

**2016 World Impact Report**  
**Ending Poverty Through Self-Reliance**



Clients from Abomosu, Ghana celebrating their 0% default rate

# OUR MISSION

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Our mission is to make a lasting difference in **YOUR** life by helping **YOU** serve those in extreme poverty in a self-sustaining way through active mentoring, business training, character development, and financial services.

# JOIN OUR COMMUNITY

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Visit our website to learn how we are successfully enabling people in extreme poverty to become self-reliant.

- Donate to the cause
- Become a part of the solution
- Invite your company to partner with Mentors International
- Match or multiply donations with employers, other companies, friends, families, or associated groups
- Read and share inspiring stories
- Join our community - sign up online

MENTORSINTERNATIONAL.ORG

# FROM THE CEO

Reflecting on what we've accomplished and the journey we've taken to get to where we are, makes me swell with happiness at the countless lives we've helped improve.

Our impoverished entrepreneurs are raising themselves out of poverty. Across the board we have been able to help increase our clients incomes. In Ghana our clients have increased their incomes on average by 304%. Our entrepreneurs are creating jobs for others and improving their communities. Many of our entrepreneurs are sending their sons and daughters to college - the first generation to do so. We positively affected the lives of over 300,000 people last year. **THIS IS A HUGE IMPACT.**

We are pushing to expand new operations in cities within Peru, Ghana, and the Philippines. With your help we can do it!

Thank you for all for your support, and for your belief in me and in Mentors International.

*Mark*

Mark L. Petersen  
President & CEO



**"Personally meeting these entrepreneurs has been life changing."**

# WORLD PARTNER MAP

GUATEMALA  
HONDURAS  
EL SALVADOR

GHANA

PERU

Mentors  
International has  
served over  
**4M PEOPLE**  
since 1990

PHILIPPINES



Meet Gladys from Accra, Ghana. She applied for a loan to improve her bakery.



Gladys was able to buy more supplies and learned accounting to help control her inventory and reduce costs.



Gladys was then able to expand her business and hired nine new employees.



More jobs for more families increases the economic development and opportunities for the whole community.



## THE FORTITUDE OF ENRIQUE

Enrique Morales, his wife, and four children have a small farm and produce stand in Huehuetenango, Guatemala. Since his first micro-loan and business training he has more than doubled his harvest and income. He hopes that Mentors International will always be there to continue to provide future loans and guidance. He wants Mentors to know that they can always put their trust in him, and that he will be a good steward of the loan money that has been entrusted to him.



## THE EMPOWERMENT OF MELANIA

Melania lives and works in Lima, Peru. She says, "The training that I have received has allowed me to grow as a person, and a leader. I now have a better handling of my money and my income has grown. I am able to help my neighbors with the communal bank. I feel empowered because of the training I have received and it is the desire of my heart to continue to move forward. Thanks to Mentors International I have learned how to plan for my future."

**27,536**

FAMILIES WORKING  
TOWARD SELF-RELIANCE

**15,665**  
LOANS  
DISTRIBUTED

**89%**  
OF LOANS  
MADE TO  
WOMEN

OVER  
**4M**

INDIVIDUALS  
WORKING TOWARDS  
SELF-RELIANCE  
SINCE 1990

**22,815**

NEW JOBS CREATED BY  
OUR CLIENTS

**2.26%**

DEFAULT RATE

**\$238**

AVERAGE COST  
FOR A NEW LOAN  
AND TRAINING

**\$4,603,009**  
DISTRIBUTED IN LOANS



*\*Numbers based on the 2015-2016 fiscal year*

“It’s very important that you don’t let the people you try to help become tragedies of your compassion.”

