



Annual Report

Transforming lives and
communities through partnership

2016



SUSTAINABLE TRANSFORMATION

Restoring dignity. Building relationships. Empowering communities.

"Each of you should use whatever gift you have received to serve others, as faithful stewards of God's grace."

—1 Peter 4:10 (NIV)

Dear Friends,

By God's grace, 2016 was a fantastic year for Children's HopeChest. Together with your support and the HopeChest field staff, we're seeing lives and communities transformed around the globe—and we are so thankful you're walking with us on this remarkable journey!

Restoring hope and human dignity through relational, Community-to-Community partnerships is at the core of what we do, and truly makes a difference in the lives of vulnerable children and their communities. Because of your dedication to our mission, we have seen incredible growth in new church and community partnerships, CarePoints launched, children sponsored, letters written and relationships deepened. In this report you will read about milestone anniversaries, CarePoints embodying holistic transformation, and creative income-generating activities which are transforming the lives of vulnerable children and their communities.

You will also read stories of impact and learn about individuals and communities on an exciting journey to holistic transformation and self-sustainability. You'll see the power of God providing a vision to individuals who, when connected to a partner community, begin to change the entire trajectory of their communities, allowing hope to flourish and transformation to occur. I expect you will also be encouraged by the transformation within our U.S. Partner Communities, because as we all know, healthy relationships are a two-way interaction.

Lastly, we genuinely desire that through these stories and new achievements, you will be inspired to continue changing lives and partnering with us to restore hope and dignity to children's lives all across the globe. Your support throughout 2016 has made a world of difference...and a difference in the world!

In His Grip,

Ken Sparks
President & CEO



A Year of Celebrations

CELEBRATING THE UPCOMING 10 YEARS IN SWAZILAND!

The ministry in Swaziland has grown from eight CarePoints to 24, and is now reaching out to over 7,000 children. Through our partnership with Adventures in Missions (AIM), we have seen incredible transformation occur. We've seen wells drilled, buildings constructed, playgrounds installed, and relationships built. New programs include micro-enterprise businesses for many women, the Swaziland Leadership Academy, Sports for Christ, Medical Ministry, vocational training, and more. Numerous CarePoints also have new sustainability projects including raising cattle and growing cabbages. Transformation is taking place thanks to our community leaders, our dedicated field staff, and our generous partners.

"A couple highlights for us is seeing communities, both in Swaziland and in North America invested in their CarePoints, working together to bring change and to share God's love. We are seeing CarePoints and communities move from 'Survive' to 'Thrive.'" - Matt Gerber | Country Director

"I often wonder what would have happened to this little village if the CarePoint was never established. I am so humbled by the generosity that our special friends have shown to us. We are so thankful. May God richly bless them and faithfully grant them favour. **ON BEHALF OF MY COMMUNITY, I JUST WANT TO SAY THANK YOU FOR ALL THE PROGRAMS RENDERED AT THE CAREPOINT.**"

- Mrs. Nosizwe, community member | Eskhaleni CarePoint, Swaziland



RUSSIA CELEBRATES 20 "OFFICIAL" YEARS!

In October 2016, Children's HopeChest celebrated 20 years of "official" ministry with Nadezhda Fund, HopeChest's Russian entity. Children's HopeChest in Russia started small, but over time has grown into a child sponsorship program and Ministry Center that provide extensive resources for Russia's vulnerable teenagers and young adults. Over the last 20 years, we have seen kids in orphanages grow up to create their own healthy family structure. Others came to know Christ, graduate from University, become employees of Nadezhda Fund, and even win Special Olympic Gold medals! We have seen the orphan stigma reduced, older youth empowered, and hope and dignity restored.

"The Nadezhda Fund's accomplishments started with the passion and courage of a small group of American and Russian Christians who wanted to do more than just bring humanitarian aid to orphanages and resulted in changing the whole system of orphan care in Russia."

- Katya | Country Director



ETHIOPIA CELEBRATES 5 YEARS!

In September we celebrated five years since the official launch of HopeChest Ethiopia! Since opening in Ethiopia, we established over 34 CarePoints! Over 5,000 children and youth are directly benefiting from our child sponsorship program, and over 20,000 children and guardians are directly benefiting from development projects. Additionally, more than 30,000 children and guardians are indirectly benefiting from the CarePoints' presence. We've constructed blocks of schoolrooms, built latrines and showers, established income generating activities, and implemented animal husbandry projects thanks to our wonderful partners, field staff, and sponsors! Thanks be to God for five years of growth in Ethiopia!

"It is so encouraging and wonderful hearing all the great stories and handfuls of testimonies from the children being supported by the organization. We have many achievements to celebrate though it's been only five years since the organization has been operational."

