

# ChildWorld



**2010 ANNUAL REPORT**  
**PROGRESS & OPPORTUNITY**

# ChildWorld

## PROGRESS & OPPORTUNITY



- 2** Transitions: Stepping Stones Program Fosters Primary School Retention
- 5** Today's Youth Are Preparing for Tomorrow's Challenges
- 9** Planned Giving
- 10** Donors: Sponsorship and the Art of Giving
- 11** Millennium Development Goals: Reversing Extreme Poverty by 2015
- 12** Financial Statements
- 14** Map: Where We Work
- 16** The First Thousand Days: ChildFund Initiatives Support Children During Their First Years of Life
- 17** Say "Yes" to Vulnerable Children

©2010 ChildFund International. All rights reserved.

**ChildFund exists to help deprived, excluded and vulnerable children have the capacity to improve their lives and the opportunity to become young adults, parents and leaders who bring lasting and positive change in their communities. We promote societies whose individuals and institutions participate in valuing, protecting and advancing the worth and rights of children.**

**Working in 31 countries, ChildFund assists 15.2 million children and family members based on our 2007 survey. ChildFund is currently introducing a more rigorous methodology for counting children and families served and this data will be shared in 2011.**

ChildWorld® is a registered trademark of ChildFund International.

2821 Emerywood Parkway, Richmond, VA 23294-3725

Member of **ChildFund Alliance**



### ChildWorld®

#### EDITOR

Alison Abbitt

#### WRITERS

Christine Ennulat, Cynthia Price

#### PHOTOGRAPHERS

Nicole Duciaume, Leslie Knott, Mary Moran

#### GRAPHIC DESIGN

AURAS Design

**ON THE COVER:** For children like this young girl in Kenya, ChildFund implements innovative solutions such as solar lighting so education becomes a reality and the journey to young adulthood can be filled with positive outcomes that last a lifetime.

In this issue you will read highlights about ChildFund's programs that address the pressing issues for today's youth as well as the importance of developing programs to address the transition stage between preschool and primary education. Both topics are covered in our Annual Report, which is available on our website at [www.ChildFund.org/annual\\_reports](http://www.ChildFund.org/annual_reports).

Also included in this issue is our financial summary for the past fiscal year, which can be found on pages 12–13. Even though we are all experiencing difficult economic challenges, you have enabled ChildFund to increase its program services to children by \$6.5 million over 2009. On pages 15–16,

you will find a world map showing where we work. Through our partnership in the ChildFund Alliance, we extend our services to children in 59 countries around the globe.

In addition to the Annual Report features, we have included several additional stories. We have provided updates on ChildFund's contribution toward progressing the Millennium Development Goals. We also tell you about an exciting new campaign — 100 Days of Yes. Our goal is to bring in 100 new sponsors each day for 100 days. It's an ambitious goal. We're also pleased to profile an existing sponsor, Gil L'Italien, who sponsors 10 children, and shares his connection to sponsorship.

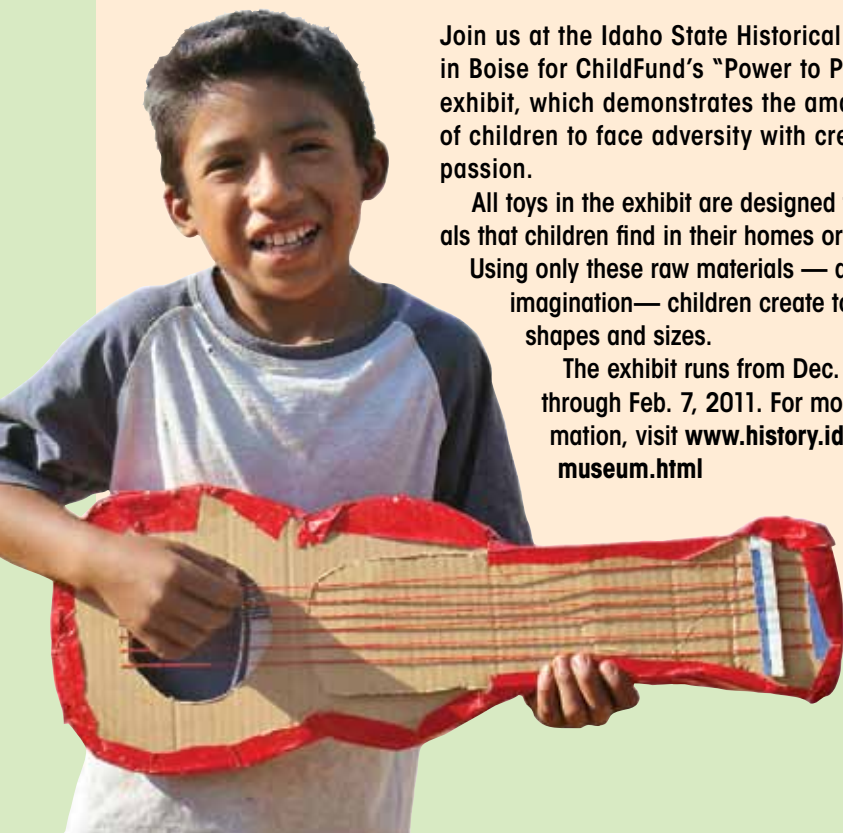
# ChildFund's Power to Play TOY EXHIBIT

Join us at the Idaho State Historical Museum in Boise for ChildFund's "Power to Play" toy exhibit, which demonstrates the amazing ability of children to face adversity with creativity and passion.

