



Free *the* Kids

HELPING HAITI'S CHILDREN

2012 Annual Report

As of June 30, 2012

"The children of the world are innocent, vulnerable and dependent.

They are also curious, active and full of hope.

*Their time should be one of joy and peace, of playing,
learning and growing. Their future should be shaped in harmony*

and cooperation. Their lives should be mature,

as they broaden their perspectives

and again new experiences."

*World Declaration on the Survival, protection
and development of children.*

September 30, 1990

TABLE OF CONTENTS

	Page
The Year in Review	3
The Challenge	6
Who We Are & What We Do	7
Focus on Program – Army of Angels	9
Free the Kids Board of Trustees	12
Key Financial Elements	14
Contributions by Source	14
Editorial	16
IRS Determination Letter	17
How You Can Help	18
Contact Us	19

"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 Nécessiteusse Haïtienne 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."

Wikipedia

**THE YEAR IN REVIEW:
THE FREE THE KIDS/PWOJÈ ESPWA SUD PARTNERSHIP**

In the face of economic adversity, we are proud of what we accomplished this year. We were adjusting to a new economic normal: rising prices coupled with anticipated increases in overhead for the medical clinic, forced the first of a string of cuts. Unfortunately, we had to let some employees go and we sold some vehicles. On the other hand, our Army of Angels sponsorship program grew as more supporters sponsored a child at Hope Village. Construction of our long awaited medical clinic was achieved and is now fully furnished and in use. Construction of our new kitchen/dining hall is near and we began a project to build dome houses for the girls.

In the fall, a very generous corporate sponsor gave us a challenge. International Medical Equipment Collaborative (IMEC) offered \$900 worth of furnishings and equipment for our new medical clinic for every \$100 we received in donations. A \$100 gift provided \$1,000 to outfit the clinic with fixtures, medical equipment, supplies - and more. The challenge was met and the container arrived in late May - just in time for the ribbon cutting on our new medical clinic (see below).

An important development during the year was progress on a series of dome houses that our girls will live in. Also, work was nearly completed on the new sustainable toilet for the boy's neighborhood.

Another important development during this period is the extension of our education programs to illiterate adults. Monsieur Albert is a former chapel director who has been with us for four years now. In his work as a catechist, he noticed that many of our workers were unable to read or write so he asked permission to teach them. Every afternoon from three to five he teaches our employees and has been very successful. Men and women who could not read or write are now able to do so.

Certainly the highlight of the year came on Saturday, June 16, when we cut the ribbon on the new Medical Clinic. It was a grand event complete with speeches, blessings, entertainment and food. Many local dignitaries were invited. Melissa Keefe from IMEC, who provided most of the furnishings and equipment, attended to witness that her hard work shipping the medical suites had paid off. Also present were Jameson and Susan Midgett who had swum Alcatraz with "SOS for Haiti" to raise money for the clinic. Our Medical Director, Dr. Cynthia DeSoi, cut the ribbon.

Our new medical clinic is capable of:

- a) Providing annual physical examination for each resident child and school attendee, a pharmacy and an immunization program;
- b) Providing health education to cover topics such as basic nutrition, sanitation, hygiene and reproductive health;
- c) Teaching HIV/AIDS prevention;
- d) Including an acute-care infirmary for observation and treatment of children (e.g. dehydration, pneumonia and sickle cell crisis).



Several American physicians and dentists regularly visit PES throughout the year to help our kids, often assisted by medical school residents from Port-au-Prince. Dr. Charles Tozzer and his dental team from Dental Care for Children visited us during the year. One of our older boys, a fluent English speaker, translated for them. We greatly appreciate the team's dedication, hard work, and impact they make on the lives of our children.

We began partnerships with AmeriCares and Vitamin Angels who shipped us several cases of vitamin A as well as 4,000 doses of Albendazole to administer it to all of our 1,200 children in the schools in Espwa village. A second dose will be given in the fall when they return to school, then another dose in 4 months, then another.

In late spring, Father Marc took a long-overdue sabbatical, his first since founding Espwa in 1998. He wanted to take a break to recharge his batteries and renew his commitment to mission. He planned to be gone for 6 months, returning on Thanksgiving Day. "This is something I've been putting off for a number of years. But this past year, I felt that God has put it on my heart to spend more time getting as close as possible to Him. I'm going to re-commit to my priesthood and to my ministries in Haiti. I plan to attend a Missionary Studies program in the U.S. to better understand ways to serve the poor. For almost 15 years I've been Papa to so many. Often I'm the one they come to for answers. I'm looking forward to being the one with the questions. I hope to gain a fresh perspective and a renewed promise to do God's work in Haiti. I plan to re-emerge from this sabbatical a spiritually stronger and wiser father and leader to my Espwa family".

