



Together for Children

2017 ANNUAL REPORT



Joffre (1) plays at a Child Stimulation Corner in Cotopaxi Province, Ecuador.

ChildFund's Goals for Children at Every Age

Ages 0-5: Infants are healthy and secure.

ChildFund ensures that the youngest children start their lives in the conditions they need to live at their potential — with safety, nutrition and stimulation from responsive, loving caregivers.

Ages 6-14: Children are educated and confident.

ChildFund helps children build a foundation for lifelong learning and supports their safe transition through adolescence.

Ages 15-24: Youth are skilled and involved.

ChildFund empowers young people with life skills and vocational training so they can find safe and sustainable employment, make healthy choices and contribute meaningfully within their families and communities.



DEAR FRIENDS,

As ChildFund International approaches 80 years of serving children, we want to honor the relationships that fuel our work.

Sponsors were our first partners at our founding, joining their stories to those of children on the other side of the world, and today they remain the sustaining support of all we do. Sponsorship also makes possible our long-term relationships within the communities where we work and helps us build the myriad partnerships that expand and enhance our work with children today.

Now we partner with 326 local organizations to engage families and communities to protect children and promote their development. We also work side-by-side with local authorities, governments and like-minded organizations to improve children's well-being, sometimes even on a national scale, such as our efforts to help the Ugandan government ensure that children grow up in families rather than orphanages (p. 5). Funding and resources from foundation partners can lead to innovation and further partnerships, as in our recent efforts to address not only Zambia's youth unemployment but also its shortage of nurses (p. 9). Our corporate partners leverage their resources and expertise to meet critical needs of children. Our sister organizations in the ChildFund Alliance routinely partner with us in diverse projects worldwide and in emergency responses as they arise (p. 12). Generous individual donors, many of them also sponsors, add their invaluable support to initiatives like these and wherever it's needed most.

If our 80 years in this work have taught us anything, it's that we achieve more for children together. We are so grateful you've chosen to partner with us.

With warmest regards,

Anne Lynam Goddard
President and CEO

Nancy Hill, Ph.D.
Chairman, ChildFund Board of Directors

ON THE COVER

Robe with her 3-month-old nephew, Hussein, in Ethiopia.

PHOTOGRAPHY

Jake Lyell
ChildFund staff

EDITORIAL

Christine Ennulat
Alys Matthews

DESIGN

Communication Design

Anne Goddard visits with a young girl at an early childhood development center in Zambia.



bbb.org/charity

smartgivers.org

Member Standards



Ellen Bell hugs 12-year-old Emmanuel, whom her daughter, Amy, sponsored until she died in 2014. Ellen and husband Larry have continued Emmanuel's sponsorship and support his community in several other ways, fulfilling Amy's wishes.

LOVE, MULTIPLIED

Sponsorship changes not only children's lives, but also those of their sponsors. And as sponsors come to see the impact of their gifts, many of them become part of our family of individual donors.

Henry Rodriguez' journey with ChildFund began when, as a young, struggling entrepreneur, he decided to sponsor a child in East Africa. As his business flourished, Rodriguez took on more sponsorships. Today, he sponsors 14 children, all in East Africa, where his recent gift of \$100,000 will help support ChildFund's drought response efforts.

Anne Humes, who recently celebrated her 60th anniversary of sponsorship by making a generous donation to ChildFund, has sponsored a total of 33 children in 10 countries. A lot has changed since she first signed up in 1957, but her love of children remains constant. "They're a wonder," she says. "They keep me awake and very much alive."

And for the late Amy Bell, what began as a sponsorship of one 5-year-old boy in Zambia evolved into a legacy of love that transformed his entire community. After Amy died suddenly at age 33, her parents found the instructions she had left for her sponsored child, Emmanuel's, continuing care. Beyond taking over the sponsorship, Larry and Ellen Bell also donated \$100,000 to add new classrooms to his school and improve the community's access to clean water. Then they traveled across the ocean to meet Emmanuel, now 12, in person.

"My daughter loved this young man," Larry told the community at a dedication ceremony for the classrooms and water points. "My daughter loved these children, and my daughter loved this community."



Anne Humes keeps photos and letters from all 33 of her sponsored children in a special binder.

"They're a wonder. They keep me awake and very much alive."

— Anne Humes

GRANTS TO KEEP CHILDREN SAFE, LEARNING AND HEALTHY

Government support bolsters ChildFund's work to help children achieve their potential, even in some of the world's most challenging places.

