

CFCA stewardship around the world

Walking with the poor in 26 countries

CFCA views all financial resources under its responsibility as being owned by and for the benefit of CFCA sponsored members. We assign the highest reasonable amount of available resources to the direct benefit of sponsored members. CFCA strives to ensure that sponsorship dollars sent to the projects are sufficient to enable sponsored friends and their families to improve themselves and their communities. Our mission entails a long-term commitment; consequently, CFCA invests in staff, structures and activities to promote long-term relationships. All ancillary programs, such as scholarships and grants, are designed to complement the sponsorship program.

To facilitate prudent stewardship, CFCA projects around the world are monitored for adherence to high standards of transparency, accountability and consistency with CFCA policy. We are directly involved in the selection and management of project staff, and incorporate regular project visits with detailed review and monitoring of project financial reports as a part of our ongoing efforts to responsibly manage the resources entrusted to us.

Africa

Burundi* Nigeria
Kenya Tanzania
Liberia Uganda
Madagascar

Central America and Mexico

Costa Rica Honduras
El Salvador Mexico
Guatemala Nicaragua

South America

Bolivia Ecuador
Brazil Peru
Chile Venezuela
Colombia

Asia

India
Philippines
Sri Lanka

Caribbean

Dominican Republic
Haiti
Jamaica

312,464 total sponsored children, youth and aging as of December 31, 2005

*CFCA discontinued the Burundi project in July 2006.

Sponsor online at www.cfcausa.org

Mission Statement

Christian Foundation for Children and Aging is a lay Catholic organization serving the poor at mission sites around the world. Through sponsorship of children and aging, we build relationships of mutual respect and support while raising awareness in our own country of the needs and gifts of the poor and the mission outreach of the Church.

Board of Directors

Scott Wasserman
Chief Governing Officer
Child Advocate Attorney
Scott Wasserman & Associates
Lenexa, Kan.

Ed Herman, Treasurer
Senior Vice President, Bank of Blue Valley
Overland Park, Kan.

Rev. Allan Weinert, C.Ss.R., Secretary
Circulation Director, Liguorian Magazine
Liguori, Mo.

Michael Alex
President, St. James Academy
Lenexa, Kan.

Michael Farmer
Executive Director
Kansas Catholic Conference
Merriam, Kan.

Rev. Vince Haselhorst
CFCA Presenter
Catholic Diocese of Belleville, Ill.

Louis Guillou
Professor Emeritus, Saint Mary's University
of Minnesota, Winona, Minn.

Msgr. Gregory Schaffer
Missionary, San Lucas Toliman Parish
Guatemala

Carolyn Zimmerman
Director of Development, Marian Clinic
Topeka, Kan.

Bernard A. Hentzen
Director Emeritus
Co-founder of CFCA

Catherine N. Pearce
Director Emerita
Co-founder of CFCA

Ex Officio Members

Robert K. Hentzen
President and Co-founder of CFCA

Francis "Paco" Wertin
Chief Executive Officer for CFCA

The independent oversight groups American Institute of Philanthropy (charitywatch.org) and Charity Navigator (charitynavigator.org) have consistently given CFCA the highest ratings for stewardship.

CFCA is listed in the Official Catholic Directory under Missionary Activities.



CHRISTIAN FOUNDATION
FOR CHILDREN AND AGING
One Elmwood Avenue
Kansas City, KS 66103
800-875-6564 • www.cfcausa.org

© 2006 CFCA 14M - 8/06 J2



CHRISTIAN FOUNDATION
FOR CHILDREN AND AGING

Offering hope. Restoring dignity. Worldwide.

Stewardship Report

January to December 2005



Thais and
Richard
Brazil

www.cfcausa.org

Dear Friends,

Our highest priority at Christian Foundation for Children and Aging is one-on-one sponsorship. The steadfast moral and financial support of sponsorship provides opportunities for our sponsored friends to overcome obstacles presented by poverty. Feelings of hopelessness and insecurity are replaced with hope and confidence through the tranquil and consistent presence of CFCA and sponsors.



This past year offered many opportunities to witness the CFCA community of compassion in action. The year 2005 was rife with natural disasters that affected the lives of sponsored friends: the tsunami in Sri Lanka and southern India, hurricanes in Central America and Mexico, and a mudslide in Guatemala that took the lives of 16 sponsored children. In every instance, the CFCA community pulled together to help.

While disaster assistance plays an important role in helping families transition through crises, our primary focus is sponsorship. Through sponsorship, our sponsored friends learn that CFCA is present in the community for the long haul—before, during and after a crisis.

Our performance in 2005, combined with consistently high ratings from oversight groups such as Charity Navigator and the American Institute of Philanthropy, validates our efforts to assign the highest reasonable amount of available resources to the direct benefit of sponsored members.

I am pleased to report that in 2005, 85.9 percent of our total expenses went directly to our projects abroad and 7 percent went for U.S.-based services to support sponsored friends and sponsors. Only 3.9 percent of our expenses went for administration and 3.2 percent for inviting new sponsors.

As CFCA marks its 25th year of service, I continue to be amazed at our progress. Our community includes more than 276,000 sponsors helping 312,000 children, youth and aging persons in 26 countries. We have come a long way from our humble beginnings, but our goals have not changed. We will continue our shared struggle to build communities of compassion, to offer an outstretched hand to those in need and to help God's humble people live with dignity.

Thank you for your continued faith in this vision. I look forward to the future and, thanks to your support, so do the thousands of children, youth and aging friends whom you help. May God continue to bless the entire CFCA community.

