

CEDAR FUND, L.P.
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023

TABLE OF CONTENTS

| | Page |
|--|-------------|
| INDEPENDENT AUDITORS' REPORT | 1 - 2 |
| FINANCIAL STATEMENTS | |
| Statements of Assets and Liabilities | 3 |
| Schedules of Investments | 4 - 5 |
| Statements of Operations | 6 |
| Statements of Changes in Partners' Capital | 7 |
| Notes to Financial Statements | 8 - 10 |



INDEPENDENT AUDITORS' REPORT

General Partner and Limited Partners
Cedar Fund, L.P.
Richmond, Indiana

Opinion

We have audited the accompanying financial statements of **Cedar Fund, L.P.**, which comprise the statements of assets and liabilities, including the schedules of investments, as of December 31, 2024 and 2023, and the related statements of operations and changes in partners' capital 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 **Cedar Fund, L.P.** as of December 31, 2024 and 2023, and the results of its operations and changes in partners' capital 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 Auditors' Responsibilities for the Audits of the Financial Statements section of our report. We are required to be independent of **Cedar Fund, L.P.** 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 **Cedar Fund, L.P.'s** ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

INDEPENDENT AUDITORS' REPORT - CONTINUED

Auditors' Responsibilities for the Audits 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 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 **Cedar Fund, L.P.'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 **Cedar Fund, L.P.'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 audits.



Richmond, Indiana
February 13, 2025

CEDAR FUND, L.P.**STATEMENTS OF ASSETS AND LIABILITIES****DECEMBER 31, 2024 AND 2023**

| | <u>2024</u> | <u>2023</u> |
|---|-----------------------------|-----------------------------|
| ASSETS | | |
| Investments - at fair value (cost - \$10,548,388 and \$10,660,532) | \$ 18,640,859 | \$ 16,654,005 |
| Cash and cash equivalents | 251,843 | 428,158 |
| Dividends and interest receivable | <u>1,133</u> | <u>1,431</u> |
| Total assets | <u>\$ 18,893,835</u> | <u>\$ 17,083,594</u> |
| LIABILITIES | | |
| Accrued professional fees | \$ 7,940 | \$ 7,350 |
| Investment advisory fees payable | 32,262 | 28,184 |
| Accrued bank custodial fees | <u>1,574</u> | <u>1,424</u> |
| Total liabilities | <u>41,776</u> | <u>36,958</u> |
| PARTNERS' CAPITAL | | |
| Harris Harper Counsel's Interest | 245,218 | 216,481 |
| Limited Partners' capital | <u>18,606,841</u> | <u>16,830,155</u> |
| Total partners' capital | <u>18,852,059</u> | <u>17,046,636</u> |
| Total liabilities and partners' capital | <u>\$ 18,893,835</u> | <u>\$ 17,083,594</u> |
| Limited Partner units outstanding | <u>2,509.8973</u> | <u>2,665.5578</u> |
| Value per Limited Partner unit | <u>\$ 7,413.3875</u> | <u>\$ 6,313.9336</u> |

See notes to financial statements.

CEDAR FUND, L.P.

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2024

| | <u>Number of Shares/Units</u> | <u>Cost</u> | <u>Fair Value</u> | <u>Percent of Total Partners' Capital</u> |
|---|-----------------------------------|----------------------|----------------------|---|
| COMMON STOCK | | | | |
| Berkshire Hathaway, Inc. - Class A | 6 | \$ 1,087,531 | \$ 4,085,520 | 21.7 |
| Berkshire Hathaway, Inc. - Class B | 10,500 | <u>1,268,205</u> | <u>4,759,440</u> | <u>25.2</u> |
| | | <u>2,355,736</u> | <u>8,844,960</u> | <u>46.9</u> |
| MUTUAL FUNDS | | | | |
| Akre Focus Fund | 10,538.895 | 534,147 | 711,902 | 3.8 |
| First Eagle Global Fund - Class I | 52,156.658 | 2,893,764 | 3,515,880 | 18.6 |
| FPA Crescent Fund - Class I | 86,836.286 | 2,731,051 | 3,490,819 | 18.5 |
| FPA Queens Road Small Cap Value Fund | 7,097.664 | 263,220 | 276,525 | 1.5 |
| Sequoia Fund, Inc. | 5,107.543 | 893,880 | 937,285 | 5.0 |
| Tweedy Browne International Value Fund | 33,795.997 | <u>876,590</u> | <u>863,488</u> | <u>4.6</u> |
| | | <u>8,192,652</u> | <u>9,795,899</u> | <u>52.0</u> |
| | | <u>\$ 10,548,388</u> | <u>\$ 18,640,859</u> | <u>98.9</u> |

CEDAR FUND, L.P.

