



Financial Statements

Ceres, Inc.

October 31, 2025 and 2024



CERES, INC.

Financial Statements

Table of Contents

Financial Statements:

Independent Auditors' Report	1-2
Statements of Financial Position	3
Statements of Activities	4-5
Statements of Functional Expenses	6-7
Statements of Cash Flows	8
Notes to Financial Statements	9-21

Independent Auditors' Report

Board of Directors
Ceres, Inc.
Boston, Massachusetts

Opinion

We have audited the financial statements of Ceres, Inc. ("Ceres"), which comprise the statements of financial position as of October 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Ceres as of October 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Ceres 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 Ceres' ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Ceres' 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 Ceres' 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.

CBIZ CPAs P.C.

Boston, Massachusetts
March 6, 2026

CERES, INC.

Statements of Financial Position

October 31,

	2025	2024
Assets		
Cash and cash equivalents	\$ 12,416,455	\$ 11,010,639
Accounts receivable, net	635,405	942,231
Grants receivable	6,046,472	11,003,802
Prepaid expenses and other assets	1,042,014	1,460,806
Investments	13,454,714	12,492,579
Right-of-use asset - operating lease	1,132,905	1,433,815
Property and equipment, net	<u>418,442</u>	<u>692,764</u>
Total assets	<u>\$ 35,146,407</u>	<u>\$ 39,036,636</u>
Liabilities and Net Assets		
Accounts payable and accrued expenses	\$ 3,127,600	\$ 2,460,770
Deferred revenue	961,525	927,207
Operating lease obligation	<u>1,680,886</u>	<u>2,113,774</u>
Total liabilities	<u>5,770,011</u>	<u>5,501,751</u>
Net assets:		
Without donor restrictions	8,902,183	8,530,566
With donor restrictions	<u>20,474,213</u>	<u>25,004,319</u>
Total net assets	<u>29,376,396</u>	<u>33,534,885</u>
Total liabilities and net assets	<u>\$ 35,146,407</u>	<u>\$ 39,036,636</u>

See accompanying notes to the financial statements.

CERES, INC.

Statement of Activities

**Year Ended October 31, 2025
(with comparative totals for 2024)**

	2025			2024
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenues, gains (losses) and other support:				
Network member dues	\$ 3,864,944	\$ -	\$ 3,864,944	\$ 3,932,337
Grant revenue	1,246,500	22,466,916	23,713,416	31,296,573
Contributions	1,934,002	1,605,097	3,539,099	4,494,236
Conference and other event fees	701,058	-	701,058	951,750
Contributions of nonfinancial assets	166,087	-	166,087	1,154,879
Interest income	668,859	-	668,859	582,701
Realized loss on currency translation	(151,071)	-	(151,071)	(141,954)
Unrealized gain on currency translation	167,221	-	167,221	220,631
Loss on disposal of property and equipment	(672)	-	(672)	(299,261)
Other revenue	1,243,244	-	1,243,244	276,362
Total revenues, gains (losses) and other support	9,840,172	24,072,013	33,912,185	42,468,254
Net assets released from restrictions:				
Satisfaction of program restrictions	28,602,119	(28,602,119)	-	-
Net revenues, gains (losses) and other support	38,442,291	(4,530,106)	33,912,185	42,468,254
Expenses:				
Program services	30,368,856	-	30,368,856	37,031,357
Management and general	4,602,270	-	4,602,270	5,434,282
Fundraising	3,099,548	-	3,099,548	3,257,708
Total expenses	38,070,674	-	38,070,674	45,723,347
Change in net assets	371,617	(4,530,106)	(4,158,489)	(3,255,093)
Net assets at beginning of year	8,530,566	25,004,319	33,534,885	36,789,978
Net assets at end of year	\$ 8,902,183	\$ 20,474,213	\$ 29,376,396	\$ 33,534,885

CERES, INC.

