



SEED COMPANY, INC.

Financial Statements
With Independent Auditor's Report

September 30, 2025 and 2024

SEED COMPANY, INC.

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Seed Company, Inc.
Arlington, Texas

Opinion

We have audited the accompanying financial statements of Seed Company, Inc., which comprise the statements of financial position as of September 30, 2025 and 2024, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Seed Company, Inc. as of September 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Seed Company, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Seed Company, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Board of Directors
Seed Company, Inc.
Arlington, Texas

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Seed Company, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Seed Company, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Capin Crouse LLC

Irving, Texas
January 13, 2026

SEED COMPANY, INC.

Statements of Financial Position

	September 30,	
	2025	2024
ASSETS:		
Cash and cash equivalents (Note 2)	\$ 10,360,471	\$ 7,578,072
Investments (Note 4)	26,722,989	31,341,164
Prepaid expenses and other assets (Note 5)	9,892,583	10,665,013
Grants receivable (Note 2)	4,098,133	2,282,860
Operating right-of-use asset (Note 7)	3,656,766	1,946,649
Property and equipment—net of accumulated depreciation (Note 6)	1,104,690	1,326,767
Beneficial interest in split-interest agreements (Note 12)	448,275	370,566
	<u>56,283,907</u>	<u>55,511,091</u>
Total Assets	\$ 56,283,907	\$ 55,511,091
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable and accrued expenses	\$ 3,405,132	\$ 2,570,732
Operating lease obligation (Note 7)	4,224,935	2,517,622
Total liabilities	<u>7,630,067</u>	<u>5,088,354</u>
Net assets:		
Without donor restrictions (Note 8)	17,901,746	24,781,667
With donor restrictions (Note 9)	30,752,094	25,641,070
Total net assets	<u>48,653,840</u>	<u>50,422,737</u>
Total Liabilities and Net Assets	\$ 56,283,907	\$ 55,511,091

See notes to financial statements

SEED COMPANY, INC.

Statements of Activities

	Year Ended September 30,					
	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING:						
Support and revenue:						
Contributions	\$ 14,411,529	\$ 62,771,166	\$ 77,182,695	\$ 10,919,152	\$ 49,703,722	\$ 60,622,874
Contribution of non-financial assets	4,715,071	-	4,715,071	5,265,987	-	5,265,987
Investment income-net	1,881,465	-	1,881,465	3,849,221	-	3,849,221
Other income	118,719	-	118,719	63,134	-	63,134
Satisfaction of program restrictions	57,737,851	(57,737,851)	-	77,260,818	(77,260,818)	-
Total Support and Revenue	78,864,635	5,033,315	83,897,950	97,358,312	(27,557,096)	69,801,216
Expenses:						
Program services	70,719,418	-	70,719,418	83,569,421	-	83,569,421
Ministry support services	7,016,887	-	7,016,887	6,747,750	-	6,747,750
Fundraising services					-	
Fundraising-other	6,813,284	-	6,813,284	7,808,475	-	7,808,475
Fundraising-movement	1,194,967	-	1,194,967	1,575,844	-	1,575,844
Total Expenses	85,744,556	-	85,744,556	99,701,490	-	99,701,490
Change in Net Assets from Operations	(6,879,921)	5,033,315	(1,846,606)	(2,343,178)	(27,557,096)	(29,900,274)
NON-OPERATING:						
Change in value of beneficial interest in trusts	-	77,709	77,709	-	77,892	77,892
Change in Net Assets	(6,879,921)	5,111,024	(1,768,897)	(2,343,178)	(27,479,204)	(29,822,382)
Net Assets, Beginning of Year	24,781,667	25,641,070	50,422,737	27,124,845	53,120,274	80,245,119
Net Assets, End of Year	\$ 17,901,746	\$ 30,752,094	\$ 48,653,840	\$ 24,781,667	\$ 25,641,070	\$ 50,422,737

See notes to financial statements

SEED COMPANY, INC.

