MISSION STATEMENT
In response to the Great Commission, Compassion International exists as an advocate for children, to release them from their spiritual, economic, social and physical poverty and enable them to become responsible and fulfilled Christian adults.

Compassion Receives HIGHEST MARKS FOR FINANCIAL INTEGRITY
For the 13th consecutive year, Compassion earned Charity Navigator’s four-star rating. This is the highest rating for U.S. charities given by Charity Navigator, recognizing Compassion is outstanding commitment to sound fiscal management, accountability and transparency. This rating places Compassion in the top 1 percent of nonprofit organizations reviewed by the nation’s largest independent evaluator of charities.

Compassion Among TOP WORKPLACES IN THE WORLD
The Gallup organization recognized Compassion as having one of the most engaged workforces in the world for the third straight year. The Gallup Great Workplace Award, based upon the most rigorous workplace research ever conducted, is a prestigious achievement demonstrating extraordinary levels of employee engagement. “This award is a testimony to our hardworking, dedicated staff,” says Compassion President Jimmy Mellado.

Haiti Recovery Efforts BRING HOPE FIVE YEARS AFTER QUAKEN
Compassion is on track to complete construction of 30 new earthquake-resistant school buildings in Haiti by January 2015. The construction is funded by Compassion’s Disaster Relief Fund in response to the 2010 earthquake. Children, babies and mothers enrolled in Compassion’s programs will gather in these locations to learn, grow, and find safety and care for years to come. Without these new schools and other relief efforts, Compassion would have lost the ability to serve an estimated 25,500 beneficiaries in Haiti. Compassion’s disaster relief efforts, which began the day the earthquake hit and continue to date, have helped serve more than 60,000 Haitian families.

LEARN MORE ONLINE!
Find out from Jimmy Mellado, Compassion’s President and CEO, how the ministry is preparing for the future. And hear more highlights from the year from Vice President of Finance Don Williams. Watch their videos at compassion.com/AnnualReport

WHERE COMPASSION WORKS
Thank you for your generous commitment, baby, children and college-age students living in extreme poverty are receiving Christ-centered, life-changing care in 26 countries. The following numbers represent the lives changed in each region as of June 30, 2014:

AFRICA 496,947
- Burkina Faso
- Ethiopia
- Ghana
- Kenya
- Rwanda
- Tanzania
- Tororo
- Uganda

CENTRAL AMERICA & THE CARIBBEAN 329,728
- the Dominican Republic
- El Salvador
- Guatemala
- Haiti
- Honduras
- Nicaragua
- Panama

ASIA 360,999
- Bangladesh
- India
- Indonesia
- the Philippines
- Sri Lanka
- Thailand

SOUTH AMERICA 273,442
- Bolivia
- Brazil
- Colombia
- Ecuador
- Peru

LEADERSHIP DEVELOPMENT PROGRAM
3,077 students attended college.

CHILD SPONSORSHIP PROGRAM
More than 1.4 million sponsored children were offered hope.

CHILD SURVIVAL PROGRAM
29,084 babies and their moms received lifesaving help.

Where COMPASSION WORKS
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SOUTH AMERICA 273,442
- Bolivia
- Brazil
- Colombia
- Ecuador
- Peru
We are preparing the way for children to overcome poverty, thrive, and live for Jesus.”