All toys in the exhibit are designed from materials that children find in their homes or villages.

Using only these raw materials — and their imagination — children create toys in all shapes and sizes.

The exhibit runs from Dec. 2, 2010 through Feb. 7, 2011. For more information, visit [www.history.idaho.gov/museum.html](http://www.history.idaho.gov/museum.html)



# TRANS

## Stepping Stones Program Fosters Primary School Retention

**T**he high school dropout is a familiar phenomenon. But an elementary school dropout?

In developing countries, it's not at all unusual. "Your first-grade classroom may have 135 kids in it," says Mary Moran, ChildFund program specialist in Early Childhood Development. "Your second-grade classroom has 60; and by the time you get to fifth grade, you may be in a class of 10 or 12."

Why are these children unable to remain in the school environment where they should thrive?

In working with children and young people, ChildFund targets its programming based on three life stages — infancy to age 5, childhood (6 to 14) and youth (15 to 24) — with core interventions tailored to all three. But these stages do not begin or end neatly; in fact, the transition from one stage to the next and within stages is critical, and can make or break later success. The transition from early childhood into primary school can be one of the most problematic. Early grades attrition is a concrete manifestation of this difficulty.

ChildFund's Stepping Stones program, which piloted in the Mumbwa region of rural Zambia last year, is designed to ease the shift between early childhood and primary school environments from several angles: by bridging expectations across stakeholders' various roles and environments; by creating linkages among teachers, parents and children; and, most important, by equipping children with skills for coping with change throughout their lives.

"Transition is not a unilateral event," says Moran. "How do you build the early skills children need to move successfully among environments?"

To start, look at the perspectives of all involved. The child, coming from either the home or one of ChildFund's

**These Zambian children participate in ChildFund's Stepping Stones program, designed to ease the transition from early childhood to primary school.**





# ITIONS

child-centered, child-friendly Early Childhood Development centers (ECD), is going into a teacher-centered, highly structured primary school setting in which teaching is mainly by rote recitation. There is little individual attention, and there are few to no materials with which to work or play. The change is often a shock.

The primary school teacher, who will have had little if any training in education methods or child development, may have no sense of — nor reason to consider — where the children have come from. Parents in these remote, rural villages may have had no school experience at all, which means no understanding of the school process or how to support their children in it. The trip to school may be as long as two hours each way.

In Stepping Stones, teachers from five ECD classes and four first-grade classes collaborated on a plan for introducing their environments to each other, whether that meant groups of children visiting classrooms or having parents bring them individually. The teachers from both settings spent time in each other's classrooms. Training for parents covered their roles,



especially in identifying when children are under stress or having other difficulty, as well as in how to engage and interact with teachers. Training for teachers included the converse — how to engage with parents and families. All adults worked in concert on behalf of the child.

While linkage among the constituencies is a central principle in Stepping Stones, it functions largely as support around the children as they learn lifelong skills that will help them to be resilient, to adapt to change and to recognize the differing expectations of people and environments. Teachers were thus trained in social-emotional learning strategies, from exercises that revealed to them different learning styles to new ways to structure their classrooms toward creating transition experiences.

For example, desks or chairs might be arranged in clusters rather than in rows, and the teacher might work with one group of children while three other groups engage with activity stations set up around the room.

## **For children, a particularly significant element of the process was a graduation ceremony the adults arranged to honor the transition.**

In the post-program evaluations, one response was typical of both ECD and primary teachers: “We now know how to ask questions of children. I thought my role was to make sure they know the information, but now I see it’s more about how they access the information, what kinds of ways they do things.” Likewise, the teachers reported that children are more apt to both ask for help and share their enthusiasm for learning.

Moran notes that teachers marveled at parents’ engagement about how their children were doing and how they could help. Parents reported satisfaction in partnering with teachers around their children’s development; some of the preschool teachers literally handed the children over to the primary teachers as parents looked on. For children, a particularly significant element of the process was a graduation ceremony the adults arranged to honor the transition. “In one case, a child told us that graduation was really important because he had his first taste of cake,” Moran laughs. “Another told us that what was so important to her was that her community gave them a book to write in, and it was the first time she had ever had a book.”

On the first day of primary school, only one of the 143 children cried, which is actually an impressive measure of success. More important, though, was the fact that the child’s parent and both of the child’s teachers anticipated the difficulty and created a plan to smooth the change, simply by allowing the parent to be present at school as a quiet observer until the child could fold in. It took only a handful of days.

