

**AUDITED
FINANCIAL STATEMENTS**

ECOAGRICULTURE INTERNATIONAL, INC.

DECEMBER 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Ecoagriculture International, Inc.

Opinion

We have audited the financial statements of Ecoagriculture International, Inc. (the Organization), which comprise the statement of financial position as of December 31, 2024, the related statements of activities and changes in net assets, statements of functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The financial statements of the Organization, as of and for the year ended December 31, 2023, were audited by other auditors, whose report, dated January 14, 2025, expressed an unmodified opinion on those statements.

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 Organization's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 GAAS 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 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 GAAS, 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 Organization'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 Organization'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.

Freed Maxick P.C.

Buffalo, New York
October 31, 2025

ECOAGRICULTURE INTERNATIONAL, INC.

STATEMENTS OF FINANCIAL POSITION

December 31,

ASSETS	2024	2023
Current assets:		
Cash and cash equivalents	\$ 919,257	\$ 810,288
Grants receivable, current portion	688,024	822,992
Accounts receivable, billable to clients	146,599	20,857
Total current assets	1,753,880	1,654,137
Grants receivable, long-term portion	103,623	381,614
Total assets	\$ 1,857,503	\$ 2,035,751
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	\$ 123,823	\$ 112,523
Grants payable	5,000	-
Other liability	208,800	-
Deferred revenue	-	26,765
Total liabilities	337,623	139,288
Net assets:		
Without donor restrictions	357,391	311,213
With donor restrictions	1,162,489	1,585,250
Total net assets	1,519,880	1,896,463
Total liabilities and net assets	\$ 1,857,503	\$ 2,035,751

See accompanying notes.

ECOAGRICULTURE INTERNATIONAL, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Years Ended December 31,

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues:			
Grants and contributions	\$ 543,699	\$ 1,399,771	\$ 1,943,470
Contract and service fee revenue	394,477	-	394,477
Interest income	25,361	-	25,361
Net assets released from restrictions	1,791,712	(1,791,712)	-
Total revenues	2,755,249	(391,941)	2,363,308
Expenses:			
Program expenses	2,201,677	-	2,201,677
Management and general expenses	268,528	-	268,528
Fundraising	30,066	-	30,066
Total expenses	2,500,271	-	2,500,271
Income (loss) from operations	254,978	(391,941)	(136,963)
Other losses:			
Realized and unrealized loss on foreign currency	-	(30,820)	(30,820)
Other non-operating expense	(208,800)	-	(208,800)
Total other losses	(208,800)	(30,820)	(239,620)
Change in net assets	46,178	(422,761)	(376,583)
Net assets			
Net assets - beginning	311,213	1,585,250	1,896,463
Net assets - ending	<u>\$ 357,391</u>	<u>\$ 1,162,489</u>	<u>\$ 1,519,880</u>
	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues:			
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	911,103	(911,103)	-
Total revenues	1,690,920	(3,871)	1,687,049
Expenses:			
Program expenses	1,113,826	-	1,113,826
Management and general expenses	520,602	-	520,602
Fundraising	10,281	-	10,281
Total expenses	1,644,709	-	1,644,709
Income (loss) from operations	46,211	(3,871)	42,340
Other losses:			
Realized and unrealized loss on foreign currency	(8,053)	-	(8,053)
Total other losses	(8,053)	-	(8,053)
Change in net assets	38,158	(3,871)	34,287
Net assets			
Net assets - beginning	273,055	1,589,121	1,862,176
Net assets - ending	<u>\$ 311,213</u>	<u>\$ 1,585,250</u>	<u>\$ 1,896,463</u>

See accompanying notes.

ECOAGRICULTURE INTERNATIONAL, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2024

		Program Services				
	1000 Landscapes for 1 Billion People	Landscape Management and Finance	Total Program Services	Management and General	Fundraising	Total
Salaries and wages	\$ 458,485	\$ 319,140	\$ 777,625	\$ 81,406	\$ 20,607	\$ 879,638
Payroll taxes and employee benefits	100,913	55,242	156,155	44,847	1,547	202,549
Total salaries and benefits	559,398	374,382	933,780	126,253	22,154	1,082,187
Consulting, contractual, and subawards	372,502	536,788	909,290	41,960	3,500	954,750
Travel and meetings	134,733	87,757	222,490	25,368	3,315	251,173
Professional and administrative services	28,767	16,364	45,131	56,018	19	101,168
Publication and outreach costs	44,251	11,308	55,559	-	400	55,959
Office expenses	10,743	24,684	35,427	18,929	678	55,034
Total other expenses	590,996	676,901	1,267,897	142,275	7,912	1,418,084
Total expenses	<u>\$ 1,150,394</u>	<u>\$ 1,051,283</u>	<u>\$ 2,201,677</u>	<u>\$ 268,528</u>	<u>\$ 30,066</u>	<u>\$ 2,500,271</u>

See accompanying notes.