Statements of Cash Flows

	Year Ended September 30,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (1,768,897)	\$ (29,822,382)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	318,324	256,848
Realized and unrealized gain on investments	(1,410,001)	(3,063,701)
Change in value of beneficial interest in split-interest agreements	(77,709)	(77,892)
Change in operating assets and liabilities:		
Prepaid expenses and other assets	772,430	(1,859,333)
Grants receivable	(1,815,273)	(1,368,483)
Accounts payable and accrued expenses	834,400	16,780
Right-of-use operating leases	(2,804)	(69,331)
Net Cash Used by Operating Activities	(3,149,530)	(35,987,494)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(306,326)	(57,981,390)
Proceeds from sale of investments	6,334,502	90,545,387
Purchase of property and equipment	(96,247)	(151,677)
Net Cash Provided by Investing Activities	5,931,929	32,412,320
Net Change in Cash and Cash Equivalents	2,782,399	(3,575,174)
Cash and Cash Equivalents, Beginning of Year	7,578,072	11,153,246
Cash and Cash Equivalents, End of Year	\$ 10,360,471	\$ 7,578,072
SUPPLEMENTAL DISCLOSURE:		
Right-of-use asset obtained in exchange for operating lease obligation	\$ 3,742,798	\$ -

See notes to financial statements

SEED COMPANY, INC.

Notes to Financial Statements

September 30, 2025 and 2024

1. NATURE OF ORGANIZATION:

Seed Company, Inc. (Seed Company) is a religious non-profit corporation incorporated in the state of Texas, exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code). The organization has been classified as a public organization, which is not a private foundation under Section 509(a) of the Code. Contributions are tax deductible within the limitations prescribed by the Code.

Vision Statement: God’s Word transforming lives in every language in this generation.

Mission Statement: To accelerate Scripture translation and impact for people without God’s Word through Great Commission partnerships.

Background: Founded in 1993 by Wycliffe Bible Translators Inc. (Wycliffe USA), Seed Company has become one of the fastest growing Bible translation organizations in the world by developing innovative ways to more rapidly, efficiently, and accurately translate the Bible for people groups who don’t have it in their language.

Ministry Methodology: Seed Company works with local translators and international partner organizations as well as financial and prayer partners in a concentrated effort to make God’s Word readily available for faster church planting, effective discipleship, and greater community transformation. These partnerships ensure the Scriptures are translated accurately and provided in the most accessible forms for maximum impact in the local communities.

Seed Company, in partnership with others, develops and manages national-led translation projects with clearly defined timeframes, outcomes, milestones and budgets. Financial and prayer partners for each project provide the necessary resources. Experienced linguists train and mentor local translators, while every scriptural translation is reviewed thoroughly for accuracy and clarity. In addition, emerging technology, such as solar-powered equipment, satellite uplinks, and cellular AI, is accelerating the pace of Bible translation and making it possible even in the most remote regions of the world.

Ministry Motivation: There are currently over 36.8 million people without any access to God’s Word in their language. Motivated by this reality and the Great Commission in Matthew 28:18-20 to “go and make disciples,” Seed Company is on an urgent mission to see God’s Word transforming lives in every language in this generation. Seed Company believes that as Scripture enriches lives, communities are empowered to thrive. With approximately 560 language groups who do not have access to God’s promises and truth, now is the time to act (data from ProgressBible™. SNAPSHOT. September 2025).

Deep Roots: Wycliffe USA pioneered the modern-day Bible translation movement among unreached international people groups by sending missionaries to live with them, learn their heart language, and help provide an understandable and accurate translation of the Scriptures. Realizing it would take multiple generations to reach the last languages, Wycliffe USA launched Seed Company with a renewed sense of urgency. Seed Company’s mandate was to develop innovative methods empowering national translators to accelerate Bible translation, leverage linguistic expertise, maximize Scripture impact and ultimately, change lives.

SEED COMPANY, INC.

Notes to Financial Statements

September 30, 2025 and 2024

1. NATURE OF ORGANIZATION, continued:

Financial Accountability: Seed Company is able to fulfill its mission and pursue its vision through the contributions of its financial partners. With a firm commitment to accountability and stewardship, over 80% of every dollar (donor restricted) contributed for translation projects is utilized for translation expenses.

Technological Advancement: Seed Company is creating new opportunities for accelerating Bible translation even in the most remote locations by leveraging emerging technologies such as cellular AI and satellite systems for remote connectivity and proven solar technology for powering equipment. Today, a translation consultant in the U.S. can provide same-day assistance and guidance for a translation team located in a remote village. In addition, software tools developed specifically for local translators further equip them for even greater productivity and accuracy.

