



# 2020 ANNUAL REPORT



## Dear friends,

What a year it has been! Together, we have faced a worldwide pandemic, one which touched and changed every human life, and we have come away changed in every way—how we work, live, interact, engage, entertain, give, serve, and educate. We have walked through medical triumphs and human suffering at a scale never before seen in human history.

And for the first time in decades, our global progress against poverty moved in the wrong direction. As of April 2021, about 120 million additional people were living in extreme poverty as a result of the pandemic, and the World Bank estimates that this figure will rise to about 150 million by the end of 2021.

Yet even in the midst of such a difficult season, Opportunity's mission remained steadfast. As I write this, we are in our 50<sup>th</sup> anniversary year, and we remain committed to serving those who have been left out and left behind. Over that time, in our best estimation, Opportunity has reached 250 million clients and their families—all thanks to your support.

In these 50 years, we have helped families living in poverty survive the storms they face—storms like famine, drought, conflict, and yes, even a global pandemic—so that they can go on to build thriving futures for themselves and their children.

Through it all, I've returned to words from Psalm 34:18 that have provided encouragement through this season of suffering: *"The Lord is there to rescue all who are discouraged and have given up hope."*

We have kept the hope and have remained committed, all the while staying faithful to what Eugene Peterson poignantly described as a "long obedience in the same direction." Our goal has not changed: We envision the day when all people can go to bed with a full belly, a roof over their heads, and wake up to a day of meaningful work.

Thank you for being part of this journey.



With gratitude,

A handwritten signature in black ink, appearing to read 'Atul Tandon'.

Atul Tandon  
Chief Executive Officer  
Opportunity International

# 50 Years of Innovative Partnerships

For 50 years, we have worked with individuals, foundations, churches, and corporations in a shared mission to serve the most marginalized people in the world, help them build their livelihoods, and break free from poverty. In the early 1970s, Opportunity International (then known as IID) could never have gotten off the ground without gifts from generous individuals plus a \$50,000 grant from USAID. Now in our 50<sup>th</sup> year, we are coming full circle with a series of USAID commitments that are charting a new course for education in Africa. Whether you have contributed thousands or millions, you have all made a difference in our mission to empower people to work their way out of poverty. **Thank you.**



1971–2021

BY THE NUMBERS

250

million clients and families reached

54

million loans made

21

billion dollars loaned

8.1

million children reached

TO VIEW A COMPLETE LIST OF OUR IMPLEMENTING PARTNERS WHO BRING OUR WORK TO LIFE AROUND THE WORLD, PLEASE GO TO [OPPORTUNITY.ORG/IM](http://OPPORTUNITY.ORG/IM)

# 50 Years of Impact

In 1971 when a young couple named Al and Marion Whittaker were struck by God's call to serve people living in poverty, they had no idea they were setting off a chain reaction that would change the lives of hundreds of millions of people over the next 50 years. The urgency that struck them in those early days lives on in each of us now. We channel their passion in our toughest moments and remember that someone, somewhere, is ready to work for a better future and simply needs an opportunity. While Opportunity has evolved over the years to meet the needs of our clients, our audacious spirit has stayed the same. We are forever called to those who are least served, and we consider it a privilege to walk beside them. Here are just a few of the moments that mark our journey.

READ AL'S STORY AT [OPPORTUNITY.ORG/WHITTAKER](https://www.opportunity.org/whittaker)

## 1970s

- ▶ USAID grant of \$50,000 helped launch IIDI (Institute for International Development, Incorporated)
- ▶ Carlos Moreno received our first loan in Cali, Colombia, to invest in his spice business
- ▶ Joined efforts with Australian philanthropist David Bussau and Maranatha Trust
- ▶ Opportunity Australia formed

## 1980s

- ▶ Founded Board of Governors community
- ▶ Grew microlending in Latin America and Asia
- ▶ Client loans exceeded \$2M annually
- ▶ Changed organization name to Opportunity International

## 1990s

- ▶ Global expansion continued into Eastern Europe and Africa
- ▶ Founded Women's Opportunity Network
- ▶ Launched and scaled Trust Group methodology to provide group lending to women who lack the collateral required by financial providers
- ▶ Opportunity Canada, UK, and Germany formed

**PHILOMENE KABEDI**

Cassava farmer, Democratic Republic of the Congo

## 2000s

- ▶ Founded MicroEnsure to provide a safety net to clients through small insurance policies
- ▶ Set up formal banking institutions in Africa and Eastern Europe, including the first private microfinance bank in Russia and the Philippines
- ▶ Formed Young Ambassadors of Opportunity to reach the next generation of donors
- ▶ Began Community Economic Development initiative in Nicaragua
- ▶ Revolutionized mobile banking tools to reach remote communities
- ▶ Expanded to India