ECOAGRICULTURE INTERNATIONAL, INC.

STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2023

	Program Services			Management and General	Fundraising	Total
	1000 Landscapes for 1 Billion People	Landscape Management and Finance	Total Program Services			
Salaries and wages	\$ 326,438	\$ 127,075	\$ 453,513	\$ 297,003	\$ -	\$ 750,516
Payroll taxes and employee benefits	38,450	8,249	46,699	90,077	-	136,776
Total salaries and benefits	364,888	135,324	500,212	387,080	-	887,292
Consulting, contractual, and subawards	401,197	32,681	433,878	59,654	-	493,532
Travel and meetings	94,124	1,232	95,356	18,464	8,558	122,378
Publication and outreach costs	50,522	16,317	66,839	-	-	66,839
Professional and administrative services	8,406	258	8,664	21,144	-	29,808
Office expenses	5,908	2,969	8,877	34,260	1,723	44,860
Total other expenses	560,157	53,457	613,614	133,522	10,281	757,417
Total expenses	\$ 925,045	\$ 188,781	\$ 1,113,826	\$ 520,602	\$ 10,281	\$ 1,644,709

See accompanying notes.

ECOAGRICULTURE INTERNATIONAL, INC.

STATEMENTS OF CASH FLOWS
For the Years Ended December 31,

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Change in net assets	\$ (376,583)	\$ 34,287
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Donated securities	(17,116)	-
Loss on disposal of fixed assets	-	810
Changes in assets and liabilities:		
Grants receivable	412,959	203,090
Accounts receivable, billable to clients	(125,742)	(1,182)
Accounts payable and accrued expenses	11,300	(53,924)
Grants payable	5,000	-
Other liability	208,800	-
Deferred revenue	(26,765)	26,765
Net cash provided by operating activities	<u>91,853</u>	<u>209,846</u>
Cash flows from investing activities:		
Proceeds from investment sales	<u>17,116</u>	<u>-</u>
Net cash provided by investing activities	<u>17,116</u>	<u>-</u>
Net increase in cash and cash equivalents	108,969	209,846
Cash and cash equivalents - beginning of year	<u>810,288</u>	<u>600,442</u>
Cash and cash equivalents - end of year	<u><u>\$ 919,257</u></u>	<u><u>\$ 810,288</u></u>
Supplemental disclosure of cash flow information:		
Cash paid for interest	<u><u>\$ 1,578</u></u>	<u><u>\$ -</u></u>

See accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

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 1000 Landscapes for 1 Billion People initiative accounted for about 52% (83% - 2023) of EcoAgriculture Partners program expenses and 46% (56% - 2023) of total expenses. This is a collaborative initiative begun by the Organization in 2019 with six other international organizations, working with dozens of other technical and landscape partner organizations. The Organization 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 48% (17% - 2023) of the Organization's program expenses and 42% (11% - 2023) 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 financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

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.

Net Assets: The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

Net Assets Without Donor Restrictions: Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net Assets With Donor Restrictions: Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the Organization must continue to use the resources in accordance with the donor's instructions. The Organization's unspent contributions are included in this class if the donor limited their use.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Net assets restricted for acquisition of buildings or equipment (or less commonly, the contribution of those assets directly) are reported as net assets with donor restrictions until the specified asset is placed in service by the Organization, unless the donor provides more specific directions about the period of its use.

Classification of Transactions: All revenues and net gains are reported as increases in net assets without donor restrictions in the statements of activities and changes in net assets unless the donor specified the use of the related resources for a particular purpose or in a future period. All expenses and net losses are reported as decreases in net assets without donor restrictions.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents: The Organization considers all highly liquid instruments with original maturities of three months or less to be cash equivalents.

Grants Receivable: Grants receivable are primarily unsecured non-interest-bearing amounts due from grantors on cost reimbursement or performance grants. Management believes that all outstanding grants receivable are collectible in full, therefore no allowance for uncollectible receivables is necessary as of December 31, 2024 and 2023. Grants receivable at January 1, 2023 amounted to \$1,575,469.

Accounts Receivable, Billable to Clients: Accounts receivable, billable to clients is comprised of service fee revenue for completed performance obligations that have not yet been billed to clients. A provision is made for unrecoverable amounts as deemed appropriate. There were no accounts receivable, billable to clients, at January 1, 2023.

Grants and Contributions: Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due and therefore are reported as restricted until the payment is due, unless the contribution is clearly intended to support activities of the current fiscal year.

Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met. Government grants and contracts can be terminated by the grantor or refunding can be required under certain circumstances coupled with other performance and/or control barriers. For these reasons, these grant and contract agreements are considered conditional.