Statement of Activities

For the year ended June 30, 2004 and 2003

<table>
<thead>
<tr>
<th></th>
<th>2004 Total</th>
<th>2003 Total</th>
<th>Change %</th>
<th>Change $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenues and gross expenses</td>
<td>$788,177,547</td>
<td>$654,981,331</td>
<td>20.6%</td>
<td>$133,196,216</td>
</tr>
<tr>
<td>Gross expenses</td>
<td>710,518,785</td>
<td>644,965,331</td>
<td>10.1%</td>
<td>$65,553,454</td>
</tr>
<tr>
<td>Child development programs</td>
<td>561,374,252</td>
<td>491,846,225</td>
<td>13.9%</td>
<td>$69,528,027</td>
</tr>
<tr>
<td>Administration</td>
<td>45,862,112</td>
<td>42,846,684</td>
<td>7.4%</td>
<td>$3,015,428</td>
</tr>
<tr>
<td>Total program expenses</td>
<td>607,236,364</td>
<td>534,692,909</td>
<td>13.7%</td>
<td>$72,543,455</td>
</tr>
<tr>
<td>General and facility operations</td>
<td>100,282,183</td>
<td>90,272,422</td>
<td>11.0%</td>
<td>$9,010,761</td>
</tr>
<tr>
<td>Total company expenses</td>
<td>707,518,547</td>
<td>635,165,331</td>
<td>11.5%</td>
<td>$72,353,216</td>
</tr>
<tr>
<td>Program expenses</td>
<td>707,518,547</td>
<td>635,165,331</td>
<td>11.5%</td>
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</tr>
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<td>710,518,785</td>
<td>644,965,331</td>
<td>10.1%</td>
<td>$65,553,454</td>
</tr>
<tr>
<td>Revenue, gifts and grants from donors</td>
<td>282,919,964</td>
<td>225,669,185</td>
<td>25.4%</td>
<td>$57,250,779</td>
</tr>
<tr>
<td>Sponsor/donor ministries</td>
<td>35,535,570</td>
<td>29,746,143</td>
<td>20.3%</td>
<td>$5,789,427</td>
</tr>
<tr>
<td>Child development programs</td>
<td>561,374,252</td>
<td>491,846,225</td>
<td>13.9%</td>
<td>$69,528,027</td>
</tr>
<tr>
<td>Total net program funds provided</td>
<td>824,638,852</td>
<td>685,517,424</td>
<td>20.6%</td>
<td>$139,121,428</td>
</tr>
<tr>
<td>Total program funding</td>
<td>1,266,957,439</td>
<td>1,127,501,155</td>
<td>12.3%</td>
<td>$249,456,284</td>
</tr>
<tr>
<td>Total unrestricted income</td>
<td>422,318,687</td>
<td>342,943,824</td>
<td>23.1%</td>
<td>$79,374,863</td>
</tr>
<tr>
<td>Cash and investments</td>
<td>5,468,679</td>
<td>6,612,298</td>
<td>-17.2%</td>
<td>($1,143,619)</td>
</tr>
<tr>
<td>Non-reporting entities</td>
<td>7,150,535</td>
<td>7,642,228</td>
<td>-6.6%</td>
<td>($581,693)</td>
</tr>
<tr>
<td>Total net revenue and gross expenses</td>
<td>2,408,615</td>
<td>2,408,615</td>
<td>—</td>
<td>0</td>
</tr>
<tr>
<td>End of year total net revenue and gross expenses</td>
<td>2,408,615</td>
<td>2,408,615</td>
<td>—</td>
<td>0</td>
</tr>
</tbody>
</table>

A Letter From
SANTIAGO “JIMMY” MELLADO
President & CEO

It has been a great joy to serve Compassion this past year. After this first full year as president, I have an increased sense of how much God is preparing us for our future. We come away from this year with a clearer vision of what we believe and a better sense of where we are going.

Once again, we stand in humble gratitude as we reflect on the results of this past fiscal year. I appreciate that it all rests on something far more powerful than the work alone. We are keenly mindful of our dependence on God in the way we serve Jesus specifically to serve some of the world’s poorest children. He is the One who brings the increase He desires.

What an honor it is to be writing to you for this report on Compassion International’s 2004 fiscal year. On behalf of Compassion’s board of directors, I would like to extend my gratitude for the dedication of every supporter, staff member, pastor and partner who has participated in the ministry’s continued growth this past year. Because of you, Compassion is able to bring hope to more than 1.1 million of the world’s poorest children in 40 countries.

My fellow board members and I have been delighted to serve alongside Compassion’s new president, Santiago “Jimmy” Mellado. In his first year, Jimmy has developed a strategic framework for Compassion’s mission of releasing children from poverty in Jesus’ name. He has done this with the same humble determination and selfless dedication that characterized the early leadership of our predecessors.

We hold dear our partnership with each of you in revealing the glory of God and fulfilling His Word. By keeping in mind the call to “prepare the way,” we remain ever vigilant in preparing the world to receive the Lord. Make straight the paths of our hearts, and your message will come speedily. We are a message the children we serve so desperately need to hear.

The results you see in the 2004 Annual Report reflect this. Yet during the past year we have leaned hard into leadership decisions designed to bring even greater effectiveness. We are working to clarify accountability, strengthen a global mindset, and build out simplified organizational solutions to better serve our children, our church-based partners, and our supporters and donors.

Aimed these decisions and hard work. However, every leader and all our global staff fully appreciate that it all rests on something far more powerful than the work alone. We are keenly mindful of our dependence on God in the way we serve Jesus specifically to serve some of the world’s poorest children. He is the One who brings opportunities to serve. He is our strength. And He brings the increase He desires.

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As I look back over our last year, a strong theme keeps coming to mind. In Matthew 3:1, we are reminded of a key powerful words: Prepare the way for the Lord. I believe that this is what God is calling Compassion and you, our faithful partners, to accomplish together. We are preparing the way for children in poverty in Jesus’ name. We are preparing the way for the future — so that more children can be released from poverty than ever before.

Once again, we stand in humble gratitude as we reflect on the results of this past fiscal year.

In Christ,
SANTIAGO "JIMMY" MELLADO
President & CEO
Compassion International