With gratitude,

Bob Hentzen

Bob Hentzen
President

Stewardship 2005

Sponsorship of children, youth and aging is the highest priority of Christian Foundation for Children and Aging. Sponsors are CFCA's primary source of support. In 2005, the continued generosity of our sponsors and donors resulted in a 9.4 percent growth in contributions and an increase in the number of sponsored children, youth and aging to 312,464. Total Public Support and Revenue totaled \$80.9 million, with \$79.9 million from sponsorships and other donations (matching gifts, memorials, contributions to special funds), plus nearly \$1 million in Other Revenue (primarily investment income).

CFCA's approach toward managing administrative expenses and reserves is one of balanced austerity. The organization seeks to maximize the amount sent to benefit sponsored friends while allowing for adequate investment so staff at home and abroad have sufficient resources to respond to the urgent needs of those served by our mission projects.

CFCA directed nearly \$68 million, or 85.9 percent of total expenses, to our projects abroad. This represented 83.9 percent of available sponsorship income and 100 percent of donations to Christmas, birthday, scholarship and special needs funds. CFCA spent \$5.5 million, or 7 percent of expenses, on U.S.-based services that support our sponsors and sponsored members (Program Support Services). Together, funding to projects and program support in the U.S. accounted for 92.9 percent of expenses (Total Program Services). Fund-raising efforts to invite new sponsors to join the CFCA community of compassion totaled \$2.6 million, or 3.2 percent of expenses. Administration, including accounting, processing of sponsorship contributions, human resources and operations totaled \$3.1 million, or 3.9 percent.

CFCA maintains minimum yet responsible reserves to provide funds for future growth and contingencies. Because of CFCA's commitment to send the highest amount of available resources to the direct benefit of sponsored members, additional disbursements to the field were made during 2005 which reduced board designated reserves for the full year by \$0.7 million. This reduction to reserves was made with the support of the board and still allows for adequate funding of future growth and contingencies.

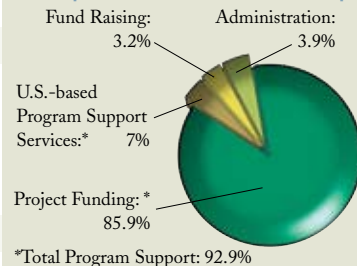
Statement of Activities

for the Year Ended December 31, 2005

SUPPORT		
Sponsorships	\$69,426,690	
General Support	10,447,497	
Total Public Support	\$79,874,187	
Other Revenue	994,144	
Total Public Support and Revenue	\$80,868,331	
EXPENSES		
Program		
Funding to Mission Projects	\$67,968,251	(85.9%)
U.S.-Based Support Services	5,499,658	(7.0%)
Total Program	\$73,467,909	(92.9%)
Fund Raising	2,567,623	(3.2%)
Administration	3,068,479	(3.9%)
Total Program, Fund Raising & Administration	\$79,104,011	(100%)

NET ASSET INCREASE		
Net Assests - beginning of year	31,104,284	
Net Assets - end of year	\$32,868,604	
*Explanation of Net Asset Increase		
Payments received from sponsors in 2005 for distribution in 2006	\$2,468,275	
Decrease in board-designated reserves	(703,955)	
Total Net Asset Increase	\$1,764,320	

Responsible Stewardship



Note: Each year the independent accounting firm of Deloitte & Touche LLP conducts a comprehensive audit of CFCA financial statements and accounting practices. A copy of this audit report is available upon request.

Sponsorship benefits sponsored friends, sponsors

Grounded in the Gospel call to serve the poor, CFCA sponsorship emphasizes personal outreach, promotes respect for the dignity of all people and fosters a sense of community through participation in CFCA programs and activities. Sponsorship is an opportunity for sponsors and sponsored friends to form respectful relationships in which they encourage each other. As these relationships develop, sponsors grow in their understanding of poverty and experience the hope, the goodness and the potential of their sponsored friends.

CFCA sponsorship benefits entail a holistic approach and address the body, mind and spirit of sponsored friends and their families. Such benefits include nutrition, education, clothing, spiritual and values formation, health care and programs that promote the development of families.

Nutrition

Good health enhances quality of life. The foundation of good health is good nutrition. CFCA projects facilitate good nutrition through regular allotments of food staples, food vouchers, school breakfast and lunch programs, supplemental feeding programs for malnourished children and nutrition counseling.

Education

Education permits sponsored members to realize their potential, develop their talents and contribute to their communities. Sponsorship supports the education of students by helping with tuition and other school fees, books, school supplies, uniforms and transportation costs. The CFCA Scholarship Program provides financial assistance to deserving students in secondary school, college or vocational training.

Family development

CFCA projects work with the individual in the context of the family situation, thereby helping the family to become more self-sufficient and contribute positively to the community. CFCA provides family assistance through housing repairs, beds, services of social workers and help with other special needs. Some projects help parents learn skills that help them generate additional income for their families.

Health care

Annual check-ups, medicines and emergency care are helping children, youth and aging live healthier. With access to doctors, medicines and preventative care, sponsored persons and their families are experiencing a better quality of life.

Clothing

Basic clothing and shoes provided through sponsorship enhance the comfort and self-esteem of children, youth and aging persons. Projects may provide dress clothes, play clothes, jackets, raincoats, umbrellas and other basic items.

Encouragement

Through prayer, letters and photographs, sponsors and sponsored friends encourage each other, strengthening the bond of sponsorship. Some sponsors travel abroad to visit CFCA projects and meet their sponsored friends.

Please note: Sponsorship benefits vary by location according to needs, local resources and other factors.