Statement of Activities

Year Ended October 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains (losses) and other support:			
Network member dues	\$ 3,932,337	\$ -	\$ 3,932,337
Grant revenue	1,063,500	30,233,073	31,296,573
Contributions	3,382,913	1,111,323	4,494,236
Conference and other event fees	951,750	-	951,750
Contributions of nonfinancial assets	1,154,879	-	1,154,879
Interest income	582,701	-	582,701
Realized loss on currency translation	(141,954)	-	(141,954)
Unrealized gain on currency translation	220,631	-	220,631
Loss on disposal of property and equipment	(299,261)	-	(299,261)
Other revenue	276,362	-	276,362
	11,123,858	31,344,396	42,468,254
Net assets released from restrictions:			
Satisfaction of program restrictions	34,709,273	(34,709,273)	-
	45,833,131	(3,364,877)	42,468,254
Expenses:			
Program services	37,031,357	-	37,031,357
Management and general	5,434,282	-	5,434,282
Fundraising	3,257,708	-	3,257,708
	45,723,347	-	45,723,347
Change in net assets	109,784	(3,364,877)	(3,255,093)
Net assets at beginning of year	8,420,782	28,369,196	36,789,978
Net assets at end of year	\$ 8,530,566	\$ 25,004,319	\$ 33,534,885

CERES, INC.

Statement of Functional Expenses

Year Ended October 31, 2025
(with comparative totals for 2024)

	2025			2024	
	Program Services	Management and General	Fundraising	Total Expenses	Total Expenses
Salaries	\$ 14,680,928	\$ 3,081,950	\$ 2,101,376	\$ 19,864,254	\$ 22,250,090
Payroll taxes and fringe benefits	3,725,991	818,596	534,159	5,078,746	5,566,356
Professional fees	2,653,094	203,670	75,757	2,932,521	3,307,961
Conferences and meetings	528,692	17,119	130,229	676,040	947,763
Organizational sub-grants	6,514,037	-	-	6,514,037	8,983,926
Office supplies and expenses	1,104,217	123,234	132,212	1,359,663	1,251,317
Occupancy expense	310,388	49,291	35,641	395,320	539,672
Travel expenses	455,255	7,363	46,757	509,375	851,341
Depreciation	211,655	39,783	28,767	280,205	458,647
In-kind expenses	9,416	156,671	-	166,087	1,154,879
Advertising and paid media	175,183	-	14,650	189,833	359,140
Credit loss expense	-	104,593	-	104,593	52,255
	\$ 30,368,856	\$ 4,602,270	\$ 3,099,548	\$ 38,070,674	\$ 45,723,347

CERES, INC.**Statement of Functional Expenses****Year Ended October 31, 2024**

	Program Services	Management and General	Fundraising	Total Expenses
Salaries	\$ 17,102,936	\$ 3,093,751	\$ 2,053,403	\$ 22,250,090
Payroll taxes and fringe benefits	4,243,335	818,201	504,820	5,566,356
Professional fees	2,934,380	205,587	167,994	3,307,961
Conferences and meetings	680,733	23,107	243,923	947,763
Organizational sub-grants	8,983,926	-	-	8,983,926
Office supplies and expenses	960,809	172,372	118,136	1,251,317
Occupancy expense	438,782	61,352	39,538	539,672
Travel expenses	750,705	14,305	86,331	851,341
Depreciation	356,468	62,136	40,043	458,647
In-kind expenses	220,143	931,216	3,520	1,154,879
Advertising and paid media	359,140	-	-	359,140
Credit loss expense	-	52,255	-	52,255
	<u>\$ 37,031,357</u>	<u>\$ 5,434,282</u>	<u>\$ 3,257,708</u>	<u>\$ 45,723,347</u>

CERES, INC.