He will be gone for 6 months, returning on Thanksgiving Day. He started his ministry with six children in a rented house. Today, he has 600 resident children and six schools providing education for 2,500 children. Over the years, he experienced many heart-breaking situations and now needs a rest. It was hard for him to say goodbye to the kids. One child wrote him a note saying: "When my mom died, I was all alone. But soon I became part of a very large family, the Espwa Family. I went from having no brothers or sisters, to hundreds of brothers and sisters. I went from having no mom and no dad, to the best dad, Fr. Marc." This reminds him of the tremendous gift that comes from each sacrifice we make.

In his absence, Jean Lexima, a Haitian-American businessman and long-time supporter, was hired as CEO who, with local staff, took over management and administration of Pwojè Espwa Sud, with the support of Free the Kids. Father Marc said "I have done a very good job of making myself dispensable. There are several good people at Espwa who run things when I travel. They have proven their capabilities time and again."

Jean's wife, our new dietician, has been working with the kitchen staff to improve the health of the children. The children receive substantial servings of food loaded with vegetables, meat and dairy. During this year, we received pre-packaged food shipments from several U.S. organizations. Their approach is simple: volunteers hand-pack meals specifically formulated for malnourished children and then ship the meals worldwide. A Canadian charity sent supplements to enhance the meals. Our cooks love it because it is simple to make with boiling water and culturally acceptable in Haiti. Our kids love it because they can fill up on a tasty meal, knowing that it is good for them. Bon apeti !

To better prepare and serve those meals, construction of the new kitchen and dining hall continued with some hiccoughs. We had import and transportation challenges as the roof elements were made in the USA and put together in Haiti. These unforeseen delays were frustrating but we are finally seeing a light at the end of the tunnel. We decided that the building will also be used on Sunday mornings as a place of worship.

We will continue our mission in 2013 and look forward to a successful and prosperous year. Thanks for your support.

Ben Abiles, January 2013

The Challenge

Obviously, the biggest challenge we face to continue our mission is raising enough funds to meet the overwhelming and massive needs in Haiti. As we move forward to grow our capabilities of improving the lives of children as well as young adults in Haiti, we are faced with the challenges of the economic conditions which impact an individual's ability to contribute.

In September, 2012 CNN revealed that the Obama and Romney campaigns together had raised nearly \$1.5 billion. We can't even imagine what could be done with all that money. And then Hurricane Sandy diverted the attention of concerned citizens. Fundraising has become very difficult this year. So how are American non-profits supposed to compete?

Fundraising has been around for a very long time. Today's fundraisers are following in the footsteps of many biblical figures, including Jesus and Paul, who asked people for financial support. In 1st Corinthians 16:2, Paul used a donor appeal letter for systematic giving, very much like today's sustained giving programs. There's no shame in accepting donor support, even Jesus and his disciples received donor support (Luke 8:1-3).

How we can compete depends entirely on our mission. Jesus gave us our mission in Matthew 18:5 "Whoever welcomes one such child in my name welcomes me". The result of following our mission well is when our supporters give us praise and thanksgiving and plentifully supply the need. That means you!

*"Incline your ear, O LORD, and answer me, for I am poor and needy."
Psalm 86:1*

Who We Are & What We Do

Free the Kids is a 501 (c) (3) non-denominational, non-sectarian exempt operating foundation founded by Father Marc Boisvert in 1997. 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 Pwojè Espwa Sud, currently home to 600 youngsters.



Pwojè Espwa Sud (PES) is a non-denominational, non -sectarian Haitian tax exempt NGO founded in 1998 by Father Marc Boisvert. Its mission is to “alleviate the devastating effects of poverty on children in southern Haiti”.

Free the Kids and Pwojè Espwa Sud are guided by some basic, yet demanding principles. Many of those principles differentiate us from other Non-Profit Organizations. In short - we do not "blindly give money". Rather, we attempt to invigorate basic humanity and instill a "sense of pride" in the daily accomplishments of people. In short:

- We do not want to "run" or "own" any of the projects undertaken with our partners; but rather - we develop long term relationships with those partners who live everyday within those projects/villages, effecting long term positive change;
- We only become involved with programs that directly effect core values of humanity and morality - such as education, care of those less fortunate, children who have no hope otherwise. We entrust our partners to maintain that same level of integrity and honesty;
- Our success is not measured by what we operate or own but rather, how our investments have changed a single child, a group of children, a family - or again - in this case - an entire generation of children in both the short and long term. It is our sincere hope that our projects outlast and persevere far beyond our mortal lives.

Father Marc is the “père” the children never had. A Catholic priest and former U.S. Navy Chaplain, he has lived in the village since inception, 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*



Focus on Program



Dictionary.com defines army as “a very large number or group of something; a great multitude; a host.” Luke 2: 13 tells us “Suddenly a multitude of the Heavenly Army appeared with the angel, praising God by saying, "Glory to God in the highest, and peace on earth to people who enjoy his favor!".