Biblical Accuracy: Seed Company ensures that every translation accurately conveys the meaning of the biblical text by following a rigorous six-step process in every project. This process includes careful analysis of the text before creating a first draft translation, multiple reviews to confirm accuracy and clarity, and careful checking at every stage.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

BASIS OF ACCOUNTING

Seed Company maintains its accounts and prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

ESTIMATES

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

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand, checking, and money market accounts. From time to time, balances in these accounts may exceed federally insured limits. As of September 30, 2025 and 2024, Seed Company had cash balances exceeding federally insured limits by approximately \$1,353,000 and \$6,598,000, respectively.

INVESTMENTS

Investments in equity securities with readily determinable fair values are recorded at fair value. Investments in government bonds are based on yields currently available on securities of issuers with similar credit ratings. If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments.

SEED COMPANY, INC.

Notes to Financial Statements

September 30, 2025 and 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

INVESTMENTS, continued

Interest and dividend income and the realized and unrealized gain or loss on investments, net of management fees, is reported as investment income (loss) without donor restrictions in the accompanying statements of activities unless a donor or law restricts its use. Donated securities are liquidated upon receipt and recorded based on the net proceeds, which approximates the fair market value of the gift. Interest and dividends are recognized as investment income in the period earned.

GRANTS RECEIVABLE

Grants receivable are amounts due from grant agreements to fund program activities. Management believes 100% of these receivables will be collected and has not established an allowance for doubtful accounts. The grants receivable are due within one year of the statements of financial position date.

OPERATING LEASE RIGHT-OF-USE ASSET AND OBLIGATION

Right-of-use assets represent Seed Company's right to use the underlying asset for the lease term. Right-of-use assets and related liabilities are recognized at commencement date based on the net present value of lease payments over the lease term discounted using a risk-free rate. The value of an option to extend or terminate a lease is reflected to the extent it is reasonably certain management will exercise the option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The additional lease disclosures can be found in Note 7.

PROPERTY AND EQUIPMENT

Property and equipment in excess of \$10,000 are capitalized and reported at cost or, if donated, at fair market value at the date of the gift. When depreciable assets are disposed of, the cost and related accumulated depreciation are removed from the accounts, and any gain or loss is included in revenue for the period. Repairs and maintenance are expensed as incurred. Depreciation is provided using the straight-line method over the estimated useful lives of the depreciable assets which are:

Leasehold improvements	20 years
Furniture and equipment	3 to 10 years
Vehicles	5 years
Website development/software	2 to 3 years

BENEFICIAL INTEREST IN TRUST AGREEMENTS

Beneficial interest in trust agreements represents arrangements in which a donor establishes and funds a trust administered by an individual or organization other than Seed Company. These funds are neither in the possession, nor under the control, of Seed Company. Such terms provide that Seed Company is to annually or quarterly receive all or a portion of income earned by funds that are held in trust. Beneficial interest agreements are recorded at their fair value.

SEED COMPANY, INC.

Notes to Financial Statements

September 30, 2025 and 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

NET ASSETS

Net assets are classified into net asset categories according to externally (donor) imposed restrictions as follows:

Net assets without donor restrictions include gifts or those resources invested in property and equipment and intangible assets for the general operations of Seed Company or designated by the board of directors for a specific use.

Seed Company maintains a cash reserve policy whereby the board requires management to maintain cash balances between four to six months of the fiscal year's cash budgeted expenses.

Net assets with donor restrictions include gifts for which donor-imposed restrictions or time restrictions have not been met, but for which the ultimate purpose of the proceeds is not restricted in perpetuity.

SUPPORT AND REVENUE

Contributions are recognized when cash is received, unconditional promises are made, or when ownership of donated assets is transferred to Seed Company. Conditionally promised contributions, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. Gifts of cash and other assets are reported as support with donor restriction if they are received with donor stipulations that limit the use of donated amounts. When a donor restriction expires, that is, when a time restriction ends or purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. All contributions are considered available for use without donor restrictions unless specifically restricted by the donor or grantor.