Statements of Cash Flows

Years Ended October 31,

	2025	2024
Cash flows from operating activities:		
Change in net assets	\$ (4,158,489)	\$ (3,255,093)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	280,205	458,647
Amortization of right-of-use asset - operating leases	300,911	409,595
Loss on disposal of property and equipment	672	299,261
Change in accounts receivable	306,826	30,105
Change in grants receivable	4,957,330	6,956,342
Change in prepaid expenses and other assets	418,792	(399,353)
Change in accounts payable and accrued expenses	666,830	(1,060,684)
Change in deferred revenue	34,318	153,326
Change in operating lease obligation	(432,889)	(312,964)
	<u>6,532,995</u>	<u>6,534,275</u>
Total adjustments		
	<u>2,374,506</u>	<u>3,279,182</u>
Net cash provided by operating activities		
Cash flows from investing activities:		
Proceeds from sale of investments	17,674,895	5,761,099
Purchase of investments	(18,637,030)	(11,525,768)
Purchase of property and equipment	(6,555)	(426,587)
	<u>(968,690)</u>	<u>(6,191,256)</u>
Net cash used in investing activities		
	<u>1,405,816</u>	<u>(2,912,074)</u>
Net increase (decrease) in cash and cash equivalents		
Cash and cash equivalents, beginning of year	<u>11,010,639</u>	<u>13,922,713</u>
Cash and cash equivalents, end of year	<u>\$ 12,416,455</u>	<u>\$ 11,010,639</u>

See accompanying notes to the financial statements.

CERES, INC.

Notes to Financial Statements

Note 1 - Nature of Activities and Significant Accounting Policies

Nature of Activities

Ceres' mission is using research and education to transform the economy to build a sustainable future for people and the planet.

Since 1989, Ceres, Inc. ("Ceres") has engaged investors, companies, labor, policymakers and public interest groups to integrate long-term sustainability challenges into corporate and investment practices. Through research, powerful networks, education and advocacy, Ceres tackles the world's biggest sustainability challenges, including climate change, water scarcity and pollution, and human rights abuses.

Ceres is known for its unique ability to convene and mobilize market players and institutions with diverse interests to consider and develop positive solutions to complex issues such as the financial risks associated with climate change. With cutting-edge research and high-level engagement, we inspire investors and companies to integrate environmental, social and governance practices into core business strategies and seize the opportunities embedded in the transition to a low-carbon economy. Ceres also mobilizes these leaders to support the corporate and government policies necessary to build a sustainable future for people and the planet.

Specifically, Ceres:

- Researches and disseminates leading practices that support clean energy and sustainable food and water.
- Researches and develops the business case for sustainability leadership for Fortune 500 firms and other influential companies.
- Delivers cutting-edge research and innovative tools to educate and inspire leaders across every sector of the economy to take action.
- Mobilizes investor and company leaders to advocate for stronger climate, clean energy and water policies at the state and federal level.

Basis of Financial Statement Presentation

The accompanying financial statements have been prepared on the accrual basis and in accordance with accounting principles generally accepted in the United States of America which requires that Ceres report information regarding its financial position and activities based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for general use and not subject to donor restrictions. Net assets without donor restrictions include expendable funds available for support of Ceres, as well as funds invested in plant including property and equipment net of accumulated depreciation and amortization. Net assets without donor restrictions also include amounts designated by the Board of Directors (the "Board") for future use.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions. Net assets with donor restrictions represent contributions and grants and other inflows of assets whose use by Ceres is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of Ceres pursuant to those stipulations.

CERES, INC.

Notes to Financial Statements

Note 1 - Nature of Activities and Significant Accounting Policies (Continued)

Fair Value Measurements

Ceres reports required types of financial instruments in accordance with the fair value standards of accounting. Fair value is defined 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. These standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or valuation techniques) to determine fair value.

The fair value standards require that for each item carried at fair value that such be disclosed in accordance with the valuation methods used which fall into three categories as follows:

Level 1 – Inputs are quoted prices in active markets for identical assets or liabilities that Ceres has the ability to access at the measurement date.

Level 2 – Inputs are other than quoted prices included in Level 1 that are either directly or indirectly observable.

Level 3 – Inputs are derived from valuation methodologies, including pricing models, discounted cash flow models and similar techniques, and are not based on market, exchange, dealer, or broker-traded transactions. In addition, Level 3 valuations incorporate assumptions and projections that are not observable in the market and significant professional judgment is required in determining the fair value assigned to such assets or liabilities.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level of input that is significant to the fair value measurement in its entirety.

