

2010 Annual Report

As of June 30, 2010

FREE THE KIDS, INC

A.K.A. THEO'S WORK



What is more liberating than the knowledge that you are loved?
“This is what we try to do here — create a place of security and love where children can be freed from their worries, their memories of trauma and abandonment, their feelings of being rejected and worthless, so they can become wholesome and healthy and moral individuals.”

Father Marc Boisvert, founder Pwoje Espwa Sud

THE YEAR IN REVIEW

There was an earthquake in Haiti on January 12, 2010. It was an earthquake of catastrophic 7.0 M_w magnitude. At least 52 aftershocks measuring 4.5 or greater were recorded. An estimated three million people – nearly a third of the country's population - were affected by the quake with an estimated 230,000 people dead, 300,000 injured and 1,000,000 made homeless. An estimated 250,000 residences and 30,000 commercial buildings collapsed or were severely damaged. Pwoje Espwa Sud (PES) had minimal damage.

But the ripple effect of aftershocks goes well beyond the movement of the earth. It effects the movement of goods and services. That has been the major aftershock of this catastrophe and how long it lasts will impact the lives of every Haitian. Many countries and foundations responded to appeals for humanitarian aid, pledging funds and dispatching rescue and medical teams, engineers and support personnel.



Port au Prince before and after

The January earthquake was centered near the Haitian capital of Port au Prince and leveled the city and its surroundings, virtually eliminating all aspects of infrastructure. In Haiti, everything and everybody transits through Port au Prince. Without basic infrastructure, the normal movement of commodities needed for basic living and reconstruction was stymied. Communication systems, air, land and sea transport facilities, hospitals and electrical networks were damaged by the earthquake which hampered rescue and aid efforts; confusion over who was in charge, air traffic congestion and problems with prioritization of flights further complicated early relief work. As much as 30% of the population lived in Port au Prince and was directly affected by the earthquake. But that means that 70% of the population was NOT directly affected by the earthquake. In a country that traditionally has relied on humanitarian aid to survive, with relief stockpiled and concentrated in Port au Prince, the provincial population was not getting the relief they need to survive, including PES.

Yet on January 22 the United Nations noted that the emergency phase of the relief operation was drawing to a close and on the following day the Haitian government officially called off the search for survivors. But you couldn't prove it by us.

PES is located outside the southwestern city of Les Cayes where the population normally is about 55,000. After the earthquake, over 100,000 refugees from Port au Prince arrived in Les Cayes, mainly returning to their families. But their families were destitute to start with so they couldn't take them in.

Suddenly PES found itself in the middle of the relief effort. In contrast to the situation in Port au Prince, the UN led the relief efforts in Les Cayes and coordinated and provided a platform for the efforts of all the charities working in the area. They set up a tent city where refugees gathered and were fed. PES, which is a regional distribution center for USAID and Catholic Relief Services, had the largest food supply in the area, and while food prices skyrocketed, we donated 25% of our food supply to the refugees, thereby depleting the food available to feed our own kids. Relief still had not come from Port au Prince. The only relief came from private parties who brought supplies in private airplanes or boats. Some of that relief was in the person of physicians or other professionals with expertise needed for very specific purposes.

And that's how PES went from 650 residents to 800 in two months. Included in that number are an additional 22 girls. That takes the girl population to 40 – all siblings of boys in residence. We make every effort to keep siblings together as the last vestige of family for them. As of this writing, construction of new girls' housing is nearly complete.

It is unfortunate that it takes a catastrophe to awaken the world to the plight of the Haitian population – destitute by any measure before the earthquake. But the world has shown its concern and Free the Kids, and PES as a result, benefited from the generosity of many. Major supporters are public and private foundations, Rotary Clubs and religious congregations from around the USA, many of whom traveled to Haiti to deliver financial and material contributions as well as to volunteer in building structures and mentoring the youngsters. These contributions have been instrumental in helping the organization provide food, clean water, clothing and bedding as well as the opportunity to attend school and learn marketable skills. These contributions have also allowed us to undertake a complete renovation of our kitchen and dining area, improve several schools, build housing for girls and start construction on what will be a first class medical clinic.

The increase in the number of resident children has pushed our monthly expenses up by 35%. Please keep us in your prayers and in your giving. The worst aftershock for us would be to turn kids away because we couldn't afford to take them in.



