One Acre Fund and Subsidiaries

Consolidated Financial Statements
Years Ended December 31, 2023 and 2022

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Contents

Tel: 212-885-8000
Fax: 212-697-1299
www.bdo.com

BDO
200 Park Avenue
New York, NY 10166
USA

Independent Auditor's Report

The Board of Directors
One Acre Fund and Subsidiaries
Highland Park, Illinois

Opinion

We have audited the consolidated financial statements of One Acre Fund and Subsidiaries (the Organization), which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Organization 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 consolidated financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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.

BDO USA, P.C.

April 29, 2024

One Acre Fund and Subsidiaries

Consolidated Statements of Financial Position

December 31,	2023	2022
Assets		
Current Assets		
Cash and cash equivalents	**$ 62,656,152**	$ 53,659,597
Grants receivable, current portion	**38,210,834**	26,312,266
Farmer repayment receivables, net	**11,683,604**	20,914,988
Voucher receivables, net	**8,208,389**	11,814,441
Employee receivables, net	**1,266,750**	2,039,559
Other current assets	**946,483**	799,323
Farm inputs inventory, net	**27,713,272**	38,502,356
Solar inventory, net	**7,166,378**	8,870,994
Other inventory, net	**8,124,839**	13,326,007
Prepaid expenses	**17,303,385**	14,380,623
Total Current Assets	**183,280,086**	190,620,154
Long-Term Grants Receivable, Net	**68,269,924**	36,140,918
Other Long-Term Investments	**1,666,528**	1,006,079
Other Long-Term Assets	**225,117**	225,117
Fixed Assets, Net	**15,693,478**	16,502,041
Total Assets	**$ 269,135,133**	$ 244,494,309
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	**$ 16,054,482**	$ 20,733,668
Deferred revenue from farmers	**611,041**	486,434
Refundable advances, current portion	**9,040,000**	12,142,017
Notes payable and lines of credit, current portion	**31,810,985**	29,169,379
Total Current Liabilities	**57,516,508**	62,531,498
Long-Term Refundable Advances	**31,048,139**	26,406,181
Long-Term Notes Payable and Lines of Credit	**53,714,187**	39,287,833
Total Liabilities	**142,278,834**	128,225,512
Commitments and Contingencies		
Net Assets		
Without donor restrictions	**10,518,157**	32,242,537
With donor restrictions	**116,338,142**	84,026,260
Total Net Assets	**126,856,299**	116,268,797
Total Liabilities and Net Assets	**$ 269,135,133**	$ 244,494,309

See accompanying notes to consolidated financial statements.

One Acre Fund and Subsidiaries

Consolidated Statement of Activities

Year ended December 31, 2023	Without Donor Restrictions	With Donor Restrictions	Total
Public Support, Revenues, and Gains, Net			
Contributions of cash and other financial assets	$ 52,388,803	$ 91,083,324	$ 143,472,127
Revenue from sales to farmers and third parties	122,436,030	-	122,436,030
Non-financial contributions	71,087	-	71,087
Miscellaneous gains, net	1,361,053	-	1,361,053
Interest income	368,379	-	368,379
Net assets released from restrictions	58,771,442	(58,771,442)	-
Public Support, Revenues, and Gains, Net	235,396,794	32,311,882	267,708,676
Expenses			
Program services	221,831,616	-	221,831,616
Management and general	11,122,996	-	11,122,996
Fundraising	9,028,804	-	9,028,804
Total Expenses	241,983,416	-	241,983,416
Change in Net Assets, before net remeasurement loss	(6,586,622)	32,311,882	25,725,260
Net Remeasurement Loss	(15,137,758)	-	(15,137,758)
Change in Net Assets	(21,724,380)	32,311,882	10,587,502
Net Assets, beginning of year	32,242,537	84,026,260	116,268,797
Net Assets, end of year	$ 10,518,157	$ 116,338,142	$ 126,856,299

See accompanying notes to consolidated financial statements.

One Acre Fund and Subsidiaries

Consolidated Statement of Activities

Year ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Public Support, Revenues, and Gains, Net			
Contributions of cash and other financial assets	$ 40,829,931	$ 42,228,150	$ 83,058,081
Revenue from sales to farmers and third parties	153,669,625	-	153,669,625
Non-financial contributions	427,566	-	427,566
Miscellaneous gains, net	2,085,244	-	2,085,244
Interest income	152,358	-	152,358
Net assets released from restrictions	40,842,960	(40,842,960)	-
Public Support, Revenues, and Gains, Net	238,007,684	1,385,190	239,392,874
Expenses			
Program services	239,581,234	-	239,581,234
Management and general	8,212,245	-	8,212,245
Fundraising	6,607,384	-	6,607,384
Total Expenses	254,400,863	-	254,400,863
Change in Net Assets, before net remeasurement loss	(16,393,179)	1,385,190	(15,007,989)
Net Remeasurement Loss	(1,272,702)	-	(1,272,702)
Change in Net Assets	(17,665,881)	1,385,190	(16,280,691)
Net Assets, beginning of year	49,908,418	82,641,070	132,549,488
Net Assets, end of year	$ 32,242,537	$ 84,026,260	$ 116,268,797

See accompanying notes to consolidated financial statements.

