

**HEART FOR AFRICA, INC. AND
CONSOLIDATED ENTITY**

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2014

HEART FOR AFRICA, INC. AND CONSOLIDATED ENTITY

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Heart for Africa, Inc.
Roswell, Georgia

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Heart for Africa, Inc. and its consolidated entity, which comprise the consolidated statement of financial position as of December 31, 2014, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the 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 from 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from 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 financial position of Heart for Africa, Inc. and its consolidated entity as of December 31, 2014, and the changes in their net assets and their cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and changes in net assets of the individual entities, and it is 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 consolidating information has been subjected to the auditing procedures applied in the audit 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 of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

A handwritten signature in black ink that reads "Elliott Davis Decosimo, LLC". The signature is written in a cursive, flowing style with a long, sweeping underline that extends under the word "Decosimo".

Chattanooga, Tennessee
August 24, 2015

HEART FOR AFRICA, INC. AND CONSOLIDATED ENTITY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2014

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 715,291
Accounts receivable	5,979
Prepaid expenses	11,602
Inventory	<u>50,589</u>
Total current assets	783,461
PROPERTY AND EQUIPMENT, net	3,545,235
INVESTMENTS, at fair value	<u>21,374</u>
TOTAL ASSETS	<u>\$ 4,350,070</u>
 LIABILITIES AND NET ASSETS	
LIABILITIES	
Accounts payable and accrued expenses	\$ <u>101,771</u>
NET ASSETS	
Unrestricted	3,613,176
Temporarily restricted	<u>635,123</u>
Total net assets	<u>4,248,299</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,350,070</u>

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

HEART FOR AFRICA, INC. AND CONSOLIDATED ENTITY

CONSOLIDATED STATEMENT OF ACTIVITIES

Year Ended December 31, 2014

	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE			
Contributions	\$ 1,103,315	\$ 1,310,857	\$ 2,414,172
Noncash donations	193,228	-	193,228
Special events revenue, less direct costs of \$22,816	115,812	-	115,812
Jewelry sales	170,153	-	170,153
Interest income	1,321	-	1,321
Other income	<u>109,217</u>	<u>-</u>	<u>109,217</u>
	1,693,046	1,310,857	3,003,903
Net assets released from restrictions	<u>1,549,803</u>	<u>(1,549,803)</u>	<u>-</u>
Total support and revenue	<u>3,242,849</u>	<u>(238,946)</u>	<u>3,003,903</u>
EXPENSES			
Program services	<u>1,928,910</u>	<u>-</u>	<u>1,928,910</u>
Supporting services -			
Management and general	346,510	-	346,510
Fundraising	<u>94,167</u>	<u>-</u>	<u>94,167</u>
Total supporting services	<u>440,677</u>	<u>-</u>	<u>440,677</u>
Total expenses	<u>2,369,587</u>	<u>-</u>	<u>2,369,587</u>
CHANGE IN NET ASSETS BEFORE CURRENCY TRANSLATION ADJUSTMENT	873,262	(238,946)	634,316
Currency translation adjustment	<u>(362,934)</u>	<u>-</u>	<u>(362,934)</u>
CHANGE IN NET ASSETS	510,328	(238,946)	271,382
NET ASSETS - beginning of year	<u>3,102,848</u>	<u>874,069</u>	<u>3,976,917</u>
NET ASSETS - end of year	<u>\$ 3,613,176</u>	<u>\$ 635,123</u>	<u>\$ 4,248,299</u>

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

HEART FOR AFRICA, INC. AND CONSOLIDATED ENTITY

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2014

	Program Services	Supporting Services		Total
		Management and General	Fundraising	
Salaries and wages	\$ 407,910	\$ 146,754	\$ 48,612	\$ 603,276
Child sponsorship	5,846	-	-	5,846
Project grants	672,468	19,496	-	691,964
Long- and short-term volunteers	262,091	-	-	262,091
Trip expenses	192,380	-	-	192,380
Accounting and bank fees	-	61,612	-	61,612
Office expenses	7,178	32,575	2,588	42,341
Fundraising and development fees	-	-	28,370	28,370
Occupancy	23,405	17,168	1,509	42,082
Employee benefits	11,238	14,532	2,991	28,761
Payroll taxes	26,394	12,218	8,497	47,109
Depreciation	149,266	18,869	399	168,534
Travel and meetings	86,671	14,607	1,201	102,479
Repair and maintenance	34,123	-	-	34,123
Motor vehicle and transport	36,953	6,607	-	43,560
Miscellaneous	12,987	2,072	-	15,059
	<u>\$ 1,928,910</u>	<u>\$ 346,510</u>	<u>\$ 94,167</u>	<u>\$ 2,369,587</u>