Use of Estimates

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

Cash and Cash Equivalents

Cash and cash equivalents are reported at cost plus accrued interest. Ceres defines cash equivalents to include highly liquid investments with an initial maturity of ninety days or less. Ceres maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. Ceres monitors its exposure associated with cash and cash equivalents and has not experienced any losses in these accounts.

CERES, INC.

Notes to Financial Statements

Note 1 - Nature of Activities and Significant Accounting Policies (Continued)

Accounts Receivable

Accounts receivable includes network member dues and sponsorships for Ceres' programmatic and fundraising events. Accounts receivable are financial instruments that potentially subject Ceres to concentrations of credit risk and are generally uncollateralized. Accounts receivable are carried at original invoice amount less an estimate made for expected credit losses based on relevant information about past events, current conditions, and reasonable and supportable forecasts. Ceres records the estimate of expected credit losses as an allowance for credit losses. Changes in the allowance for credit losses are reported in credit loss expense. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as income when received. All receivables are expected to be collected within one year of the statement of financial position date.

Grants Receivable

Grants receivable, including unconditional promises to give, are recognized as receivables when verifiably committed at estimated net realizable value. Initial recording of contributions expected to be collected in one year or more utilizes a risk adjusted present value to account for the inherent risk associated with the expected future cash flows. The initially recorded value of pledges and grants is considered a Level 2 fair value approach.

Grants are assessed for collectability at periodic intervals and management has determined that it expects to collect substantially all amounts pledged and granted, and accordingly, no allowance has been provided over these amounts.

Investments and Investment Return

Ceres' investments consist of fixed-rate certificates of deposit and treasury securities that are valued at cost plus accrued interest. Investments are held by financial institutions with maturities of three months to three years from fiscal year end. Investment return is reported as interest income on the statement of activities.

Right-of-Use Assets and Obligations Under Leases

Ceres leases operating space and equipment under operating lease arrangements through 2029 for which expense is recognized on a straight-line basis over the lease term.

Right-of-use (ROU) assets represent Ceres' right to use an underlying asset for the lease term and lease liabilities represent Ceres' obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As Ceres' leases do not provide an implicit rate, Ceres uses a risk-free rate based on the information available at commencement date in determining the present value of lease payments.

CERES, INC.

Notes to Financial Statements

Note 1 - Nature of Activities and Significant Accounting Policies (Continued)

Right-of-Use Assets and Obligations Under Leases (Continued)

Ceres has included in its computations of its ROU assets and related obligations operating costs included in the base rent agreement of its office space as a single component as permitted under lease accounting standards. These costs are adjusted periodically based on actual period costs and are charged to lease expense as incurred. Lease expense was approximately \$403,800 and \$547,600 for the years ended October 31, 2025 and 2024, respectively.

Property and Equipment

Property and equipment acquisitions are recorded at cost when such amounts are above management's threshold for capitalization and have a useful life of one year or more. Property and equipment donated for operations are recorded as additions at fair value at the date of receipt. Fair value of donated property and equipment is recorded using a Level 3 market approach. Depreciation is provided on the straight-line basis over the following estimated useful lives:

	Years
Furniture and fixtures	5-7
Leasehold improvements	Lesser of term of lease or life of asset
Computer equipment and software	3-5

Expenditures for major renewals and improvements are capitalized while expenditures for maintenance are expensed as incurred.

Deferred Revenue

Deferred revenue is recognized as a liability and represents network member dues and conference and other event fees that are paid in advance of the membership period or event.

Revenue Recognition

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions as follows:

Earned Revenue

Earned revenues are recorded using a principles-based process that requires Ceres: 1) identify the contract with the customer; 2) identify the performance obligations in the contract; 3) determine the transaction price; 4) allocate the transaction price to the performance obligations; and 5) recognize revenue when (or as) performance obligations are satisfied. The following transactions are considered earned revenue:

Network member dues are earned over time on a ratable basis over twelve months from the date of receipt.

CERES, INC.