## 2010s

- ▶ Reached 1 millionth client—then served another 20 million families by 2020
- ▶ Raised \$125 million through Banking on Africa campaign
- ▶ Explosive growth of Education Finance and Agriculture Finance, which mobilized nearly \$650 million in loans and support for schools and farmers
- ▶ Extended services to include village savings and loans groups
- ▶ Eclipsed \$100 million in client savings
- ▶ Added impact investments to our banking networks as a way to scale Opportunity's services
- ▶ Shifted focus to fill the final market gap: serving clients in extreme poverty
- ▶ Launched graduation model to reach clients in deeper need

## 2020s

- ▶ Achieved greater leverage and scale by partnering with local financial services providers to increase available capital
- ▶ Passed milestone of 250 million people reached over our history
- ▶ Launched a rapid response fund to help clients and partners survive the pandemic, so they can return to thriving



## FINANCIAL SNAPSHOT

### Total Revenue

# \$51.8 million

#### FY2020 Revenue

Charitable	\$21.6M	42%
Banking	\$30.2M	58%
<b>Total Revenue</b>	<b>\$51.8M</b>	

### Total Expense

# \$46.9 million

#### FY2020 Expense

Charitable Program	\$14.9M	32%
Bank Program	\$28.1M	60%
FG&A	\$3.9M	8%
<b>Total Expense</b>	<b>\$46.9M</b>	

Program spending is 92% of all expenses



*I took out a loan to run my own business from [Opportunity International]. My journey as a business owner has been full of mistakes and triumphs, obstacles, and answered prayers. Along the way I received advice, loans, and invaluable support as I developed my beekeeping business, Abejas y Miel—Bees and Honey—which is still thriving today.*

Clients like Tito Santa María, one of our earliest clients in Colombia, are what power Opportunity. His story is like so many others—it is not linear or smooth, but his legacy will live on through the younger generations that now run his successful business. Because of supporters nearly 50 years ago, someone created an opportunity for Tito. And because Tito is like the 19.4 million clients we served around the world in 2020, he seized that chance, made the most of his newfound resources, and built the future he had always dreamt of.

WATCH HIS STORY AT [OPPORTUNITY.ORG/TITO](https://www.opportunity.org/tito)

## OPPORTUNITY INTERNATIONAL, INC. AND AFFILIATES

### CONSOLIDATED STATEMENT OF ACTIVITIES

	Nine months Ended September 30	Year Ended December 31
\$ in thousands	2020	2019
<b>REVENUE</b>		
Charitable support	\$ 21,616	\$ 22,902
Banking revenue	30,182	51,533
<b>TOTAL REVENUE</b>	<b>51,798</b>	<b>74,435</b>
<b>YIELD TO PROGRAM</b>		
<b>Charitable Yield to Program</b>		
Implementing partner operating expenses	2,917	2,330
Field program expenses	11,958	16,819
<b>Total charitable yield to program</b>	<b>14,875</b>	<b>19,149</b>
<b>Banking Expenses</b>		
Interest	6,283	10,338
Provision for loan losses	2,463	2,158
Operating expenses	19,373	33,283
<b>Total banking expenses</b>	<b>28,119</b>	<b>45,779</b>
<b>TOTAL YIELD TO PROGRAM</b>	<b>42,994</b>	<b>64,928</b>
Fundraising expenses	2,611	3,562
General and administrative	1,313	1,512
<b>TOTAL EXPENSES</b>	<b>46,918</b>	<b>70,002</b>
<b>CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES</b>	<b>\$ 4,880</b>	<b>\$ 4,433</b>
<b>PARTNER CAPITAL RELEASED*</b>	<b>\$ 93,099</b>	<b>\$ 120,233</b>

\*Partner Capital Released is the total of Opportunity EduFinance partners' school improvement loans, school fee and tuition loans, and teacher loans disbursed during the period plus Opportunity AgFinance partners' loans made to farmers and agribusinesses disbursed during the period.

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As of September 30	As of December 31
\$ in thousands	2020	2019
<b>ASSETS</b>		
<b>Charitable Assets</b>		
Cash and cash equivalents	\$ 17,870	\$ 10,755
Pledges receivable, net	4,816	6,255
Other assets	4,621	3,543
Investment in other institutions	8,012	9,099
<b>Total charitable assets</b>	<b>35,319</b>	<b>29,652</b>
<b>Banking Assets</b>		
Assets of disposal group classified as held for sale	267,945	217,388
<b>Total banking assets</b>	<b>267,945</b>	<b>217,388</b>
<b>TOTAL ASSETS</b>	<b>\$ 303,264</b>	<b>\$ 247,040</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Charitable Liabilities</b>		
Accounts payable, accrued liabilities and deferred revenue	\$ 7,091	\$ 4,788
Notes payable	13,099	12,545
<b>Total charitable liabilities</b>	<b>20,190</b>	<b>17,333</b>
<b>Banking Liabilities</b>		
Liabilities of disposal group classified as held for sale	229,531	182,486
<b>Total banking liabilities</b>	<b>229,531</b>	<b>182,486</b>
<b>TOTAL LIABILITIES</b>	<b>249,721</b>	<b>199,819</b>
Noncontrolling interest	2,414	2,349
<b>TOTAL NET ASSETS</b>	<b>51,129</b>	<b>44,872</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 303,264</b>	<b>\$ 247,040</b>