The focus of Stepping Stones extends beyond first or last days of school. Parents remain involved in their children’s schools. Teachers continue to report successes in their classrooms. And the primary school children are eager to move ahead. **cw**



# TODAY'S YOUTH

## Are Preparing for Tomorrow's Challenges

**T**he size of the world's youth population is now an urgent matter. Or perhaps it's a great opportunity.

ChildFund can see it only as *both* — as an urgent opportunity, because we believe in the potential of children and youth to change the world.

Young people between ages 15 and 24 now account for 18 percent of the world's population, and 87 percent of them are in developing countries, where 85 percent of

working people are self-employed. With an unemployment rate nearly double that of adults, youth are hardest hit by the ongoing global economic crisis as they struggle to break into the job market and start a productive life.

ChildFund has long worked to provide vocational training for young people living in poverty. But in recent years, it has become clear that skills acquisition, the traditional measure of success, is not enough to carry youths from dependence to employment.

We owe this wisdom — and even our ways of working — to children and youth themselves.

**Above: Sending youth into the world with a viable skill is critical. These youth are learning business skills in selling charcoal, a product much in demand in Senegal.**

(continued on page 6)

Today, youth constitute **25%** of the world's working population  
Their numbers are not expected to peak before 2035.

#### **WHEN WE ASKED CHILDREN HOW**

they experience poverty, our long-held, widely accepted perception of poverty — as material deprivation — expanded to include two additional strands: exclusion from opportunity and vulnerability to circumstance. The three are intertwined, and their effects vary according to where children are developmentally and geographically.

The disproportionate youth population presents a potentially devastating example of how these three strands function. Most of these young people live in developing countries. With few jobs available, the sheer numbers of youth exclude them from opportunity, which compounds deprivation. Thus, at loose ends, youth are vulnerable to drug use, HIV/AIDS, human trafficking, recruitment as child soldiers and more.

Throughout our 72-year history of working to lift children out of poverty, we have seen again and again how what happens in the first years of life is the cornerstone of healthy development. We also know that development is multifaceted — physical, cognitive and social — and that our programs must address all three. For youth

in particular, our interventions are geared toward supporting reproductive health knowledge and HIV/AIDS prevention, helping them prepare for employment and fostering the skills necessary for engagement and leadership in their communities. While each of the three interventions is valuable in itself, the value multiplies when all three are integrated.

#### **IN DEVELOPING COUNTRIES, NEARLY**

60 percent of girls will be mothers by age 25. Their ability to make educated choices and avail themselves of youth-friendly health services can only increase their chances of becoming contributing members of society — in a sense, closing the door on reproductive risk-taking in order to open doors to opportunity.

Youth association and civic engagement programs can go a long way toward steering youth away from risky behaviors. In Dominica,

Youth in ChildFund programs are learning skills that are viable in their particular communities. This Sri Lankan youth is practicing on a lathe.





and **47%** of the world's unemployed.

for example, a youth association collaborated to create an Internet café that provides not only a safe hub for community gathering and socializing, but also income that is funneled into activities such as hiking and field trips. "I really appreciate the fact that ChildFund is helping us channel our efforts and energy into something positive to help our community," says Srey, 17, the group's treasurer and a college student. "My parents are very proud and amazed at the fact that at a young age we can manage all this."

When youth work together, it's good for them *and* for their communities. One

ChildFund-supported committee of children and youth in India went door to door in their village, reaching out to parents and talking up the importance of school attendance — this increased school enrollment dramatically. In Zambia, a children's committee took its concerns about underage drinking in their community all the way to the area's member of Parliament. Laws were changed.

Lloyd McCormick, ChildFund's Regional Technical Adviser–Youth Development for Africa, discusses a recent large-scale youth survey ChildFund performed in 10 countries

(continued on page 8)

## SCORING PROGRAM EFFECTIVENESS

### The Youth Employment and Well-Being Scorecard

If the worldwide emphasis on youth livelihoods is comparatively new, then the area of monitoring and evaluation of youth enterprise programs is even more nascent. Knowing how critical it is to measure the effectiveness of our programming, ChildFund has developed the Youth Employment and Well-Being Scorecard.

Created with funding from the Brinson Foundation, the 14-question survey is a simple, cost-effective monitoring tool for ChildFund's youth employment and livelihood enhancement interventions. Even so, its simplicity renders it flexible enough to apply across diverse types of programming. At the 2008 Global Youth Enterprise Conference, the high level of interest among the 350 participants gave early validation to the effort.

The survey is designed to assess change not just in income but in overall welfare. This encompasses preparedness for the workforce and parent-hood, health, physical well-being and

capacities for leadership and social engagement. As a holistic measure of well-being, the Scorecard echoes ChildFund's integrated approach to programming.

At press time, staff training on the Scorecard has been conducted in four countries, and baseline surveys have been completed in Senegal and Ethiopia. In Senegal, a follow-up survey performed a year after the baseline showed a 13 percent increase in the average overall score of the participants, youth clients of our microfinance partner IMCEC (Union of Institution Mutualiste Communautaire d'Epargne et de Credit). The improvement is significant in light of current economic conditions.

