HAGGAI
INTERNATIONAL

Ending Gospel Poverty™

HAGGAI INTERNATIONAL INSTITUTE FOR ADVANCED LEADERSHIP TRAINING, INC.

Audited Financials: 2018 - 2019

Haggai International prides itself in corporate financial transparency in reporting. The current audited financial statement represents the seventh year in a row our external auditors completed a stringent audit with no audit adjustments. We welcome you to contact Louisa Mouchet, Chief Financial Officer at 770-810-1408 or louisam@haggai-international.org if you need any clarification or have questions about the ministry's finances.

The Haggai Team

HAGGAI INTERNATIONAL INSTITUTE FOR ADVANCED LEADERSHIP TRAINING, INC. AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

As of and for the Years Ended March 31, 2019 and 2018

And Report of Independent Auditor

Cherry Bekaert LLP
CPAs & Advisors

HAGGAI INTERNATIONAL INSTITUTE FOR ADVANCED LEADERSHIP TRAINING, INC. AND SUBSIDIARY

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Cherry Bekaert LLP
CPAs & Advisors

Report of Independent Auditor

The Board of Trustees
Haggai International Institute for Advanced Leadership Training, Inc. and Subsidiary
Peachtree Corners, Georgia

We have audited the accompanying consolidated financial statements of the Haggai International Institute for Advanced Leadership Training, Inc. and Subsidiary (collectively "Haggai") (a nonprofit organization), which comprise the consolidated statements of financial position as of March 31, 2019 and 2018, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Haggai as of March 31, 2019 and 2018, 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.

Effect of Adopting New Accounting Standard
As discussed in Note 2, the Financial Accounting Standards Board issued Accounting Standards Update ("ASU") 2016-14, *Not-For-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The implementation of the ASU did not impact net assets. Our opinion is not modified with respect to this matter.

Supplementary Information
Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position and activities as of and for the years ended March 31, 2019 and 2018 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Cherry Bekaert LLP

Atlanta, Georgia
August 12, 2019

HAGGAI INTERNATIONAL INSTITUTE FOR ADVANCED LEADERSHIP TRAINING, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

MARCH 31, 2019 AND 2018

	2019	2018
ASSETS		
Cash and cash equivalents	$ 4,181,720	$ 4,147,173
Investments	24,795,769	27,566,236
Contributions receivable, net	1,210,301	1,921,365
Property and equipment, net	11,392,076	12,385,476
Other assets	919,988	521,740
Total Assets	$ 42,499,854	$ 46,541,990
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable, accrued expenses, and deferred revenues	$ 1,916,691	$ 1,323,962
Annuities payable	1,687,440	1,748,026
Note payable	293,343	333,878
Total Liabilities	3,897,474	3,405,866
Net Assets:		
Without Donor Restrictions:		
Board designated for upcoming fiscal year budget deficit	1,402,611	-
Board designated for strategic initiatives	2,345,573	-
Board designated for golden anniversary celebration	1,000,000	-
Board designated for annuities	1,334,126	1,433,525
Board-designated endowments	13,093,016	13,358,683
Arizona Friends of the Haggai Institute	4,253,968	4,752,220
Invested in property and equipment, net	11,392,076	12,385,476
Undesignated	2,601,016	9,352,169
Total Without Donor Restrictions	37,422,386	41,282,073
With Donor Restrictions:		
Restricted for specified purpose	110,715	167,296
Restricted for the passage of time	745,167	1,202,941
Endowments	324,112	483,814
Total with Donor Restrictions	1,179,994	1,854,051
Total Net Assets	38,602,380	43,136,124
Total Liabilities and Net Assets	$ 42,499,854	$ 46,541,990

HAGGAI INTERNATIONAL INSTITUTE FOR ADVANCED LEADERSHIP TRAINING, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF ACTIVITIES

YEAR ENDED MARCH 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Gains, and Other Support:			
Contributions and bequests from private foundations and the general public	$ 5,661,794	$ 91,136	$ 5,752,930
Contributions from trustees	1,930,078	-	1,930,078
Total Contributions Revenue	7,591,872	91,136	7,683,008
Participants' fees	504,942	-	504,942
Receipts from affiliated organizations	170,274	-	170,274
Investment return, net	861,683	9,063	870,746
Change in value of split interest agreements	(206,070)	-	(206,070)
Other	21,505	-	21,505
Net assets released from restrictions	774,256	(774,256)	-
Total Revenue, Gains, and Other Support	9,718,462	(674,057)	9,044,405
Expenses:			
Program Services:			
Developing Countries Ministry and Leadership Training	9,168,097	-	9,168,097
Developed Countries Ministry	922,353	-	922,353
Total Program Services	10,090,450	-	10,090,450
Supporting Services:			
Fundraising	2,322,255	-	2,322,255
Management and general	1,165,444	-	1,165,444
Total Supporting Services	3,487,699	-	3,487,699
Total Expenses	13,578,149	-	13,578,149
Change in net assets	(3,859,687)	(674,057)	(4,533,744)
Net assets, beginning of year	41,282,073	1,854,051	43,136,124
Net assets, end of year	$ 37,422,386	$ 1,179,994	$ 38,602,380

HAGGAI INTERNATIONAL INSTITUTE FOR ADVANCED LEADERSHIP TRAINING, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF ACTIVITIES

YEAR ENDED MARCH 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Gains, and Other Support:			
Contributions and bequests from private foundations and the general public	$ 7,554,373	$ 243,375	$ 7,797,748
Contributions from trustees	1,655,700	-	1,655,700
Total Contributions Revenue	9,210,073	243,375	9,453,448
Participants' fees	389,124	-	389,124
Receipts from affiliated organizations	219,014	-	219,014
Investment return, net	1,803,088	22,511	1,825,599
Change in value of split interest agreements	(207,883)	-	(207,883)
Other	21,533	-	21,533
Net assets released from restrictions	1,339,832	(1,339,832)	-
Total Revenue, Gains, and Other Support	12,774,781	(1,073,946)	11,700,835
Expenses:			
Program Services:			
Developing Countries Ministry and Leadership Training	7,992,238	-	7,992,238
Developed Countries Ministry	884,728	-	884,728
Total Program Services	8,876,966	-	8,876,966
Supporting Services:			
Fundraising	2,183,338	-	2,183,338
Management and general	1,316,354	-	1,316,354
Total Supporting Services	3,499,692	-	3,499,692
Total Expenses	12,376,658	-	12,376,658
Change in net assets before net change in retirement plan liability	398,123	(1,073,946)	(675,823)
Net change in retirement plan liability	153,752	-	153,752
Change in net assets	551,875	(1,073,946)	(522,071)
Net assets, beginning of year	40,730,198	2,927,997	43,658,195
Net assets, end of year	$ 41,282,073	$ 1,854,051	$ 43,136,124