One Acre Fund and Subsidiaries

Consolidated Statement of Functional Expenses

Year ended December 31, 2023

	Program Services	Management and General	Fundraising	Total
Cost of goods sold (COGS) - sales to famers and third parties	$ 102,394,419	$ -	$ -	$ 102,394,419
COGS - solar products	3,778,854	-	-	3,778,854
COGS - other agricultural-related products	6,729,182	-	-	6,729,182
Farmer-related operating expenses	20,391,792	-	-	20,391,792
Credit loss expense	5,190,814	-	-	5,190,814
Salaries and benefits/compensation costs	51,525,861	9,974,929	7,370,827	68,871,617
Recruiting, training, and travel	7,489,289	402,325	337,105	8,228,719
Office and general expenses	10,338,711	443,217	152,879	10,934,807
Professional and consultancy fees	4,811,056	293,553	1,132,697	6,237,306
Occupancy costs	1,179,255	7,514	35,296	1,222,065
Transaction fees	1,976,250	1,458	-	1,977,708
Depreciation	1,826,740	-	-	1,826,740
Interest expense	2,764,199	-	-	2,764,199
Grants to outside organizations/subrecipients	1,321,087	-	-	1,321,087
Value-added tax and other taxes	114,107	-	-	114,107
Total Expenses	$ 221,831,616	$ 11,122,996	$ 9,028,804	$ 241,983,416

See accompanying notes to consolidated financial statements.

One Acre Fund and Subsidiaries

Consolidated Statement of Functional Expenses

Year ended December 31, 2022

	Program Services	Management and General	Fundraising	Total
COGS - sales to famers and third parties	$ 115,896,583	$ -	$ -	$ 115,896,583
COGS - solar products	2,084,902	-	-	2,084,902
COGS - other agricultural-related products	9,811,743	-	-	9,811,743
Farmer-related operating expenses	24,241,574	-	-	24,241,574
Credit loss expense	7,611,499	-	-	7,611,499
Salaries and benefits/compensation costs	48,295,181	7,430,671	5,117,044	60,842,896
Recruiting, training, and travel	7,664,217	267,744	189,059	8,121,020
Office and general expenses	10,128,942	179,939	93,140	10,402,021
Professional and consultancy fees	3,408,086	285,743	1,188,587	4,882,416
Occupancy costs	1,113,765	8,728	19,554	1,142,047
Transaction fees	2,615,242	39,420	-	2,654,662
Depreciation	1,534,248	-	-	1,534,248
Interest expense	1,979,978	-	-	1,979,978
Grants to outside organizations/subrecipients	1,446,845	-	-	1,446,845
Value-added tax and other taxes	1,748,429	-	-	1,748,429
Total Expenses	$ 239,581,234	$ 8,212,245	$ 6,607,384	$ 254,400,863

See accompanying notes to consolidated financial statements.

One Acre Fund and Subsidiaries

Consolidated Statements of Cash Flows

Year ended December 31,	2023	2022
Cash Flows from Operating Activities		
Change in net assets	**$ 10,587,502**	$ (16,280,691)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	**1,826,740**	1,534,248
Gain on sale of fixed assets	**(94,082)**	(6,351)
Allowance for credit losses	**5,190,814**	7,611,499
Change in valuation allowance	**671,009**	2,788,403
Donated investments	**(2,155,756)**	(11,779,088)
Proceeds from sale of donated investments	**2,155,756**	11,779,088
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Grants receivable	**(44,027,574)**	1,425,373
Farmer repayment receivables	**4,204,433**	(10,346,159)
Voucher receivables	**2,802,102**	(5,960,610)
Employee receivables	**741,887**	(343,893)
Other current assets	**(147,160)**	796,019
Farm inputs inventory	**10,789,084**	1,609,497
Solar inventory	**1,704,616**	(2,252,396)
Other inventory	**5,201,168**	(4,049,750)
Prepaid expenses	**(2,922,762)**	13,081,582
(Decrease) increase in:		
Accounts payable and accrued expenses	**(4,679,186)**	136,248
Deferred revenue from farmers	**124,607**	(4,015,245)
Refundable advance	**1,539,941**	(9,937,072)
Net Cash Used in Operating Activities	**(6,486,861)**	(24,209,298)
Cash Flows from Investing Activities		
Purchases of fixed assets	**(1,479,995)**	(3,840,886)
Proceeds from sale of fixed assets	**555,900**	9,553
Purchases of investments	**(660,449)**	(67,435)
Proceeds from other long-term assets	**-**	100,257
Net Cash Used in Investing Activities	**(1,584,544)**	(3,798,511)
Cash Flows from Financing Activities		
Proceeds from notes payable and lines of credit	**30,241,615**	23,617,274
Principal payments on notes payable and lines of credit	**(13,173,655)**	(5,363,593)
Net Cash Provided by Financing Activities	**17,067,960**	18,253,681
Net Increase (Decrease) in Cash and Cash Equivalents	**8,996,555**	(9,754,128)
Cash and Cash Equivalents, beginning of year	**53,659,597**	63,413,725
Cash and Cash Equivalents, end of year	**$ 62,656,152**	$ 53,659,597
Supplemental Disclosures of Cash Flow Information		
Cash paid for interest	**$ 2,243,929**	$ 2,171,988
Donated land	**-**	283,032
Donated services	**71,087**	144,534

See accompanying notes to consolidated financial statements.

1. Nature of Organization

One Acre Fund is an Illinois not-for-profit organization that was incorporated in December 2005 and is registered to operate in its program countries, including those where One Acre Fund conducts trial activities. Currently, the primary countries of operation are Kenya, Rwanda, Burundi, Tanzania, Nigeria, and Malawi. The mission of One Acre Fund is to empower chronically hungry farm families in Africa to lift themselves out of hunger and poverty. One Acre Fund achieves its mission by working with self-help groups in rural villages to deliberately reach the most severely hunger affected.