Notes to Financial Statements

Note 1 - Nature of Activities and Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Earned Revenue (Continued)

Conference and other event fees and sponsorships are earned at a point in time which has been determined to be the first day of the event.

Contributed Support

Grant revenue and contributions, including unconditional promises to give, are recognized as revenues as either without or with donor restrictions in the period verifiably committed by the donor. Contributions of assets other than cash are recorded at their estimated fair value and per the fair value policies described elsewhere in these policies. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the estimated future cash flows using a risk adjusted discount rate depending on the time period involved. Amortization of the discount is included in contribution revenue in accordance with the donor-imposed restrictions that can be met through the passage of time or upon the incurring of expenses consistent with the purposes and are recorded as net assets with donor restrictions and reclassified to net assets without donor restrictions when such time or purposes restriction has been satisfied.

During the years ended October 31, 2025 and 2024, one and two grantors contributed 21% and 41% of grant revenue, respectively.

Conditional contributions and grants are recorded as revenue when such amounts become unconditional which generally involves the meeting of a barrier to entitlement. This can include items like meeting a matching provision, incurring specified allowable expenses in accordance with a framework of allowable costs or other barriers. During the year, contributions received pending designation by the donor are considered with donor restrictions until known at which time such are reclassified, if required. Classification is settled by year-end.

Ceres conditional contributions and grants were approximately \$0 and \$5,000,000 at October 31, 2025 and 2024, respectively. Ceres conditional contributions and grants are not recorded as revenue or assets until the conditions are met.

Contributions of Nonfinancial Assets

Ceres receives certain donated services from various parties. Ceres recognizes these amounts as revenue and expenses when the recognition criteria are met for recordation at their estimated fair value.

Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor-imposed restrictions on net assets by fulfillment of the donor-stipulated purpose or by passage of the stipulated time period are reported as net assets released from restrictions between the classes of net assets.

CERES, INC.

Notes to Financial Statements

Note 1 - Nature of Activities and Significant Accounting Policies (Continued)

Functional Allocation of Expenses

The costs of providing the various programs and activities and supporting services have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses have been allocated to functional classifications based on time and effort percentages.

Advertising

Ceres expenses advertising costs as incurred.

Translation of Foreign Currency

All balances on the statements of financial position in foreign currencies are translated into U.S. Dollars at the translation rate as of year-end. Grant revenue transacted in foreign currencies is translated at the translation rate as of the date foreign currencies are received.

Income Tax Status

Ceres is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code and is generally exempt from Federal and state income taxes on related income. Given the limited taxable activities, management has concluded that disclosures related to tax provisions are not necessary.

Uncertain Tax Positions

Ceres accounts for the effect of any uncertain tax positions based on a “more likely than not” threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a “cumulative probability assessment” that aggregates the estimated tax liability for all uncertain tax positions. Ceres has identified its tax status as a tax-exempt entity and its determination as to what income is related and unrelated as its only significant tax positions; however, Ceres has determined that such tax positions do not result in an uncertainty requiring recognition. Ceres is not currently under examination by any taxing jurisdictions. Ceres’ Federal and state tax returns are generally open for examination for three years following the date filed.

Reclassifications

Certain reclassifications have been made to the 2024 financial statements in order to conform to the current presentation. Such reclassifications had no effect on changes in net assets.

Subsequent Events

Ceres has evaluated subsequent events through March 6, 2026, the date the financial statements were authorized to be issued. Management determined that no matters through that date required recognition or disclosure within the financial statements.

CERES, INC.

Notes to Financial Statements

Note 2 - Liquidity and Availability of Resources

Ceres regularly monitors liquidity to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. Ceres has various sources of liquidity at its disposal, including cash and cash equivalents, certificates of deposit at varying maturities and a line of credit.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, Ceres considers all expenditures related to its ongoing activities as well as the conduct of services undertaken to support those activities to be general expenditures.

In addition to the financial assets available to meet general expenditures over the next 12 months, Ceres seeks to operate with, at minimum, a balanced budget and anticipates collecting sufficient revenue to cover general expenditures.