HAGGAI INTERNATIONAL INSTITUTE FOR ADVANCED LEADERSHIP TRAINING, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED MARCH 31, 2019

	Program Services			Supporting Services			
	Developing Countries Ministry and Leadership Training	Developed Countries Ministry	Program Services Total	Fundraising	Management and General	Supporting Services Total	Total Expenses
Salaries and wages	$ 2,400,801	$ 459,522	$ 2,860,323	$ 1,083,462	$ 402,776	$ 1,486,238	$ 4,346,561
Travel and related services	2,852,283	108,389	2,960,672	339,274	9,076	348,350	3,309,022
Property expenses	885,889	119	886,008	71	456	527	886,535
Employee benefits and payroll tax	379,972	87,720	467,692	204,949	147,564	352,513	820,205
Professional fees	199,807	115,356	315,163	280,035	200,651	480,686	795,849
Printing and publications	71,807	59,337	131,144	196,359	660	197,019	328,163
Program grants	316,017	-	316,017	-	-	-	316,017
Rent	45,493	23,010	68,503	-	221,470	221,470	289,973
Office supplies and expense	77,572	20,106	97,678	55,961	56,514	112,475	210,153
Honoraria	168,932	2,350	171,282	6,125	350	6,475	177,757
Insurance	111,534	4,089	115,623	-	39,353	39,353	154,976
Domestic and international communications	95,337	9,634	104,971	21,921	10,667	32,588	137,559
Payments to affiliates	9,604	19,208	28,812	67,229	-	67,229	96,041
Postage and freight	13,783	7,006	20,789	56,851	11,778	68,629	89,418
Miscellaneous	13,659	3,828	17,487	4,365	17,838	22,203	39,690
Equipment rental and maintenance	21,713	2,679	24,392	5,653	4,892	10,545	34,937
Depreciation and amortization	1,503,894	-	1,503,894	-	41,399	41,399	1,545,293
Total Expenses	$ 9,168,097	$ 922,353	$ 10,090,450	$ 2,322,255	$ 1,165,444	$ 3,487,699	$ 13,578,149

HAGGAI INTERNATIONAL INSTITUTE FOR ADVANCED LEADERSHIP TRAINING, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED MARCH 31, 2018

	Program Services			Supporting Services			
	Developing Countries Ministry and Leadership Training	Developed Countries Ministry	Program Services Total	Fundraising	Management and General	Supporting Services Total	Total Expenses
Salaries and wages	$ 2,131,213	$ 455,673	$ 2,586,886	$ 1,089,849	$ 422,385	$ 1,512,234	$ 4,099,120
Travel and related services	2,288,358	114,249	2,402,607	358,249	8,605	366,854	2,769,461
Property expenses	784,649	544	785,193	757	1,495	2,252	787,445
Employee benefits and payroll tax	395,823	108,599	504,422	216,005	328,183	544,188	1,048,610
Professional fees	101,991	53,283	155,274	120,989	164,039	285,028	440,302
Printing and publications	65,915	51,773	117,688	160,339	2,869	163,208	280,896
Program grants	265,392	-	265,392	-	-	-	265,392
Rent	44,894	22,206	67,100	-	213,733	213,733	280,833
Office supplies and expense	61,018	24,019	85,037	67,880	45,648	113,528	198,565
Honoraria	139,744	1,850	141,594	6,475	-	6,475	148,069
Insurance	111,019	3,494	114,513	-	33,634	33,634	148,147
Domestic and international communications	98,039	10,701	108,740	25,026	10,433	35,459	144,199
Payments to affiliates	9,598	19,198	28,796	67,191	-	67,191	95,987
Postage and freight	27,734	9,151	36,885	50,506	10,520	61,026	97,911
Miscellaneous	20,430	6,735	27,165	15,557	14,635	30,192	57,357
Equipment rental and maintenance	19,308	3,253	22,561	4,515	14,462	18,977	41,538
Depreciation and amortization	1,427,113	-	1,427,113	-	45,713	45,713	1,472,826
Total Expenses	$ 7,992,238	$ 884,728	$ 8,876,966	$ 2,183,338	$ 1,316,354	$ 3,499,692	$ 12,376,658

The accompanying notes to the consolidated financial statements are an integral part of these statements.

HAGGAI INTERNATIONAL INSTITUTE FOR ADVANCED LEADERSHIP TRAINING, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED MARCH 31, 2019 AND 2018

	2019	2018
Cash flows from operating activities:		
Change in net assets	$ (4,533,744)	$ (522,071)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Net change in retirement plan liability	-	(153,752)
Change in value of split interest agreements	206,070	207,883
Loss on disposal of property and equipment	3,138	4,547
Net realized gain on investments	(686,537)	(1,761,701)
Depreciation and amortization	1,545,293	1,472,826
Changes in operating assets and liabilities:		
Other assets	(398,246)	(204,199)
Contributions receivable	711,064	336,325
Accounts payable, accrued expenses, and deferred revenue	592,727	242,519
Net cash from operating activities	(2,560,235)	(377,623)
Cash flows from investing activities:		
Purchase of investments	(87,500)	(529,597)
Proceeds from investments	3,544,504	2,204,024
Purchases of property and equipment	(118,969)	(143,982)
Expenditures for renovation of the MPC	(436,063)	(486,279)
Net cash from investing activities	2,901,972	1,044,166
Cash flows from financing activities:		
Payments on note payable	(40,534)	(39,028)
Payment to annuitants	(266,656)	(268,118)
Net cash from financing activities	(307,190)	(307,146)
Change in cash and cash equivalents	34,547	359,397
Cash and cash equivalents, beginning of year	4,147,173	3,787,776
Cash and cash equivalents, end of year	$ 4,181,720	$ 4,147,173
Supplemental cash flow information:		
Interest paid	$ 12,550	$ 14,142

Note 1—Organization and purpose

Haggai International Institute for Advanced Leadership Training, Inc., is a nonprofit organization incorporated in the state of Georgia in 1962. The Arizona Friends of the Haggai Institute is a nonprofit organization incorporated in the state of Arizona. The purpose of these two organizations (collectively, "Haggai") is to equip and inspire strategically positioned leaders to more effectively demonstrate and present the Gospel of Jesus Christ and to prepare others to do the same so that every nation is redeemed and transformed through the Gospel of Jesus Christ. Haggai receives funding primarily from public sources.