2. Principles of Consolidation

The consolidated financial statements include One Acre Fund and Subsidiaries that are required to be consolidated and are related through shared management and directors. For the years ended December 31, 2023 and 2022, One Acre Fund and Subsidiaries include One Acre Stichting (Netherlands); One Acre UK Limited (United Kingdom); One Acre Fund, a trust/charity in Malawi; One Acre Farmers Organization, a trust/nongovernment organization (NGO) in Nigeria; Smallholder Resilience Ventures LLC US & Smallholder Resilience Ventures Rwanda; One Acre Tanzania Limited, a company limited by guarantee in Tanzania; and One Acre Fund Tubura, a company limited by shares in Rwanda (collectively, the Organization). All significant intercompany transactions are eliminated in consolidation.

3. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements have been prepared on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America (GAAP). In the consolidated statements of financial position, assets are presented in order of liquidity or conversion to cash. Liabilities are presented in order of their maturity resulting in the use of cash, respectively.

Financial Statement Presentation

The classification of a not-for-profit organization’s net assets and its support, revenue, and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the two classes of net assets—with and without donor restrictions—be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

Income from investment gains and losses, including unrealized gains and losses, dividends, interest, and other investments, should be reported as increases (or decreases) in net assets without donor restrictions, unless the use of the income received is limited by donor-imposed restrictions.

These classes are defined as follows:

With Donor Restrictions – This class consists of net assets resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations. When such stipulations end or are fulfilled, such net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities.

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations. For the years ended December 31, 2023 and 2022, the Organization has no permanent donor-restricted assets.

Without Donor Restrictions – This class consists of the part of net assets that are not restricted by donor-imposed stipulations.

Cash and Cash Equivalents

For the purposes of the consolidated statements of cash flows, the Organization considers all highly liquid instruments purchased with a maturity of three months or less, to be cash equivalents. At various times during the year, the Organization may have deposits at financial institutions that exceed federally insured limits. These financial institutions have strong credit ratings and management believes credit risks related to these deposits are minimal.

Allowance for Credit Losses

The Organization recognizes an allowance for credit losses for financial assets carried at amortized cost to present the net amount expected to be collected as of the year ended. Such allowance is based on the credit losses expected to arise over the life of the asset (contractual term) which includes consideration of prepayments and is based on the expectation as of the financial position date.

Assets are written off when the Organization determines that such financial assets are deemed uncollectible or based on regulatory requirements, whichever is earlier. Write-offs are recognized as a deduction from the allowance for credit losses. Expected recoveries of amounts previously written off, not to exceed the aggregate of the amount previously written off, are included in determining the necessary reserve at the financial position date.

The Organization pools its accounts receivable based on similar risk characteristics in estimating expected credit losses. In situations where certain accounts receivable do not share same risk characteristics with other receivables, the Organization measures the expected credit losses for those receivables individually. The Organization also continuously evaluates such pooling decisions and adjusts as needed from period to period as risk characteristics change.

The Organization determines its estimated credit losses for accounts receivable using a loss rate approach in determining its lifetime expected credit losses on its receivables from farmers. This method is used for calculating an estimate of losses based primarily on the Organization’s historical loss experience. In determining its loss rates, the Organization evaluates information related to its historical losses, adjusted for current conditions, and further adjusted for the period of time that the Organization can reasonably forecast. Qualitative and quantitative adjustments related to current conditions and the reasonable and supportable forecast period consider all of the following: the farmers’ creditworthiness, changes in policy and procedures, existence, and effect of any concentration of credit and changes in level of such considerations, and the current and forecasted direction of the economic and operation environment.

Management anticipates that historic loss rates will be consistent during the next fiscal year and concluded that no adjustments to their methodology or inputs are required. Management applies these forecasts to create the following credit loss matrix to calculate the allowance for credit losses at December 31, 2023:

December 31, 2023		
Balance, beginning of the period	$	3,316,475
Write-offs charged against the allowance		(132,939)
Balance, end of the period	$	3,183,536

Investments at Fair Value

GAAP defines fair value, establishes a framework for measuring fair value, and expands the disclosures about fair value measurements. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in a principal or most advantageous market. Fair value is a market-based measurement that is determined based on inputs, which refer broadly to assumptions that market participants use in pricing assets or liabilities. These inputs can be readily observable, market corroborated, or unobservable. GAAP established a fair value hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value in three broad levels. The standard requires that assets and liabilities be classified in their entirety based on the level of input that is significant to the fair value measurement. Assessing the significance of a particular input may require judgment considering factors specific to the asset or liability and may affect the valuation of the asset or liability and their placement within the fair value hierarchy. The Organization classifies fair value balances based on the fair value hierarchy defined by GAAP, as follows:

Level 1 - Valuations are based on unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Valuations are based on: (a) quoted prices for similar assets or liabilities in active markets, (b) quoted prices for identical or similar assets or liabilities in inactive markets, (c) inputs other than quoted prices that are observable for the asset or liability, and (d) 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 – Valuations are based on inputs that are unobservable and significant to the overall fair value measurement.

Investment income is recognized when earned and consists of interest and dividends. Dividends are recorded on the ex-dividend date. Purchases and sales are recorded on a trade-date basis.

Grants Receivable, Farmer Repayment Receivables, Voucher Receivables, and Employee Receivables

Grants receivable, farmer repayment receivables, voucher receivables, and employee receivables are stated at the amount management expects to collect from outstanding balances. Long-term grants receivable are discounted to their net present value using a market rate. Management provides for estimated uncollectible amounts through credit loss expense and an adjustment to a valuation allowance based on its assessment of the current status of individual receivables from farmers, employees, grants, contracts, etc. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the applicable receivable account. There was no uncollectible allowance provided for grants receivable at December 31, 2023 and 2022. Farmer repayment receivables are net of a valuation allowance of $3,042,270 and $3,206,130 for December 31, 2023 and 2022, respectively. Voucher receivables are net of a valuation allowance of $3,135,788 and $2,331,839 at December 31, 2023 and 2022, respectively. Employee receivables are net of a valuation allowance of $141,266 and $110,345 at December 31, 2023 and 2022, respectively.