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2023

| | <u>Number of Shares/Units</u> | <u>Cost</u> | <u>Fair Value</u> | <u>Percent of Total Partners' Capital</u> |
|---|-----------------------------------|----------------------|----------------------|---|
| COMMON STOCK | | | | |
| Berkshire Hathaway, Inc. - Class A | 6 | \$ 1,022,272 | \$ 3,255,750 | 19.1 |
| Berkshire Hathaway, Inc. - Class B | 10,500 | <u>1,192,437</u> | <u>3,744,930</u> | <u>22.0</u> |
| | | <u>2,214,709</u> | <u>7,000,680</u> | <u>41.1</u> |
| MUTUAL FUNDS | | | | |
| Akre Focus Fund | 10,072.522 | 500,001 | 601,934 | 3.5 |
| First Eagle Global Fund - Class I | 51,543.985 | 2,832,739 | 3,269,951 | 19.2 |
| FPA Crescent Fund - Class I | 82,715.428 | 2,564,933 | 3,195,297 | 18.7 |
| Longleaf Partners Small-Cap Fund | 20,999.854 | 481,714 | 524,366 | 3.1 |
| Sequoia Fund, Inc. | 7,196.068 | 1,207,264 | 1,147,269 | 6.7 |
| Tweedy Browne International Value Fund | 33,425.008 | <u>859,172</u> | <u>914,508</u> | <u>5.4</u> |
| | | <u>8,445,823</u> | <u>9,653,325</u> | <u>56.6</u> |
| | | <u>\$ 10,660,532</u> | <u>\$ 16,654,005</u> | <u>97.7</u> |

CEDAR FUND, L.P.**STATEMENTS OF OPERATIONS****YEARS ENDED DECEMBER 31, 2024 AND 2023**

| | <u>2024</u> | <u>2023</u> |
|--|---------------------|---------------------|
| INVESTMENT INCOME | | |
| Income | | |
| Ordinary and mutual fund capital gain dividends | \$ 665,342 | \$ 298,281 |
| Interest income | <u>12,769</u> | <u>17,603</u> |
| Total income | <u>678,111</u> | <u>315,884</u> |
| Expenses | | |
| Investment advisory fees | 186,721 | 162,704 |
| Custodial and other investment fees | 18,694 | 16,290 |
| Accounting and auditing fees | <u>8,150</u> | <u>7,935</u> |
| Total expenses | <u>213,565</u> | <u>186,929</u> |
| Net investment income | <u>464,546</u> | <u>128,955</u> |
| REALIZED GAIN (LOSS) AND UNREALIZED APPRECIATION ON INVESTMENTS | | |
| Realized gain (loss) on security transactions | | |
| Sales proceeds | 1,337,582 | 711,560 |
| Less cost | <u>1,189,698</u> | <u>897,043</u> |
| Realized gain (loss) | 147,884 | (185,483) |
| Unrealized appreciation on investments during the year | <u>2,098,998</u> | <u>2,375,581</u> |
| Net realized gain (loss) and unrealized appreciation on investments | <u>2,246,882</u> | <u>2,190,098</u> |
| INCREASE IN PARTNERS' CAPITAL FROM OPERATIONS | <u>\$ 2,711,428</u> | <u>\$ 2,319,053</u> |

See notes to financial statements.

CEDAR FUND, L.P.