Haggai's leadership training programs are primarily conducted in English on the island of Maui, Hawaii at the Mid Pacific Center ("MPC"). It also conducts programs in Chinese in Singapore, in Spanish in Latin America, and in Arabic in the Middle East. The training sessions are directed, coordinated, and funded by Haggai, whose administrative offices are located in Peachtree Corners, Georgia.

Haggai also has affiliated organizations in Australia (Haggai Institute (Australia)) and the United Kingdom (Haggai Advanced Leadership Training Limited) that are not included in the accompanying consolidated financial statements. These affiliated organizations are autonomous and are incorporated in their respective countries. All of the affiliates engage primarily in fund-raising activities to support the training sessions of the Haggai.

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting and include the accounts of Haggai International Institute for Advanced Leadership Training, Inc., and Arizona Friends of the Haggai Institute. Haggai consolidates Arizona Friends of the Haggai Institute because it has an economic interest and control in Arizona Friends of the Haggai Institute. All intercompany transactions have been eliminated in the accompanying consolidated financial statements.

Note 2—Summary of significant accounting policies

Financial Statement Presentation – Haggai reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of Haggai. These net assets may be used at the discretion of Haggai's management and the Board of Trustees. Haggai has chosen to provide further classification information about net assets without donor restrictions on the consolidated statements of financial position. The sub-classifications are as follows:

Board-Designated Funds – Occasionally the Board of Trustees will designate a portion of net assets without donor restrictions to certain reserve funds for designated purposes. As of March 31, 2019, the Board has designated reserve funds for the following items: (1) to cover an upcoming budget deficit, (2) for certain strategic growth initiatives, (3) for a golden anniversary celebration, and (4) for Haggai's annuities subject to annuity and similar agreements under which Haggai assumes a legal liability to the donor or his or her designee, for a specified period of time.

Board-Designated Endowment – Represents a board-designated endowment established by the Board of Trustees specifying that the capital of the board-designated endowment would be retained and invested; that there would be no withdrawal of capital except upon approval of the Board; and that the earnings from the endowment's investments be retained except upon approval of the Board, whose approval shall allow the earnings to be used for the operations of Haggai.

Note 2—Summary of significant accounting policies (continued)

Arizona Friends of the Haggai Institute – Represents the net assets of Arizona Friends of the Haggai Institute.

Invested in Property and Equipment – Represents net assets invested in property and equipment, net of accumulated depreciation.

Undesignated – Represents the cumulative net assets without donor restrictions excluding those net assets invested in buildings and equipment and designated for specific activities by the Board of Trustees.

Net Assets With Donor Restrictions – Net assets that contain donor-imposed time or purpose restrictions that have not currently been met. Some donor restrictions are temporary in nature; those restrictions will be met by actions of Haggai or by the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity. Haggai may expend part, or all of the income earned according to donor stipulations.

It is Haggai's policy to report donor-restricted contributions and investment gains whose restrictions are met in the same reporting period in which the contributions or investment gains are recognized as an increase in net assets without donor restrictions. All other donor-restricted contributions and investment gains are reported as an increase in net assets with donor restrictions. When restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

Cash and Cash Equivalents – Haggai considers all highly liquid investments that have an original maturity of three months or less when purchased, and can be readily converted to cash on demand without penalty, to be cash equivalents, with the exception of cash or money market funds held for reinvestment which are included as investments. The Federal Deposit Insurance Corporation covers $250,000 for substantially all depository accounts. Haggai from time to time may have amounts on deposit in excess of the insured limits. Haggai believes it mitigates any risk by depositing cash with major financial institutions.

Accounting for Contributions – All contributions are considered to be available for general use unless specifically restricted by the donor for a specific purpose or time period. Contributions subject to donor-imposed stipulations are recorded as net assets with donor restrictions and are reclassified to net assets without donor restrictions when the donor-imposed restriction has been fulfilled or the stipulated time period has elapsed. Contributions subject to donor-imposed stipulations whose restrictions are met in the same reporting period are reported as contributions without donor restrictions.

Contributions, including unconditional promises to give (contributions receivable), are recognized as revenues in the period that the contribution is received, or the unconditional promise is made. Conditional promises to give are not recognized until they become unconditional; that is, when the conditions on which they depend are substantially met.

Contributions to be received after one year are discounted at a rate commensurate with the risk associated with the contribution. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions receivable, if any, is provided based upon management's judgment, including such factors as prior collection history, the type of contribution, and other relevant factors.

Note 2—Summary of significant accounting policies (continued)

Investments – Investments are carried at fair value. Investment income is credited to net assets without donor restrictions unless otherwise designated by the donor. Haggai's corporate stocks consist of a diversified portfolio of common stocks. All of the mutual funds are diversified across strategies, managers, and geography. Haggai's investments do not represent significant concentrations of market risk in as much as Haggai's investment portfolio is diversified among issuers. Haggai's policy is to include cash and cash equivalents held in the investment portfolio as investments. For purposes of the cash flow statements, gross purchases, and proceeds from investments include only amounts that were converted to (from) cash as defined by Haggai's accounting policy.

Property and Equipment – Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, ranging from 3 to 30 years. Equipment, betterments, or renewals in excess of $500 are capitalized. Normal repairs and maintenance costs are expensed as incurred. If donors stipulate restrictions on the use of donated assets, the contributions are recorded as support with donor restrictions. In the absence of such stipulations, contributions of property and equipment are recorded as support without donor restrictions.

Contributed Services – A substantial number of unpaid volunteers have made significant contributions of their time to Haggai programs and fund-raising campaigns. These donated services are not reflected in the consolidated financial statements since they do not meet the criteria for recognition as contributed services.