Donations other than cash include donated securities and are recorded at fair value on the date of donation. For the year ended December 31, 2024, gifts of donated securities amount to \$17,116. There were no gifts of donated securities for the year ended December 31, 2023.

Revenue Recognition: The Organization derives revenues from the design, development and delivery of training and mentoring on how to implement integrated landscape management processes. Revenue is recognized when the customer obtains control of promised goods or services, in an amount that reflects the consideration to be received in exchange for the goods or services. To determine revenue recognition, the Organization performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue as or when the performance obligation is satisfied. Revenue is not recognized unless collectability under the contract is considered probable, the contract has commercial substance and the contract has been approved. Additionally, the contract must contain payment terms, as well as the rights and commitments of both parties.

Expense recognition and allocation: The cost of providing the Organization's programs and other activities is summarized on a functional basis in the statements of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited using a reasonable basis that is consistently applied. Management and general expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization. Fundraising costs are expensed as incurred, even though they may result in contributions received in future years.

Donated goods and services: Donated goods and services meeting recognition criteria under U.S. GAAP are recorded as in-kind revenue and expense, based on estimated fair values. No significant contributions of donated goods or services were received during the years ended December 31, 2024 and 2023, respectively.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Advertising: Advertising costs are expensed in the period in which the advertising takes place. Advertising expense was approximately \$355 for the year ended December 31, 2024 (\$595 - 2023).

Concentration of Credit Risk: Financial instruments which potentially subject the Organization to concentration of credit risk consist principally of cash and cash equivalents with financial institutions. Although cash accounts at times exceed the federally insured deposit amount, management does not anticipate nonperformance by the financial institutions. Management reviews the financial viability of these institutions on a periodic basis.

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 the year ended December 31, 2024, approximately 76% of total support was received from three donors (81% - 2023), one of which, for 2023, was the Organization's CEO, who provided roughly 30% of total support. For 2024, contributions from the Organization's CEO was only 4.5% of total support. As of December 31, 2024, approximately 52% of the outstanding balances were due from one donor (54% - 2023).

Tax Status: The Organization is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code (IRC), though it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the IRC). Contributions to the Organization are tax deductible to donors under Section 170 of the IRC. The Organization is not classified as a private foundation.

Foreign Currency Transactions: The Organization conducts certain transactions in foreign currencies. Foreign currency transactions are recorded at the exchange rate in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are remeasured at each reporting date using the exchange rate in effect at that date. Non-monetary assets and liabilities that are measured at historical cost are not remeasured.

Exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary assets and liabilities are recognized in the statements of activities and changes in net assets in the period in which they occur. These gains or losses are reported within net assets without donor restrictions unless donor-imposed restrictions specify otherwise.

Reclassification: Certain 2023 amounts have been reclassified to conform with the current year presentation. The reclassifications had no effect on the change in net assets.

Subsequent Events: These financial statements have not been updated for subsequent events occurring after October 31, 2025, which is the date these financial statements were available to be issued.

NOTE 3. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure that is, without donor or other restrictions limiting their use, within one year of December 31, 2024 and 2023 are:

	<u>2024</u>	<u>2023</u>
Current financial assets:		
Cash and cash equivalents	\$ 919,257	\$ 810,288
Grants receivable	688,024	822,992
Accounts receivable, billable to clients	<u>146,599</u>	<u>20,857</u>
	1,753,880	1,654,137
Less amounts held to meet donor-imposed restrictions:		
Net assets with donor restrictions	<u>1,162,489</u>	<u>1,585,250</u>
Financial assets available to meet general expenditures within one year	<u>\$ 591,391</u>	<u>\$ 68,887</u>

ECOAGRICULTURE INTERNATIONAL, INC.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. NET ASSETS

Net assets with donor restrictions are available for the following purposes at December 31,:

	<u>2024</u>	<u>2023</u>
1000 Landscapes for 1 Billion People	\$ 187,208	\$ 941,122
Landscape partner development	276,179	644,128
Global forest leadership program	416,787	-
Strategy development for Indigenous communities	<u>282,315</u>	<u>-</u>
Total net assets with donor restrictions	\$ <u>1,162,489</u>	\$ <u>1,585,250</u>

NOTE 5. RETIREMENT PLAN

The Organization has a defined contribution retirement plan covering substantially all full-time employees. Contributions are made at 3% of covered compensation and the total expense for the year ended December 31, 2024 amount to \$26,521 (\$22,759 - 2023).

NOTE 6. OTHER LIABILITY

The Organization received notification from the Internal Revenue Service (IRS) related to penalties and interest being assessed on late filings of their 2022 and 2023 employee benefit plan 5500 filings. Management is currently working with professionals to request abatement. A liability has been recorded in the amount of \$208,800 and is included in the statements of financial position as of December 31, 2024 as an other liability with a corresponding expense in the statements of activities and changes in net assets.