STATEMENTS OF CHANGES IN PARTNERS' CAPITAL

YEARS ENDED DECEMBER 31, 2024 AND 2023

| | <u>2024</u> | <u>2023</u> |
|--|----------------------|----------------------|
| INCREASE IN PARTNERS' CAPITAL FROM OPERATIONS | | |
| Net investment income | \$ 464,546 | \$ 128,955 |
| Realized gain (loss) from security transactions | 147,884 | (185,483) |
| Unrealized appreciation on investments | <u>2,098,998</u> | <u>2,375,581</u> |
| Net increase from operations | <u>2,711,428</u> | <u>2,319,053</u> |
| From Partner transactions: | | |
| Capital withdrawals by Limited Partners (units - 155.6605 and 149.1066) | (1,068,217) | (844,985) |
| Increase in capital basis Limited Partner | <u>162,212</u> | <u>18,015</u> |
| Decrease from partner transactions | <u>(906,005)</u> | <u>(826,970)</u> |
| INCREASE IN PARTNERS' CAPITAL | 1,805,423 | 1,492,083 |
| PARTNERS' CAPITAL | | |
| Beginning of year | <u>17,046,636</u> | <u>15,554,553</u> |
| End of year | <u>\$ 18,852,059</u> | <u>\$ 17,046,636</u> |

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations – Cedar Fund, L.P. (the "Partnership") is an Indiana limited partnership formed on July 1, 1988. The purpose of the Partnership is to seek long-term capital growth by investing its assets primarily in common stocks and other equity-type securities. The General Partner of Cedar Fund, L.P. is Harris Harper Counsel, Inc. During 2024, there were 26 Limited Partners in the Partnership. The liability of each Limited Partner is limited to the value of his/her units of ownership. The Partnership is an investment company and follows the accounting and reporting guidance FASB ASC 946, Financial Services - Investment Companies.

Financial 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.

Investments - Investments are carried at fair value. Fair value is the amount that would be received from selling an asset in an orderly transaction between market participants at the measurement date. For securities with observable market quotations, the Partnership values these investments based upon current market quotations or pricing sources. In the absence of observable market quotations, investments are valued by procedures adopted by the General Partner. The General Partner utilizes data from a variety of sources, taking into account the characteristics of the security, any changes in the credit quality of the securities in the portfolio, the overall movement of interest rates, current market conditions and other factors, which in the General Partner's good faith and judgment are relevant to the value of the security. Because of the inherent uncertainty of valuation, the fair values estimated by the General Partner may not necessarily represent amounts that could be realized from sales or dispositions of investments, and the differences may be material.

Securities traded on a national securities exchange are valued at the last sale price on the last business day of the year. Mutual funds are valued at their net asset value on the last business day of the year. A limited partnership investment is valued at its net asset value on the last day of the year. Investment transactions are accounted for on the trade date. The net realized gain or loss on security transactions is determined, for accounting and tax purposes, on the specific-identification basis.

Investment Income - The Partnership follows industry practice and records security transactions on the trade date. Dividend and interest income are recorded on the accrual basis. Unrealized appreciation and depreciation is reflected in the increase or decrease from operations.

Investment Expenses - Investment expenses are recorded on the accrual basis.

Income Taxes - The Partnership is not subject to federal or state income tax. The partners must include their proportionate share of the Partnership's taxable income in their personal income tax returns, whether or not it is distributed to them.

Accounting for Uncertainty in Income Taxes - Accounting standards require the evaluation of tax positions taken, or expected to be taken, in the course of preparing the Partnership's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. This statement provides that a tax benefit from an uncertain tax position may be recognized in the financial statements only when it is "more-likely-than-not" the position will be sustained upon examination, including resolution of any related appeals or litigation processes, based upon the technical merits and consideration of all available information. Once the recognition threshold is met, the portion of the tax benefit that is recorded represents the largest amount of tax benefit that is greater than 50 percent likely to be realized upon settlement with a taxing authority. No significant uncertain tax positions exist as of December 31, 2024.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Cash and Cash Equivalents - Cash and cash equivalents consist of cash deposits in money market accounts. At December 31, 2024 and 2023, the Partnership's cash accounts were not covered by federal insurance.

Subsequent Events - In preparing these financial statements, the Partnership has evaluated events and transactions for potential recognition or disclosure through February 13, 2025, the date the financial statements were available to be issued.

