“Whoever in the name of a disciple gives to one of these little ones even a cup of cold water to drink, truly I say to you, he shall not lose his reward.”

Matthew 10:42
Throughout these 24 years, ANF has been able to fulfill its beautiful mission thanks to your support. We have been truly humbled by your unlimited trust in what we do. In this spirit, we wish to extend our deepest gratitude for your generosity. We are certain that, with the help of God, we will continue to provide opportunity and restore dignity to Nicaragua’s poor.

Alfredo Pellas, President and Founder

Theresa Pellas, Vice-president and Founder

**MISSION**

ANF’s institutional mission is to acquire directly or through strategic partners the necessary resources to contribute substantially and sustainably with the objective of reducing the impact of poverty in the lives of the most vulnerable population in Nicaragua; providing, without a profit, these resources to their beneficiaries, in an efficient, effective and transparent manner, with the assistance of a network of local partners.

**VALUES**

GOD

SOLIDARITY

GENEROSITY

HONESTY

TRUSTWORTHINESS

RESPONSIBILITY

RESPECT

**VISION**

A Nicaragua with greater opportunities, self-sufficiency and dignity for the poorest sectors of the population.
In order to ensure efficiency and transparency, ANF channels its donations through a broad distribution network throughout Nicaragua. In 2016, this network consisted of 1,219 partner organizations, including NGO's, schools, hospitals, dispensaries, orphanages, nursing homes, governmental entities, etc.

In addition to implementing development projects funded by cash donations, ANF channels each year about 400 ocean-freight containers worth of in-kind donations through a network of hundreds of partner organizations, including schools, religious organizations, municipal governments, governmental entities, hospitals, clinics, orphanages, feeding centers, and elderly homes.

**DISTRIBUTION NETWORK**

In addition to implementing development projects funded by cash donations, ANF channels each year about 400 ocean-freight containers worth of in-kind donations through a network of hundreds of partner organizations, including schools, religious organizations, municipal governments, governmental entities, hospitals, clinics, orphanages, feeding centers, and elderly homes.

In 2016, this network consisted of 725 partner organizations in Nicaragua.

**IN-KIND AID DISTRIBUTION**

**TOTAL OCEAN-FREIGHT CONTAINERS DISTRIBUTED FROM 1992 TO 2016:**

<table>
<thead>
<tr>
<th>AMOUNT</th>
<th>VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>6,865 Containers</td>
<td>$1.87 BILLION</td>
</tr>
</tbody>
</table>

**AMOUNT PER CATEGORY**

<table>
<thead>
<tr>
<th>AMOUNT</th>
<th>VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,416 Medical</td>
<td>$1.44 BILLION</td>
</tr>
<tr>
<td>1,972 Household Goods</td>
<td>$244 MILLION</td>
</tr>
<tr>
<td>2,440 Food</td>
<td>$91 MILLION</td>
</tr>
<tr>
<td>1,037 Education</td>
<td>$100 MILLION</td>
</tr>
</tbody>
</table>

**TOTAL OCEAN-FREIGHT CONTAINERS DISTRIBUTED IN 2016:**

<table>
<thead>
<tr>
<th>AMOUNT</th>
<th>VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>405 Containers</td>
<td>$90 MILLION</td>
</tr>
</tbody>
</table>
Programs include:
- Health education campaigns
- Nutritional recovery
- School feeding
- Technical assistance
- Agricultural projects
- Animal husbandry
- Beekeeping
- Community infrastructure (construction of houses, wells and water systems, latrines, schools, clinics, etc.)

INVESTMENT IN PROGRAMS OVER THE YEARS

<table>
<thead>
<tr>
<th>Year</th>
<th>Investment in Millions of USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$4.3</td>
</tr>
<tr>
<td>2013</td>
<td>$4.5</td>
</tr>
<tr>
<td>2014</td>
<td>$3.7</td>
</tr>
<tr>
<td>2015</td>
<td>$5.5</td>
</tr>
<tr>
<td>2016</td>
<td>$5.6</td>
</tr>
</tbody>
</table>

INVESTMENT IN PROGRAMS IN 2016 PER CATEGORY

- **30%** Housing
- **10%** Water
- **13%** Health
- **9%** Agriculture and Development
- **16%** Sanitation
- **10%** Education
- **12%** Operations
Carlos Alberto, 36 years old, lives with his wife Corina and his three children in the poverty-stricken community of Aguas Calientes, Madriz.