Fund Accounting – Haggai uses these funds internally to account for the activity of Haggai. The funds maintained by Haggai are as follows:

- The General Operating Fund represents net assets without donor restrictions available for support of the programs and activities of Haggai.
- The Endowment Fund includes net assets without donor restrictions designated by the Board of Trustees as endowment and net assets with donor restrictions.
- The Annuity Fund represents net assets without donor restrictions subject to annuity and similar agreements under which Haggai assumes a legal liability to the donor or his or her designee, for a specified period of time.
- The Arizona Friends of Haggai Fund represents net assets without donor restrictions of Arizona Friends of the Haggai Institute which are consolidated because Haggai has an economic interest and control of these assets.

Functional Allocation of Expenses – The costs of providing the various program and supporting services have been summarized on a functional basis in the consolidated statements of activities and the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. All expenses, excluding depreciation and grant disbursements, are allocated on the basis of management estimates of time and effort. Depreciation has been allocated based on the estimated usage of the asset. Total expenses on the consolidated statements of functional expenses do not include investment management fees, which are netted against investment returns. Total expenses on the consolidated statements of functional expenses do not include changes in net retirement benefit liability or changes in the value of split-interest agreements.

Note 2—Summary of significant accounting policies (continued)

Income Taxes – Haggai is exempt from income taxation under Section 501(a) as entities described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended and, therefore, no provision for income taxes has been made in the accompanying consolidated financial statements. Haggai has evaluated the effect of the guidance provided by accounting principles generally accepted in the United States of America ("U.S. GAAP") and believes it continues to satisfy the requirements of tax-exempt organizations and, therefore, had no uncertain income tax positions at March 31, 2019.

Use of Estimates – The preparation of consolidated financial statements, in conformity with U.S. GAAP, 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 consolidated financial statements and the reported amounts of support and revenue and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications – Certain expenses on the consolidated statement of activities have been reclassified for the year ended March 31, 2018 to conform to the presentation for the year ended March 31, 2019 and did not result in any impact to the change in net assets.

Recent Accounting Pronouncements – In August 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-14, *Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. Haggai has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

In May 2014, the FASB issued new accounting guidance related to revenue recognition. This new standard will replace all current U.S. GAAP guidance on this topic and eliminate all industry-specific guidance. The new revenue recognition guidance provides a unified model to determine when and how revenue is recognized. The core principle is that Haggai should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration for which the entity expects to be entitled in exchange for those goods or services. This guidance will be effective for Haggai beginning April 1, 2019 and can be applied either retrospectively to each period presented or as a cumulative-effect adjustment as of the date of adoption. Haggai does not currently believe that there will be a material impact of adopting this new accounting guidance on its consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. Under the new guidance, lessees will be required to recognize a lease liability and right-of-use asset at the commencement date for all leases, with the exception of short-term leases. This guidance will be effective for Haggai beginning April 1, 2020. Haggai is currently evaluating the impact of adopting this new accounting guidance on its consolidated financial statements. See Note 9 – *Leases* for disclosure regarding Haggai's current operating leases.

Note 3—Liquidity and availability

The following represents Haggai's financial assets, net of amounts not available to be used for operating expenses within one year, at March 31:

	2019	2018
Cash and cash equivalents	$ 4,181,720	$ 4,147,173
Investments	24,795,769	27,566,236
Contributions receivable, net	1,210,301	1,921,365
Total financial assets	30,187,790	33,634,774
Less amounts not available to be used for general expenditures within one year:		
Restricted for specified purpose	110,715	167,296
Restricted for passage of time	745,167	1,202,941
Endowments	324,112	483,814
Board designated funds	4,679,699	1,433,525
Board designated endowments	13,093,016	13,358,683
	18,952,709	16,646,259
Financial assets available to meet general expenditures within one year	$ 11,235,081	$ 16,988,515

The Board of Trustees has board-designated funds which are designated for certain purposes as detailed in the consolidated statements of financial position. Board-designated funds for strategic initiatives, the golden anniversary celebration, and annuities are considered not available to be used for general expenditures within one year. The board-designated net assets for upcoming fiscal year budget deficit of $1,402,611 were not included above as they are expected to be available and utilized within one year for operating expenses.

The Board of Trustees has set aside a quasi-endowment fund to be used or available under extreme situations as the Board of Trustees may deem prudent. Over the long term, Haggai expects the current policy to allow this quasi-endowment to grow the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts.

Haggai's goal is generally to maintain financial assets to meet three months of operating expenses (approximately $4 million). As part of Haggai's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other liabilities become due. Haggai invests cash in excess of daily requirements in money market funds. Occasionally, the Board of Trustees will designate a portion of any operating surplus to its certain designated reserve funds. Additionally, the Board of Trustees has authorized certain other releases from the quasi-endowment as disclosed above. Board-designated funds and endowments could be made available to cover operating expenses, if necessary.

Note 4—Contributions receivable

Contributions receivable due in more than one year were recorded at present values and were discounted 6-12%, of which $88,936 and $113,675 was recorded as contribution revenue related to amortization of the discount in the years ended March 31, 2019 and 2018, respectively. As of March 31, 2019, $1,000,000 is pledged within one year, with the balance of $375,000 within two years. These amounts are considered to be fully collectible.

Note 5—Property and equipment

Property and equipment, net consist of the following at March 31:

	2019	2018
Land	$ 3,276,768	$ 3,276,768
Building	16,697,146	16,697,146
Leasehold improvements	48,805	48,805
Furniture and office equipment	6,354,450	5,935,081
Software	146,512	-
Automobiles	264,187	241,413
Property and equipment, at cost	26,787,868	26,199,213
Less accumulated depreciation	(15,401,474)	(13,923,713)
	11,386,394	12,275,500
Construction in progress (MPC renovation)	5,682	109,976
Property and equipment, net	$ 11,392,076	$ 12,385,476

Note 6—Net assets with donor restrictions

Net assets with donor restrictions are available for the following purposes at March 31:

	2019	2018
Restricted for the passage of time:		
Contributions receivable, net	$ 745,167	$ 1,202,941
Restricted for specified purpose:		
Program support	110,715	146,857
MPC renovation	-	20,439
	110,715	167,296
Endowments:		
Corpus restricted in perpetuity for specified purpose and associated restricted earnings for specified purpose subject to endowment spending policy and appropriation:		
Leadership training	234,112	349,468
MPC operations	90,000	134,346
Total endowments	324,112	483,814
Total net assets with donor restrictions	$ 1,179,994	$ 1,854,051

Note 7—Net assets released from restrictions

Net assets were released from donor-imposed restrictions by incurring expenses satisfying the restricted purposes during the years ended March 31 as follows:

	2019	2018
Expiration of time restrictions	$ 500,000	$ 613,000
Satisfaction of purpose restrictions:		
Program support	38,342	177,651
MPC renovation	67,149	549,181
	105,491	726,832
Restricted-purpose appropriations:		
Leadership training and MPC Operations	168,765	-
Total net assets released from restriction	$ 774,256	$ 1,339,832

Note 8—Employee benefits

Haggai had a noncontributory defined benefit pension plan (the "Plan") covering employees enrolled before the Plan was frozen in April 2011, with benefit accruals ceasing June 30, 2012. In February 2016, the Plan was amended to terminate as of March 31, 2017. Haggai filed for Internal Revenue Service ("IRS") determination to terminate the Plan effective March 31, 2017. The filing was accepted by the IRS and the termination of the Plan did not affect its qualification for federal tax purposes. The Plan also filed and received approval to terminate the Plan from the Pension Benefit Guaranty Corporation. The remaining benefits were paid out through lump sum payments and the termination was completed during the year ended March 31, 2018.

In accordance with provisions of Accounting Standards Codification ("ASC") 715, *Compensation-Retirement Benefits,* Haggai used a March 31 measurement date for its benefit Plan. The following table presents a reconciliation of the beginning and ending balances of the Plan's projected benefit obligation and the fair value of Plan assets, and funded status of the Plan as of March 31:

		2018
Change in benefit obligation:		
Projected benefit obligation, beginning of year	$	528,196
Interest cost and actuarial gain		57,482
Benefits paid		(585,678)
Projected benefit obligation, end of year	$	-

		2018
Change in plan assets:		
Fair value of plan assets, beginning of year	$	374,444
Actual return on plan assets		11,235
Employer contributions		199,999
Benefits paid		(585,678)
Fair value of plan assets, end of year	$	-
Funded status of the plan	$	-
Accrued benefit liability is included in other liabilities in the consolidated statements of financial position	$	-

In addition to the former defined benefit pension plan discussed above, Haggai also sponsors a defined contribution plan under which all employees are eligible to participate. Employees may defer a portion of their annual compensation pursuant to Section 401(k) of the Internal Revenue Code. Upon an employee's completion of minimum service requirements, Haggai matches 100% of the first 3% of each employee's contribution and 50% of the employee's contribution between 3% and 5% of eligible compensation. Haggai made contributions to the 401(k) plan of $109,770 and $110,948 for the years ended March 31, 2019 and 2018, respectively.

Note 9—Leases

Haggai leases its primary office space under a lease agreement with monthly lease payments which increase on a yearly basis based upon increases in the Consumer Price Index. Haggai also has operating leases for office equipment. Minimum annual future rentals under noncancelable operating leases for the years ending March 31 are as follows:

2020	$	309,439
2021		309,756
2022		306,331
2023		30,740
	$	956,266

Rent expense totaled $289,973 and $280,833 for the years ended March 31, 2019 and 2018, respectively.

Note 10—Note payable

In December 2010, Haggai established a ten-year note payable with a commercial bank in the amount of $5,000,000. At March 31, 2019 and 2018, the balance was $293,343 and $333,878, respectively. Principal payments are to be made monthly starting January 2011 and ending December 2020, at which time all remaining indebtedness shall be due. Effective March 22, 2015, the note was amended to fix the interest rate at 4.00% per annum. The borrowings are collateralized by Haggai's MPC which has a net book value of $10,109,906 as of March 31, 2019. Haggai had a balance of $15,476 and $38,100 on deposit with this commercial bank at March 31, 2019 and 2018, respectively.

The note payable includes covenants that must be maintained during the time that the indebtedness under the note payable agreement is outstanding, including a financial covenant to maintain on an annual basis a minimum debt service coverage ratio. As of March 31, 2019, Haggai was not in compliance with this minimum debt service coverage ratio covenant requirement. The bank has agreed to waive this covenant as of March 31, 2019 and for all future years.

Interest expense amounted to $12,550 and $14,142 for the years ended March 31, 2019 and 2018, respectively.

Future maturities of the term loan for the years ending March 31 are as follows:

2020	$	41,898
2021		251,445
	$	293,343

Note 11—Fair value measurements

Fair Value Measurement ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. ASC 820 establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

Level 1 – Quoted market prices for identical assets or liabilities to which an entity has access at the measurement date.

Level 2 – Inputs and information other than quoted market indices included in Level 1, that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets in markets that are not active;
- Observable inputs other than quoted prices for the asset or liability; and
- Inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

Level 3 – Unobservable inputs for the asset or liability should be used to measure the fair value to the extent that observable inputs are not available.

Observable inputs reflect the assumptions market participants would use in pricing the asset or liability developed from sources independent of the reporting entity; and unobservable inputs reflect the reporting entities own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

Haggai has segregated all financial assets and liabilities that are measured at fair value on a recurring basis (at least annually) and all nonfinancial assets and liabilities into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value at the measurement date.

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value.

- Money market and mutual funds are valued at the net asset value (NAV) of shares held by Haggai at year-end, which are based on the quoted prices reported in the active market.
- Equities listed on national and international exchanges are principally valued at the regular trading session closing price on the exchange or market in which such securities are principally traded on the last business day of each period presented using the market approach.
- Government obligations, corporate bonds, and real estate securities are fixed income securities valued on the basis of evaluated prices provided by independent pricing services when such processes are believed to reflect the fair market value of such securities using the income approach.
- Mortgage-backed securities are asset-backed fixed income securities valued on the basis of evaluated prices provided by independent pricing services when such processes are believed to reflect the fair market value of such securities using the income approach.

Note 11—Fair value measurements (continued)

The following table summarizes those assets and liabilities measured at fair value on a recurring basis as of March 31, 2019.