The Scorecard, which provides immediate feedback that can be quickly applied on the ground, will be an invaluable resource in ChildFund's continuing efforts to offer the programs most likely to improve the lives of children and youth.

in Africa, eight in the Americas and six in Asia. “Youth’s maturity level on civic engagement and other issues is surprising, but *not* about the economy and their expectations for the future,” he says. “Employers we talk to say youth don’t have a realistic expectation — they don’t realize that they have to work their way up.”

Because most unemployed youth in developing countries reside in rural areas, where there is little if any formal employment structure, they must become entrepreneurs. But the ability to produce something does not a business person make. McCormick recalls visiting some graduates of vocational training in Uganda. “We found six young women sitting in the village with their sewing machines, waiting for people to come to them,” he says. “Nobody had worked with them on how to promote their business and provide good customer service.”

Once again, an integrated approach is key. McCormick cites one of ChildFund’s programs in The Gambia, in which we have partnered with Junior Achievement Worldwide to implement a youth entrepreneurship and economics education program using JA’s educational materials and technical support, a strong complement to the youth association work already established there. Youth also meet successful people in their communities and hear about the hard work that got them there. To date, 406 youth have completed JA training in The Gambia.

One of them, 24-year-old Tida, now has a business selling clothing, cosmetics, shoes and other items. “I have learned and experienced the banking system, business management skills, negotiation and conflict resolution and record keeping,” she says.

**This group of Ecuadorean youth is acquiring skills in news reporting, while at the same time gaining leadership abilities — all part of an initiative to provide viable methods of earning a living.**

In Ecuador, Kenya and The Gambia, ChildFund partners with the nonprofit organization, Aflatoun, using its curriculum to teach social skills and financial literacy to children ages 6 to 14. A Youth Agriculture Marketing Project in Zambia sought to increase youth income levels by using a multifaceted approach that taught crop, goat, poultry and pig production; agribusiness; organizational development; and contract negotiation. As early as the midterm project evaluation, the youths involved were already earning enough income to visibly improve the overall quality of life in their village.

## WITH OUR LONG EXPERIENCE AND

our many ongoing programs worldwide, ChildFund is uniquely positioned at the forefront of the new field of study that is youth employment. Drawing on learning from youth and adult livelihood projects as well as best practices in the industry, ChildFund has recently crafted a Youth Employment Model that gathers into one package perhaps the most deliberately comprehensive approach to youth livelihood to date. Its standard of success: long-term, non-exploitative employment at a decent wage.

The plan, which can be applied in any type of trade, is built upon five key components that ChildFund has already applied in various combinations in



many effective programs: a market analysis conducted by youth but guided by mentors, technical skills training and production support, basic business skills training, life skills training and extended mentoring and follow-up. A unique factor is that the young people are placed in producer groups in which individuals all produce the same item. In short, they develop microenterprises that generate an aggregate volume of a size and quality to attract a bulk buyer, which gives them a point of entry into the local value chain. Group members are paid individually according to the proportion of the total that they produce.

"If you can help an 18- or 19-year-old develop the skills they need to become economically active," says Dev Miller, ChildFund's senior specialist in microenterprise development, who crafted the program model with McCormick, "you have influenced some 40 years of a productive work life. So it's a good investment, and it's also the right thing to do."

Now look back at the numbers cited at the beginning of this report, and multiply by 40. The potential is enormous, and ChildFund is working to actualize it at every opportunity. **cw**



## Two Tax Benefits for One Contribution

**Appreciated securities** (owned for a year or more) are excellent assets to give to ChildFund because of the exceptional tax benefits — you may receive a charitable deduction for the full fair market value of the gift and avoid capital gains taxes.

### HELPFUL TIPS

- ▶ **Make stock transfers early** to ensure that your gift is received by Dec. 31, 2010.
- ▶ **Ask your broker to transfer** your stock gift to Davenport & Co. Account number: 2029-2606, DTC number: 0715.
- ▶ **Call ChildFund at 1-800-762-9593** and provide us with the type of stock and how you would like your gift to be distributed. This is an important step that allows us to be prepared to receive and acknowledge your gift accurately and promptly.

Call 1-800-762-9593 or visit our website at [www.ChildFund.org/ways\\_to\\_help/planned\\_giving/Securities\\_\\_Stocks\\_and\\_Mutual\\_Funds.aspx](http://www.ChildFund.org/ways_to_help/planned_giving/Securities__Stocks_and_Mutual_Funds.aspx) for more information on giving stocks or mutual funds.

# Sponsorship and the Art of Giving

BY CHRISTINE ENNULAT

**A**sk Gil L'Italien about the painting on his office wall. He's got a lot to say about the colorful image depicting a mélange of children's faces, some of them the same child at different ages. They are the 10 children, ages 5 to 13, whom he sponsors through ChildFund.

Gil began sponsoring his first child in 2001, just after Sept. 11. "Everyone was looking for ways to give back," he says. "I saw the TV ad — that gentleman with the white beard — a very moving TV spot showing the kids. That really touched my heart, and I called and started the sponsorship."

