



# STRENGTH *in numbers*

ANNUAL REPORT 2015–2016





So Christ himself  
gave the apostles,  
the prophets, the  
evangelists, the  
pastors and teachers,  
to equip his people for  
works of service, so  
that the body of Christ  
may be built up.

EPHESIANS 4:11-12 [NIV]



*A Letter From*

## SANTIAGO “JIMMY” MELLADO

PRESIDENT AND CEO

Thank you so much for your partnership with Compassion! It is truly an honor and a blessing to walk alongside you as we seek to release children from poverty in Jesus' name.

By God's grace, fiscal year 2016 proved to be a robust one for Compassion. We chose the theme Strength in Numbers for this year's Annual Report to highlight how your faithful support has enabled the ministry to remain strong and growing.

For the first time in our 64-year history, we surpassed \$800 million in revenue in 2016. That marks 19 consecutive years that Compassion has been blessed with revenue growth. That simply would not be possible without you. Thank you for your partnership and support!

We also faced some significant challenges in 2016. Natural disasters, like the massive earthquake that rocked Ecuador in April and an ongoing drought in Ethiopia, tested our ability to minister to some of the most vulnerable children and families living in extreme poverty. Fluctuating global markets and increasing government restrictions have also posed challenges. But it is in times like those that we are most thankful for the strength of your commitment to the children we serve together. Through it all, we have seen God's hand of blessing on our efforts and are deeply thankful that He is continuing to expand the reach and relevancy of this precious cause.

When we think of ministry strength, we can't help but think of the many members who comprise the global Compassion family:

- Over 1.2 million global sponsors
- 6,952 front-line church partners
- 3,371 staff, including the staff of our international partner organizations
- Tens of thousands of volunteers around the world
- More than 1.8 million babies and mothers, children and students engaged in our programs

That's more than three million souls that played a role in this amazing ministry last year. That is who we are — a community of dedicated child advocates who long to see children's lives changed. And that unity is what makes us strong.

There is also incredible strength in the impact of our programs. In this report, we've shared some stories to give you a glimpse into the reach of the programs you've enabled. We hope you will look beyond the numbers and see how your support is truly transforming lives. From nourishment and care for healthy babies and moms, to textbooks and tuition fees for college students — and everything in between — our entire program is designed to deliver personal impact.

Thank you for the strength you bring to Compassion's ministry. May God richly bless you for your faithfulness, generosity and compassion for children.

In Christ,

President and CEO  
Compassion International



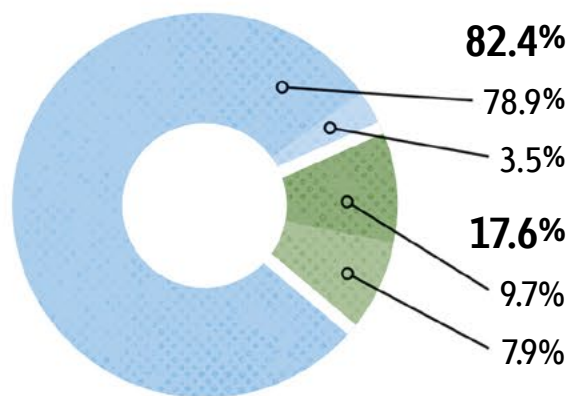
*Hear directly from Jimmy  
and discover more reasons  
to celebrate.*

[compassion.com/AnnualReport](http://compassion.com/AnnualReport)





## Financial Summary



<b>PROGRAM EXPENSES</b>	<b>\$648,799,131</b>
Child Development Program	\$621,351,904
Sponsor/Donor Ministries	\$27,447,227
<b>SUPPORTING SERVICES</b>	<b>\$138,455,890</b>
Fundraising	\$76,104,825
Administration	\$62,351,065
<b>TOTAL EXPENSES</b>	<b>\$787,255,021</b>

To see Compassion's 2015 and 2016 audited financial statements and Form 990, please go to [compassion.com/AnnualReport](http://compassion.com/AnnualReport) or call (800) 336-7676.