Revenue Recognition

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received.

Contributions received, including unconditional promises to give, if any, are reported at their net realizable values. Gifts of cash and other assets are reported as support with donor restrictions if they are received with donor stipulations that limit their use or if they are intended to support activities in future periods. Contributions with donor-imposed restrictions that are met in the same accounting period are recorded as income without donor restrictions.

Contributions of donated non-cash assets are recorded at their fair values in the period received. Contributions of services are recognized if the services received (a) create or enhance non-financial assets, or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Revenue from government grants and other contracts is recognized as support without donor restrictions when expenditures have been incurred in compliance with the grantor's restrictions or when applicable performance-based milestones are reached, and as requisitions for payments are submitted. Grants are recognized as support without donor restrictions only to the extent of actual expenses incurred in compliance with grantor-imposed restrictions.

Revenue from Sales to Farmers and Third Parties

The Organization and farmers enter into a contract for the Organization to provide its program for a fee and the farmers pay a cash deposit on enrollment to the program. The Organization earns these fees as it provides farm inputs (seeds and fertilizer), other agricultural-related products, solar, training, and other services to the farmers over the span of the contract period. Revenue from sales to farmers and third parties is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for services rendered and as the performance obligations are satisfied.

The Organization determines the revenue from sales to farmers and third parties as a transaction price based on charges for goods and services provided, reduced by discounts and implicit price concessions at the time the services are provided. The Organization factors in adjustments and discounts based on historical experience in the initial recording of revenue. Management regularly reviews data about these transactions in evaluating the sufficiency of allowance for credit losses based on collectability issues identified after the initial recording of the transaction price. For the years ended December 31, 2023 and 2022, allowance for credit losses recorded after the initial transaction price were $5,190,814 and $7,611,499, respectively. Actual results could differ from those estimates.

Cash received from farmers in advance of the Organization providing goods and services is recorded in the consolidated statements of financial position as deferred revenue from farmers.

Inventory

Inventory is valued at the lower of cost or market with cost determined on a weighted-average basis. Inventories primarily consist of farm inputs - seed and fertilizer, other agricultural products, and solar. The valuation allowance for inventory amounted to $2,697,427 and $3,435,272 at December 31, 2023 and 2022, respectively.

Fixed Assets

Fixed assets are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows:

Asset Category	Years
Buildings	15
Equipment	5-7
Vehicles	2-5

Repairs and maintenance are charged to operations in the period incurred.

It is the Organization's policy to capitalize individual fixed assets purchases greater than $5,000 and aggregate similar grouped items over $10,000, which may have been below $5,000 individually.

Impairment of Long-Lived Assets

The Organization reviews long-lived assets, including fixed assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the future cash flows from the use of the asset are less than the carrying amount of that asset. As of December 31, 2023 and 2022, there have been no such losses.

Leases

A lease is a contract, or part of a contract, which conveys the right to control the use of identified property or equipment (the underlying asset) for a period of time in exchange for consideration. The Organization determines if an arrangement is a lease at inception.

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC), *Accounting for Leases (Topic 842)*, requires recognition of lease liabilities and related right-of-use assets on the consolidated statements of financial position. Lessees are required to recognize a lease liability measured on a discounted basis, which is the lessee's obligation to make lease payments arising from a lease, and a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. Both financing leases and operating leases create right-of-use assets and lease liabilities. The Organization does not have any existing leases that are classified as financing leases.

The Organization made an accounting policy election to use a risk-free discount rate, commensurate with the term of the lease based on the adoption date of Topic 842 or commencement date of any new leases, to determine the present value of the lease payments for each lease agreement.

Short-term leases with terms of one year or less that do not include an option to purchase the underlying asset are not included in the measurement of lease assets and liabilities, and accordingly, lease expense is recognized over the term of the lease. The Organization's leases were not material to the Organization's consolidated financial statements and, therefore, have not been broken out separately in the consolidated statements of financial position.

Grants to Outside Organizations/Subrecipients

Grants to outside organizations/subrecipients are recognized in the period the grant is approved, provided the grant is not subject to significant future conditions. Conditional grants are recognized as grant expense and as a grant payable in the period in which the grantee meets the terms of the conditions. The Organization incurred grants to outside organizations/subrecipients of $1,321,087 and $1,446,845 for the years ended December 31, 2023 and 2022, respectively.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, a provision for income taxes has not been made in the consolidated financial statements. The Organization is also classified as other than a private foundation. The Organization has no unrelated business income during the years ended December 31, 2023 and 2022 and, therefore, no provision for federal or state income taxes has been made in the accompanying consolidated financial statements. The Organization had no income tax expense for the years ended December 31, 2023 and 2022.

Under GAAP, an organization must recognize the tax liability associated with tax positions taken for tax return purposes when it is more likely than not that the position will not be sustained upon examination by a taxing authority. The Organization does not believe there are any material uncertain tax positions and, accordingly, it will not recognize any liability for unrecognized tax benefits. The Organization has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, the Organization has filed Internal Revenue Service (IRS) Form 990 information returns, as required, and all other applicable returns in jurisdictions where so required. For the years ended December 31, 2023 and 2022, there were no interest or penalties recorded or included in the consolidated statements of activities. The Organization is subject to a routine audit by taxing authorities.