- Tesfatsion Tsegaye | Country Director



Every Tuesday we post a new blog on HopeChest Insights!

You can sign up for weekly blog updates and continue to learn more about the philosophy behind our model and read stories of hope and transformation from the field and from our partners!

Read HopeChest Insights and subscribe at hopechest.org/blog

DROUGHT RELIEF IN SWAZILAND

Water at CarePoints saving lives

Many countries in Africa are experiencing extreme drought, resulting in famine. The Timbutini Well of Hope CarePoint is helping alleviate the effects of the drought for hundreds of children in Swaziland. A huge thanks to the Well of Hope CarePoint partners who have made an impact in 2016 by facilitating the completion of a new bore hole at the CarePoint, which provides a source of water for the community. Food relief has also been provided for children through building a greenhouse. Community-to-Community partnership makes all the difference, and in this case—saving lives during a natural disaster. There is still much work to be done, but we are thankful for the Timbutini Well of Hope CarePoint and the hundreds of children who were impacted by its presence in Swaziland.

“Everything is brown, dried, and dead due to the drought. We did a program for 200+ kids. After the program the headmaster approached me and said, ‘**THANK YOU FOR FEEDING THESE CHILDREN. WITHOUT YOU, I DON’T KNOW WHAT WOULD BECOME OF THEM.**’ As I stood at the CarePoint, talking with a young man from the Swaziland Leadership Academy, I asked him, ‘How many of these children would have starved without the food we are providing.’ He estimated 50% of those children would have starved this year without the drought relief.”

- Scott Borg | Senior Manager, AIM Swaziland Ministries



TRANSFORMING LIVES IN GUATEMALA

A year of growth

2016 was a year of monumental growth in Guatemala. HopeChest Guatemala gained seven new CarePoints and saw nearly a 190% increase in child sponsorship! New income-generating activities included CarePoint gardens, carpentry, and pig farming. Our CarePoints also increased school attendance through breakfast initiatives, tuition support, and at some CarePoints, accessible and free transportation.

Libre Infancia is a CarePoint located near Guatemala City's landfill. Many of the kids who attend this CarePoint must spend time foraging in the dump with their families and are susceptible to malnutrition, substance abuse, crime, and gang activity. The Libre Infancia CarePoint is a safe place for children to learn about good hygiene, to receive at least one nutritious meal per day, and to gain access to education.

Justin is a 7-year-old boy living with his mother and three siblings by the city dump in Guatemala City. Since their father left, their mother had to work in the dump. Through his family's connection to Libre Infancia, Justin's family has experienced a complete life change. Justin's mother is no longer working in the city dump and her children have made huge progress in their spiritual, emotional, and physical development.

“**WHEN I GET UP, I THANK GOD.** I'm happy to be going to Libre Infancia. I learn about God. I have my classes. And I have lots of food and friends. I want to become a fireman, because in the dump there are a lot of fires. And I want to help people so they don't get burned by the fires.”

- Justin

RUSSIAN MINISTRY CENTERS

Providing hope and resources for young mothers

Polina is a young mother living in Russia. She and her husband did not have the resources they needed to care for their new infant. After their son, Ilya, became very ill and hospitalized, they received life-changing assistance through the Young Mothers Program offered through HopeChest's Ministry Centers. These programs provide psychological, social, educational, and financial aid to young mothers in crisis situations. The young mothers acquire necessary childcare skills, become aware of child health-related issues, learn how to budget, and gain skills to resolve conflicts. Polina continues to participate in the Young Mother's Program and now has a baby girl named Lyuba. Both Ilya and Lyuba are healthy and doing well!



Polina and Ilya

“**I KNEW ABOUT THIS PROGRAM EVEN WHEN I WAS PREGNANT.**

I attend the Ministry Center with my son and we participate in different discussions and lessons. I really enjoy it!”

- Polina, young Russian mother

CREATING JOBS IN ETHIOPIA

Transforming lives through vocational training

The I Care for the Nations (ICFTN) CarePoint in Ethiopia conducted numerous vocational trainings in support of their economic empowerment program, which aims to improve families' psychological and economic state. These trainings included barista management, cotton spinning, and weaving machine operations and maintenance.

Upcoming training will be given on hairdressing, clothes washing, cleaning, and childcare. Thirty women were trained in barista management, 12 women completed the two-month cotton spinning training, and 11 women from the cotton spinning training went on to learn how to make an Ethiopian cultural cloth in a weaving-machine training. Daycare training was also successful for 15 guardians of children at this CarePoint who received certificates after training! Through vocational programs, families all over Ethiopia are gaining the technical skills they need to generate income for their families!



CELEBRATING TRANSFORMATION

Sustainability in Uganda

Sustainability is essential to our model and is always considered in the methods we use to walk alongside a community. The Kaberamaido and Wera CarePoints in Uganda have taken leaps and bounds toward food and income sustainability in 2016.