The following table shows financial assets held by Ceres that are available within one year of the statement of financial position date to meet general expenditures as of October 31:

	2025	2024
Financial assets available to meet general expenditures over the next 12 months:		
Cash and cash equivalents	\$ 12,416,455	\$ 11,010,639
Investments	13,454,714	12,492,579
Accounts receivable, net	635,405	942,231
Grants receivable	<u>5,947,149</u>	<u>8,922,525</u>
Total financial assets at year end	<u>\$ 32,453,723</u>	<u>\$ 33,367,974</u>

Cash and cash equivalents include \$5,700,000 and \$4,700,000 of board designated funds for the years ended October 31, 2025 and 2024, respectively.

CERES, INC.

Notes to Financial Statements

Note 3 - Accounts Receivable

Accounts receivable consisted of the following at October 31:

	2025		2024
Network member dues	\$ 593,233	\$	543,157
Sponsorships	23,500		33,500
Other	98,053		415,407
	<u>714,786</u>		<u>992,064</u>
Less: allowance	<u>(79,381)</u>		<u>(49,833)</u>
Accounts receivable, net	<u>\$ 635,405</u>	\$	<u>942,231</u>

Note 4 - Grants Receivable

Following is a summary of grants receivable at October 31:

	2025		2024
Amounts due in:			
Less than one year	\$ 5,947,149	\$	8,922,525
One to two years	103,798		2,188,670
	<u>6,050,947</u>		<u>11,111,195</u>
Total due	6,050,947		11,111,195
Less: unamortized discount	<u>4,475</u>		<u>107,393</u>
Grants receivable, net	<u>\$ 6,046,472</u>	\$	<u>11,003,802</u>

CERES, INC.

Notes to Financial Statements

Note 5 – Fair Values of Financial Instruments

The valuation of the Organization’s instruments using the fair value hierarchy consisted of the following at October 31:

	2025		
	Investments Measured at Cost*	Level 1	Total
Certificates of deposit	7,505,565	-	7,505,565
Fixed income - U.S. Treasury securities	-	5,949,149	5,949,149
	\$ 7,505,565	\$ 5,949,149	\$ 13,454,714

* Plus accrued interest

	2024		
	Investments Measured at Cost*	Level 1	Total
Certificates of deposit	7,223,320	-	7,223,320
Fixed income - U.S. Treasury securities	-	5,269,259	5,269,259
	\$ 7,223,320	\$ 5,269,259	\$ 12,492,579

* Plus accrued interest

CERES, INC.

Notes to Financial Statements

Note 6 - Property and Equipment

Following is a summary of property and equipment at October 31:

	2025	2024
Furniture and fixtures	\$ 337,122	\$ 337,122
Leasehold improvements	1,370,353	1,369,790
Computer equipment and software	<u>615,060</u>	<u>660,366</u>
	2,322,535	2,367,278
Less: accumulated depreciation	<u>(1,904,093)</u>	<u>(1,674,514)</u>
Net property and equipment	<u>\$ 418,442</u>	<u>\$ 692,764</u>

During the year ended October 31, 2025, Ceres disposed of property and equipment in the amount of \$51,298 with such items having accumulated depreciation of \$50,626 resulting in a loss of \$672. During the year ended October 31, 2024, Ceres disposed of property and equipment in the amount of \$2,080,121 with such items having accumulated depreciation of \$1,780,860 resulting in a loss of \$299,261.

Note 7 - Line of Credit

Ceres has a revolving line of credit agreement with a bank in the amount of \$750,000 which is due on demand. The line is secured by all of Ceres' assets. The line bears interest at the bank's prime lending rate, which was 8.00% and 8.50% as of October 31, 2025 and 2024, respectively. Ceres had no outstanding balance and the line was not utilized during the years ended October 31, 2025 and 2024.

Note 8 - Retirement Benefits

Ceres maintains a qualified defined contribution retirement benefit plan under Section 403(b) of the Internal Revenue Code. This plan covers all eligible employees. Total expense under the plan was \$724,398 and \$797,517 for the years ended October 31, 2025 and 2024, respectively.