For the year ended September 30, 2025, three donors provided 33%, and two foundations, representing 157 donors, provided 39% of total contributions. For the year ended September 30, 2024, three donors provided 39%, and two foundations, representing 167 donors, provided 49% of total contributions.

Other income consists of miscellaneous ministry income and is recorded when the performance obligation is satisfied either at a point in time or over time.

CONTRIBUTION OF NON-FINANCIAL ASSETS

Contribution of non-financial assets consists of donated services, which are recorded at the fair market value of the labor according to market rates at the time of the contribution. Donated services are reported as contributions if the services (a) create or enhance non-financial assets, or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by Seed Company. All donated services in years ended September 30, 2025 and 2024, were received without donor restriction and were used for field operations and Bible translation efforts.

SEED COMPANY, INC.

Notes to Financial Statements

September 30, 2025 and 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

CONTRIBUTION OF NON-FINANCIAL ASSETS, continued

Donated services for the years ended September 30, 2025 and 2024, included in the financial statements were as follows:

	Year Ended September 30,	
	2025	2024
Donated services	\$ 4,715,071	\$ 5,197,402
Investment advisory services	-	68,585
	<u>\$ 4,715,071</u>	<u>\$ 5,265,987</u>

Numerous volunteers donate significant amounts of time and perform a variety of tasks, assisting Seed Company in its charitable programs. Although no amounts have been reflected in the financial statements because the criteria for recognition of such efforts under generally accepted accounting principles have not been satisfied, management estimates those volunteer hours to be approximately 7,000 and 6,500 for the years ended September 30, 2025 and 2024, respectively.

EXPENSES

Expenses are recorded when incurred. Accounts payable and accrued expenses represent expenses that have been incurred but not paid as of fiscal year-end.

ALLOCATION OF EXPENSES

Expenses are recorded when incurred in accordance with the accrual basis of accounting. The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of Seed Company. These expenses included depreciation, information technology, and facilities operations and maintenance. Depreciation is allocated based on square footage. Costs of other categories were allocated based on estimates of time and effort.

RECLASSIFICATIONS

Certain amounts from the prior year have been reclassified to conform to the current year presentation.

During the year ended September 30, 2025, Seed Company began reporting certain event-related revenues and expenses to reflect net amounts, as Seed Company acts as an agent for these activities. This change in presentation better reflects the nature of the revenues and expenses. These reclassifications have no effect on total net assets with or without donor restriction, or the change in net assets for the years ended September 30, 2025 and 2024.

SEED COMPANY, INC.

Notes to Financial Statements

September 30, 2025 and 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

RECLASSIFICATIONS, continued

	<u>September 30, 2024 presentation</u>	<u>Reclassification</u>	<u>Reclassified September 30, 2024</u>
Contributions without donor restrictions	<u>\$ 13,379,284</u>	<u>\$ (2,460,132)</u>	<u>\$ 10,919,152</u>
Expenses	<u>\$ 102,161,622</u>	<u>\$ (2,460,132)</u>	<u>\$ 99,701,490</u>

During the year ended September 30, 2025, Seed Company reviewed the allocation of certain expenses between ministry support and fundraising services to better reflect the underlying activities and usage of resources. On the statement of activities and the natural classification of expenses in Footnote 11, the allocation among functional categories was updated between program services, ministry support services, and fundraising services. These reclassifications have no effect on total net assets with or without donor restriction, or the change in net assets for the years ended September 30, 2025 and 2024.

	<u>September 30, 2024 presentation</u>	<u>Reclassification</u>	<u>Reclassified September 30, 2024</u>
Program services	\$ 83,454,130	\$ 115,291	\$ 83,569,421
Ministry support services	5,411,830	1,335,920	6,747,750
Fundraising services	<u>10,835,530</u>	<u>(1,451,211)</u>	<u>9,384,319</u>
	<u>\$ 99,701,490</u>	<u>\$ -</u>	<u>\$ 99,701,490</u>

SEED COMPANY, INC.

Notes to Financial Statements

September 30, 2025 and 2024

3. LIQUIDITY AND FUNDS AVAILABLE:

The following reflects Seed Company's financial assets as of September 30, 2025 and 2024, reduced by amounts not available for general use within one year because of contractual or donor-imposed restrictions.