## NOTES TO FINANCIALS

Opportunity's programs are financed through charitable donations, earned income from its banking operations, and from leveraging local funds provided by partner banks and other financial institutions. Opportunity implements its programs through a worldwide network of staff, branches, subsidiary banks and local nongovernmental organizations, as well as local Implementing Partners who are commercial and nonprofit microfinance institutions. We make grants, loans, and equity investments to our Implementing Partners in 30 countries. A portion of these funds is also used for fundraising and G&A activities.

The Consolidated Statement of Activities includes charitable revenue and expenses, as well as the consolidated results of the commercial banks where Opportunity is the majority owner. **In 2020, Opportunity changed its fiscal year end to September 30, therefore the 2020 numbers only include the nine-month period from January 1–September 30, 2020.** Comparing the numbers by annualizing 2020 charitable support, there would be a 26% increase year over year. The reduction in banking revenue is attributed to one less majority-owned bank, as well as the short nine-month period in 2020.

Yield to Program is 92% of total expenses.

The Consolidated Statement of Financial Position includes the charitable assets and liabilities, as well as the assets and liabilities of the majority-owned banks.

Opportunity International's consolidated financial statements were prepared in accordance with U.S. generally accepted accounting principles and were independently audited by KPMG LLP. The full audit report including schedule 2, Statement of Activities-Banking Operations, may be viewed at: [OPPORTUNITY.ORG/DOCUMENTS](http://OPPORTUNITY.ORG/DOCUMENTS)

*“We have had financial problems in the past as a family—this is the main reason I was denied education as a child. This is what motivates me to save and to be a better farmer. I wish I had been able to educate myself—I don’t want my children to have the same.”*

#### COVER IMAGE

Halima is a maize and groundnut farmer from a rural village in Ghana. Her village lacks electricity and mobile networks, making mobile banking impossible, and the bus fare to city banks was too expensive. When Opportunity International came to her community, Halima received agriculture training and a loan to buy fertilizer and other necessary inputs. Halima tripled the size of her harvest. Now, with a steadier income and productive harvest, Halima hopes to save for her children’s education.

FOR MORE INSPIRING STORIES FROM OUR 50-YEAR HISTORY, VISIT [OPPORTUNITY.ORG/50WEEKS](https://www.opportunity.org/50weeks)



#### U.S. BOARD

As of September 1, 2021

##### Kat y Assem

Chairman, Board of Directors  
Opportunity International  
Savings & Loan, Ghana

##### Viv Benjamin

CEO  
Global & Collective

##### Susan Haigh

Former President and CEO  
Twin Cities Habitat for Humanity

##### John Hart

Vice Chairman  
New York Private Bank & Trust

##### Joel Johnson

Former President, CEO and Chairman  
Hormel Foods Corporation, Inc.

##### Martha “Muffy” MacMillan

Vice President  
Cargill Foundation

##### Dale Patterson

Former Chairman of the Board  
Opportunity International Canada

##### Carol Pelino

Former Co-Chair, Board of Governors  
Opportunity International

##### LeAnn Pedersen Pope, Board Chair

Former Partner  
Burke, Warren, MacKay & Serritella, P.C.

##### Fred Sasser

Chairman Emeritus  
Sasser Family Holdings, Inc.

##### Atul Tandon

Chief Executive Officer  
Opportunity International

##### Ken Wathome

Chairman of the Board  
NW Realite Ltd.,  
Property One Ltd., Kenya

#### VISION

Our vision is a world in which all people have the opportunity to achieve a life free from poverty, with dignity and purpose.

#### MISSION

By providing financial solutions and training, we empower people living in poverty to transform their lives, their children’s futures, and their communities.

#### MOTIVATION

We respond to Jesus Christ’s call to love and serve the poor. We seek to emulate the Good Samaritan, whose compassion crossed ethnic groups and religions.

#### TRUSTED BY



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[give.org](https://www.give.org)

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Opportunity International is a 501(c)(3) nonprofit and serves all people regardless of race, religion, ethnicity or gender.