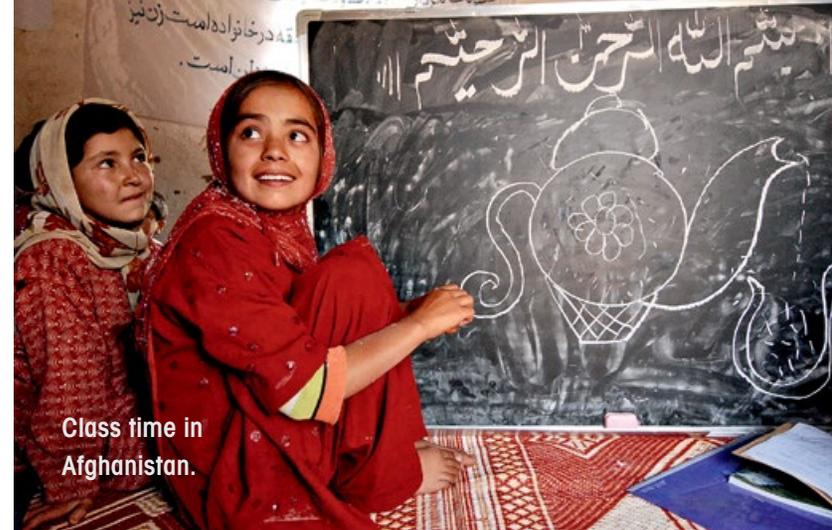
HONDURAS Protecting Children at School and Home

Honduras' murder rate among adolescents ages 10-19 is the second-highest worldwide. **ChildFund's PUENTES project**, whose Spanish name translates to "Parents and Teachers Joining Forces for Children in Social Spaces," applied and tested a school-based violence prevention methodology in 36 schools, reaching 2,269 families and 265 teachers, in three of Honduras' urban centers with especially high rates of violence.

Funded with \$750,000 from USAID, PUENTES worked to improve parents' skills toward reducing violence in school and at home; increase teachers' abilities to create resilient, peaceful and democratic school environments; and foster collaboration between schools and parents.

RESULTS

A 56 percent drop in the monthly average incidence of violence, improved problem-solving skills among all participants, increased adult supervision and positive reinforcement, and greater parental involvement in school life.



Class time in Afghanistan.

AFGHANISTAN Sustaining Education for Nomadic Children

An Afghan girl's education level impacts not only her economic status but also her physical health *and* her children's.* Among Afghanistan's marginalized nomadic population, the education rate for girls is below 2 percent.

With £1.7 million in funding by the U.K. Department for International Development, ChildFund's **Equal Access to Education for Nomadic Populations in Northeast Afghanistan project** made it possible for 1,200 nomadic girls and 800 boys to attend primary education without forsaking their traditional nomadic lifestyle. Children took community-based classes taught by trained teachers during the summer migration; in winter, they attended winter-site schools. Peer learning groups lent support, as did education *shuras* (local governing councils), which promoted community buy-in around girls' education.

RESULTS

A 97 percent retention rate, improvements in children's literacy and numeracy and a shift in community attitudes in favor of educating girls.

*UNICEF

Ariana (12) is a 7th-grader in Honduras.





Always Going Home: Keeping Ugandan Families Together

Launched in 2013, the USAID-supported **Deinstitutionalization of Orphans and Vulnerable Children in Uganda** (DOVCU) project was a nationwide effort to rebuild and strengthen families, aimed at helping the Ugandan government enact its Alternative Care Framework: a system built on the conviction that children should grow up in their own families.

By the time DOVCU ended this year, it had helped hundreds of children living in institutions or on the street to either reunite with their families or be placed with relatives or into foster care. The project also worked to prevent the unnecessary separation of vulnerable children from their families in the first place. Thanks to a \$4.4 million grant from USAID as well as the generosity of individual donors, this multifaceted initiative reached children and families throughout 12 districts in all four regions of Uganda, in large part by better regulating child admission to institutions as well as by strengthening families socially and financially to provide better care for their children.

Some highlights:

- **1,743 children** either reunited with their families or moved into alternative family-based care.
- **204 girls** returned to their families after living on the street. 86 enrolled in school, and 104 enrolled in skills training. 47 of their caregivers participate in savings and loan groups.
- **147 child care institutions** were assessed, resulting in recommendations for either closure or improvement plans (21 were recommended to close).
- **4,572 households** received regular visits from para-social workers (ChildFund-trained volunteers).
- **3,420 families** participated in parents' support groups.
- **1,200 households** made use of savings/credit/investment groups.
- **1,532 heads of household** trained in microenterprise management, and many have launched businesses.
- **91 percent** of the youth microenterprise management trainees are gainfully employed.