The children who attend the Kaberamaido CarePoint are growing and harvesting numerous nutritious crops including beans, maize, and mangos! The CarePoint also received 200 orange seeds that the children planted themselves. These gardens feed not only the CarePoint children, but also the children who attend nearby schools.

THESE GARDENS FEED NOT ONLY THE CAREPOINT CHILDREN, BUT ALSO THE CHILDREN WHO ATTEND NEARBY SCHOOLS.

Income-generating activities are also flourishing in Wera, Uganda! Members of the community are acquiring the skills of farming and animal husbandry, while generating food, business, and income for families. A jewelry project has also launched in Wera. Trained participants are making and selling bags, wallets, Bible covers, necklaces, and bracelets!

The tailoring center is also thriving and even sells school uniforms to CarePoints and local schools. Esther, a single mother involved in the tailoring project at Wera CarePoint, received a microfinance loan to open her own shop, which has been operating successfully since 2014! She sells food and hygiene items. She is now able to provide for herself, her family, and even hire other community members.

Community-to-Community partnerships make a huge impact when they come together and work toward a common vision. We are excited for Uganda's many CarePoints that are making strides towards self-sustainability and can't wait to see what they accomplish in 2017!



Esther inside her shop



GUATEMALA: COMMUNITY-TO-COMMUNITY PARTNERSHIPS

Celebrating Our First School Partner

In September, The University School of Colorado Springs launched a partnership with the Tabitha CarePoint in Guatemala City. During the launch night, the students, their families and the school community committed to sponsoring 70 children at Tabitha, and nearly 100% of the children are now sponsored!

The University School is HopeChest's first school partnership, and we are excited to see the two-way relationship impact the students of The University School as well as the CarePoint children. Principal, Ryan Hewitt, has helped his students understand a long-term view of engaging with the world around them and has taught them that they can get involved in sustainable, life-changing activities. The school's on-campus coffee shop is now a place where every dollar of profit goes to their CarePoint. Some of The University School students have already gone on their first trip to Guatemala and many students were able to meet their sponsor child!

The partnership with Tabitha has helped to unify the school as all of the students come together to pray for their CarePoint and spend time building relationships with their sponsor children. We hope this is the first of many powerful school partnerships, and that the students' relationships with the Tabitha CarePoint children continue to grow.

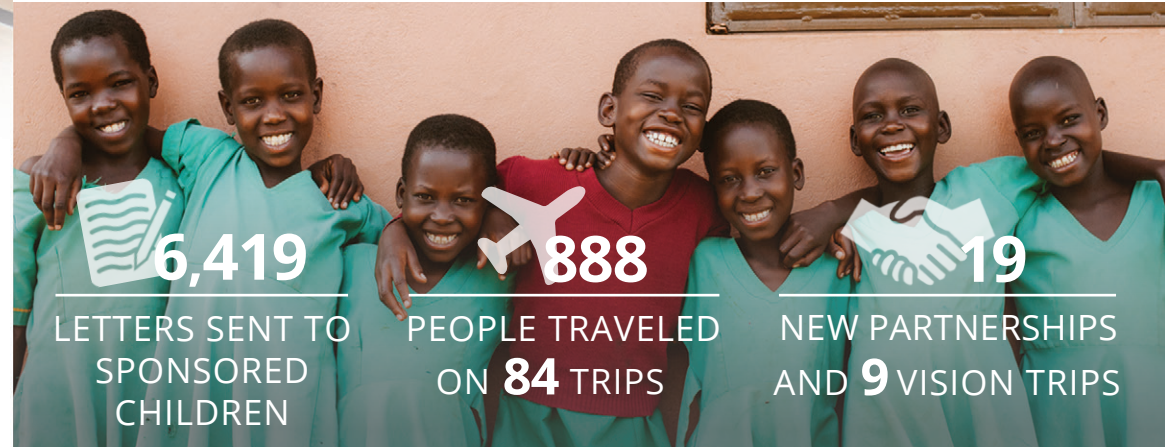


Launch night at The University School

"WE CAME ACROSS CHILDREN'S HOPECHEST AND WE WERE BLOWN AWAY BY THEIR VISION, WHICH WENT HAND-IN-HAND WITH WANT WE WANTED FOR OUR STUDENTS...IT'S NOT JUST DRIVEN BY US AS ADMINISTRATORS—IT'S DRIVEN BY THE STUDENTS."

— RYAN HEWITT | PRINCIPAL, THE UNIVERSITY SCHOOL

EXCEEDED OUR GOAL OF 10,000 SPONSORED CHILDREN!