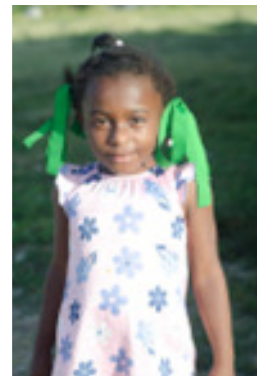
For Father Marc and the children of Pwojè Espwa Sud, you, our supporters, are the multitude – the army – for the little angels at Espwa. We will continue to invest in their care and education - so critical to fighting the war on poverty. The goal of our Army of Angels sponsorship program is to provide some financial security for our mission.

Sponsoring a child at Hope Village is an excellent way to support our mission in Haiti. A monthly donation will help secure the future of your child by providing some steady funds to cover his or her essential needs. You will hear from your child in a personal e-mail message twice a year. Best of all, he will feel loved a little bit more, knowing that there is someone special out there who cares.



It costs Pwojè Espwa \$150 a month to provide each child with basic care and education. This \$150 is divided into 5 equal amounts of \$30 for the following categories:

- a) free safe shelter;
- b) free nutritious meals;
- c) free K-12 education;
- d) free vocational training;
- e) free medical & dental care.



Please join Fr. Marc's Army of Angels. These kids desperately want to have hope in their future. But they need our help. Your commitment will provide an abandoned or orphaned child the loving care critical to his survival and an education crucial to his future. Go to www.freethekids.org, click on the Army of Angels logo, browse the pages from the menus to learn more about our children. Select a child to sponsor, click on the sponsor link beneath the child's photo and you will be taken to a sponsorship form with your child's case I.D.#. Follow the simple instructions to securely set up your sponsorship with a monthly donation to your credit card.

Portraits of Kids as Young Artists



Julio's family is from Port au Prince. Julio and his siblings were home alone when a catastrophic earthquake with a magnitude of 7.0 devastated Haiti. In the aftermath, there was no word on the whereabouts of Julio's parents. Their home was destroyed, they lost all their belongings and it seemed to Julio and his siblings that they lost their parents, too. Some neighbors stepped in to help for a few days before an aunt sent for them and brought them to Espwa. A few weeks later, Julio's parents were re-united with their children at Espwa. They are now attempting to rebuild the life they once had while their children remain in the care of Vilaj Espwa (Hope Village). Now, more than two years later, Julio is a very talented dancer and singer despite being one of the youngest on the Espwa dance team. Julio has graced Haiti's national television with his big, bright smile and fancy footwork.

Richardson was born June 19, 2007 and has been with us at Espwa since October of last year. His mother passed away last fall from a serious illness. Richardson's older brother, Erick, was already here at Espwa because his mother was unable to care for both boys while ill. After their mom passed away, Richardson came to live with his brother as one of the youngest members of the Espwa family. Richardson attends preschool in Espwa village. He loves taking naps and playing with his buddies. He is a happy child, considering he was orphaned at three years old. Thanks to his Army of Angels sponsors, Richardson can find a reason to smile.



Free the Kids Board of Trustees

Bill Commer Chairman of the Board. 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. Class of 2013.

William Haggerty, C.P.A., Treasurer, 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. Class of 2012.

Doug Dittrick, past Chairman of the Board has been involved since FTK's 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. Class of 2012.

Robert Morris, Esq. joined the board 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. Class of 2013.

Nelson J. Vogel, Esq. is licensed in Indiana as a certified public accountant and is a member of the Indiana State Bar Association and the State Bar of Michigan. He currently serves as Managing Partner of Barnes & Thornburg LLP in South Bend office. He has also taught business and tax courses at Notre Dame Law School and accounting and tax courses at Indiana University. Mr. Vogel has served as the President of Big Brothers/Big Sisters of St. Joseph County and the South Bend Regional Museum of Art. He currently serves as director of the St. Joseph County Chamber of Commerce. Class of 2014.

Key staff:

Ben Abiles, Interim Executive Director, Kissimmee, FL

Chad Scott, Director of Development, Charlotte, NC

Jack Reynolds, Director of Operations, Greensboro, NC

Key Financial Elements

Our Commitment to Accountability

As a Not for Profit entity that serves the public, Free the Kids, Inc. is committed to an ethical obligation to conduct their activities in a way that is accountable and transparent to their stakeholders. Free the Kids, Inc. engages in ongoing efforts to openly convey information to the public about their missions, activities, accomplishments and decision-making processes. Even in times of crisis, Free the Kids, Inc. has a special responsibility to be forthcoming and honest in their communications with stakeholders. Financial information is easily accessible to the public through our website or upon individual request. Our financial goal is to create external visibility, public understanding and trust in the organization.

