

## ANNUAL REPORT 2010

## FINANCIAL SUMMARY

FISCAL YEAR APRIL 2009 – MARCH 2010

Despite economic uncertainty in the United States and beyond, Fiscal Year 2010 was one of strength and growth for the International Crane Foundation (ICF). We are thankful to each of our supporters who continued to invest in our conservation programs during this period. Membership and individual contributions – composing the majority of our revenue – exceeded our goals for the year. These funds directly support all our initiatives for cranes and their ecosystems worldwide. Included were gifts pledged to ICF’s previous campaign *Celebrating the Cranes and Wetlands of Africa and Beyond*, providing for new crane exhibits at our headquarters campus and boosting field programs across Africa. Continued recovery of the economy also brought significant growth to ICF as invested assets held in ICF’s endowment regained ground lost in the previous year. New gifts came into our endowment from generous friends who included ICF and cranes in their estate plans. Each year, income equivalent to 5% of this fund (based on a three-year average) helps strengthen our many conservation programs. ICF grew 17% in FY10, making possible exciting conservation action. Below are examples of how members and donors made positive impacts for cranes, people, and natural places around the world.



Zhou Haixiang

This past year we achieved a major milestone with the completion of our United Nations Environment Programme/Global Environment Facility (or GEF) project to conserve a network of sites critical for Siberian Cranes (the most endangered of all crane species). The 10-year, \$10.3 million dollar project (with an added \$17.9 million in co-financing) was the largest and most complex project ever undertaken by ICF, aiming to protect a network of sites critical for the Siberian Crane and other waterbirds, wetland biodiversity, and local communities dependent on these same wetlands. All told, the project covering some 15 million acres of wetlands in four countries—China, Russia, Kazakhstan, and Iran—resulted in the improved protection of over 4 million acres through the establishment of four new reserves, the expansion of three others and upgraded legal protection for three more, and declaration of five new *Wetlands of International Importance* under the Ramsar Convention. The project also featured a flyway environmental education program that included crane celebrations at 120 sites in 9 countries. Achim Steiner, UN Under-Secretary General and UNEP Executive Director, said: “The Siberian Crane Wetland Project underlines how conservation of biodiversity and human concerns go hand in hand.” The success of this effort was made possible by many ICF staff and associates, including Crawford Prentice, Patricia Gleason, Jim Harris, Li Fengshan, Sara Moore, Elena Smirenski, Becca Pfile, Elena Ilyashenko, and especially Claire Mirande, who served as project manager.

In June, we celebrated the grand opening of our new *Spirit of Africa* exhibit, featuring new displays of the four species of cranes found only in Africa—the Grey Crowned, Black Crowned, Wattled, and Blue Cranes—and highlighting ICF’s effective conservation efforts on the continent. Financing for the exhibit included an endowment to cover long-term maintenance for the exhibit, and program-designated support for our field projects in Africa. *The Spirit of Africa* received the highest “Award of Excellence” from the Wisconsin Green Builders Association and was awarded a Top Project of 2009 from the Wisconsin Builders Association.

“Ambassadors for Water” was our theme for FY10, drawing deeper attention to the unique role of cranes as a flagship for the sustainable management of waters that are so vital to people and our natural wealth of biodiversity. Our global impact on water management practices is achieved through an effective mix of science (hydrology, crane biology, wetland ecology) and advocacy (community involvement, alliance building, policy development).



Deb Johnson

Since 1995, ICF has been leading international efforts to rethink the management of water and wetlands affected by large dams in the Zambezi River basin of Africa. What began as an effort to reverse the decline of threatened Wattled Cranes in the Zambezi Delta, Kafue Flats, and other floodplains of the Zambezi River system, has scaled-up over time to become one of the world’s preeminent efforts to manage hydropower dams to sustain biodiversity and local livelihoods while also satisfying national development objectives. In FY10, ICF joined with the World Wide Fund for Nature (WWF) and other colleagues in Africa to form the Zambezi River Environmental Flows Partnership, which provides technical and decision-making support to Zambezi basin dam operators and water authorities to forecast, release, and monitor environmental flows.

Across Asia, wherever ICF works, water is a critical issue. Zhalong National Nature Reserve in northeast China protects the world’s largest breeding population of endangered Red-crowned Cranes. But the waters that nourish this 400,000-acre marsh are being diverted to distant human users through a system of canals and water gates. ICF and Chinese partners responded by developing a water management plan, incorporated into the regional water plans, to ensure that the timing and volume of flows released into Zhalong each year are sufficient to sustain the cranes and the rich biodiversity of the marsh. In south China at Poyang Lake—winter home to almost all the world’s Siberian Cranes—we are working to integrate conservation needs for waterbirds and wetlands into decisions for regional development. ICF research over the past decade indicates that a dam proposed to stabilize Poyang waters for navigation and water supply would damage the unique habitats that sustain the Siberian Cranes and threaten the greatest concentration of waterbirds in Asia. Together with IUCN, we have used our data and expertise to advocate a process that could help the region achieve its development objectives while safeguarding the extraordinarily important ecosystem services these wetlands provide.