A family supported by ChildFund's DOVCU project enjoys time together.

FINANCIAL STATEMENTS

CHILDFUND INTERNATIONAL CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS OF JUNE 30, 2017 AND 2016

	2017	2016
ASSETS		
Cash and cash equivalents	\$ 23,239,350	\$ 21,539,066
Investments, at fair value	52,900,139	54,804,239
Beneficial interests in trusts	9,069,618	8,712,819
Receivables and other assets	16,333,469	16,283,049
Property, plant and equipment, net	28,487,150	23,579,314
TOTAL ASSETS	\$ 130,029,726	\$ 124,918,487
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 17,102,081	\$ 19,722,916
Accrued pension benefit liability	7,499,575	11,279,337
Debt	10,020,833	11,645,834
TOTAL LIABILITIES	\$ 34,622,489	\$ 42,648,087
Net Assets		
Unrestricted	\$40,719,905	\$27,395,413
Temporarily restricted	37,472,401	38,002,155
Permanently restricted	17,214,931	16,872,832
TOTAL NET ASSETS	\$ 95,407,237	\$ 82,270,400
TOTAL LIABILITIES AND NET ASSETS	\$ 130,029,726	\$ 124,918,487

A complete copy of the Consolidated Financial Statements, with a report from independent auditors, KPMG LLP, is available upon request by calling 1-800-776-6767 or visiting ChildFund.org

CHILDFUND INTERNATIONAL CONDENSED CONSOLIDATED STATEMENT OF ACTIVITIES

AS OF JUNE 30, 2017 AND 2016

	2017	2016
PUBLIC SUPPORT		
Sponsorships	\$ 138,412,780	\$ 137,994,731
Contributions	62,757,960	60,075,983
Grants and contracts	28,691,678	35,512,121
TOTAL PUBLIC SUPPORT	\$ 229,862,418	\$ 233,582,835
Other revenue	4,051,816	1,831,745
TOTAL PUBLIC SUPPORT & REVENUE	\$ 233,914,234	\$ 235,414,580
EXPENSES FROM OPERATIONS		
Program		
Basic education	\$ 69,585,519	\$ 76,408,957
Health and sanitation	31,561,589	42,273,365
Nutrition	11,114,409	15,536,619
Early childhood development	21,727,691	22,852,848
Microenterprise (family income generation)	30,991,942	25,008,078
Emergencies	21,788,252	14,831,982
TOTAL PROGRAM	\$ 186,769,402	\$ 196,911,849
Supporting Services		
Fundraising	\$ 24,831,154	\$ 21,110,581
Management and general	17,308,052	17,676,906
TOTAL SUPPORTING SERVICES	\$ 42,139,206	\$ 38,787,487
TOTAL EXPENSES FROM OPERATIONS	\$ 228,908,608	\$ 235,699,336
Change in Net Assets from Operations	\$ 5,005,626	\$ (284,756)
Nonoperating Gains (Losses)		
Realized gains (losses) on investments, net	\$ 1,170,898	\$ (195,147)
Unrealized gains (losses) on investments, net	3,005,860	(784,456)
Change in fair value of trusts	356,799	(528,287)
Change in accrued benefit liability other than net periodic costs	3,597,654	(5,034,528)
TOTAL GAINS (LOSSES) FROM NONOPERATIONS	\$ 8,131,211	\$ (6,542,418)
Addition of Newly Controlled Entity	\$ -	\$ 2,517,522
Change in Net Assets	\$ 13,136,837	\$ (4,309,652)
Net assets at beginning of year	\$ 82,270,400	\$ 86,580,052
NET ASSETS AT END OF YEAR	\$ 95,407,237	\$ 82,270,400

PROGRAM EXPENSES

YEAR ENDED JUNE 30, 2017

AFRICA

Ethiopia	\$ 13,386,223
The Gambia	5,617,374
Guinea	3,152,535
Kenya	16,326,898
Liberia	448,318
Mozambique	2,116,038
Senegal	11,758,043
Sierra Leone	5,725,805
Togo	275,295
Uganda	13,470,510
Zambia	13,514,040

AFRICA TOTAL \$ 85,791,078

AMERICAS

Bolivia	\$ 5,649,939
Brazil	10,690,515
Caribbean*	310,090
Ecuador	6,013,762
Guatemala	6,108,643
Honduras	7,693,332
Mexico	7,207,238
United States	1,732,328