Allocation Methodology

Program Services – The Organization's mission is to empower chronically hungry farm families in Africa to lift themselves out of hunger and poverty. The Organization works with self-help groups in rural villages to deliberately reach the most severely hunger affected. Currently, the Organization operates programmatically in seven countries on the African continent, primarily in East Africa, and pilot programs in a few additional countries. For the year ended December 31, 2023, the Organization served approximately 1,545,000 farmers. Expenses that can be directly identified with the Organization's programs or support services are charged accordingly. Occupancy costs, office, and general expenses are allocated to program or support based on Board of Directors (Board)-approved department budgets.

Management and General - This supporting service category includes the functions necessary to secure proper administrative functions, maintain an adequate working environment, and manage financial responsibilities of the Organization. In addition to expenses that can be directly identified as relating to management and general, this category includes all staff-related costs related to overhead activity departments, as well as an allocation of other costs that are considered necessary to support the Organization in general rather than specific programs.

Fundraising - This supporting service category includes an expenditure that provides the structure necessary to encourage and secure private financial support for the Organization's own operations.

Reclassifications

Certain 2022 balances have been reclassified to be consistent with the 2023 financial presentation.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Accounting Pronouncements Recently Adopted

Financial Instruments - Credit Losses

In June 2016, FASB issued Accounting Standards Update (ASU) 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended. The ASU introduces a new credit loss methodology, current expected credit losses (CECL), which requires earlier recognition of credit losses, while also providing additional transparency about credit risk. Since its original issuance in 2016, the FASB has issued several updates to the original ASU. The CECL methodology utilizes a lifetime "expected credit loss" measurement objective for the recognition of credit losses for loans, held-to-maturity securities, and other receivables at the time the financial asset is originated or acquired. The expected credit losses are adjusted each period for changes in expected lifetime credit losses. The methodology replaces the multiple existing impairment methods in current GAAP, which generally require that a loss be incurred before it is recognized. On January 1, 2023, as required, the Organization adopted the guidance prospectively. The Organization's allowance for credit losses was not material to the consolidated financial statements and no adjustments were required related to this ASU.

4. Concentration of Credit Risk

The financial instruments that potentially subject the Organization to concentration of credit risk consist primarily of cash and cash equivalents. At various times, the Organization has cash deposits at financial institutions that exceed the Federal Depository Insurance Coverage limit of $250,000. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

5. In-Kind Donations

Donated Services and Land

Donated services and land are recognized as revenue at their estimated fair value when they create or enhance nonfinancial assets, or they require specialized skills that would need to be purchased if they were not donated. For the years ended December 31, 2023 and 2022, donated services amounted to $71,087 and $144,534, respectively. These donated services are reported within non-financial contributions and corresponding expenses in the accompanying consolidated statements of activities and consolidated statements of functional expenses, respectively. For the years ended December 31, 2023 and 2022, donated land amounted to $0 and $283,032, respectively. Donated land is reported within fixed assets in the accompanying consolidated statements of financial position and within non-financial contributions in the accompanying consolidated statements of activities. For the years ended December 31, 2023 and 2022, the Organization received other donated services from volunteers who assist with the operations. No amounts have been recognized in the accompanying consolidated statements of activities for these volunteer services because the criteria for recognition of such volunteer effort have not been satisfied.

Donated Investments

During the years ended December 31, 2023 and 2022, the Organization received donations of stocks and mutual funds valued at $2,155,756 and $11,779,088, respectively. The Organization's policy is to liquidate publicly traded securities immediately upon their receipt. There was no gain or loss recognized on the sale of its donated investments for the years ended December 31, 2023 and 2022.

6. Related Party Transactions

The Organization grants permanent staff and staff members on fixed-term contracts of more than 12 months in good standing the ability to take out a cash loan, salary advance, or non-cash loans of input or equipment. Management believes these transactions are conducted at arm's length.

7. Grants Receivable, Net

Grants due in more than one year have been recorded at the present value of the estimated cash flows using a discount rate of 5%.

Grants are due as follows:

December 31,	**2023**	2022
Less than one year	**$ 38,210,834**	$ 26,312,266
One to five years	**74,304,299**	39,054,200
Unconditional Promises to Give	**112,515,133**	65,366,466
Less: discount balance to present value	**(6,034,375)**	(2,913,282)
Grants Receivable, Net	**$ 106,480,758**	$ 62,453,184

8. Farmer Accounts Receivable and Farmer Service Revenue

The Organization recognizes revenue when control of the promised services is transferred to outside parties in an amount that reflects the consideration the Organization expects to be entitled to in exchange for those services.

The following table shows the Organization's revenue from farmers and third parties disaggregated by geographical area:

Year ended December 31,	**2023**	2022
Kenya	**$ 38,735,318**	$ 57,307,116
Rwanda	**37,479,100**	43,824,602
Burundi	**19,252,077**	15,006,207
Malawi	**12,363,160**	11,121,369
Nigeria	**7,656,726**	5,175,931
Tanzania	**6,435,683**	21,196,292
Zambia	**394,996**	-
Uganda	**118,970**	38,108
Total Revenue from Sales to Farmers and Third Parties	**$ 122,436,030**	$ 153,669,625

The following table shows the Organization's farmer repayment receivables, net of the valuation allowance, disaggregated by geographical area:

December 31,	**2023**	2022
Malawi	**$ 4,279,487**	$ 6,780,371
Burundi	**3,047,380**	2,678,586
Kenya	**1,943,949**	149,724
Rwanda	**1,909,929**	6,240,481
Nigeria	**415,461**	916,900
Zambia	**86,325**	12,199
Tanzania	**1,073**	4,136,727
Farmer Repayment Receivables, Net	**$ 11,683,604**	$ 20,914,988