	March 31, 2019			
	Total	Level 1	Level 2	Level 3
Assets				
Contributions receivable, net	$ 1,210,301	$ -	$ 1,210,301	$ -
Investments:				
Money market	1,838,729	1,838,729	-	-
Equities:				-
Domestic stocks	4,749,405	4,749,405	-	-
International stocks	529,586	529,586	-	-
Mutual funds - domestic	6,091,036	6,091,036	-	-
Mutual funds - international	1,578,517	1,578,517	-	-
Fixed income:				
Mutual funds - domestic	7,060,565	7,060,565	-	-
Mutual funds - international	655,298	655,298	-	-
Government obligations	804,657	-	804,657	-
Mortgage-backed securities	273,728	-	273,728	-
Corporate bonds	1,120,748	-	1,120,748	-
Real estate	93,500	-	93,500	-
Total investments	24,795,769	22,503,136	2,292,633	-
Total assets	$ 26,006,070	$ 22,503,136	$ 3,502,934	$ -
Liabilities				
Annuities payable	$ 1,687,440	$ -	$ 1,687,440	$ -

During the year ended March 31, 2019, Haggai began the process of selling their real estate investment. A portion of the real estate was sold in the fiscal year ended March 31, 2019 at a gain of approximately $149,500 which is included in the net realized and unrealized gains on investments line item on the consolidated statement of activities. As of March 31, 2019, the remaining portion was under negotiations for a sale at a price in excess of cost. On May 8, 2019, the southern half of the Key Largo Florida property was sold at a gain of approximately $61,600.

Note 11—Fair value measurements (continued)

The following table summarizes those assets and liabilities measured at fair value on a recurring basis as of March 31, 2018.

	March 31, 2018			
	Total	**Level 1**	**Level 2**	**Level 3**
Assets				
Contributions receivable, net	$ 1,921,365	$ -	$ 1,921,365	$ -
Investments:				
Money market	1,084,501	1,084,501	-	-
Equities:				
Domestic stocks	6,069,744	6,069,744	-	-
International stocks	1,098,432	1,098,432	-	-
Mutual funds - domestic	6,921,395	6,921,395	-	-
Mutual funds - international	1,991,955	1,991,955	-	-
Fixed income:				
Mutual funds - domestic	6,224,692	6,224,692	-	-
Mutual funds - international	747,065	747,065	-	-
Government obligations	1,137,672	-	1,137,672	-
Mortgage-backed securities	678,607	-	678,607	-
Corporate bonds	1,435,173	-	1,435,173	-
Real estate	177,000	-	177,000	-
Total investments	27,566,236	24,137,784	3,428,452	-
Total assets	$ 29,487,601	$ 24,137,784	$ 5,349,817	$ -
Liabilities				
Annuities payable	$ 1,748,026	$ -	$ 1,748,026	$ -

Note 12—Endowment funds

Haggai's endowments include both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. Net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law – The Board of Trustees of Haggai has interpreted the State Prudent Management of Institutional Funds Act ("SPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, Haggai classifies as net assets with donor restrictions – restricted in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions – restricted in perpetuity is classified as net assets with donor restrictions - restricted (for specific purpose or the passage of time) until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, Haggai considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund.

(2) The purposes of the organization and the donor-restricted endowment fund.

(3) General economic conditions.

(4) The possible effect of inflation and deflation.

(5) The expected total return from income and the appreciation and depreciation of investments.

(6) Other resources of Haggai.

(7) The investment policies of Haggai.

Haggai has adopted investment policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that Haggai must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of appropriate benchmarks without putting the assets at imprudent risk.

To satisfy its long-term objectives, Haggai relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Haggai targets a diverse asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints. The Board of Trustees has approved a policy allowing Haggai to begin withdrawing from the endowment effective April 2018. This annual amount will be 8% of the December 31 balance from the previous year for the next two fiscal years, and 5% of the prior December 31 balance effective April 2020.

Note 12—Endowment funds (continued)

The following is a summary of the asset allocation guidelines with allowable ranges for each asset type. The asset allocation may temporarily fluctuate outside of the allowable ranges from time to time based on market conditions and cash flow.

Asset Category	Minimum	Target	Maximum
Cash	0%	10.00%	15.00%
Fixed income	20.00%	30.00%	40.00%
Equity	50.00%	60.00%	70.00%

The amount Haggai appropriates from accumulated investment earnings on donor-restricted endowment funds is determined annually by the Board. For the years ended March 31, 2019 and 2018, the Board of Trustees approved appropriations of $168,754 and $-0-, respectively.

Underwater Endowment Funds – From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or the applicable state law requires Haggai to retain as a fund of perpetual duration. Haggai has interpreted SPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. There were no underwater endowments as of March 31, 2019 and 2018.

A summary of the endowment net asset composition by type of fund as of March 31, 2019 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	$ -	$ 324,112	$ 324,112
Board-designated endowment funds	13,093,016	-	13,093,016
Total	$ 13,093,016	$ 324,112	$ 13,417,128

The changes in endowment assets for the year ended March 31, 2019 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment assets as of April 1, 2018	$ 13,358,683	$ 483,814	$ 13,842,497
Investment return, net	378,022	9,063	387,085
Appropriation of accumulated investment earnings	168,765	(168,765)	-
Release from Board designated endowment funds	(812,454)	-	(812,454)
Endowment assets as of March 31, 2019	$ 13,093,016	$ 324,112	$ 13,417,128

Note 12—Endowment funds (continued)

A summary of the endowment net asset composition by type of fund as of March 31, 2018 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	$ -	$ 324,112	$ 324,112
Accumulated investment earnings	-	159,702	159,702
Board-designated endowment funds	13,358,683	-	13,358,683
Total	$ 13,358,683	$ 483,814	$ 13,842,497

The changes in endowment assets for the year ended March 31, 2018 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment assets as of April 1, 2017	$ 7,295,453	$ 461,303	$ 7,756,756
Investment return, net	516,232	22,511	538,743
Transfers to Board designated endowment funds	5,546,998	-	5,546,998
Endowment assets as of March 31, 2018	$ 13,358,683	$ 483,814	$ 13,842,497

Note 13—Related party transactions

Members of Haggai's Board of Trustees and senior management may, from time to time, be associated either directly or indirectly with companies doing business with Haggai. For the Board of Trustees and senior management, Haggai requires annual disclosure of significant financial interests in, or employment or consulting relationships with, entities doing business with Haggai. When such relationships exist, measures are taken to appropriately manage the actual or perceived conflict in the best interests of Haggai. Haggai has a written conflict of interest policy that requires, among other things, that no member of the Board of Trustees can participate in any decision in which he or she has material financial interest. Each trustee is required to certify compliance with the conflict of interest policy on an annual basis and indicate whether Haggai does business with an entity in which a trustee has material financial interest. When such relationships exist, measures are taken to mitigate any actual or perceived conflict, including requiring that such transactions be conducted at arm's length, for good and sufficient consideration, based on terms that are fair and reasonable to and for the benefit of Haggai and in accordance with applicable conflict of interest laws.