NOTE 2 - INVESTMENT ADVISORY AGREEMENT

Pursuant to an investment advisory agreement, the Partnership has retained its General Partner, Harris Harper Counsel, Inc., as its primary investment advisor. Harris Harper Counsel, Inc. provides investment advice, administrative services and facilities in return for an annual management fee of 1% of the Partnership's average monthly net asset values. The investment advisory fees were \$186,721 and \$162,704 for the years 2024 and 2023.

NOTE 3 - INVESTMENTS

Investments consist of the following:

| | 2024 | | 2023 | |
|---------------|----------------------|----------------------|----------------------|----------------------|
| | Cost | Fair Value | Cost | Fair Value |
| Common stocks | \$ 2,355,736 | \$ 8,844,960 | \$ 2,214,709 | \$ 7,000,680 |
| Mutual funds | <u>8,192,652</u> | <u>9,795,899</u> | <u>8,445,823</u> | <u>9,653,325</u> |
| | <u>\$ 10,548,388</u> | <u>\$ 18,640,859</u> | <u>\$ 10,660,532</u> | <u>\$ 16,654,005</u> |

NOTE 4 - FAIR VALUE MEASUREMENTS

The Partnership's investments in common stocks and mutual funds are reflected at fair value as determined annually. 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 in the principal or most advantageous market. The Partnership uses a fair value hierarchy that has three levels of inputs, both observable and unobservable, with use of the lowest possible level of input to determine fair value.

Level 1 inputs include quoted market prices in an active market or the price of an identical asset or liability. Level 2 inputs are market data, other than Level 1, that are observable either directly or indirectly. Level 2 inputs include quoted market prices for similar assets or liabilities, quoted market prices in an inactive market, and other observable information that can be corroborated by market data. Level 3 inputs are unobservable and corroborated by little or no market data. The Partnership had no Level 2 or Level 3 assets at December 31, 2024 and 2023.

NOTES TO FINANCIAL STATEMENTS

NOTE 4 - FAIR VALUE MEASUREMENTS - CONTINUED

The Partnership uses valuation techniques in a consistent manner from year-to-year. The Partnership's Board of Advisors approved the investment valuation at December 31, 2024 and 2023. Fair values of the Partnership's financial assets measured on a recurring basis at December 31, 2024 and 2023 are as follows:

| | 2024 | | | |
|---------------|-----------------------------|-----------------------------|--------------------|--------------------|
| | <u>Fair Value</u> | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> |
| Common stocks | \$ 8,844,960 | \$ 8,844,960 | \$ - | \$ - |
| Mutual funds | <u>9,795,899</u> | <u>9,795,899</u> | <u>-</u> | <u>-</u> |
| | <u>\$ 18,640,859</u> | <u>\$ 18,640,859</u> | <u>\$ -</u> | <u>\$ -</u> |

| | 2023 | | | |
|--------------|-----------------------------|-----------------------------|--------------------|--------------------|
| | <u>Fair Value</u> | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> |
| Common stock | \$ 7,000,680 | \$ 7,000,680 | \$ - | \$ - |
| Mutual funds | <u>9,653,325</u> | <u>9,653,325</u> | <u>-</u> | <u>-</u> |
| | <u>\$ 16,654,005</u> | <u>\$ 16,654,005</u> | <u>\$ -</u> | <u>\$ -</u> |

Common stocks and mutual funds: The valuation of these investments is based on quoted market prices.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, the Partnership believes its valuation methods are appropriate and consistent with other market participants, and the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NOTE 5 - MAJOR INVESTMENT

The Partnership had approximately 47% and 42% of its total investment assets in the common stock of one company as of December 31, 2024 and 2023.

NOTE 6 - FINANCIAL HIGHLIGHTS

The following key financial performance highlights, as defined below, are presented for the years ended December 31, 2024 and 2023:

| | <u>2024</u> | <u>2023</u> |
|--|-------------|-------------|
| Total return | 15.1% | 14.3% |
| Ratio to average limited partners' capital | | |
| Total operating expenses | 1.2% | 1.1% |
| Net investment income | 2.6% | 0.8% |

Total return is calculated by the ratio of net profit or loss for the year allocated to limited partners divided by average of beginning and ending limited partners' capital balance for the year.