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

HEART FOR AFRICA, INC. AND CONSOLIDATED ENTITY

CONSOLIDATED STATEMENT OF CASH FLOWS

Year Ended December 31, 2014

OPERATING ACTIVITIES

Change in net assets before translation adjustment	\$ 634,316
Adjustments to reconcile change in net assets before translation adjustment to net cash flows from operating activities -	
Depreciation	168,534
Noncash capital additions donated	(141,770)
Contribution received through donated stock	(32,565)
Change in fair value of investments	(117)
Gain on disposal of property and equipment	(7,170)
Changes in operating assets and liabilities -	
Accounts receivable	6,713
Prepaid expenses	8,469
Inventory	(40,856)
Accounts payable and accrued expenses	<u>74</u>

Net cash flows from operating activities 595,628

INVESTING ACTIVITIES

Purchase of property and equipment	(620,660)
Proceeds from sale of property and equipment	25,361
Purchase of investments	<u>13,857</u>

Net cash flows from investing activities (581,442)

EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS

(6,933)

NET CHANGE IN CASH AND CASH EQUIVALENTS

7,253

CASH AND CASH EQUIVALENTS - beginning of year

708,038

CASH AND CASH EQUIVALENTS - end of year

\$ 715,291

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

HEART FOR AFRICA, INC. AND CONSOLIDATED ENTITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and practices followed by the Organization are as follows:

NATURE OF ORGANIZATION - Heart for Africa, Inc. and consolidated entity (Organization) is the consolidated financial reporting entity for Heart for Africa, Inc. (HFA) and Heart for Africa Swaziland (HFA Swaziland, formerly known as Dream for Africa). HFA was incorporated in 2003 as a Georgia not-for-profit corporation and is exempt from federal income taxes on related activities under section 501(c)(3) of the Internal Revenue Code (the Code). Contributions to it are tax deductible within the limits prescribed by the Code.

HFA is a faith-based humanitarian organization focused on bringing hope to Africans by focusing in the areas of hunger, orphans, poverty and education. Working with partners in Africa, HFA supports and encourages self-sustainable homes for orphans and vulnerable children through long-term programs and short-term service trips that deliver quality care, shelter, food, water, clothing, health care, social work, mentoring and education. HFA specializes in bringing people from North America to work in service projects in Swaziland.

In the past six and a half years, HFA has had over 4,775 people travel to Africa as part of its program. These people have taken eleven days to go to Africa and see for themselves the challenges of this continent and have made a commitment to making a change in the lives of those they encountered. HFA believes that while it may not be able to save every life in Africa, that one person at a time, the people of the United States can have a serious impact on the lives of millions on this continent.

HFA Swaziland was incorporated in 2004 in Swaziland as a not-for-profit organization and holds tax exemption status in Swaziland. Its mission is to provide seeds to communities, support to orphanages, and training communities and orphanages to grow gardens to alleviate hunger and malnutrition; especially the HIV/AIDS victims. HFA Swaziland is a partner of HFA and HFA financially supports HFA Swaziland as it furthers HFA's vision in Africa.

During 2009, HFA Swaziland made a large purchase of land in Swaziland. This purchase has increased HFA Swaziland's presence and activity in Swaziland. This land is used to carry out a multi-faceted initiative that includes large-scale farming, a children's home and preschool, poultry houses, and a dairy farm. The agribusiness development will address food shortage, generate employment, stimulate the local economy, allow for export and provide a sustainable business model to support other orphanages and projects of HFA Swaziland.

BASIS OF ACCOUNTING - The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

PRINCIPLES OF CONSOLIDATION - The consolidated financial statements include the accounts of Heart for Africa, Inc. and HFA Swaziland. All significant inter-company balances and transactions have been eliminated.

SUBSIDIARIES IN SWAZILAND - The land purchase was made through two subsidiaries, Sawubona Khaya (Proprietary) Ltd. and Tintsabeni (Proprietary) Ltd. These subsidiaries are owned 99% by HFA Swaziland and are dormant outside of holding the title to the land. No noncontrolling interest is recorded due to the materiality of assets and lack of current financial activity in the dormant entities.