## Statement of Activities

For the years ended June 30, 2016 and 2015

	2016 TOTAL	2015 TOTAL
<b>Revenue, gains and other support</b>		
Contributions	\$ 592,205,917	539,942,306
Gifts in-kind	259,100	935,931
Contributions from Global Partner Alliance	205,608,163	224,139,328
Interest, dividends and other income	2,004,442	1,803,308
Net realized and unrealized (losses) gains on investments and disposition of assets	[911,968]	119,537
Net unrealized (loss) gain on foreign exchange contracts	4,236,267	[358,722]
Changes in value of split-interest agreements	[158,508]	[198,194]
<b>Total revenue, gains and other support</b>	<b>803,243,413</b>	<b>766,383,494</b>
<b>Expenses</b>		
<b>Program services</b>		
Child development program	621,351,904	602,424,362
Sponsor/donor ministries	27,447,227	32,714,754
<b>Total program services</b>	<b>648,799,131</b>	<b>635,139,116</b>
<b>Supporting activities</b>		
Fundraising	76,104,825	83,926,854
Administration	62,351,065	57,437,751
<b>Total supporting activities</b>	<b>138,455,890</b>	<b>141,364,605</b>
<b>Total expenses</b>	<b>787,255,021</b>	<b>776,503,721</b>
Change in net assets	15,988,392	[10,120,227]
<b>Net assets, beginning of year</b>	<b>197,072,233</b>	<b>207,192,460</b>
<b>Net assets, end of year</b>	<b>\$ 213,060,625</b>	<b>197,072,233</b>



## GLOBAL EXECUTIVE TEAM

- Edward W. Anderson**  
Senior Vice President  
Global Support  
Services and CFO
- Santiago "Jimmy" Mellado**  
President and CEO
- Mark Yeadon**  
Senior Vice President  
Global Program
- Cassandra Shepard**  
Senior Vice President  
Global Leadership  
Office
- Mark Hanlon**  
Senior Vice President  
Global Marketing  
and Engagement

## BOARD OF DIRECTORS

- Francisco J. Batres**  
General Director  
President, Practical Business  
Strategies Consultants, LLC
- Robert L. Hawkins**  
General Director  
Principal, Hawkins and  
Hawkins Enterprises
- Chris Knepper**  
General Director  
Senior Principal  
Computer Sciences Corporation
- Santiago "Jimmy" Mellado**  
General Director  
President and CEO,  
Compassion International
- Jean-François Bussy**  
General Director  
Pastor, Switzerland
- Michael Jeffs**  
General Director  
CEO, Australian Christian  
Channel Pty. Ltd. and  
Network Communications  
Pty. Ltd., Australia
- Ron Mathieu**  
General Director  
Executive Coordinator,  
First Presbyterian Church  
of Honolulu
- Kenneth Morgan**  
General Director  
Chartered Accountant,  
United Kingdom
- Dr. Judith B. Golz**  
Secretary of the Board  
Principal, Kendal Investments
- Laurent Mbanda**  
Vice Chair of the Board  
Bishop of the Shyira Diocese,  
Musanze, Rwanda
- Karen K. Wesolowski**  
Chair of the Board  
Attorney/Homemaker

*A Message From*

## **KAREN WESOLOWSKI**

BOARD CHAIR



Looking back on my fourth year as Compassion's board chair, the words of 1 Corinthians 3:9 come to mind: "For we are co-workers in God's service; you are God's field, God's building." Over the years, our paths have converged for a divine purpose — to release children from poverty in Jesus' name.

As we work together toward such a God-sized goal, it might seem impossible at first. But God can accomplish His work to advance His kingdom with all our hands and hearts, our sacrifices and efforts. When we come together in faith, we see God's presence and blessing overflow in our efforts.

Nothing demonstrates this more clearly than Compassion's successes this past year. First, when critical investments in fiscal year 2014–15 resulted in a \$10 million loss, Compassion resolved to balance the budget the following year. I am delighted to report that Compassion finished last fiscal year with a \$16 million net income — that's 2 percent of our revenue! We also hit a milestone when our total revenue surpassed \$800 million for the first time in Compassion's history.

As important as these numbers are, their influence is only realized when they reach vulnerable children. It is my joy to tell you that Compassion's Child Development Program brought holistic, individualized and church-based care and support to more than 1.8 million children living in poverty around the world last year. Essential to that care were your many letters delivering hope, love and encouragement to those children. Together, we are truly transforming children's lives and sharing the hope of Jesus!