Note 14—Split-interest agreements

Haggai has a program to receive contributions under charitable gift annuities. Haggai has segregated these assets as separate and distinct funds, independent from other funds and not to be applied to payment of the debts and obligations of Haggai or any other purpose other than annuity benefits specified in the agreements. In addition, this portfolio of assets meets all requirements concerning permissible investments and mandated reserves as required by law. Haggai agrees to pay a stated return annually to the donors as long as they live, at which time the remaining assets are available for unrestricted use of Haggai.

At March 31, 2019 and 2018, the total assets held under split-interest agreements were approximately $3,021,566 and $3,181,551, respectively, and are included in investments on the consolidated statements of financial position.

Payables to donors as of March 31 consist of the following:

	2019	2018
Payable to donors	$ 1,687,440	$ 1,748,026

Payables to donors is the present value of the expected future cash flows to be paid to the donors. Assumptions are made regarding the discount rate and the expected mortality of the individual(s) if the termination of the agreement is dependent on life expectancy.

Note 15—Commitments

If the MPC is sold or disposed of before November 14, 2026, Haggai would be required to return up to $1,000,000 to a donor who contributed for the renovation.

Note 16—Transactions with affiliated organizations

Haggai received the following contributions from affiliated organizations during the years ended March 31:

Contributions received:	2019	2018
Haggai Institute (Australia)	$ 83,597	$ 69,355
Haggai Advanced Leadership Training Limited	86,677	149,659
	$ 170,274	$ 219,014

Haggai made the following payments to affiliated organizations during the years ended March 31:

Payments to:	2019	2018
Haggai Institute (Australia)	$ 41,526	$ 54,415
Haggai Advanced Leadership Training Limited	54,515	41,572
	$ 96,041	$ 95,987

Note 17—Subsequent events

Haggai has evaluated subsequent events from the consolidated statement of financial position date through August 12, 2019, the date the consolidated financial statements were available to be issued, and determined that there were no material subsequent events requiring adjustment to or disclosure in the consolidated financial statements for the year ended March 31, 2019, except as noted in Note 11 – *Fair value measurements*.

SUPPLEMENTAL SCHEDULES

HAGGAI INTERNATIONAL INSTITUTE FOR ADVANCED LEADERSHIP TRAINING, INC. AND SUBSIDIARY

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

MARCH 31, 2019

	General Operating Fund	Endowment Fund	Annuity Fund	Arizona Friends of Haggai	Consolidated
ASSETS					
Cash and cash equivalents	$ 4,143,865	$ -	$ 37,855	$ -	$ 4,181,720
Investments	4,140,962	13,417,128	2,983,711	4,253,968	24,795,769
Contributions receivable, net	1,210,301	-	-	-	1,210,301
Property and equipment, net	11,392,076	-	-	-	11,392,076
Other assets	919,988	-	-	-	919,988
Total Assets	$ 21,807,192	$ 13,417,128	$ 3,021,566	$ 4,253,968	$ 42,499,854
LIABILITIES AND NET ASSETS					
Liabilities:					
Accounts payable, accrued expenses, and deferred revenues	$ 1,916,691	$ -	$ -	$ -	$ 1,916,691
Annuities payable	-	-	1,687,440	-	1,687,440
Note payable	293,343	-	-	-	293,343
Total Liabilities	2,210,034	-	1,687,440	-	3,897,474
Net Assets:					
Without Donor Restrictions:					
Board designated for upcoming fiscal year budget deficit	1,402,611	-	-	-	1,402,611
Board designated for strategic initiatives	2,345,573	-	-	-	2,345,573
Board designated for golden anniversary celebration	1,000,000	-	-	-	1,000,000
Board designated for annuities	-	-	1,334,126	-	1,334,126
Board designated endowment	-	13,093,016	-	-	13,093,016
Arizona Friends of the Haggai Institute	-	-	-	4,253,968	4,253,968
Invested in property and equipment, net	11,392,076	-	-	-	11,392,076
Undesignated	2,601,016	-	-	-	2,601,016
Total Without Donor Restrictions	18,741,276	13,093,016	1,334,126	4,253,968	37,422,386
With Donor Restrictions:					
Restricted for specified purpose	110,715	-	-	-	110,715
Restricted for the passage of time	745,167	-	-	-	745,167
Endowments	-	324,112	-	-	324,112
Total with Donor Restrictions	855,882	324,112	-	-	1,179,994
Total Net Assets	19,597,158	13,417,128	1,334,126	4,253,968	38,602,380
Total Liabilities and Net Assets	$ 21,807,192	$ 13,417,128	$ 3,021,566	$ 4,253,968	$ 42,499,854