AMERICAS TOTAL \$ 45,405,847

ASIA

Afghanistan	\$ 2,132,635
Cambodia	1,014,720
India	13,635,060
Indonesia	6,596,537
Philippines	6,520,105
Sri Lanka	5,628,783
Thailand	11,503,837
Timor-Leste	7,302,708
Vietnam	1,216,580

ASIA TOTAL \$ 55,550,965

EASTERN EUROPE

Belarus	\$ 21,512
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EASTERN EUROPE TOTAL \$ 21,512

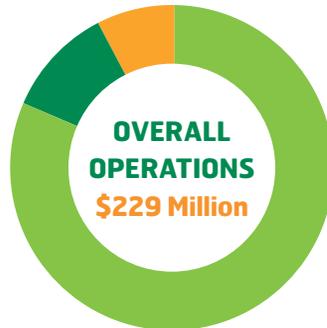
TOTAL \$ 186,769,402

*Dominica and St. Vincent

CHILDFUND INTERNATIONAL'S GLOBAL FOOTPRINT



Assistance to Children and Their Families



81.6% Program Services for Children

10.8% Fundraising

7.6% Management and General



37.2% Basic Education

16.9% Health and Sanitation

16.6% Microenterprise (Family Income Generation)

11.7% Emergencies

11.6% Early Childhood Development

6.0% Nutrition

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Our Partners in the ChildFund Alliance

ChildFund Alliance member organizations join together to fund critical programs and emergencies as they arise.

Barnfonden (Sweden)

ChildFund Australia

ChildFund Deutschland (Germany)

ChildFund International (United States)

ChildFund Ireland

ChildFund Japan

ChildFund Korea

ChildFund New Zealand

Christian Children's Fund of Canada

Educo (Spain)

Un Enfant par la Main (France)

A special thank-you to our friends at Taiwan Fund for Children and Families, through which many generous Taiwanese donors sponsor children in our programs in several countries.



TRAINING YOUNG NURSES TO MAKE A DIFFERENCE

In Zambia, youth ages 15-24 make up about 20 percent of the population, and they face an unemployment rate of nearly 14 percent. ChildFund's **Nurse and Life Skills Training Program** is tapping into this abundance of youth potential to help Zambia meet its critical need for health care workers, a national priority of the country's Ministry of Health, while also helping young people fulfill their dreams.

Thanks in part to a \$7.6 million grant from the **MasterCard Foundation** in 2013, ChildFund and its partner **Amref Health Africa** have enrolled 1,685 young Zambians in the nursing training. The program's tech-forward e-learning approach, with a focus on practical life skills like financial literacy and leadership development, prepares youth for rewarding careers in health care. More than 500 students from underprivileged backgrounds are receiving full or partial scholarships to the program through ChildFund. A first cohort of 67 recently graduated, scoring well above the national average on the national nursing exams.

"Had it not been for ChildFund, I wouldn't have been in this uniform," says Luse Phiri, 24, who graduated in September 2017. "The support that they rendered really did great wonders in my life."



Recently in Indonesia, ChildFund had the honor of delivering P&G's 13 billionth liter of clean drinking water provided through the P&G Children's Safe Drinking Water Program. Helena (15) and her family helped celebrate the milestone.

INVESTING IN CHILDREN

Through gifts in kind and direct financial contributions, ChildFund's corporate partners act as wellsprings of support and opportunity for children worldwide.

P&G: An Evolving Partnership

ChildFund and the P&G Children's Safe Drinking Water Program have provided clean drinking water to vulnerable populations — young children, people living with HIV, families impacted by disasters — in 10 countries in Africa, Asia and Latin America. By April of 2016, ChildFund had delivered over 300 million liters of clean drinking water worldwide thanks to P&G's support.

In 2014, P&G expanded its support of ChildFund by providing emergency funding for our Ebola response in West Africa, as well as supplies of several of its brands as gifts in kind for humanitarian relief in Sierra Leone. In 2016, after Ecuador's devastating earthquake, P&G supported us to deliver water purification supplies in collaboration with the local government.

And in March 2017, P&G sponsored eight young people from our programs in Jackson, Mississippi, to travel to Washington, D.C., for ChildFund's second annual Advocacy Day. After a day of training, the youth advocated before their members of Congress, calling on them to protect the U.S. International Affairs budget, to pass the bipartisan Reinforcing Education Accountability in Development (READ) Act, and to end violence against children.

Ready to Work, Ready to Lead

To help youth achieve their career and financial goals, we teamed up with **Barclays Bank** to launch the ReadytoWork program in Zambia, which offers free job skills training to promising young adults. To date, the program has reached over 10,000 youth in rural parts of Zambia's Central and Lusaka provinces.