	September 30,	
	2025	2024
Financial assets:		
Cash and cash equivalents	\$ 10,360,471	\$ 7,578,072
Investments	26,722,989	31,341,164
Other receivables, including partner advances*	6,918,347	7,984,167
Grants receivable	4,098,133	2,282,860
Beneficial interest in split-interest agreements	448,275	370,566
Financial assets, at year-end	<u>48,548,215</u>	<u>49,556,829</u>
Less those unavailable for general expenditure within one year, due to:		
Contractual or donor-imposed restrictions:		
Beneficial interest in split-interest agreements	(448,275)	(370,566)
Board-designated operating reserves	(17,901,746)	(10,597,645)
	<u>(18,350,021)</u>	<u>(10,968,211)</u>
	<u>\$ 30,198,194</u>	<u>\$ 38,588,618</u>

As part of Seed Company's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Financial assets are available for language projects, translations, and other operational initiatives. These programs are considered general expenditures of Seed Company and thus are considered available to fund operations in fiscal year 2026. Seed Company is planning to strategically draw down some of these excess reserves in the coming year.

During the years ended September 30, 2025 and 2024, Seed Company agreed to grant out approximately \$33,260,625 and \$36,250,000 for 687 and 825 different projects, respectively, during the next fiscal year. Amounts are estimated and subject to change based on cash flow needs for the various projects. Management believes these to be conditional on future expenditures and/or future reporting based on the understanding with the grantees. Therefore, they have not been recorded as payables in the accompanying statements of financial position.

Additionally, Seed Company has \$17,901,746 and \$10,597,645 in board-designated funds as of September 30, 2025 and 2024, respectively, that are designated as contingency funds. These reserves could be used to support general expenditures within one year if the board approves such action.

*Other receivables, including partner advances, are included in prepaid expenses and other assets on the statements of financial position.

SEED COMPANY, INC.

Notes to Financial Statements

September 30, 2025 and 2024

4. INVESTMENTS:

Investments consist of the following:

	September 30,	
	2025	2024
Investments at fair value:		
Government bonds	\$ 20,346,396	\$ 17,365,220
Mutual funds	941,414	4,232,302
Money market mutual funds	13,940	4,181,451
Equities	5,421,239	5,562,191
	<u>\$ 26,722,989</u>	<u>\$ 31,341,164</u>

Investment income consists of the following:

	Year Ended September 30,	
	2025	2024
Interest income	\$ 501,125	\$ 909,314
Realized and unrealized gains on investments	1,410,001	3,063,701
Investment fees	(29,661)	(123,794)
	<u>\$ 1,881,465</u>	<u>\$ 3,849,221</u>

During the year ended September 30, 2025, Seed Company entered into a new revolving line of credit agreement with a financial institution. The facility provides Seed Company with access to funding of up to \$15,000,000, which uses investments as collateral. Amounts drawn under the facility bear interest at an adjusted one-month term SOFR rate and are repayable in accordance with the terms of the agreement. As of September 30, 2025, there were no amounts drawn on this line of credit, and accordingly no related borrowings are recognized in the statement of financial position.

SEED COMPANY, INC.

Notes to Financial Statements

September 30, 2025 and 2024

5. PREPAID EXPENSES AND OTHER ASSETS:

Prepaid expenses and other assets consist of the following:

	September 30,	
	2025	2024
Investor event deposits	\$ 1,188,695	\$ 1,145,449
Investor event prepaid expenses	17,392	385,430
Other prepaid expenses	1,768,149	1,149,967
Other receivables, including partner advances	6,918,347	7,984,167
	<u>\$ 9,892,583</u>	<u>\$ 10,665,013</u>

As part of its ministry, Seed Company holds events and conferences. Many of these events require long-term financial commitments, including prepayment of expenses and deposits. Additionally, management believes partner advances and other receivables are considered to be fully collectible and accordingly, no allowance has been recorded. Substantially all prior year receivables were collected during the current year.