"Hear, O LORD, and answer me, for I am poor and needy."
Psalm 86:1

Who We Are & What We Do

"Haitians and expatriate childcare professionals are careful to make it clear that Haitian orphanages and children's homes are not orphanages in the North American sense, but instead shelters for vulnerable children, often housing children whose parent(s) are poor as well as those who are abandoned, neglected or abused by family guardians. Neither the number of children nor the number of institutions is officially known, but the *Chambre de L'Enfance Necessiteuse Haïtienne (CENH)* indicated that it has received requests for assistance from nearly 200 orphanages from around the country for more than 200,000 children. Although not all are orphans, many are vulnerable or originate in vulnerable families that hoped to increase their children's opportunities by sending them to orphanages." <http://en.wikipedia.org/wiki/Orphanage#Haiti>

Free the Kids is a 501 (c) (3) non-denominational, non-sectarian exempt operating foundation incorporated in Ridgewood, NJ. Founded by Father Marc Boisvert in 1998, its mission is to support humanitarian efforts in southern Haiti. Free the Kids (FTK) is dedicated to funding a home and refuge for orphaned and vulnerable children in Haiti called *Pwoje Espwa Sud (PES)*.

Pwoje Espwa Sud (PES) is a non-denominational, non-sectarian Haitian tax exempt NGO (Non-government organization) founded by Marc Boisvert. Its mission is to "alleviate the devastating effects of poverty on children in southern Haiti".

Currently home to over 600 youngsters, PES is partially supported by its own farm, several schools, a community medical clinic, a food aid distribution center and many other programs to help the residents and the poor surrounding community. Education runs the gamut from basic life skills to trade school and college. The central campus, known as "Vilaj Espwa" (Hope Village), is a 130-acre parcel located twenty minutes from Les Cayes, Haiti. "Espwa" is Haitian Creole for Hope, the unifying theme of PES. The program's shelter for orphaned and vulnerable children is known as *Kay Espwa (Hope House)*. Its school is *Ekol Espwa (Hope*



School). These programs serve the needs of over 3,000 Haitian children who, themselves, suggested **Pwoje Espwa** as a name for Hope project.

Children receive basics that Americans take for granted but many Haitian children never experience: They attend school, get plenty to eat, wear shoes on their feet and clothes without tatters. They sleep on real beds with mattresses. They even get a chance to play and enjoy childhood. A section of Vilaj Espwa is dotted with small houses and dormitories where the children live in groups of about 17, each under the care of a "house mother." This

allows for close supervision and for children to develop family-like bonds. These living arrangements are key to maintaining a wholesome environment - for the boys. Father Marc's

unique approach works. He says, “A lot of the boys go through a transformation process, because they’ve been on their own. They’ve been defending themselves. They’ve had to protect themselves and so they developed this outer tough skin. But once they find themselves cared for, it allows them to be more caring themselves.”

In addition to meeting these important basic needs, PES gives the children so much more than traditional orphanages. The younger children tend little gardens while the older ones hold responsibilities around the complex that also serve to impart employable skills. Some work as agronomists on the landscaping, trees, and crops of eggplant, tomatoes, beans, corn, and other vegetables. Some learn to raise pigs and chickens. Others work as carpentry and masonry apprentices on construction projects and still others work as artisans, making necklaces, bracelets and metal art. These “jobs” all contribute toward the daily operation of Vilaj Espwa. The gardens, crops and animals are raised for food; the construction projects improve their facilities and the jewelry and metal art are sold by the orphanage to help defray expenses. As a result, the children develop a strong sense of accomplishment and self-worth. “The kids feel like they are contributing,” says Father Marc, “which is very important, because often in Haiti people can’t contribute to their own situation - they’re not part of the solution.”

Father Marc is the “père” the children never had. A catholic priest and former U.S. Navy Chaplain, he now lives in the complex, having given up whatever worldly possessions and ambitions he might have had to dedicate his life to giving hope for a meaningful future to young children hopelessly mired in the poverty of the poorest country in the Western Hemisphere. His goal is to give them everything they need to achieve self-sufficiency, allowing them to enter adulthood in a position of strength, freedom and promise.



“Despite the heartaches and pressures he faces every day, Fr. Marc obeys God’s calling to help Haiti’s children, with earnest compassion and without reservation.”