CERES, INC.

Notes to Financial Statements

Note 9 - Leases

Ceres' leases are considered operating and have the following summary attributes at October 31:

	2025	2024
Cash paid for amounts included in the measurement of lease liabilities	\$ 505,576	\$ 628,781
Right-of-use assets obtained in exchange for new operating lease liabilities	-	202,911
Weighted average remaining lease term	3.55 years	4.51 years
Weighted average discount rate	3.86%	3.86%

Annual minimum non-cancelable rental payments under operating leases are as follows for the years ending October 31:

2026	\$ 512,879
2027	474,423
2028	463,160
2029	<u>352,077</u>
Total future minimum lease payments	1,802,539
Less imputed interest	<u>(121,653)</u>
Total	<u>\$ 1,680,886</u>

CERES, INC.

Notes to Financial Statements

Note 10 - Net Assets

The following is a breakdown of net assets as of October 31:

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Detail of Net Assets			
Operating funds:			
Available for operations	\$ 2,659,473	\$ -	\$ 2,659,473
Net investment in property and equipment	542,710	-	542,710
Board designated	5,700,000	-	5,700,000
Donor-restricted funds:			
Sustainable Capital Markets	-	5,906,466	5,906,466
Food, forests, and nature	-	2,478,663	2,478,663
General purpose grants with time restrictions	-	6,081,815	6,081,815
Climate and Energy	-	2,204,084	2,204,084
Policy	-	1,927,502	1,927,502
Water	-	1,800,579	1,800,579
Sustainable Business Strategies	-	75,104	75,104
Total donor-restricted funds	<u>-</u>	<u>20,474,213</u>	<u>20,474,213</u>
Total net assets	\$ <u>8,902,183</u>	\$ <u>20,474,213</u>	\$ <u>29,376,396</u>
	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Detail of Net Assets			
Operating funds:			
Available for operations	\$ 3,013,534	\$ -	\$ 3,013,534
Net investment in property and equipment	817,032	-	817,032
Board designated	4,700,000	-	4,700,000
Donor-restricted funds:			
Sustainable Capital Markets	-	10,220,574	10,220,574
Food, forests, and nature	-	4,454,648	4,454,648
General purpose grants with time restrictions	-	4,075,896	4,075,896
Climate and Energy	-	2,794,329	2,794,329
Policy	-	2,149,552	2,149,552
Water	-	1,300,192	1,300,192
Sustainable Business Strategies	-	9,128	9,128
Total donor-restricted funds	<u>-</u>	<u>25,004,319</u>	<u>25,004,319</u>
Total net assets	\$ <u>8,530,566</u>	\$ <u>25,004,319</u>	\$ <u>33,534,885</u>

CERES, INC.

Notes to Financial Statements

Note 10 - Net Assets (Continued)

Net assets released from restrictions include grant expenditures in accordance with the restricted purposes of Ceres' program initiatives for the years ended October 31:

	2025	2024
Sustainable Capital Markets	\$ 14,055,419	\$ 20,698,124
Food, forests, and nature	3,467,021	3,470,676
General purpose grants with time restrictions	3,431,269	2,559,725
Climate and Energy	2,565,361	3,056,374
Policy	3,319,155	2,773,587
Water	1,571,870	1,979,169
Sustainable Business Strategies	<u>192,024</u>	<u>171,618</u>
Total releases from restriction	<u>\$ 28,602,119</u>	<u>\$ 34,709,273</u>

Note 11 - Contingencies

In conducting its activities, Ceres, from time to time, is the subject of various legal claims and investigations. Management believes that the ultimate resolution of such legal claims and investigations will not have a material effect on the financial statements of Ceres.

The current political and economic climate, influenced by federal policies, presents an uncertain environment for future donor contributions and grant funding. Ceres is exploring diversified funding strategies and other financial management practices.

Note 12 - Contributions of Nonfinancial Assets

Included in contributions of nonfinancial assets are donated services for various legal matters. Such amounts are reported at the estimated fair value in the financial statements based on current rates for similar legal services.