Finally, I would like to assure you of the tremendously committed staff Compassion has. The past fiscal year included many challenges, including growing government restrictions, new technological implementations and natural disasters. The unity, commitment, and perseverance of the Compassion staff never wavered. They are whole-heartedly dedicated to the children in their care.

I look forward to serving alongside you for another wonder-filled year. On behalf of Compassion's board, thank you for your ongoing care for God's children. We are grateful to each of you for your commitment and service to this ministry. May God continue to bless Compassion and each person doing their part to help rescue children from a life of poverty and point them toward the hope they have in Christ.

Board Chair  
Compassion International



*Celebrating the*

## STRENGTH IN OUR NUMBERS

YEAR IN REVIEW, 2015–2016

### 1.8 MILLION CHILDREN

received life-changing care through our Child Sponsorship Program. Over 1.6 million of those children were linked to loving sponsors like you.



### 29,387 BABIES AND MOMS

received lifesaving interventions through our Child Survival Program.



**THANK YOU**  
for your vital  
role in building  
up the body  
of Christ.



### 6,952 CHURCH PARTNERS

around the world served as the hands and feet that carried out our holistic child development programs.



### 4.4 MILLION LETTERS

of hope, faith and encouragement were exchanged between sponsors and their sponsored children.



### 42,336 STUDENTS

were enrolled in university or vocational training, giving them the education and skills needed to generate income capabilities for life.

# The Stories **BEHIND THE NUMBERS**



*“God has blessed us more than we could’ve imagined. We almost lost everything, but now we’ve found a new way.”*

– DAVID

Kevin was born blind due to cataracts and suffered many developmental delays as a result. A local witch doctor told his mother, Elizabeth, that her family was cursed.

Elizabeth and her husband, David, prepared to sell their tiny property and possessions to pay for a medical specialist. Then a relative introduced them to Compassion’s Child Survival Program at a nearby church.

Compassion staff secured donor funds for Kevin to undergo cataract surgery. It was a success, and today Kevin is crawling and standing. The family now studies the Bible, prays together and attends church.

## HEALTH

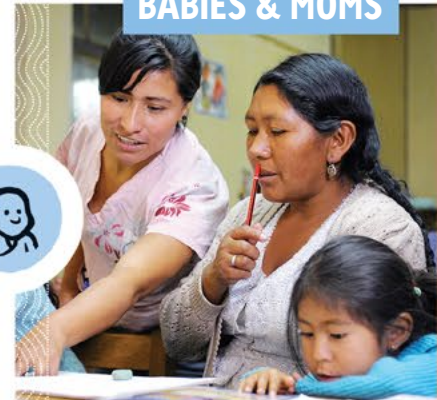
*“These mothers joined the Child Survival Program without any idea how to read or write.”*

– ALICIA

When Alicia Alejandro, a Child Survival Program coordinator in Bolivia, discovered that nearly half of the mothers enrolled in the program could not read, she launched weekly literacy classes. Now local women who never went to school are able to earn a sixth-grade education.

Women like Eduarda Zuniga are gaining life-changing literacy skills along with parenting and spiritual support. Today Eduarda can help her son with his homework and show her daughter that education and perseverance are essential to breaking the cycle of poverty.

## BABIES & MOMS



## EDUCATION

*“When my sponsor Beth wrote letters asking how I was doing in school and praising me ... I can’t explain the value of those words.”*

– JOSHUA

When Joshua Miago was 10, his mother enrolled him in the local Compassion center. Life in the Dandora slum of Kenya was dangerous; many of Joshua’s friends were dying of malaria. The Compassion project gave Joshua hope, lifesaving medical care, food and the chance to finish his schooling.

Joshua excelled in school, graduated and pursued a biochemistry degree. Then his younger brother died of rheumatic heart disease caused by an untreated strep infection.

Joshua wanted to honor his brother’s memory while also helping others. He decided to pursue malaria research. After receiving his master’s degree he was accepted to the University of California, where he is currently a doctoral candidate researching malaria vaccinations.

### 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.

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