HEART FOR AFRICA, INC. AND CONSOLIDATED ENTITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

FINANCIAL STATEMENT PRESENTATION - The Organization is required to report information regarding its financial position and activities according to three classes of net assets as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors or may otherwise be limited by contractual agreements with outside parties.

Temporarily Restricted Net Assets - Net assets whose use by the Organization is subject to donor-imposed stipulations that can be fulfilled by actions of the Organization pursuant to those stipulations or that expire by the passage of time.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. The Organization does not have permanently restricted net assets for the year ended December 31, 2013.

Revenues are reported as increases in unrestricted net assets unless they are restricted by donor-imposed stipulations. Expenses are generally reported as decreases in unrestricted net assets.

NET ASSETS RELEASED FROM RESTRICTIONS - Net assets are released from donor restrictions by being used for the Organization's operations as specified by the donors.

CASH AND CASH EQUIVALENTS - The Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. The Organization maintains at various financial institutions cash and cash equivalent accounts which may exceed federally insured amounts at times and which may at times significantly exceed statement of financial position amounts due to outstanding checks. As of December 31, 2014, the Organization had approximately \$329,000 in excess of FDIC insured limits.

INVENTORY - Inventory of African jewelry and other handmade African items are carried at the lower of cost or market.

FAIR VALUE MEASUREMENTS - 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. Generally accepted accounting principles establish a fair value hierarchy as described below:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly through corroboration with observable market data.
- Level 3 - Inputs that are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. These inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation.

HEART FOR AFRICA, INC. AND CONSOLIDATED ENTITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Organization's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

INVESTMENTS - Investments consist of equities and are stated at fair value. The change in fair value of investments is included in the statement of activities under the caption other income. All equity investments are Level 1 fair value measurements.

PROPERTY AND EQUIPMENT - Property and equipment are stated at cost less accumulated depreciation. Expenditures for equipment in excess of \$500 are capitalized at cost. Depreciation is provided over the estimated useful life of an asset ranging from 3 to 39 years using the straight-line method. When assets are sold or otherwise retired from service, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in the consolidated statement of activities. The cost of maintenance and repairs is charged to expense as incurred; significant renewals and betterments are capitalized.

CONTRIBUTIONS - Contributions received are recognized as unrestricted, temporarily restricted or permanently restricted support, depending upon the existence or nature of any donor restrictions. Donor-restricted support is reported as an increase in temporarily restricted or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.

Temporarily restricted contributions are subject to assessments of 7% to 12%, which are used for general and administrative expenses. Assessments are classified as unrestricted contributions at the time the temporarily restricted contributions are received. Assessments totaled \$176,966 for the year ended December 31, 2014.

FUNCTIONAL ALLOCATION OF EXPENSES - The costs of providing the various program services and supporting activities have been summarized on a functional basis in the consolidated statement of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited based on management's estimates.

SPECIAL EVENTS REVENUE - The Organization held the following special events to inform supporters about current operations and increase donor exposure:

	Revenue	Direct Costs
Golf Tournament	\$ 21,001	\$ 5,631
Carlsbad Marathon	4,666	-
Summit for HOPE	62,300	-
Celebrate HOPE	39,961	12,785
Wine and Dine Event	10,700	4,400
	<u>\$ 138,628</u>	<u>\$ 22,816</u>

HEART FOR AFRICA, INC. AND CONSOLIDATED ENTITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

NONCASH DONATIONS - Contributed services and materials are reflected as contributions at their estimated fair values at the date of receipt. Donated volunteer services requiring specific expertise are recognized as contributions at their estimated fair values at the date of donation in the period the services are provided. In addition, a large number of volunteers have donated significant amounts of time to assist with various programs, special events and committee assignments, which do not meet the criteria for recognition and, therefore, are not reflected in the consolidated financial statements.