Jim Cavnar, President, Cross International Catholic Outreach

Free the Kids Board of trustees

Bill Commer is **Chairman of the Board** of Free the Kids (FTK). Mr. Commer holds his Bachelor's Degree in Construction Management and two Masters degrees, including one in Architecture. His firm WJCA, Inc. specializes in design management and has completed over 2200 projects in 50 states. He has been instrumental as a design consultant for FTK. He has served on the board since 2002.

William Haggerty, C.P.A. serves as **Treasurer** on the Board of Free the Kids and is managing partner of The Haggerty Group, an accounting firm he founded 22 years ago in Ridgewood, NJ. Mr. Haggerty is a CPA and a Registered Investment Advisor. He has been involved with numerous non-profits.

Dee Orlowski, serves as **Secretary** on the Board of Free the Kids, and is also the West Coast liaison, as well as Volunteer Coordinator for visits to Pwoje Espwa Sud. Since 2003, she has served in a multitude of roles overseeing many fundraisers. With a background in HR, Sales & Management, she is also the Event Coordinator for a 4000 member church in Lake Forest, CA .

Regina Abilies has been a member of the Free the Kids Board of Directors since it was founded in 1998. As an advocate for orphaned and vulnerable children, she devotes her time to raising funds, developing partnerships, and increasing public awareness. As Editor of our Newsletter, Ms. Abilies kept donors abreast of progress in Haiti. She sits as Chair of the P.R. Committee and also serves on the Logistics and Appropriations Committee.

Cynthia DeSoi, M.D. former Chairman of the Board of Free the Kids and Medical Director of Pwoje Espwa Sud (PES) has been serving FTK and PES since 2000. Dr. DeSoi completed medical school at the University of Rochester and her residency and fellowship training in Chicago. She is board certified in Internal Medicine, Pediatrics, and Nephrology. Dr. DeSoi leads volunteer medical teams to Southern Haiti several times a year. She is devoted to the development of preventative care practices for the children at PES. She also has a full time medical practice in Maine.

Doug Dittrick former Chairman of the Board for Free the Kids has been involved since its inception. After graduating from Ohio Wesleyan University, Mr. Dittrick, a cable and television industry pioneer, was extensively active in the National Cable & TV Association from 1966 to 1990. He was elected chairman of the NCTA's executive committee two consecutive terms. In 1982, he was named Executive of the Year by Cable Business Magazine. In 1984 he was presented the NCTA's Vanguard Award for outstanding contributions to the cable television industry. In 1986, Mr. Dittrick founded Douglas Communications Corp. II (DCCII) to acquire and operate cable television companies. He is involved in numerous charities and currently sits on the Board of Governors of the National Red Cross and is Chairman of the Valley Health System. He is President and CEO of DCCII providing consulting services in the communications and chemicals fields.

Bob Krebs joined the board of Free the Kids in October 2009. Mr. Krebs is owner of the SealMaster franchise in NC, SC and parts of Virginia. SealMaster manufactures pavement & sport surface maintenance products. He conducts marketing seminars for contractors at National Pavement Expos nationwide. Prior to this, Mr. Krebs held positions in broadband communications including President and CEO of a public Colorado corporation, which owned and managed CATV systems and a construction company in CO & WY. He holds a B.S. in marketing from Regis University, an A.A. in Mass Communications from Rochester Community College, and graduated Brown

Institute of Broadcasting. Mr. Krebs serves on the Board of the Rockingham County Business & Tech Group and is advisory member to Rockingham County Partnership for Economic & Tourism Development. In 2007, Mr. Krebs earned the “Good Neighbor of the Year Award” by Madison, NC and, in 2008, was awarded “Corporate Citizen of the Year” by the Western Rockingham Chamber of Commerce. He served on the Board of Directors for the Rockingham County United Way, Madison-Mayodan

Robert Morris, Esq. joined the Board of Free the Kids in January of 2009. Mr. Morris, a practicing attorney in Portland, ME, is a 1980 honors graduate of the University of Missouri at Columbia. In 1983 he earned his law degree at Missouri University. Over the past twenty-five years, Mr. Morris has practiced primarily as a trial lawyer, specializing in the area of injury litigation. He is admitted to practice in the Federal and State Courts of ME and MO, including the U.S. Court of Appeals for the First Circuit. Mr. Morris is a member of the American Trial Lawyers Association, the Maine Trial Lawyers Association, the Maine and Missouri State Bar Associations and the Cumberland County Bar Association. Mr. Morris primary offices are in Portland and Brunswick.