6. PROPERTY AND EQUIPMENT—NET:

Property and equipment consist of the following:

	September 30,	
	2025	2024
Software	\$ 1,922,058	\$ 1,774,852
Leasehold improvements	1,914,971	1,914,971
Furniture and equipment	995,098	995,098
Website	269,002	244,002
Company and overseas vehicles	-	48,553
	<u>5,101,129</u>	<u>4,977,476</u>
Less accumulated depreciation	<u>(4,067,686)</u>	<u>(3,797,915)</u>
	1,033,443	1,179,561
Construction in progress	71,247	147,206
	<u>\$ 1,104,690</u>	<u>\$ 1,326,767</u>

SEED COMPANY, INC.

Notes to Financial Statements

September 30, 2025 and 2024

7. OPERATING RIGHT-OF-USE ASSET AND LIABILITY:

Seed Company has one operating lease for office space with an expiration date in fiscal year 2037. The office space requires monthly payment that ranges from \$35,080 to \$49,137. The discount rate represents the risk-free rate using a period comparable with that of the individual lease term on the inception date of the lease. Short-term leases with a term of 12 or fewer months are not reflected on the statements of financial position, and costs are expensed as incurred.

	September 30,	
	<u>2025</u>	<u>2024</u>
Operating lease right-of-use asset	<u>\$ 3,656,766</u>	<u>\$ 1,946,649</u>
Operating lease obligation	<u>\$ 4,224,935</u>	<u>\$ 2,517,622</u>
Operating lease costs	<u>\$ 337,679</u>	<u>\$ 344,785</u>
Cash paid for amounts included in the measurement of operating lease obligations	<u>\$ 424,468</u>	<u>\$ 414,117</u>
Weighted average discount rate	4.00%	3.96%
Weighted average remaining lease term (years)	11.17	6.67

SEED COMPANY, INC.

Notes to Financial Statements

September 30, 2025 and 2024

7. OPERATING RIGHT-OF-USE ASSET AND LIABILITY, continued:

Future minimum lease payments required under operating leases that have an initial or remaining non-cancelable lease term in excess of one year are as follows:

Future minimum lease payments are as follows:

Year Ending September 30,

2026	\$	287,656
2027		360,574
2028		445,242
2029		460,840
2030		477,079
Thereafter		<u>3,330,260</u>
		5,361,651
Less imputed interest		<u>(1,136,716)</u>
	\$	<u><u>4,224,935</u></u>

8. NET ASSETS WITHOUT DONOR RESTRICTIONS:

Net assets without donor restrictions consist of the following:

	<u>September 30,</u>	
	<u>2025</u>	<u>2024</u>
Undesignated	\$ -	\$ 14,184,022
Board-designated operating reserve	<u>17,901,746</u>	<u>10,597,645</u>
	<u>\$ 17,901,746</u>	<u>\$ 24,781,667</u>

SEED COMPANY, INC.

Notes to Financial Statements

September 30, 2025 and 2024

9. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions consist of the following:

	September 30,	
	<u>2025</u>	<u>2024</u>
Purpose restricted:		
Language projects, translations, and other initiatives	\$ 30,303,819	\$ 25,270,504
Time restricted:		
Beneficial interest in split-interest agreements	<u>448,275</u>	<u>370,566</u>
	<u>\$ 30,752,094</u>	<u>\$ 25,641,070</u>

10. EMPLOYEE RETIREMENT PLAN:

Seed Company has established a 403(b) retirement plan. Seed Company matches employee contributions at 100% up to 6% of annual salary. Employees are eligible for the plan after completely satisfying the earnings requirement and service requirements. Employees are vested over a four year period. For the years ended September 30, 2025 and 2024, Seed Company contributed \$807,667 and \$783,570 to this plan, respectively.

SEED COMPANY, INC.

Notes to Financial Statements

September 30, 2025 and 2024

11. NATURAL CLASSIFICATION OF EXPENSES:

Functional expenses by natural classification for the year ended September 30, 2025:

	Program Services	Ministry Support Services	Fundraising Services- Other	Fundraising Services- Movement*	Total
Grants	\$ 39,847,183	\$ -	\$ -	\$ -	\$ 39,847,183
Compensation and benefits	23,104,988	4,978,692	3,596,996	601,219	32,281,895
Travel, conference, and meetings	3,200,070	459,224	2,347,257	83,222	6,089,773
Professional services	1,490,676	485,866	468,683	490,676	2,935,901
Information technology	1,724,517	380,947	56,039	1,675	2,163,178
Office expenses	767,000	258,505	193,173	14,147	1,232,825
Occupancy	317,295	272,444	1,400	3,863	595,002
Depreciation	181,258	98,766	38,300	-	318,324
Other	26,251	59,451	70,451	165	156,318
Marketing and promotion	60,180	22,992	40,985	-	124,157
	<u>\$ 70,719,418</u>	<u>\$ 7,016,887</u>	<u>\$ 6,813,284</u>	<u>\$ 1,194,967</u>	<u>\$ 85,744,556</u>

Functional expenses by natural classification for the year ended September 30, 2024:

	Program Services	Ministry Support Services	Fundraising Services- Other	Fundraising Services- Movement*	Total
Grants	\$ 48,282,447	\$ -	\$ -	\$ -	\$ 48,282,447
Compensation and benefits	23,260,926	4,234,494	4,726,861	532,019	32,754,300
Travel, conference, and meetings	5,410,449	777,965	1,901,246	323,347	8,413,007
Professional services	3,034,059	787,561	771,080	587,590	5,180,290
Information technology	1,919,537	339,947	115,193	10,588	2,385,265
Office expenses	986,213	226,585	194,533	119,163	1,526,494
Occupancy	361,880	201,947	-	3,137	566,964
Depreciation	164,222	92,626	-	-	256,848
Other	103,513	78,049	-	-	181,562
Marketing and promotion	46,175	8,576	99,562	-	154,313
	<u>\$ 83,569,421</u>	<u>\$ 6,747,750</u>	<u>\$ 7,808,475</u>	<u>\$ 1,575,844</u>	<u>\$ 99,701,490</u>

*Seed Company fundraising services movement expenses are non-reimbursable operating expenses that are incurred by Seed Company for *illumiNations* gathering events.

SEED COMPANY, INC.

Notes to Financial Statements

September 30, 2025 and 2024

12. FAIR VALUE MEASUREMENTS:

Seed Company uses appropriate valuation techniques to determine fair value based on inputs available. When available, Seed Company measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available. Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs consist of significant unobservable inputs and have the lowest priority.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Fair value of investments measured on a recurring basis as of September 30, 2025, are as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments at fair value:				
Government bonds	\$ 20,346,396	\$ -	\$ 20,346,396	\$ -
Mutual funds	941,414	941,414	-	-
Money market mutual fund	13,940	13,940	-	-
Equities	<u>5,421,239</u>	<u>5,421,239</u>	<u>-</u>	<u>-</u>
Total investments	<u>\$ 26,722,989</u>	<u>\$ 6,376,593</u>	<u>\$ 20,346,396</u>	<u>\$ -</u>
Beneficial interest in split-interest agreements	<u>\$ 448,275</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 448,275</u>

SEED COMPANY, INC.

Notes to Financial Statements

September 30, 2025 and 2024

12. FAIR VALUE MEASUREMENTS, continued:

Fair value of investments measured on a recurring basis as of September 30, 2024, are as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments at fair value:				
Government bonds	\$ 17,365,220	\$ -	\$ 17,365,220	\$ -
Mutual funds	4,232,302	4,232,302	-	-
Money market mutual fund	4,181,451	4,181,451	-	-
Equities	5,562,191	5,562,191	-	-
Total investments	<u>\$ 31,341,164</u>	<u>\$ 13,975,944</u>	<u>\$ 17,365,220</u>	<u>\$ -</u>
Beneficial interest in split-interest agreements	<u>\$ 370,566</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 370,566</u>

Changes in valuation techniques: None.

Methods and assumptions used by Seed Company in estimating fair value are as follows:

Valuation techniques: Fair values for equities and mutual funds are based upon quoted market prices or dealer quotes in an active market. Government bonds are based on yields currently available on comparable securities of issuers with similar credit ratings.

13. OPERATING AND NON-OPERATING ACTIVITIES:

The activity of Seed Company has been reported in the statements of activities in the following two categories: operating and non-operating. Operating includes the core activities of Seed Company. Non-operating includes all other activities that are not normally carried on in the course of Seed Company's operations, such as the change in value of beneficial interest in trusts.

14. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through January 13, 2026, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.