Farmers revenue and farmers receivable are reported in the amount that reflects consideration to which the Organization be entitled in exchange for providing services. These amounts are due from farmers as a loan receivable or accounts receivable and include a variable consideration (reductions to revenue) for various contractual discounts offered. The estimates for such discounts are based on historical experience with farmers and the number of units purchased. The transaction price amount is fixed based on each unit in the bundle of services provided to farmers. Each bundle of services provided includes distribution of seeds and fertilizers. Since the Organization's performance obligations are satisfied when the bundle of services has been performed, all of the Organization's farmers revenues presented are recognized at a point in time. Distribution of products and services timing varies based on the geographical location and ranges from one to two distributions a year. All farmers' payments during the year before the distribution occurs are recorded as deferred revenue. All respective geographical locations' farmers revenues and accounts receivable are presented above.

As substantially all of its performance obligations relate to a bundle of service-type agreements with a duration of less than one year, the Organization has elected the optional exemption provided in FASB ASC 606, *Revenue from Contracts with Customers*, and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

9. Conditional Grants

The Organization has grant agreements with several donors and foundations that consist of providing conditional funding in future years. A corresponding grant receivable has not been recorded on the consolidated statements of financial position, as the conditional grants are contingent upon incurring qualifying expenditures and fulfilling milestones. Conditional promises to give are recognized when the conditions on which they depend upon are substantially met. Until that point, any amounts received are recorded as refundable advances.

Conditional Grants Receivables

Short-term and long-term conditional grants receivable, with long-term conditional grants receivable discounted for future cash flows at 5%, amounted to $47,997,607 and $75,260,705 as of December 31, 2023 and 2022, respectively. Due to the conditional nature of these receivables, they are not recorded at the respective year-ends.

Conditional Refundable Advances

A transfer of assets (i.e., cash received) related to a conditional contribution is accounted for as a refundable donor advance in the accompanying consolidated statements of financial position until the conditions are met; otherwise, the amount received will need to be repaid. As of December 31, 2023 and 2022, amounts due under refundable advance agreements totaled $40,088,139 and $38,548,198, respectively, which can be recognized as revenue in varying amounts through 2032 once certain conditions are met. This is broken down as follows:

December 31,	**2023**	2022
Refundable advance (senior), current portion	**$ 9,040,000**	$ 12,142,017
Long-term refundable advance (senior)	**8,000,000**	16,000,000
Long-term refundable advance (subordinate)	**23,048,139**	10,406,181
Total Refundable Advances	**$ 40,088,139**	$ 38,548,198

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10. Fixed Assets, Net

Fixed assets, net, consist of the following:

December 31,	**2023**	2022
Land	**$ 1,721,193**	$ 2,231,568
Buildings	**13,419,536**	13,410,121
Equipment	**7,439,951**	6,354,800
Vehicles	**1,600,066**	1,508,458
	24,180,746	23,504,947
Less: accumulated depreciation and amortization	**(8,964,982)**	(7,242,520)
	15,215,764	16,262,427
Construction-in-progress	**477,714**	239,614
Fixed Assets, Net	**$ 15,693,478**	$ 16,502,041

Depreciation expense for the years ended December 31, 2023 and 2022 amounted to $1,826,740 and $1,534,248, respectively. The estimated cost to complete the construction-in-progress at December 31, 2023 is $74,156. During 2023 and 2022, fixed assets of $649,982 and $15,904, respectively, were disposed of. The disposals resulted in a gain of $94,082 and $6,351 for the years ended December 31, 2023 and 2022, respectively.

11. Notes Payable and Lines of Credit

The Organization uses notes payable and lines of credit to provide working capital for its farmer program activities. Lines of credit and notes payable consist of the following:

December 31, 2023

Debt Instrument	Interest Rate (%)	Amount Available	Outstanding Principal	Current Portion
Web-based line of credit	-	$ 4,238,595	$ 1,370,314	$ 1,143,649
Lines of credit	4.00-4.09	15,500,000	10,000,000	10,000,000
Note payable	2.00 or less	22,862,025	22,862,025	9,598,171
Note payable	2.01-3.00	20,792,833	20,792,833	8,735,832
Note payable	3.01-4.00	10,500,000	10,500,000	2,333,333
Note payable	4.01-5.00	20,000,000	20,000,000	-
Total		$ 93,893,453	$ 85,525,172	$ 31,810,985

December 31, 2022

Debt Instrument	Interest Rate (%)	Amount Available	Outstanding Principal	Current Portion
Web-based line of credit	-	$ 4,000,000	$ 1,102,712	$ 1,102,712
Lines of credit	4.00-4.09	15,500,000	10,000,000	10,000,000
Note payable	2.00 or less	37,113,334	25,618,334	12,400,000
Note payable	2.01-3.00	7,902,833	7,902,833	3,333,334
Note payable	3.01-4.00	15,833,333	15,833,333	2,333,333
Note payable	4.01-5.00	20,000,000	8,000,000	-
Total		$ 100,349,500	$ 68,457,212	$ 29,169,379

The lines of credit and the notes payable are unsecured. Certain lines of credit and notes payable agreements have covenants, the most significant of which are a limitation on debt, maintenance of a minimum cash balance or positive operating cash flow, and maintenance of a minimum current ratio and net worth. The Organization complied with these covenants at December 31, 2023 and 2022.