Balance Sheet at 06/30/2012

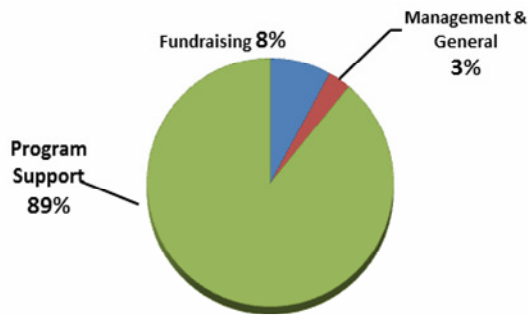
Assets	
Cash & cash equivalents	515,485
Receivables	38,614
Investments	549,216
Total Assets	1,103,315
Total Liabilities	35,570
Net Assets	
Unrestricted	789,246
Temporarily Restricted	278,499
Permanently Restricted	---
Total Net Assets	1,067,745
Total Liabilities & Net Assets	1,103,315

Contributions by Source - 07/01/2011 - 06/30/2012

	2012
Humanitarian Organizations	611,580
Families & Individuals	1,260,588
Foundations	218,110
Congregations	215,775
Companies	23,680
Fundraising	22,790
Service Organizations	58,735
Schools	11,590
Gifts in Kind	1,052,698
Total Contributions	3,477,558

Statement of Activities

Revenue	
Contributions	2,422,848
Gifts in Kind	1,052,698
Other Revenue	91,120
Total Revenue	3,566,666
Expenses	
Program Services	3,149,635
Management & General	111,590
Fundraising	262,796
Total Expenses	3,524,021
Change in Net Assets	42,645
Net Assets, beginning of year	1,025,100
Net Assets, end of year	1,067,745



Audited (unqualified) by:
 2011: Malesardi,
 Quackenbus, Swift & Co.,
 Englewood, NJ
 2012: Sharrard, McGee &
 Co., P.A., Greensboro, NC

Program Support

All of Free the Kids, Inc. program expenses were used to aid and provide goods or services to Pwojè Espwa Sud in Haiti. For the fiscal year 2011-2012, Free the Kids, Inc. provided \$3,149,635 to further the mission to nurture Haiti's abandoned and vulnerable children.

Food Program	498,676
Education Programs	311,673
Medical Programs	187,004
Housing & Shelter	124,669
Vocational Programs	124,669
Outreach Projects	93,502
Agriculture	62,335
Spiritual	31,167
General Aid	124,669
Services to Espwa	139,958
Gifts in Kind (Services & Goods)	1,052,698
Shipping Cost of Containers	36,295
Building Projects	362,320
Total Support to Pwojè Espwa Sud	3,149,635

Editorial

We feel it important to emphasize, and reiterate to our supporters, how Free the Kids and Pwojè Espwa Sud have matured over the past few years and are now focusing on developing a sustainable future for both the partnership of the two organizations and the children of Haiti we have pledged to serve. Much funding is needed as we develop resources for developmental growth such as the Administration Center, the Clinic, a Chapel, the Institute of Entrepreneurship and other facilities that will provide training and education to better society in Haiti. We will continue to invest in the future of the children of Haiti - not only to provide for the day-to-day care, housing, food and education of the children, but also to best utilize your support to prepare for their futures. This has put a financial stress on the organization as we continue our undertakings in an economy that remains in the midst of crisis and cutbacks. Many organizations are being forced to scale back and eliminate programs while Free the Kids is striving to continue, moving forward and developing programs. In order to do this, Free the Kids will maintain conservative costs while stepping up fundraising in order to weather the economic challenges. We are optimistic that the economy will strengthen and become more prosperous which will increase the capacity for charitable giving in the future.

The Board of Trustees, Free the Kids.



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
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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

How You Can Help

- Make a donation: support our programs with your personal or corporate contribution. Is your donation Matching Gift Eligible? If your company participates, your gift could double or triple.
- Join our Army of Angels. \$150 a month, or part thereof, provides each child with basic care and education. This \$150 is divided into 5 equal amounts of \$30 for the following categories:
 - a) free safe shelter;
 - b) free nutritious meals;
 - c) free K-12 education;
 - d) free vocational training;
 - e) free medical & dental care.
- Remember us in your will. To make a bequest, please have this simple sentence added to your will: "I bequeath and devise the sum of \$... to Free the Kids, a not-for-profit corporation presently located at 2303 West Market Street, Greensboro, NC 27403"
- Pay tribute to the memory of a friend or loved one through a memorial gift. These gifts are acknowledged promptly with an appropriate card to the family and donor.

*"In ordinary life we hardly realize
that we receive a great deal more than we give,
and that it is only with gratitude
that life becomes rich."*

Dietrich Bonhoeffer



Free *the* Kids

HELPING HAITI'S CHILDREN

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♀

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www.freethekids.org

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