- Menlo F. Smith  
*Mentors International Founder*



# KEYS TO OUR SUCCESS

MENTORING

BUSINESS  
SKILLS  
TRAINING

FINANCIAL  
INCLUSION

*With Mentors’ guiding principle of a hand up, not a handout, the donor-recipient relationship is transformed. Mentors serves only individuals and families that demonstrate integrity, quality character, and the motivation to permanently lift themselves out of poverty.*

# MENTORING

*"Every great achiever is inspired by a great mentor."*  
- Lailah Gifty Akita

We assign our clients a mentor. Unlike many other micro-finance organizations, Mentors provides a high degree of ongoing, personalized training and mentoring. The knowledge and encouragement clients receive are vital to their success as they build businesses and become self-reliant.

Many of our clients have had little education and even less opportunities. We teach them to create a vision for their families and their businesses and help them understand that they can do more than they think they can. Then, with mentoring and a new found confidence, they can move forward to build their own futures.





# BUSINESS TRAINING

*Education is the most powerful weapon which you can use to change the world. - Nelson Mandela*

School is not a possibility for those whose families don't make enough to provide even the basic essentials. As a result, few are able to progress in their education.

We help these worthy clients develop a business plan, teaching them basic business skills such as inventory control, money management and even marketing.

Our training is dynamic and customized to specific personal situations. Often our clients create successful business opportunities in ways that we could not have predicted. We can use this new learning and lessons and apply it to our new clients in the future. We all benefit.

# FINANCIAL INCLUSION

Mentors International is often able to provide loans to those who would otherwise have no access to credit or other financial services.

People in developing countries who live in poverty don't have access to banks. The village loan shark charges very high interest rates, up to 20% each day, on a tiny loan. Hard-earned profits go straight back into the loan shark's pocket, and people are locked in a cycle of debt payments that leave them with almost no profit to show for their routine 80-hour work weeks. This harmful lending practice is common in developing countries. These worthy entrepreneurs have no resources available to help them expand their businesses and improve their families' well-being.

## NOT JUST LOANS

Mentors International also provides an array of financial services including savings, death benefits, independent loans, insurance products and training.



# MELCHORA'S SUCCESS

Meet Melchora Beltran and her husband Diomedes from Manila, Philippines. Diomedes was injured at work about six years ago and it caused him to become blind. Melchora assumed the role of sole provider for her family. She started out with a \$100 loan and a sewing business. She only earned \$100 a month in those early months. **Through continuous business training and mentoring, she has now purchased 20 additional sewing machines and hired 20 employees.** Today, Melchora nets around \$3,300 a month after all her expenses, and her business is still expanding. Their son and daughter-in-law market all the children's clothes that she and her employees produce. "We are so happy and grateful for Mentors," she told us.

Melchora's story exemplifies the principles of self-reliance and prosperity. Just as Melchora worked hard to become self-reliant, so have most of our clients in other countries where we serve. And there are thousands more waiting for their turn.



# BOARD OF DIRECTORS

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## EXECUTIVE COMMITTEE

Chair	<b>Richard Tanner</b> , Executive/Owner, Concero Connect, Utah
Past Chair	<b>Kent B. Petersen</b> , CEO, MorpH2O, Utah
Vice Chair	<b>Don Patterson</b> , Business Owner, Gilbert, Arizona
Treasurer	<b>Danny Gunnell</b> , President/CEO Liberty Pioneer Energy Resource, Utah
Secretary	<b>Scott R. Petersen</b> , CEO and Founder, Omadi Corporation, Utah

## BOARD MEMBERS

<b>Shane V. Argyle</b> , Entrepreneur, Utah	<b>Teresa Harding</b> , Presidential Diamond, Wellness Advocate for doTERRA, Utah
<b>Timothy Barney</b> , President and Founder, Longview Partners, Utah	<b>David Jensen</b> , Founder & Executive Chairman, Aviacode, Utah
<b>Bruce B. Bingham</b> , Partner, Hamilton Partners, Utah	<b>Norman O. King</b> , Principal, Cornerstone Property Services, Arizona
<b>Brant Bishop</b> , Partner, Kirkland and Ellis LLP, District of Columbia	<b>Elizabeth Mumford</b> , Bertin Family Foundation, Utah
<b>Greg Cook</b> , VP of Operations & International, doTERRA, Utah	<b>Derrick Porter</b> , Beauty Industry Group, Utah
<b>Gary Free</b> , Founder, Free and Associates, Utah	<b>Bonnie Smith</b> , Lear Corporation, Pennsylvania
<b>Natalie Goddard</b> , doTERRA Presidential Diamond, Utah	<b>Davis Smith</b> , CEO, Cotopaxi, Utah
<b>Ron Gunnell</b> , The BroadStreet Group, Utah	<b>Drew Smith</b> , Social Entrepreneur/Venture Capitalist, St. Louis, Missouri