That's how Gil, an epidemiologist based in Connecticut, connected with Ahmad, who lives in Indonesia. Soon after that, Gil, the father of three sons — 26-year-old twins and a 37-year-old — found himself working in Latin and Central America. "There was a lot of poverty, and it breaks your heart to see that."

He soon began to take on more sponsorships, in Brazil, Mexico, Honduras and Guatemala. "About a year ago was the last child, the 10th," he says. "It's a little bit of a challenge with the letter writing, but I try."

As Gil received photos of the children, he would pin them on the wall, which resulted in what he calls "this really clumsy-looking collage." Then, a few months ago, Gil met the owner of a business that

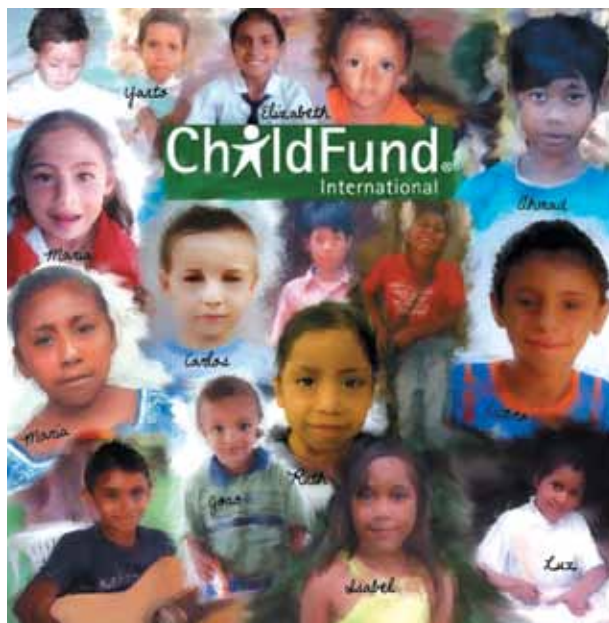
produces digital paintings from photos, which gave him the idea to convert the collage into a painting.

"The owner took the photos, and she laid it out," he remembers. "It's important to put the name with the face, so underneath each child's picture, there's a signature of their first name, and I put the ChildFund logo up top."

"I just enjoy looking at the kids. But it's also a conversation starter, and sometimes it gives people the idea to do the same," he says.

Gil's support for ChildFund doesn't end with sponsorship; he also enjoys helping spark funding for certain ChildFund projects that catch his eye. When the inclination

**This colorful collage was made from a collection of photos of Gil L'Italien's sponsored children. He has it hanging on his office wall.**





strikes, he'll send an e-mail to his regional ChildFund contact asking for project proposals. Recently, she sent him three.

"One that was interesting was this Honduras Health Hut — you know that kids are going to benefit from the get-go," Gil explains. ChildFund invited other sponsors to add to the funding that Gil had kick-started for the Health Hut to make the project a reality. "Another project was providing sewing machines for a Native American reservation in South Dakota," he adds. "These are very practical supports —

you can see how those benefit people."

And Gil's support doesn't end with ChildFund: He's an active volunteer with hospice, visiting nursing homes as often as two or three times each week. "It's important to give back, at both ends — children and the elderly," he says. "I get more out of giving than the kids do. It's the same in the nursing homes; I get more out of visiting with the elderly than they do. They have fascinating stories to tell."

Go ahead — ask Gil about the picture on his wall. You might get a few ideas. **cw**

# Millennium Development Goals

## Reversing Extreme Poverty by 2015

BY CHRISTINE ENNULAT

**T**his September, organizational and world leaders convened in New York at the U.N.'s MDG Summit to assess and accelerate the Millennium Development Goals' progress. ChildFund's President Anne Lynam Goddard attended.

The MDGs are a list of specific, targeted steps toward measurably reversing extreme poverty by 2015.

ChildFund International, along with the other 11 member organizations of ChildFund Alliance, is making progress toward achieving the MDGs. In Cambodia, for example, ChildFund Australia has been offering rural out-of-school youth training in leadership skills and income generation through its Youth for Development program. This integrated, community-based, youth-focused approach contributes to a specific target of a productive and dignified employment for young people as part of the overall

first goal, which is to eradicate extreme poverty and hunger.

While great strides have been made toward goal two — achieving universal primary education — worldwide achievement by 2015 remains doubtful. But Ecuador is close. ChildFund International's advocacy for expansion of Early Childhood Care and education in Ecuador has done much to support retention of children through the primary grades. ChildFund also works to expand local capacity to serve small children, from health, nutrition and early education to protection, transition support and teacher training.

These are just two of the many multifaceted programs ChildFund Alliance members have undertaken to reach the MDGs. To learn more about ChildFund's work with the Millennium Development Goals, visit our website at **[www.ChildFund.org/articles](http://www.ChildFund.org/articles)**.

