and supporting services have been summarized on a functional basis in the statements of activities and functional expenses. Salaries, fringe benefits and common costs such as occupancy, depreciation and the like are allocated based on staff time and effort studies. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The following program services are included in the accompanying financial statements:

*1000 Landscapes for  
1 Billion People* -

Convening and co-implementing the initiative begun in 2019 as a long-term collaborative effort to drive systemic changes that will make local partnerships for landscape sustainability much more effective, through a digital platform to facilitate landscape management and link actors with data and tools; institutionalizing capacity-building for integrated landscape management; connecting landscapes with expertise, finance, and one another; and promoting financial system innovations to enable landscape investments at scale.

*Landscape Management  
and Finance* -

Action research to advance the field of integrated landscape management and finance through development and dissemination of strategic knowledge products, and field application with landscape partnerships, finance and policy institutions.



## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**New Accounting Pronouncement Adopted** - During the year ended December 31, 2023, the Organization adopted the provisions of Accounting Standards Update (ASU) 2016-13, *Financial Instruments – Credit Losses* (Topic 326). This ASU replaced the incurred loss methodology with an expected loss methodology that is referred as the current expected credit loss (CECL) methodology. The ASU requires nonprofit entities to immediately recognize the estimated expected credit losses over the life of a financial instrument, including trade receivables. The estimate of expected credit losses considers not only historical information, but also current and future economic conditions and events.

The Organization adopted the ASU effective January 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in additional disclosures.

**Reclassifications** - Certain information previously presented in the December 31, 2022 financial statements has been reclassified to conform to the December 31, 2023 presentation.

## NOTE 3. LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The following table represents the Organization's financial assets available to meet cash needs for general expenditures within one year as of December 31, 2023 and 2022.

	<u>2023</u>	<u>2022</u>
Total assets at end of year	\$ 2,032,079	\$ 2,028,623
Less non-financial assets		
Net property and equipment	<u>-</u>	<u>(810)</u>
Total financial assets at end of year	2,032,079	2,027,813
Less amounts unavailable for general expenditures within one year		
Net assets with donor restrictions	<u>(1,585,250)</u>	<u>(1,589,121)</u>
Financial assets available for general expenditures within one year	<u>\$ 446,829</u>	<u>\$ 438,692</u>



## NOTE 4. CONCENTRATIONS

Financial instruments which potentially subject the Organization to concentration of credit risk consist principally of cash and temporary cash investments. The Organization maintains its cash accounts at a single financial institution. Although amounts on deposit may at times exceed the Federal Deposit Insurance Corporation (FDIC) insurance limit, management does not believe the Organization is at significant risk with respect to cash balances as of year-end.

Although the Organization attempts to raise funds from a broad base of contributors, during certain years funds may be received from a limited number of donors. During 2023, approximately 81% of total support was received from three donors, one of which is the Organization's CEO, who provided roughly 30% of total support.

## NOTE 5. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at year-end and net assets released from donor restrictions during the years ended December 31, 2023 and 2022 were in support of the following programs.

	2023			
	Beginning of Year	Contributions	Released	End of Year
1000 Landscapes for 1 Billion People	\$ 1,589,121	\$ 257,232	\$ (905,231)	\$ 941,122
Target Foundation Livelihoods Grant	-	650,000	(5,872)	644,128
	<u>\$ 1,589,121</u>	<u>\$ 907,232</u>	<u>\$ (911,103)</u>	<u>\$ 1,585,250</u>
	2022			
	Beginning of Year	Contributions	Released	End of Year
1000 Landscapes for 1 Billion People	\$ 933,023	\$ 1,800,000	\$ (1,143,902)	\$ 1,589,121
	<u>\$ 933,023</u>	<u>\$ 1,800,000</u>	<u>\$ (1,143,902)</u>	<u>\$ 1,589,121</u>

## NOTE 6. RETIREMENT PLAN

The Organization has a defined contribution pension plan covering substantially all full-time employees. Contributions are made at 3% of covered compensation and the total expense for the years ended December 31, 2023 and 2022 was \$22,759 and \$19,149, respectively.



## **NOTE 7. SUBSEQUENT EVENTS REVIEW**

Subsequent events have been evaluated through January 14, 2025, which is the date the financial statements were available to be issued. This review and evaluation revealed no other new material event or transaction which would require an adjustment to or disclosure in the accompanying financial statements.