Included in notes payable is senior subordinated debt. Lenders of this senior subordinated debt can elect to subordinate their loan to select senior debt that meets criteria defined in the agreement. At December 31, 2023, $9,405,000 of senior subordinated debt was outstanding. It is subordinated to $30,000,000 outstanding senior debt. The senior subordinated debt ranks equally with all other senior obligations of the Organization.

At December 31, 2023, maturities on the lines of credit and notes payable are as follows:

Year ending December 31,	
2024	$ 31,810,985
2025	13,802,144
2026	17,424,664
2027	6,616,310
2028	8,178,762
Thereafter	7,692,307
Total	$ 85,525,172

12. Functional Currency, Foreign Currency Translation, and Currency Exchange Rate Exposure

Based on several factors, including the dominant role of the U.S. currency in the funding of the Organization’s programs, management considers the U.S. dollar to be the Organization’s functional currency. As such, the Organization’s monetary assets and liabilities held in foreign currencies are remeasured using the current rate at the consolidated statement financial position date, while non-monetary assets and liabilities are remeasured using historical exchange rates. Most revenues and expenses that occur during a period are remeasured for practical purposes using a weighted-average exchange rate for the year. However, revenues and expenses that represent the allocations of historical balances, such as depreciation expense, are remeasured using the same historical exchange rates, as the ones used for remeasuring the underlying items on the consolidated statements of financial position. The Organization regularly transfers cash from its domestic accounts to its foreign accounts to cover expenses, translating its foreign transactions into U.S. dollars using a weighted-average exchange rate. The Organization has significant deposits in foreign financial institutions. Cash and petty cash are mainly held in the local currencies of Kenya, Rwanda, Burundi, Uganda, Malawi, Ethiopia, Zambia, Tanzania, and Nigeria. The Organization has other assets and liabilities originally denominated in foreign currencies.

This results in an exposure to currency exchange gains and losses at the time assets are disposed of and liabilities are settled, as well as during year-end foreign currency translation into U.S. dollars. In any particular year, currency exchange rate fluctuations may have a significant impact on the Organization's financial results. The foreign currency translation gains and losses are recorded on the Organization's consolidated statements of activities as a net remeasurement gain or loss. For the years ended December 31, 2023 and 2022, the Organization recognized a net remeasurement loss of $15,137,758 and $1,272,702, respectively.

Net remeasurement loss for the year consists of the following:

Year ended December 31,	**2023**	2022
Farmer repayment receivables	**$ 7,804,708**	$ 1,193,693
Cash and cash equivalents	**7,407,604**	871,748
Other remeasurement gains	**(74,554)**	(792,739)
Net Remeasurement Loss	**$ 15,137,758**	$ 1,272,702

13. Leases

The Organization leases office, warehouse space, trial plots of land, and housing for its workforce in Africa under multiple operating leases expiring on various dates through 2028. The Organization does not have any leases that are classified as finance leases and does not sublease any of its office space. All lease agreements are accounted for under ASC Topic 842 for the year ended December 31, 2023.

The following tables summarize information related to the lease assets and liabilities:

December 31,	**2023**	2022
Lease Costs		
Operating lease cost:		
Amortization of right-of-use assets	**$ 1,272,118**	$ 941,042
Interest on lease liabilities	**139,538**	73,880
Total Lease Cost	**$ 1,411,656**	$ 1,014,922

December 31,	**2023**	2022
Right-of-use assets and liabilities:		
Operating lease right-of-use assets, net of amortization	**$ 5,750,292**	$ 4,905,768
Operating lease liabilities	**5,850,369**	4,961,367

December 31,	**2023**	2022
Weighted-average remaining lease term - operating leases (year	**4.32**	5.00
Weighted-average discount rate - operating leases (%)	**2.22**	1.37

For operating leases, right-of-use assets are recorded in fixed assets, net, and lease liabilities are recorded in accounts payable and accrued expenses in the accompanying consolidated statements of financial position. Amortization expense and interest expense are recorded as a component of office and general expenses within the consolidated statements of functional expenses.

The following is a schedule of future minimum lease payments, including interest, under the term of the leases, together with the present value of the net minimum lease payments, as of December 31, 2023:

Year ending December 31,	
2024	$ 1,433,894
2025	1,433,894
2026	1,433,895
2027	1,433,895
2028	407,855
Total Minimum Lease Payments	6,143,433
Less: interest	(293,064)
	5,850,369
Less: current portion	(1,307,559)
Total	$ 4,542,810

14. Concentration of Foreign Operations Risk

Contributions are raised globally, with a majority within the U.S. The nature of the Organization's program activities is to supply agricultural inputs, training, and other services on credit in foreign countries. While foreign operations risk is somewhat diversified across countries, and is actively managed by the Organization, it remains reasonably possible that operations outside the U.S. could be disrupted due to political, economic, or natural events, impacting the normal functioning of these programs. As of December 31, 2023 and 2022, the Organization has assets outside the U.S. with a carrying value of $124,319,270 and $143,566,815, respectively, primarily across four countries in East Africa, with the largest concentration in Kenya, which contains $42,257,938 and $52,520,005 of the Organization's assets as of December 31, 2023 and 2022, respectively.

15. Employee Benefit Plan

The Organization has a 401(k) plan for employees that are U.S. citizens, to which employees may contribute up to the maximum amount allowable by federal regulation, with the Organization matching contributions at the discretion of the Organization. The Organization made no discretionary matching contributions to the plan for the years ended December 31, 2023 and 2022.