Key staff:

Jack Reynolds (Father Marc’s brother-in-law), Director of Operations, Greensboro, NC
Christopher C. Stout, Development Consultant, Ridgewood, NJ

S.O.S. for Haiti – “My name is Susan Midgett - On August 15th, 2009, I participated in the “Escape from Alcatraz Sharkfest” open-water swim in San Francisco, CA. In March 2009, I started a fundraiser using this event to help raise funds & awareness for an adequate medical and dental clinic at Pwoje Espwa (Project Hope) in Les Cayes, Haiti.

Haiti is the poorest country in the Western Hemisphere. Living conditions, especially for homeless children, are literally hell on earth. In just eleven years, the accomplishments of Father Marc Boisvert and other dedicated volunteers at Pwoje Espwa have been amazing, but the needs are still great.

The addition of an adequate medical and dental clinic is paramount and the benefits will be far-reaching. The new clinic will not only provide for more comprehensive medical and preventative care of the children currently in residence, but will allow Espwa to care for even more children in the future. This means more kids will be saved from a life of extreme poverty and suffering they are otherwise destined to live in Haiti. In addition, the clinic will help serve the growing needs of the local population from nearby villages, helping thousands!

Today, \$100,000 is needed to make this new medical facility a reality. This is my goal. Please join me in making a difference...”

Contributions by Category

Misc. Organizations	\$1,293,744
Families & Individuals	\$631,961
Foundations	\$578,918
Congregations	\$201,509
Companies	\$118,034
Service Organizations	\$78,772
Schools	\$29,653
Total Contributions	\$2,932,591

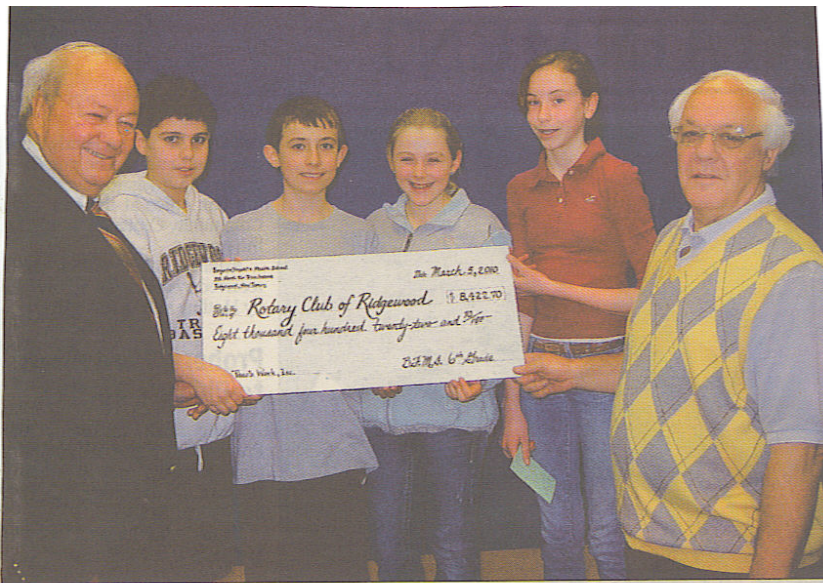
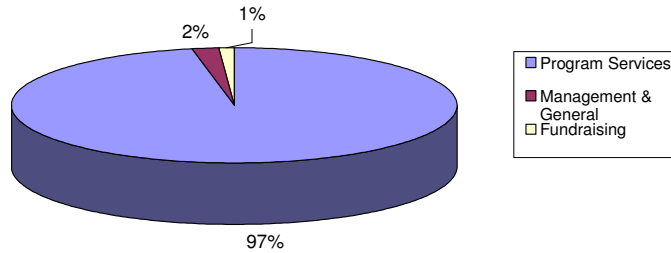


PHOTO COURTESY OF RIDGEWOOD PUBLIC SCHOOLS

Helping Haiti by giving up junk food

Students in sixth grade social studies classes at Benjamin Franklin Middle School were distressed by the aftermath of the recent earthquake in Haiti. The students gave up "junk food" while receiving pledges for their efforts. The students collected more than \$8,000, which was donated to the Ridgewood Rotary Club for their support of Theo's Work, which helps children in Haiti by supporting an orphanage and schools. Above, Rotary members Doug Dittrick and Chris Stout with BF students; from left, Ken Ekert, John Welsh, Abby McKenna and Kim Buesser.