# Financial Statements

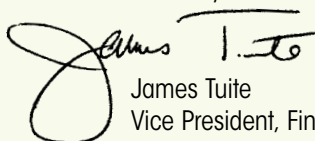
## A Message From the Chief Financial Officer

ChildFund International is proud of the continued confidence that our donors have in us to deliver desperately needed educational and health services to the children we serve. We are grateful for your dedication to improving the lives of these children and their families. Even though we are all experiencing the difficult economic challenges, you have enabled ChildFund to increase its direct program services to children by almost 4 percent over 2009 and increased the amount of program services to children to 81.1 cents of every dollar to benefit children.

ChildFund continues to take to heart each and every dollar sent for the benefit of children. We remain accountable for children and youth to be healthy and secure, educated and confident, and skilled and involved. We have streamlined processes in order to reduce our management and general expenses, and we will continue to look for opportunities to do so to ensure increasing direct benefits to children remains our priority.

We thank you for the sacrifices you make to support the children you sponsor and entrust with us the confidence to serve their life-saving needs. We will continue to work to stretch each and every dollar to ensure that each child's life is brighter every day and their vibrant future is assured.

Sincerely,



James Tuite  
Vice President, Finance & Operations/  
Chief Financial Officer

## ChildFund International

### CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (As of June 30, 2010 and 2009)

	2010	2009
<b>ASSETS</b>		
Cash and cash equivalents	\$ 22,794,361	\$ 23,383,045
Investments, at fair value	30,433,241	28,034,554
Beneficial interests in trusts	6,377,558	5,889,193
Accounts receivable	9,390,989	8,845,631
Property, plant and equipment, net	14,083,289	13,825,862
<b>TOTAL ASSETS</b>	<b>\$ 83,079,438</b>	<b>\$ 79,978,285</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 13,581,942	\$ 16,458,161
Accrued benefit liability	8,474,515	7,152,790
<b>TOTAL LIABILITIES</b>	<b>22,056,457</b>	<b>23,610,951</b>
<b>Net Assets</b>		
Unrestricted	16,033,869	13,862,323
Temporarily restricted	32,871,076	30,779,532
Permanently restricted	12,118,036	11,725,479
<b>TOTAL NET ASSETS</b>	<b>61,022,981</b>	<b>56,367,334</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 83,079,438</b>	<b>\$ 79,978,285</b>

