

2019

ANNUAL REPORT



HEIFER
FOUNDATION





The generosity of Heifer Foundation donors has supported Heifer International in another year of doing good around the world. Your

support allows the two global partners to work together toward a common mission while meeting your needs.

Heifer International celebrated its 75th anniversary this year, and we at Heifer Foundation are proud to have been working alongside them since 1991. Our efforts are directed toward raising and overseeing Heifer International's financial assets to generate long-term support, which allows the organization to develop deeper solutions for those in need. Ultimately, this enables families and entire communities to shift from subsistence to sustained growth. We ended fiscal year 2019

with total assets in excess of \$157.9 million, an almost 9% increase over fiscal year 2018. As our endowment grows, we are able to invest in innovative initiatives, allowing Heifer International to broaden its scope and tackle hunger and poverty in new ways. One such project is the *Green Business Belt* project in Guatemala.

The *Green Business Belt* project aims to close the living income gap for 6,250 Guatemalan spice farmers by implementing inclusive green businesses within five municipalities by 2025. Deforestation has plagued Guatemala for decades, wiping away opportunities to earn income with the trees. But this region possesses great potential to develop high value agroforestry products and agroforestry-related services — all manageable by communities and local organizations. Heifer International

will help farmers capitalize on this potential by investing in value chains that promote sustainable land use practices. The project will protect the tropical forest and restore deteriorated lands through sustainable spices production. It will also create and strengthen spices-related businesses and help them access high-value markets.

As you support our mission, we are continuing to evolve our giving options to best meet your desired legacy plan while furthering the work of Heifer International. Together, we are helping families and communities around the world unlock their power and potential to create a better future.

Yours for a Better World,

Ardyth Neill
President, Heifer Foundation

STATEMENT OF FINANCIAL POSITION AS OF JUNE 30, 2019 AND 2018

| ASSETS | JUNE 30, 2019 | JUNE 30, 2018 | \$ CHANGE FROM 6/30/2018 |
|--|----------------------|----------------------|--------------------------|
| Cash and cash equivalents | 4,417,283 | 11,607,369 | (7,190,086) |
| Contributions and bequests receivable | 330,365 | 430,365 | (100,000) |
| Related-party receivable | 5,558,759 | - | 5,558,759 |
| Prepaid expenses and other assets | 207,033 | 208,204 | (1,171) |
| Investments | 147,389,437 | 133,361,316 | 14,028,121 |
| Total assets | \$157,902,877 | \$145,607,254 | \$12,295,623 |
| LIABILITIES AND NET ASSETS | | | |
| Liabilities: | | | |
| Accounts payable and accrued liabilities | 499,391 | 201,569 | 297,822 |
| Annuities payable | 4,683,400 | 4,943,003 | (259,603) |
| Trusts payable | 11,239,588 | 11,087,703 | 151,885 |
| Refundable advances | 5,156,169 | 5,132,950 | 23,219 |
| Total liabilities | \$21,578,548 | \$21,365,225 | \$213,323 |
| Net Assets: | | | |
| Without donor restrictions: | | | |
| Board-designated | 10,734,546 | 9,355,780 | 1,378,766 |
| Undesignated | (1,372,002) | (2,602,393) | 1,230,391 |
| Total net assets without donor restrictions | \$9,362,544 | \$6,753,387 | \$2,609,157 |
| With donor restrictions: | 126,961,785 | 117,488,642 | 9,473,143 |
| Total Net assets | \$136,324,329 | \$124,242,029 | \$12,082,300 |
| Total liabilities and net assets | \$157,902,877 | \$145,607,254 | \$12,295,623 |

STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2019

| REVENUE, GAINS AND OTHER SUPPORT | WITHOUT DONOR RESTRICTION | WITH DONOR RESTRICTION | TOTAL |
|---|---------------------------|------------------------|----------------------|
| Contributions related to: | | | |
| General | 1,046,567 | 3,262,577 | 4,309,144 |
| Annuities and trusts | - | 626,658 | 626,658 |
| Investment return | 1,897,993 | 8,912,641 | 10,810,634 |
| Change in value of split-interest obligations | - | (607,068) | (607,068) |
| Net assets released from restrictions | 2,721,665 | (2,721,665) | - |
| Total revenue, gains and other support | \$5,666,225 | \$9,473,143 | \$15,139,368 |
| Expenses: | | | |
| Program services | 1,655,472 | - | 1,655,472 |
| Management and general | 1,401,596 | - | 1,401,596 |
| Total expenses | \$3,057,068 | - | \$3,057,068 |
| Change in net assets | 2,609,157 | 9,473,143 | 12,082,300 |
| Net assets, beginning of year | 6,753,387 | 117,488,642 | 124,242,029 |
| Net assets, end of year | \$9,362,544 | \$126,961,785 | \$136,324,329 |

STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2018

| REVENUE, GAINS AND OTHER SUPPORT | WITHOUT DONOR RESTRICTION | WITH DONOR RESTRICTION | TOTAL |
|---|---------------------------|------------------------|----------------------|
| Contributions related to: | | | |
| General | 22,979 | 7,516,669 | 7,539,648 |
| Annuities and trusts | - | 1,021,464 | 1,021,464 |
| Investment return | 270,639 | 4,141,288 | 4,411,927 |
| Change in value of split-interest obligations | - | (155,989) | (155,989) |
| Net assets released from restrictions | 2,295,751 | (2,295,751) | - |
| Total revenue, gains and other support | \$2,589,369 | \$10,227,681 | \$12,817,050 |
| Expenses: | | | |
| Program services | 1,246,721 | - | 1,246,721 |
| Management and general | 1,053,320 | - | 1,053,320 |
| Fundraising | 3,353 | - | 3,353 |
| Total expenses | \$2,303,394 | - | \$2,303,394 |
| Change in net assets | 285,975 | 10,227,681 | 10,513,656 |
| Net assets, beginning of year | 6,467,412 | 107,260,961 | 113,728,373 |
| Net assets, end of year | \$6,753,387 | \$117,488,642 | \$124,242,029 |

This condensed financial information is derived from Heifer International Foundation 2018 and 2019 financial statements audited by certified public accountants. Audited financial statements are available upon request by calling 888.422.1161, ext. 0, or online at www.heiferfoundation.org/about/financial-transparency.html.

Heifer International Foundation is qualified as a charitable organization under Section 501(c)(3) of the Internal Revenue Code, and contributions to Heifer International Foundation are tax-deductible to the extent permitted by law.



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