2010 Schedule of Functional Expenses



June 30, 2010	
Total Assets:	\$1,467,975
Total Liabilities	\$27,730
Total Support & Revenue	\$3,125,332
Total Expenses	\$2,188,637
Increase in net assets	\$936,695

Audited (unqualified) by:
Malesardi, Quackenbush, Swift & Co.
Englewood, NJ

Treasurer's Comments:

“Our assets have increased from \$537,357 to \$1,467,975 due to the generosity of many donors who responded to the devastating earthquake in Haiti. We cannot afford to relax our fund-raising efforts. Our monthly expenses at the orphanage amount to \$125,000.

In addition to housing and feeding the children, we must educate them and provide them with vocational training so they will be able to support themselves and contribute to rebuilding Haiti. Please continue to support this necessary humanitarian effort.”

William Haggerty





Department of the Treasury
Internal Revenue Service

P.O. Box 2508, Room 4010
Cincinnati OH 45201

In reply refer to: 4077550277
Sep. 01, 2010 LTR 4168C 0
22-3741436 000000 00
00026674
BODC: TE

FREE THE KIDS INC
% W HAGGERTY
2303 W MARKET ST
GREENSBORO NC 27403-1517



111076

Employer Identification Number: 22-3741436
Person to Contact: Ms Benjamin
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your June 08, 2010, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in March 2001.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Please refer to our website www.irs.gov/eo for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third return for organizations required to file.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,

Cindy Thomas
Manager, EO Determinations

Mail to: PO Box 308
Trenton, NJ 08646

STATE OF NEW JERSEY
DIVISION OF REVENUE

Overnight to: 225 West State St.
3rd Floor
Trenton, NJ 08646-1001

FEES REQUIRED

REGISTRATION OF ALTERNATE NAME

FILED

DEC - 9 2008

C-150G

Complete the following applicable information, and sign in the space provided. Please note that once filed, the information contained in the filed form is considered public. Refer to the instructions on page 26 for filing fees and field-by-field instructions. If more space is required, attach a separate sheet and remit the appropriate fee amount. Use attachments if more space is required for any field.

Check Appropriate Statute:

- Title 14A:2-2.1 (2) New Jersey Business Corporation Act Title 42:2B-4 Limited Liability Company
 Title 15A:2-2-3 (b) New Jersey Nonprofit Corporation Act Title 42:2A-6 Limited Partnership

Pursuant to the provisions of the appropriate statute, checked above, of the New Jersey Statutes, the undersigned corporation/business entity hereby applies for the registration of an Alternate Name in New Jersey for a period of five (5) years, and for that purpose submits the following application:

- Name of Corporation/Business: Theo's Work Inc
- NJ 10-digit ID number: 0100823048
- Set forth state of Original Incorporation/Formation: New Jersey
- Date of Incorporation/Formation: ~~June 1, 1998~~ ^{8/12} JULY 17, 2000
Date of Authorization (Foreign): _____
- Alternate Name to be used: Free The Kids .Org
- State the purpose or activity to be conducted using the Alternate Name: Provides basic needs for underprivileged.
- The Business intends to use the Alternate Name in this State.
- The Business has not previously used the Alternate Name in this State in violation of this Statute, or, if it has, the month and year in which it commenced such use is: _____

Signature requirements:

For Corporations
For Limited Partnerships
For all Other Business Types

Chairman of the Board., President, Vice-President
General Partner
Authorized Representative

Jack Reynolds
SIGNATURE:

President
TITLE:

Jack Reynolds
NAME (please type):

11/25/08
DATE:

THE PURPOSE OF THIS FORM IS TO SIMPLIFY THE FILING REQUIREMENTS. IT DOES NOT REPLACE THE NEED FOR COMPETENT LEGAL ADVICE.

- 25 -



Free the Kids
HELPING HAITI'S CHILDREN

ESPWA
♀

79 Chestnut Street
Ridgewood, NJ 07450
(201) 294 7647

2302 West Market Street
Greensboro, NC 27403
(336) 272-9376

25422 Trabuco Road
Suite 105-362
Lake Forest, CA 92630
(949) 951-0943

Free the Kids is a 501 (c) (3) non-denominational,
non-sectarian exempt operating foundation
incorporated in Ridgewood, NJ.
EIN 22-3741436