# Financial Statements

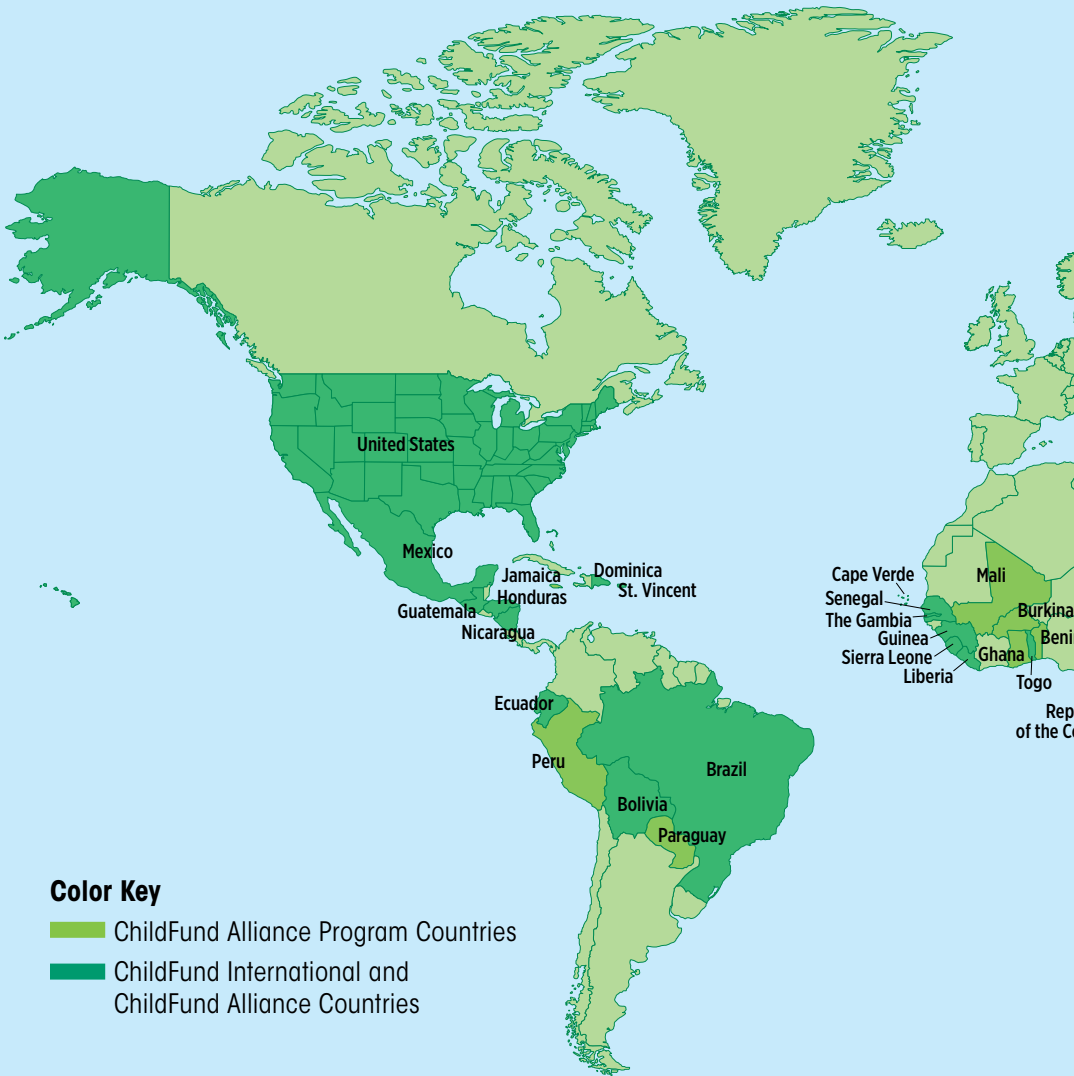
## ChildFund International

### CONDENSED CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS (For the years ended June 30, 2010 and 2009)

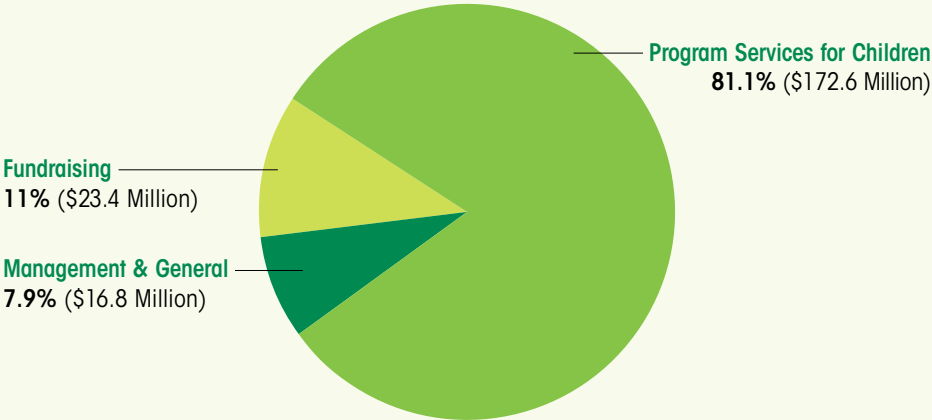
	2010	2009
<b>PUBLIC SUPPORT</b>		
Sponsorships	\$162,002,551	\$164,542,642
Contributions	23,520,383	24,439,594
Grants	27,388,754	27,000,516
<b>TOTAL PUBLIC SUPPORT</b>	<b>212,911,688</b>	<b>215,982,752</b>
Other revenue	3,064,367	2,055,963
<b>TOTAL PUBLIC SUPPORT &amp; REVENUE</b>	<b>215,976,055</b>	<b>218,038,715</b>
<b>EXPENSES</b>		
<b>Program</b>		
Education	61,535,166	58,616,056
Health and Sanitation	44,145,849	41,134,358
Nutrition	14,688,825	15,192,853
Early Childhood Development	19,958,484	20,235,844
Micro-Enterprise (Family Income Generation)	20,408,024	19,022,823
Emergencies	11,865,159	11,919,192
<b>TOTAL PROGRAM</b>	<b>172,601,507</b>	<b>166,121,126</b>
<b>Fundraising</b>	<b>23,420,237</b>	<b>21,888,780</b>
<b>Management and General</b>	<b>16,849,426</b>	<b>17,268,244</b>
<b>TOTAL EXPENSES FROM OPERATIONS</b>	<b>212,871,170</b>	<b>205,278,150</b>
<b>Change in Net Assets From Operations</b>	<b>3,104,885</b>	<b>12,760,565</b>
<b>Non-Operating Gains (Losses)</b>		
Realized gain (loss) on investments	(108,369)	(633,730)
Unrealized gain (loss) on investments	2,648,659	(6,505,488)
Change in value of trusts	488,365	(1,205,305)
Change in accrued benefit liability other than net periodic costs	(1,477,893)	(4,332,257)
<b>Change in Net Assets</b>	<b>4,655,647</b>	<b>(83,785)</b>
Net assets at beginning of year	56,367,334	56,283,549
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 61,022,981</b>	<b>\$ 56,367,334</b>

A complete copy of the Consolidated Financial Statements with a report from independent auditors, and auditor's certification, BDO Seidman LLP, is available upon request by calling 1-800-776-6767, or visiting our website [www.ChildFund.org](http://www.ChildFund.org).