HAGGAI INTERNATIONAL INSTITUTE FOR ADVANCED LEADERSHIP TRAINING, INC. AND SUBSIDIARY

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

MARCH 31, 2018

	General Operating Fund	Endowment Fund	Annuity Fund	Arizona Friends of Haggai	Consolidated
ASSETS					
Cash and cash equivalents	$ 4,067,621	$ -	$ 79,552	$ -	$ 4,147,173
Investments	5,869,520	13,842,497	3,101,999	4,752,220	27,566,236
Contributions receivable, net	1,921,365	-	-	-	1,921,365
Property and equipment, net	12,385,476	-	-	-	12,385,476
Other assets	521,740	-	-	-	521,740
Total Assets	$ 24,765,722	$ 13,842,497	$ 3,181,551	$ 4,752,220	$ 46,541,990
LIABILITIES AND NET ASSETS					
Liabilities:					
Accounts payable, accrued expenses, and deferred revenues	$ 1,323,962	$ -	$ -	$ -	$ 1,323,962
Annuities payable	-	-	1,748,026	-	1,748,026
Note payable	333,878	-	-	-	333,878
Total Liabilities	1,657,840	-	1,748,026	-	3,405,866
Net Assets:					
Without Donor Restrictions:					
Board designated for annuities	-	-	1,433,525	-	1,433,525
Board designated endowment	-	13,358,683	-	-	13,358,683
Arizona Friends of the Haggai Institute	-	-	-	4,752,220	4,752,220
Invested in property and equipment, net	12,385,476	-	-	-	12,385,476
Undesignated	9,352,169	-	-	-	9,352,169
Total Without Donor Restrictions	21,737,645	13,358,683	1,433,525	4,752,220	41,282,073
With Donor Restrictions:					
Restricted for specified purpose	167,296	-	-	-	167,296
Restricted for the passage of time	1,202,941	-	-	-	1,202,941
Endowments	-	483,814	-	-	483,814
Total with Donor Restrictions	1,370,237	483,814	-	-	1,854,051
Total Net Assets	23,107,882	13,842,497	1,433,525	4,752,220	43,136,124
Total Liabilities and Net Assets	$ 24,765,722	$ 13,842,497	$ 3,181,551	$ 4,752,220	$ 46,541,990

HAGGAI INTERNATIONAL INSTITUTE FOR ADVANCED LEADERSHIP TRAINING, INC. AND SUBSIDIARY

CONSOLIDATING STATEMENT OF ACTIVITIES

YEAR ENDED MARCH 31, 2019

	Without Donor Restrictions					
	General Operating Fund	**Endowment Fund**	**Annuity Fund**	**Arizona Friends of Haggai**	**With Donor Restrictions**	**Consolidated**
Revenue, Gains, and Other Support:						
Contributions and bequests from private foundations and the general public	$ 5,661,794	$ -	$ -	$ -	$ 91,136	$ 5,752,930
Contributions from trustees	1,930,078	-	-	-	-	1,930,078
Total Contributions Revenue	7,591,872	-	-	-	91,136	7,683,008
Participants' fees	504,942	-	-	-	-	504,942
Receipts from affiliated organizations	170,274	-	-	-	-	170,274
Investment return, net	392,860	378,022	106,671	(15,870)	9,063	870,746
Change in value of split-interest agreements	-	-	(206,070)	-	-	(206,070)
Other	21,505	-	-	-	-	21,505
Satisfaction of program restrictions	605,491	168,765	-	-	(774,256)	-
Total Revenue, Gains, and Other Support	9,286,944	546,787	(99,399)	(15,870)	(674,057)	9,044,405
Expenses:						
Program Services:						
Developing Countries Ministry and Leadership Training	9,168,097	-	-	-	-	9,168,097
Developed Countries Ministry	922,353	-	-	-	-	922,353
Total Program Services	10,090,450	-	-	-	-	10,090,450
Supporting Services:						
Fundraising	2,322,255	-	-	-	-	2,322,255
Management and general	1,156,849	-	-	8,595	-	1,165,444
Total Support Services	3,479,104	-	-	8,595	-	3,487,699
Total Expenses	13,569,554	-	-	8,595	-	13,578,149
Interfund transfers	1,286,241	(812,454)	-	(473,787)	-	-
Change in net assets	(2,996,369)	(265,667)	(99,399)	(498,252)	(674,057)	(4,533,744)
Net assets, beginning of year	21,737,645	13,358,683	1,433,525	4,752,220	1,854,051	43,136,124
Net assets, end of year	$ 18,741,276	$ 13,093,016	$ 1,334,126	$ 4,253,968	$ 1,179,994	$ 38,602,380

HAGGAI INTERNATIONAL INSTITUTE FOR ADVANCED LEADERSHIP TRAINING, INC. AND SUBSIDIARY

CONSOLIDATING STATEMENT OF ACTIVITIES

YEAR ENDED MARCH 31, 2018

	Without Donor Restrictions					
	General Operating Fund	Endowment Fund	Annuity Fund	Arizona Friends of Haggai	With Donor Restrictions	Consolidated
Revenue, Gains, and Other Support:						
Contributions and bequests from private foundations and the general public	$ 7,554,373	$ -	$ -	$ -	$ 243,375	$ 7,797,748
Contributions from trustees	1,655,700	-	-	-	-	1,655,700
Total Contributions Revenue	9,210,073	-	-	-	243,375	9,453,448
Participants' fees	389,124	-	-	-	-	389,124
Receipts from affiliated organizations	219,014	-	-	-	-	219,014
Investment return, net	703,501	516,232	238,953	344,402	22,511	1,825,599
Change in value of split-interest agreements	-	-	(207,883)	-	-	(207,883)
Other	21,533	-	-	-	-	21,533
Satisfaction of program restrictions	1,339,832	-	-	-	(1,339,832)	-
Total Revenue, Gains, and Other Support	11,883,077	516,232	31,070	344,402	(1,073,946)	11,700,835
Expenses:						
Program Services:						
Developing Countries Ministry and Leadership Training	7,992,238	-	-	-	-	7,992,238
Developed Countries Ministry	884,728	-	-	-	-	884,728
Total Program Services	8,876,966	-	-	-	-	8,876,966
Supporting Services:						
Fundraising	2,183,338	-	-	-	-	2,183,338
Management and general	1,313,007	-	-	3,347	-	1,316,354
Total Support Services	3,496,345	-	-	3,347	-	3,499,692
Total Expenses	12,373,311	-	-	3,347	-	12,376,658
Interfund transfers	(5,305,454)	5,546,998	-	(241,544)	-	-
Change in net assets before net change in retirement plan liability	(5,795,688)	6,063,230	31,070	99,511	(1,073,946)	(675,823)
Net change in retirement plan liability	153,752	-	-	-	-	153,752
Change in net assets	(5,641,936)	6,063,230	31,070	99,511	(1,073,946)	(522,071)
Net assets, beginning of year	27,379,581	7,295,453	1,402,455	4,652,709	2,927,997	43,658,195
Net assets, end of year	$ 21,737,645	$ 13,358,683	$ 1,433,525	$ 4,752,220	$ 1,854,051	$ 43,136,124