The curriculum's four areas of focus — entrepreneurship, work, people skills and money — give young people the tools they need to lay the foundations for a successful career, whether launching their own small businesses or finding employment with existing organizations.

ChildFund also helps youth from disenfranchised communities worldwide learn to recognize their own voices as powerful instruments for change. In Jackson, Mississippi, where a state of emergency was recently declared for the public school system, our Youth Ambassadors for Change program empowered 49 youth to become active participants in decision-making within their own schools and communities. Funded by a generous grant from the **Tredegar Foundation** and implemented by our local partner organization **Operation Shoestring**, the program focuses on building leadership, problem-solving and communication skills through weekly after-school meetings.

The youth have already made waves of progress in Jackson: At the school board level, their advocacy recently led to a new policy that allows students to serve as representatives. The Ambassadors also hosted a summer retreat for middle school students, with the theme of self-determination. To protest their school system's potential takeover by the state, they wrote an op-ed for the local newspaper and held a press conference urging local government to consider students' perspectives.

High school students from Jackson, Mississippi, learn to raise their voices through the Youth Ambassadors for Change Program.



STANDING WITH CHILDREN IN EMERGENCIES

Drought in Kenya and Ethiopia

Since 2015, a drought in East Africa has ravaged the land millions of children and families depend on for food, causing widespread malnutrition and poverty. In Kenya and Ethiopia, the drought forced many children to leave school to help their parents search for water and pasture, putting them at risk for family separation, violence and child labor.

A successful emergency fundraising campaign has allowed ChildFund to provide millions of dollars' worth of direct food and water assistance to families in drought-stricken areas throughout rural Kenya and Ethiopia, with a special focus in both countries on the needs of children under age 5 as well as pregnant or lactating mothers. In Kenya, we delivered food staples as well as nutrient-rich Unimix porridge through dozens of early childhood development centers, where we also monitored children, new mothers and mothers-to-be for malnutrition. We also delivered water, purification supplies and jerry cans. And in Ethiopia, we constructed several water points and provided food assistance to families in need, assisted the country's health clinics with monitoring for and addressing malnutrition, and established 60 child-friendly spaces so children could stay safe and busy while parents searched for food and water.

Flooding in Sri Lanka

In May 2017, major flooding in Sri Lanka caused 21 landslides, killing more than 200 people and displacing more than 3,500. Although ChildFund does not work in the affected areas, we partnered with government and other organizations in a 60-day response to assist families in the worst-hit area. With support from some of our sister organizations in the ChildFund Alliance, we provided emergency food and non-food aid, served nearly 1,200 children through six child-centered spaces, and worked to strengthen community-based child protection initiatives.

A woman with a weathered face, wearing a vibrant red and green patterned headscarf and a beaded necklace, holds a baby wrapped in a yellow and brown patterned cloth. The background is a blurred outdoor setting, possibly a market or a public gathering.

Doko and her 1-month-old son, Konchoro, in Kenya's Marsabit County.



A young girl walks to school with her friends in East Nusa Tenggara, Indonesia.

Thank you for your partnership and support.

When children's greatest needs are met, they can do what children do best: play, learn and grow into the people they dream of becoming.

For nearly 80 years, ChildFund has worked with millions of children worldwide to create the conditions they need to thrive, even in the most challenging circumstances. Our Children's Greatest Needs fund — a special fund with the flexibility to be directed when and where it is needed most — is an important part of that work. We use it to develop and administer far-reaching programs and services for children, families and their communities. Donating to Children's Greatest Needs is an easy way to make a powerful impact on more lives than you might imagine.

To learn more about this and other ways to help, please contact our philanthropy advisors at [804-545-3620](tel:804-545-3620).

In Guatemala, 8-year-old Adelaida enjoys her first-grade class, where teachers use a ChildFund-designed curriculum to improve children's education experience.



WWW.CHILDFUND.ORG

1-800-776-6767

Member of **ChildFund**
Alliance



ChildFund International is an independent and child-centered development organization. We work with partners in communities throughout Asia, Africa and the Americas to change the underlying conditions that prevent children from achieving their potential.

Our Mission

Help children who experience deprivation, exclusion and vulnerability to build the capacity to improve their lives and become young adults, parents and leaders who bring lasting and positive change in their communities.

Promote societies whose individuals and institutions participate in valuing, protecting and advancing the worth and rights of children.

Enrich supporters' lives by involving them in our cause.