During the dry season, they struggle through the hardships of drought and food scarcity. For several years, they lived in a small home made of solidified mud and a thatched roof along a river bed. During the rainy season, flash floods often caused the river to overflow, sometimes ruining their crops, drowning their livestock, and flooding their home. The family was constantly forced to leave their home and seek shelter from neighbors facing similar living conditions.

Like many families in Aguas Calientes, Carlos relied on unproductive farming practices passed on from generations before him. As a result, yield was minimal and his family suffered extended periods of food shortage.

After attending ANF’s training workshops, Carlos learned that by making small changes he could not only increase the quantity but also the quality of his crop production.

In less than a year, he managed to increase his income in two ways: multiply the amount of production (by a factor of four) and raise the selling price due to the increase in quality.

Witnessing his potential, ANF included Carlos in an innovative enterprise to raise pigs and convert animal waste into renewable energy and organic fertilizer, through the use of biodigesters. This technology allows Carlos and his family to save money on fertilizer and cooking fuel.

“Now,” Corina says, “we don’t have to cut trees for firewood, nor does our house get filled with smoke when we cook.” This project considerably lowers the risks associated with indoor air pollution, the so-called killer in the kitchen, one of Nicaragua’s leading health threats.

The pigs, pigpen, and training involved in the biodigester project provide Carlos and his family with an additional source of income. The unique breed of pigs Carlos received from ANF is superior to the pigs he previously raised, which bred 6 piglets at a time. Currently, he is breeding 14 piglets at a time and since they weigh twice as much, Carlos’s piglets are worth much more.

With the support of ANF and its partners, and the perseverance of the Ordóñez family, Carlos has fulfilled his dream of building a dignified and safe home for his wife and kids.
ENABLING DIGNIFIED LIVING CONDITIONS
Since 1998, ANF has been working with Food for the Poor and the Government of Nicaragua to improve the living conditions of impoverished families through the construction of dignified, two-bedroom houses. In many rural communities where ANF builds homes, we often build medical centers, community centers, and schools. Moreover, ANF provides families with tools and training to improve their livelihoods.

These programs benefited over 5,100 people in 2016

| 717 | SOLAR PANELS | installed in rural households |
| 1,196 | NEW HOUSES | built in collaboration with our partners |
| 3 | COMMUNITY CENTERS | built |
| 1 | VOCATIONAL CENTER | built |
| 75 | FAMILIES | benefited from fruit/vegetable gardens |
| 280 | FAMILIES | benefited from small-scale animal farming |
| 194 | ECO-STOVES | installed |
FOSTERING GOOD HEALTH AND WELLBEING

ANF is committed to improving the access to and quality of medical attention provided to people living in poverty across Nicaragua. ANF distributes food, medicine, medical supplies, and equipment to a network of more than 130 health centers throughout the country. Additionally, ANF supports feeding and nutritional recovery programs and carries out health education campaigns for low-income students and their families.

HIGHLIGHTS

These programs benefitted over 33,000 people (excluding medical consultations)

600,000 MEDICAL CONSULTATION
were provided by the centers supported by ANF

12,800 CHILDREN
received de-worming treatment

78 CONTAINERS
of medicine and medical supplies valued at $66,4 million were distributed

18,900 PEOPLE
were benefited with educational campaigns in which they learned about healthy lifestyles, nutrition and environmental issues

530 SEVERELY MALNOURISHED CHILDREN
received specialized treatment to improve their nutritional wellbeing

900 INDIVIDUALS
with mobility disabilities received specialized equipment such as wheelchairs to improve their mobility and quality of life
REMOVING THE BARRIERS TO EDUCATION

ANF focuses its educational programs on reducing the indirect costs of education, thereby creating incentives for parents to send their children to school. This is accomplished through the distribution of in-kind donations (school supplies, books, classroom furniture) and the implementation of school feeding programs. Additionally, ANF supports the construction of classrooms, computer labs, and water and sanitation stations.

HIGHLIGHTS

These programs benefited over 35,500 students in 2016

2 MILLION vitamin-fortified, nutrient-rich meals served in 118 schools

12 CLASSROOMS built in 5 different communities

184 SCHOOLS benefited with 12 ocean-freight containers of school supplies and classroom furniture (valued at $540,000)
CULTIVATING CHANGE

ANF aims to promote sustainable agricultural practices in an effort to help rural families in Nicaragua achieve food security and sustained economic growth, while contributing to the maintenance of ecosystems and strengthening capacities to adapt to local climate change. Through its Center for Agricultural Training, ANF also promotes agricultural research and new, low-cost technologies to improve small-scale farmer’s agricultural knowledge and practices.