16. Net Assets with Donor Restrictions

Net assets with donor restrictions are as follows:

December 31,	**2023**	2022
Subject to specified purpose:		
Trees scale-up and research	**$ 17,899,293**	$ 29,496,732
Seed systems in Rwanda	**14,031,175**	10,896,294
Youth employment	**13,384,393**	-
Program expansion in Rwanda	**7,909,801**	1,785,343
Systems change initiatives	**4,576,759**	7,121,730
Scaling climate-sustainable interventions	**4,038,833**	4,756,182
Carbon sequestration	**3,457,750**	4,446,588
Program expansion in Malawi	**1,726,610**	33,844
Monitoring and evaluation research	**1,648,328**	770,238
Program expansion in Burundi	**1,213,177**	-
Tech development	**1,065,468**	6,089,312
Program expansion in Democratic Republic of the Congo	**642,137**	-
Non-repayment loss absorption	**566,646**	829,897
New interventions research and trials	**313,299**	746,040
Program expansion	**303,274**	-
Program expansion in Zambia	**299,400**	-
Program expansion in Kenya	**240,684**	200,000
Crop insurance	**35,000**	-
Nutrition and scale-up innovations	**8,741**	34,099
Program expansion in Tanzania	**-**	5,718,821
Rural retail and market access	**-**	1,000,000
Scaling climate-sustainable interventions (IKEA Foundation)	**-**	449,896
Program expansion - Malawi and Rwanda	**-**	222,796
Pilot operations and expansions	**-**	94,971
Total Net Assets Subject to Specified Purpose	**73,360,768**	74,692,783
Subject to passage of time:		
Donor-specified time	**42,977,374**	9,333,477
Total Net Assets with Donor Restrictions	**$ 116,338,142**	$ 84,026,260

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17. Net Assets Released from Donor Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by donors. The net assets released from donor restrictions are as follows:

Year ended December 31,	**2023**	2022
Purpose or period restrictions accomplished:		
Trees scale-up and research	**$ 18,008,028**	$ 10,065,426
Systems change initiatives	**8,320,103**	3,331,500
Tech development	**6,198,934**	2,432,853
Program expansion in Tanzania	**5,904,762**	2,000,000
Passage of time	**3,810,000**	3,264,000
Seed systems in Rwanda	**3,054,340**	1,242,927
Program expansion in Burundi	**1,536,693**	700,000
Program expansion in Rwanda	**1,339,352**	651,068
Carbon sequestration	**1,232,584**	1,870,049
Monitoring and evaluation research	**1,220,187**	324,000
Sourcing seeds and fertilizer	**1,100,000**	1,815,892
Youth employment	**1,098,385**	-
Rural retail and market access	**1,000,000**	1,000,000
New interventions research and trials	**755,617**	82,190
Scaling climate-sustainable interventions	**717,393**	-
Program expansion in Malawi	**654,218**	1,202,045
Program expansion in Zambia	**499,000**	-
Scaling climate-sustainable interventions (IKEA Foundation)	**449,896**	675,518
Program expansion in Democratic Republic of the Congo	**349,324**	-
Program expansion in Kenya	**341,333**	1,000,000
Non-repayment loss absorption	**290,234**	2,639,911
Program expansion - Malawi and Rwanda	**222,796**	256,203
Program expansion	**196,726**	-
Program expansion in Burundi and Malawi	**155,854**	-
Program expansion in Ethiopia	**100,001**	-
Pilot operations and expansions	**94,971**	405,029
Nutrition and scale-up innovations	**50,358**	175,849
Program expansion in Nigeria and Tanzania	**50,000**	-
Crop insurance	**20,353**	-
Program-related costs excluding inputs	**-**	4,958,500
Radical innovations	**-**	650,000
Women farmers in Kenya	**-**	100,000
Total Restrictions Released	**$ 58,771,442**	$ 40,842,960

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18. Liquidity and Availability of Resources

The Organization's financial assets available within one year of the consolidated statements of financial position due for general expenditure are as follows:

Year ended December 31,		2023		2022
Unrestricted cash and cash equivalents	$	**62,656,152**	$	53,659,597
Grants receivable, current portion		**38,210,834**		26,312,266
Farmer repayments receivables, net		**11,683,604**		20,914,988
Voucher receivables, net		**8,208,389**		11,814,441
Employee receivables, net, and other current assets		**2,213,233**		2,838,882
Financial Assets		**122,972,212**		115,540,174
Less amounts unavailable for general expenditures within one year due to:				
Restricted by donors with purpose or time		**(35,133,328)**		(24,377,045)
Total Financial Assets Available to Management for General Expenditures Within One Year	$	**87,838,884**	$	91,163,129

The receivables are subject to implied time restrictions but are expected to be collected within one year. Net assets with donor restrictions that are expected to be incurred in greater than one year are excluded from the table above. The Organization's goal is to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Additional liquidity is also available through its unused line of credit (see Note 11).

19. Miscellaneous Gains and Losses

Miscellaneous gains (losses) consisted of the following:

Year ended December 31,		2023		2022
Gain from sale of fixed assets	$	**94,082**	$	6,351
Gain from other sales		**1,051,493**		2,165,628
Gain (loss) on farmers crop insurance (net of insurance payouts of $580,576 and $67,637, respectively, and farmer forgiveness of $365,098 and $154,372, respectively)		**215,478**		(86,735)
Net Miscellaneous Gains	$	**1,361,053**	$	2,085,244

The consolidated statements of functional expenses include a crop insurance premium of $773,317 and $1,309,267 for the years ended December 31, 2023 and 2022, respectively. Crop insurance premium is reported as farmer-related operating expenses within the consolidated statements of functional expenses.

20. Subsequent Events

The Organization's management has performed subsequent events procedures through April 29, 2024, which is the date the consolidated financial statements were available to be issued. There were no subsequent events requiring adjustment to the consolidated financial statements or disclosures as a result of these procedures.