# Where We Work



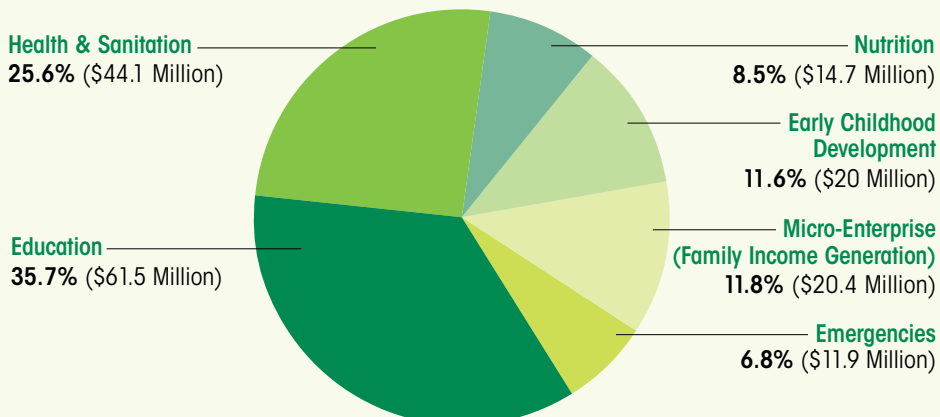
## How Your Gifts Help Children







## Areas of Assistance to Children and Families



# THE FIRST THOUSAND DAYS

## ChildFund Initiatives Support Children During Their First Years of Life

**A** lot can happen in a thousand days. A pregnancy can begin, a child can be born, and that child can reach his or her second birthday. Or not.

Every year, more than 3.5 million children die from malnutrition. To an organization such as ChildFund, whose stated purpose is to empower children toward becoming leaders of enduring change, those numbers

represent an unthinkable loss of potential.

Through its 72 years of serving children, ChildFund has become known for its contributions in nutrition and child health. We ensure that children get what they need through our many community-based nutrition programs and partnerships.

In Honduras, mother support groups track children's growth monthly. When a child is not achieving growth

benchmarks, the mothers respond immediately by changing practices or taking the child to a Health Hut for help. This monthly structure — and the engagement of these mothers — stops malnutrition before it starts.

Mothers of moderately malnourished children in India and Indonesia learn to improve their feeding practices and promote preventive health behaviors through culturally sensitive programming provided in group educational sessions.

Malnourished children who are orphaned or otherwise vulnerable due to the HIV/AIDS epidemic receive food supplements through ChildFund initiatives in Kenya and Ethiopia funded by PEPFAR (the President's Emergency Plan for AIDS Relief). Families receive support through home-based services, including regular home visits from community-based organizations and volunteers.



**This Ecuadorean mother is learning that a healthy start in life means being aware and involved in her child's early growth and development.**

Working with Bolivia's Ministry of Health (MOH), ChildFund carefully monitors and supports children during their first two years of life to ensure normal growth and development. Community-based health workers visit mothers in their homes to reinforce effective feeding and to educate mothers about culturally appropriate development stimulation. The MOH provides medical care as well as food supplements and micronutrients to malnourished children.

In Senegal, ChildFund community health workers promote healthy growth among children age 2 and younger during monthly promotion sessions with mothers at health huts. Mothers of malnourished children receive intensive counseling and follow-up, and their children are referred to local health clinics for medical treatment and food supplements. ChildFund Senegal leads a consortium of humanitarian organizations to provide these services nationwide.

Nearly one-third of the world's children suffered from chronic malnutrition before the 2008 food crisis sent prices soaring. ChildFund continues to push back by mobilizing communities to rally around their youngest members. When communities nourish their children, they nurture their future. **cw**



## Say 'Yes' to Vulnerable Children

BY CYNTHIA PRICE

**E**very day, 24,000 children die from lack of food and clean water or preventable diseases. Many other children have heard "no" their entire lives.

For 100 days starting Oct. 14, ChildFund is looking for sponsors to say "yes" to sponsoring a child. The goal is 100 sponsors each day for 100 days.

"We know that Americans care deeply about the plight of children around the world," says ChildFund President and CEO Anne Lynam Goddard.

ChildFund conducted a survey earlier this year and found that one in three Americans placed helping the world's poor children as the number one charitable priority. "It's heartening that Americans are so willing to look beyond our borders to help those children in need in other countries," Goddard adds. "And a small amount of support goes a long way."

Sponsorship costs \$28 a month, which is less than \$1 a day. To a child living in poverty, it is a world of difference.

The current economic crisis has further impacted the plight of these children. World food prices have sky rocketed. Some families now eat two meals instead of three, Goddard says. In addition, because meat is expensive, many families are forgoing this protein source.

Increasing gasoline and transportation costs mean families can't afford to travel for health care. Some aren't able to get to their employment. Children are being pulled out of school so they can go to work.

"Saying 'yes' to sponsorship will make a difference," Goddard says. "At ChildFund we believe, 'If you change a childhood, you change the world.'"




Nonprofit Org.  
U.S. Postage

PAID

Permit No. 1748  
Richmond, VA

**ChildFund**<sup>®</sup>  
International

2821 Emerywood Parkway  
Richmond, VA 23294-3725  
[www.ChildFund.org](http://www.ChildFund.org)

 Printed on Recycled Paper