RECENT ACCOUNTING PRONOUNCEMENTS - In October 2012, the Financial Accounting Standards Board issued guidance which requires a not-for-profit entity to classify cash receipts from the sale of donated financial assets consistently with cash donations received in the statement of cash flows if those cash receipts were from the sale of donated financial assets that upon receipt were directed without any not-for-profit entity-imposed limitations for sale and if those financial assets were converted nearly immediately into cash. Accordingly, the cash receipts from the sale of those financial assets should be classified as cash inflows from operating activities, unless the donor restricted the use of the contributed resources to long-term purposes, in which case those cash receipts should be classified as cash flows from financing activities. Otherwise, cash receipts from the sale of donated financial assets should be classified as cash flows from investing activities. This guidance is effective prospectively for fiscal years beginning after June 15, 2013, and was adopted by the Organization on January 1, 2014.

Previously, the Organization classified cash receipts from the sale of donated financial assets as cash flows from operating activities because donated financial assets are received without donor imposed limitations and converted to cash, as soon as possible. From the time the donated financial asset is received by the Organization until it is sold can take months, therefore the conversion of the donation to cash will not meet the new guidelines to be classified as cash flows from operating activities, because they will not be converted "nearly immediately" into cash. The effect of the adoption of this guidance is that most of the Organization's proceeds from donated assets held for sale are classified as cash from investing activities rather than cash from operating activities.

FOREIGN CURRENCY TRANSLATION - The functional currency for the Organization's foreign operations is the applicable local currency. The translation from the applicable foreign currencies to U.S. dollars is performed for statement of financial position accounts using current exchange rates in effect at the statement of financial position date, historical rates for net assets and the weighted average exchange rate during the period for revenue and expense accounts. Foreign currency translation adjustments resulting from such translations are reflected in the statement of activities.

INCOME TAXES - The Organization is classified by the Internal Revenue Service as a corporation exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is similarly exempt from state taxes. Consequently, no federal or state income taxes have been provided in these consolidated financial statements.

ESTIMATES AND UNCERTAINTIES - The preparation of consolidated 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

HEART FOR AFRICA, INC. AND CONSOLIDATED ENTITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

SUBSEQUENT EVENTS - The Organization has evaluated subsequent events for potential recognition and disclosure through August 24, 2015, the date the consolidated financial statements were available to be issued.

NOTE 2 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following major classifications:

Land	\$ 1,327,174
Building	1,897,064
Farm machinery	347,330
Software	2,757
Motor vehicles	249,268
Computer equipment	3,095
Furniture and equipment	183,372
Fire bowser	5,255
Biological assets	25,739
Satellite equipment	<u>1,731</u>
	4,042,785
Accumulated depreciation	<u>(497,550)</u>
	<u>\$ 3,545,235</u>

NOTE 3 - NONCASH DONATIONS

The Organization receives noncash donations from various sources. Noncash donations meeting the criteria for recognition are as follows:

Occupancy	\$ 7,473
Capital additions	141,770
Food	11,420
Stock	<u>32,565</u>
	<u>\$ 193,228</u>

HEART FOR AFRICA, INC. AND CONSOLIDATED ENTITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2014

NOTE 4 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes as of December 31, 2014.

Available for program related services for -

Project Canaan	\$ 470,522
Long- and short-term volunteers	111,044
Mission trips	<u>53,557</u>
	<u>\$ 635,123</u>

During 2014, net assets released from temporary restrictions by incurring expenses to satisfy the restricted purposes consisted of:

Project Canaan	\$ 665,079
Long- and short-term volunteers	247,171
Child sponsorship	9,316
Mission trips	<u>628,237</u>
	<u>\$ 1,549,803</u>

NOTE 5 - CURRENCY TRANSLATION ADJUSTMENT

Cumulative currency translation adjustments for the Organization are as follows:

Cumulative currency translation adjustment - December 31, 2013	\$ 525,289
2014 currency translation adjustment	<u>(362,934)</u>
Cumulative currency translation adjustment - December 31, 2014	<u>\$ 162,355</u>