UGANDA

71 ACRES OF SWEET POTATOES AND CASSAVA HARVESTED
+ 35 SCHOOLS AND 10 CAREPOINTS

= 21,000 CHILDREN BEING FED DAILY
THROUGH FARMING SUPPORTED BY KELLOGG'S

200 PEOPLE ENGAGED IN INCOME-GENERATING ACTIVITIES!

SWAZILAND

14 STUDENTS GRADUATED FROM THE SWAZILAND LEADERSHIP
ACADEMY AND ARE NOW SERVING AT THEIR CAREPOINTS

456 CHILDREN WENT THROUGH OUR NGESIKHATSI GRIEF
COUNSELING COURSE

GUATEMALA

NEARLY A 190% INCREASE IN THE NUMBER OF
SPONSORED CHILDREN!

7 NEW CAREPOINTS

RUSSIA

34 PARTICIPANTS IN THE YOUNG MOTHERS PROGRAM

90+ YOUTH RECEIVED DENTAL SERVICES

45 COOKING CLUB PARTICIPANTS

ETHIOPIA

50 PARTICIPANTS IN OUR YOUTH DEVELOPMENT PROGRAM

3 NEW SCHOOL BUILDINGS (12 TOTAL CLASSROOMS)

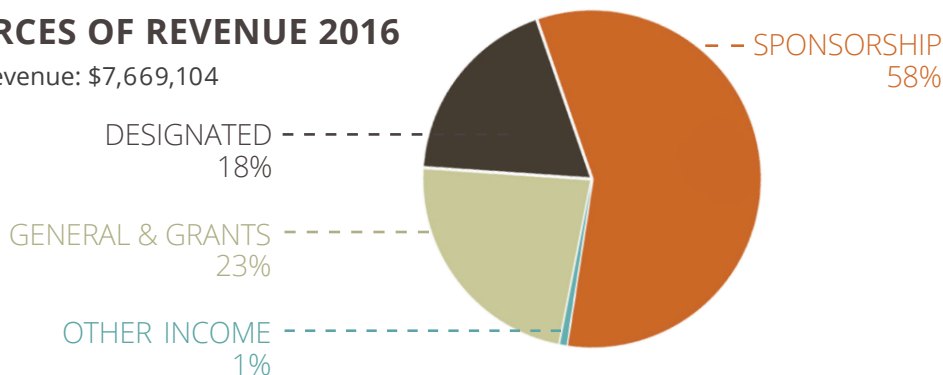
300 GUARDIANS OF CAREPOINT CHILDREN PARTICIPATED IN
INCOME-GENERATING ACTIVITIES!

Committed to Financial Integrity

Thank you for trusting Children's HopeChest to be good stewards of your financial gifts. We are passionately committed to honoring the name of Jesus in everything we do, faithfully and prayerfully investing every dollar entrusted to us for the transformation of lives around the world. As members in good standing of the ECFA, a Platinum-Level GuideStar Participant, recipients of Charity Navigator's 4-Star rating, and a "Certified Transparent" rating from Excellence in Giving, you can be confident that the information shared in our 2016 Annual Report is audited, accurate and transparent.

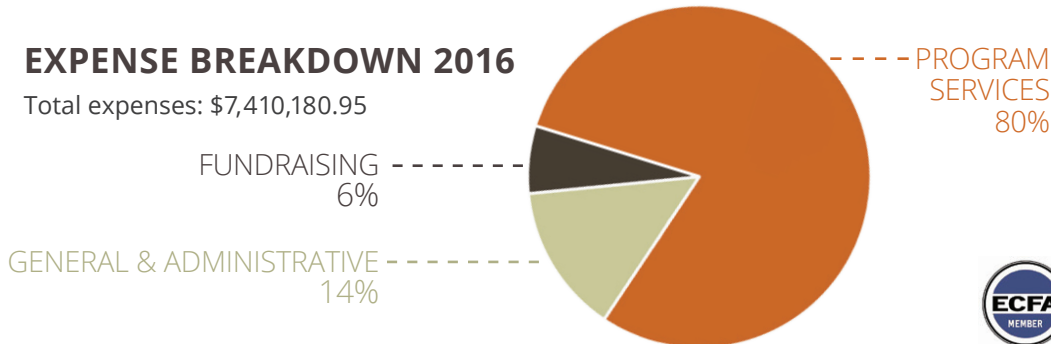
SOURCES OF REVENUE 2016

Total revenue: \$7,669,104



EXPENSE BREAKDOWN 2016

Total expenses: \$7,410,180.95



In May 2016, HopeChest was named a Best Christian Workplace — the first time we've achieved this distinction! We are very proud of our worldwide team and their commitment to the thousands of vulnerable children we serve—Congratulations, team!

- Ken Sparks, President & CEO

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