In addition to the recognition ICF received for our global water conservation efforts, notable achievements in FY10 included:

- ICF was honored by the US Fish and Wildlife Service as an *Endangered Species Recovery Champion*. The award recognizes ICF’s significant contributions to the Whooping Crane Eastern Partnership and other efforts on behalf of Whooping Cranes.
- Our project Ha Tien Habitats–Handbags was selected as a Best of the Best recipient of the United Nations Dubai Award. The project combines permanently protecting wetlands vital for Sarus Cranes and many other species with training Phu My villagers in the sustainable production and sale of handicrafts that dramatically improve livelihoods for some of Vietnam’s poorest residents.

This coming fiscal year we will undertake a comprehensive strategic planning process that will set our course for the next decade and beyond. We are grateful for your continued generous support of our work to secure a future for wild cranes and the ecosystems upon which they, humans, and countless other species depend. We look forward to sharing the results of your support during the upcoming year.

Dr. Richard Beilfuss, President &amp; CEO



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## FINANCIAL SUMMARY

FISCAL YEAR APRIL 2009 – MARCH 2010



## STATEMENTS OF FINANCIAL POSITION

Years ended March 31, 2010 and 2009

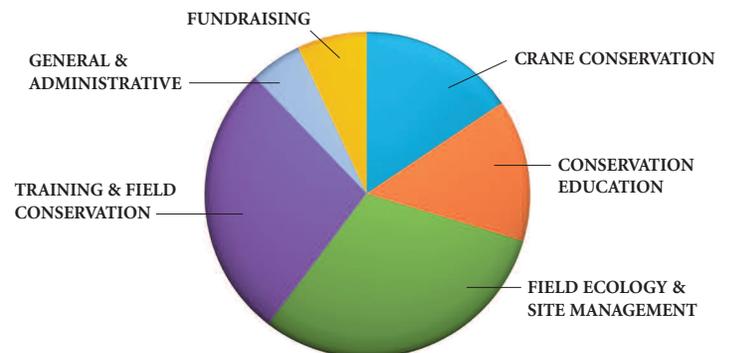
ASSETS	2010	2009
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$1,909,202	\$1,766,701
Accounts receivable	7,178	3,559
Grants receivable	-	68,330
Unconditional promises to give, current portion	357,216	1,385,569
Inventories	55,629	74,074
Prepaid expenses	14,809	9,602
<b>Total Current Assets</b>	<b>2,344,034</b>	<b>3,307,835</b>
<b>PROPERTY AND EQUIPMENT</b>	<b>4,462,965</b>	<b>3,241,996</b>
<b>OTHER ASSETS</b>		
Unconditional promises to give, long-term portion	131,000	30,000
Beneficial interest in charitable remainder trusts	694,489	548,477
Assets restricted to endowments	1,672,871	1,672,871
Investments	7,294,968	5,280,036
<b>Total Other Assets</b>	<b>9,793,328</b>	<b>7,531,384</b>
<b>Total Assets</b>	<b>\$16,600,327</b>	<b>\$14,081,215</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$205,378	\$172,590
Accrued liabilities	123,901	120,689
Deferred revenue	-	7,691
<b>Total Current Liabilities</b>	<b>329,279</b>	<b>300,970</b>
<b>NET ASSETS</b>		
Unrestricted	13,096,746	9,500,416
Temporarily restricted	1,501,431	2,606,958
Permanently restricted	1,672,871	1,672,871
<b>Total Net Assets</b>	<b>16,271,048</b>	<b>13,780,245</b>
<b>Total Liabilities and Net Assets</b>	<b>\$16,600,327</b>	<b>\$14,081,215</b>

## 2010 SOURCES OF FUNDING



Contributions	\$3,466,110	48.1%
Grants	316,385	4.4%
Special events	29,971	0.4%
Memberships	378,356	5.2%
Sales and tour income	215,091	3.0%
Investment income	2,786,915	38.7%
Other	15,384	0.2%
<b>Total Revenue</b>	<b>7,208,212</b>	<b>100.0%</b>

## 2010 USE OF FUNDS



Crane Conservation	734,264	15.6%
Conservation Education	666,297	14.1%
Field Ecology & Site Management	1,297,697	27.5%
Training & Field Conservation	1,443,460	30.6%
General & Administrative	328,772	7.0%
Fundraising	246,919	5.2%
<b>Total Program Services</b>	<b>4,141,718</b>	<b>87.8%</b>
<b>Total Supporting Activities</b>	<b>575,691</b>	<b>12.2%</b>
<b>Total Expenses</b>	<b>4,717,409</b>	<b>100.0%</b>
<b>Change in Net Assets</b>	<b>\$2,490,803</b>	