SUPPLEMENTARY INFORMATION

HEART FOR AFRICA, INC. AND CONSOLIDATED ENTITY

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

December 31, 2014

	Heart for Africa	HFA Swaziland	Eliminations	Total
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 636,232	\$ 79,059	\$ -	\$ 715,291
Accounts receivable	-	5,979	-	5,979
Prepaid expenses	11,602	-	-	11,602
Inventory	<u>50,589</u>	<u>-</u>	<u>-</u>	<u>50,589</u>
Total current assets	698,423	85,038	-	783,461
PROPERTY AND EQUIPMENT, net	6,115	3,539,120	-	3,545,235
INVESTMENTS	<u>21,374</u>	<u>-</u>	<u>-</u>	<u>21,374</u>
TOTAL ASSETS	<u>\$ 725,912</u>	<u>\$ 3,624,158</u>	<u>\$ -</u>	<u>\$ 4,350,070</u>
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts payable and accrued expenses	<u>\$ 67,062</u>	<u>\$ 34,709</u>	<u>\$ -</u>	<u>\$ 101,771</u>
NET ASSETS				
Unrestricted	23,727	3,589,449	-	3,613,176
Temporarily restricted	<u>635,123</u>	<u>-</u>	<u>-</u>	<u>635,123</u>
Total net assets	<u>658,850</u>	<u>3,589,449</u>	<u>-</u>	<u>4,248,299</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 725,912</u>	<u>\$ 3,624,158</u>	<u>\$ -</u>	<u>\$ 4,350,070</u>

HEART FOR AFRICA, INC. AND CONSOLIDATED ENTITY
CONSOLIDATING STATEMENT OF ACTIVITIES

Year Ended December 31, 2014

	Heart for Africa			HFA Swaziland			Eliminations	Total
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total		
SUPPORT AND REVENUE								
Contributions	\$ 741,489	\$ 1,310,857	\$ 2,052,346	\$ 1,284,513	\$ -	\$ 1,284,513	\$ (922,687)	\$ 2,414,172
Noncash donations	40,038	-	40,038	153,190	-	153,190	-	193,228
Special events revenue, less direct costs of \$18,416	115,812	-	115,812	-	-	-	-	115,812
Jewelry sales	137,872	-	137,872	163,161	-	163,161	(130,880)	170,153
Interest income	209	-	209	1,112	-	1,112	-	1,321
Other income	<u>2,887</u>	<u>-</u>	<u>2,887</u>	<u>106,330</u>	<u>-</u>	<u>106,330</u>	<u>-</u>	<u>109,217</u>
	1,038,307	1,310,857	2,349,164	1,708,306	-	1,708,306	(1,053,567)	3,003,903
Net assets released from restrictions	<u>1,549,803</u>	<u>(1,549,803)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>2,588,110</u>	<u>(238,946)</u>	<u>2,349,164</u>	<u>1,708,306</u>	<u>-</u>	<u>1,708,306</u>	<u>(1,053,567)</u>	<u>3,003,903</u>
EXPENSES								
Program services	<u>1,966,960</u>	<u>-</u>	<u>1,966,960</u>	<u>970,974</u>	<u>-</u>	<u>970,974</u>	<u>(1,009,024)</u>	<u>1,928,910</u>
Supporting services -								
General and administrative	224,777	-	224,777	122,053	-	122,053	(320)	346,510
Fundraising	<u>138,390</u>	<u>-</u>	<u>138,390</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(44,223)</u>	<u>94,167</u>
Total supporting services	<u>363,167</u>	<u>-</u>	<u>363,167</u>	<u>122,053</u>	<u>-</u>	<u>122,053</u>	<u>(44,543)</u>	<u>440,677</u>
Total expenses	<u>2,330,127</u>	<u>-</u>	<u>2,330,127</u>	<u>1,093,027</u>	<u>-</u>	<u>1,093,027</u>	<u>(1,053,567)</u>	<u>2,369,587</u>

HEART FOR AFRICA, INC. AND CONSOLIDATED ENTITY
CONSOLIDATING STATEMENT OF ACTIVITIES

Year Ended December 31, 2014

	Heart for Africa			HFA Swaziland			Eliminations	Total
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total		
CHANGE IN NET ASSETS BEFORE TRANSLATION ADJUSTMENT	\$ 257,983	\$ (238,946)	\$ 19,037	\$ 615,279	\$ -	\$ 615,279	\$ -	\$ 634,316
Translation adjustment	-	-	-	(362,934)	-	(362,934)	-	(362,934)
CHANGE IN NET ASSETS	257,983	(238,946)	19,037	252,345	-	252,345	-	271,382
NET ASSETS - beginning of year	(234,256)	874,069	639,813	3,337,104	-	3,337,104	-	3,976,917
NET ASSETS - end of year	\$ 23,727	\$ 635,123	\$ 658,850	\$ 3,589,449	\$ -	\$ 3,589,449	\$ -	\$ 4,248,299