HIGHLIGHTS

847 SMALLHOLDER FARMER FAMILIES benefited from agricultural inputs, technical assistance, training, across the following agricultural activities:

- 149 BEEEKEPERS
- 477 BEAN FARMERS
- 45 FARMERS WITH GREENHOUSES
- 80 SMALL-SCALE ANIMAL HUSBANDRY
- 26 RED LADY VARIETY HIGH-YIELDING PAPAYA FARMERS
- 70 BIO-INTENSIVE FAMILY FARMING
- 60 OF THESE FAMILIES RECEIVED BIODYSTERS

These programs benefited over 3,640 people in 2016
PROVIDING CLEAN WATER AND SANITATION
ANF seeks to improve the living conditions of impoverished rural communities by giving them access to safe drinking water and improved sanitation facilities. Most water and sanitation interventions complement ANF’s housing initiatives; together they change families’ hygiene behaviors and strengthen the communities’ capacity to manage their new facilities once projects conclude.

HIGHLIGHTS

These programs benefited over 9,000 people in 2016

- **7 COMMUNITY-LEVEL WATER DISTRIBUTION SYSTEMS BUILT**
- **1,158 WATER TAP STANDS INSTALLED**
- **7 WELLS WERE DRILLED BENEFITING 2,067 PEOPLE**
- **1,307 IMPROVED SANITATION FACILITIES BUILT**
- **347 WATER FILTERS DISTRIBUTED**
STATEMENTS OF FINANCIAL POSITION
December 31, 2016 and 2015

ASSETS

2016  2015
 Cash and cash equivalents $2,403,114 $1,974,899
 Interest-bearing deposits in financial institution $1,000,000 $1,000,000
 Securities and other investments $786,218 $454,574
 Contributions and other receivables, net of allowance of $22,600 and $0 $1,289,768 $1,849,091
 Inventories $17,054,029 $13,075,676
 Property and equipment, net $909,705 $519,541
 Other assets $44,612 $174,357
 Total assets $23,487,446 $19,048,138

LIABILITIES AND NET ASSETS

LIABILITIES:
 Accounts payable and accrued expenses $1,791,011 $1,495,365

NET ASSETS:
 Unrestricted: $1,000,000 $820,406
 Quasi-endowment fund $18,304,165 $15,178,745
 Undesignated $19,304,165 $15,999,151
 Temporarily restricted $2,392,270 $1,553,622
 Total net assets $21,696,435 $17,552,773
 Total liabilities and net assets $23,487,446 $19,048,138

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
For the years ended December 31, 2016 and 2015

CHANGES IN UNRESTRICTED NET ASSETS

REVENUE
 In-kind contributions $90,498,414 $115,578,006
 Cash contributions and other $2,424,668 $2,503,163
 Shipping and handling donated $1,461,910 $1,144,649
 Net assets released from restrictions $4,117,118 $4,266,494
 Total unrestricted revenue $98,502,110 $123,492,312

EXPENSES
 Program expenses $93,750,390 $117,089,370
 Fundraising $404,074 $577,109
 Administrative expenses $1,042,632 $982,309
 Total expenses $95,197,096 $118,558,788

Changes in unrestricted net assets $3,305,014 $4,933,524
 Unrestricted net assets at beginning of year $15,999,151 $11,065,627
 Unrestricted net assets at end of year $19,304,165 $15,999,151

CHANGES IN TEMPORARILY RESTRICTED NET ASSETS

Cash contributions $4,955,766 $5,355,550
 Net assets released from restrictions $(4,117,118) $(4,266,494)
 Changes in temporarily restricted net assets $838,648 $1,089,056
 Temporarily restricted net assets at the beginning of year $15,353,622 $484,566
 Temporarily restricted net assets at the end of year $2,392,270 $15,353,622
 Change in Net Assets $4,143,662 $6,022,580
 Net assets at the beginning of year $17,552,773 $11,530,193
 Net assets at the end of year $21,696,435 $17,552,773
Adriana suffered severe malnourishment due to food scarcity and an intestinal infection caused by unsanitary living conditions. At the age of 6, she was taken to a nutritional recovery center supported by ANF in Matagalpa. After undergoing blood transfusion sessions and spending 11 months in treatment, she recovered. Now, Adriana is a happy and healthy 9 year old girl.