# OUR DEDICATED TEAM

## SALT LAKE CITY HEADQUARTERS

**Mark Petersen** - President and CEO

**Nathan McClellan** - Vice President of International Operations

**David Stump** - Chief Financial Officer

**Joe Westenskow** - Director of Development

**Sarah Barrett** - Director of Marketing

**Melanie Winterton** - Office Manager

## INTERNATIONAL TEAM

**Dean Bermudez** - Executive Director: Philippines

**Perfecto Gonzaga Calipes** - Deputy Executive Director: Philippines

**Daniel Alberto Rodriguez Sierra** - Regional Director of Operations for Latin America: Guatemala

**Gloria De Castellanos** - Program Director: Guatemala/El Salvador

**Otoniel Manley** - Executive Director: Honduras

**Julian Sarria** - Executive Director: Peru

**Enyonam K. Mensah-Dotsey** - Executive Director: Ghana



Our amazing team and mentors in Guatemala

# STATEMENTS OF FINANCIAL POSITION

- for Fiscal Years Ending June 30<sup>th</sup> 2016 and 2015

	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>CURRENT ASSETS</b>						
Cash and Cash Equivalents	\$205,873	\$48,954	\$254,827	\$89,010	\$174,489	\$263,499
Fees Receivable	245,712	-	245,712	354,229	-	354,229
Prepaid Expenses & Other Current Assets	25,642	-	25,642	9,172	-	9,172
<b>Total Current Assets</b>	<b>477,227</b>	<b>48,954</b>	<b>526,181</b>	<b>452,411</b>	<b>174,489</b>	<b>626,900</b>
<b>PROPERTY AND EQUIPMENT</b>						
Office Furnishings and Equipment	20,724	-	20,724	23,273	-	23,273
Leasehold Improvements	11,426	-	11,426	11,426	-	11,426
Software	4,786	-	4,786	89,931	-	89,931
Accumulated Depreciation & Amortization	(34,522)	-	(34,522)	(118,528)	-	(118,528)
<b>Total Property and Equipment</b>	<b>2,414</b>	<b>-</b>	<b>2,414</b>	<b>6,102</b>	<b>-</b>	<b>6,102</b>
<b>OTHER ASSETS</b>						
Investments, Cost	30,299	-	30,299	30,299	-	30,299
Notes Receivable - Foreign Partner Affiliates	331,014	-	331,014	742,359	-	742,359
Other Assets	3,385	-	3,385	3,385	-	3,385
<b>Total Other Assets</b>	<b>364,698</b>	<b>-</b>	<b>364,698</b>	<b>776,043</b>	<b>-</b>	<b>776,043</b>
<b>TOTAL ASSETS</b>	<b>\$844,339</b>	<b>\$48,954</b>	<b>\$893,293</b>	<b>\$1,234,556</b>	<b>\$174,489</b>	<b>\$1,409,045</b>
<b>CURRENT LIABILITIES</b>						
Accounts Payable and Accrued Expenses	\$33,212	\$-	\$33,212	\$88,619	\$-	\$88,619
Accrued Interest, Current Portion	12,235	-	12,235	5,747	-	5,747
Notes Payable, Current Portion	128,982	-	128,982	36,351	-	36,351
<b>Total Current Liabilities</b>	<b>174,429</b>	<b>-</b>	<b>174,429</b>	<b>130,717</b>	<b>-</b>	<b>130,717</b>
<b>LONG-TERM LIABILITIES</b>						
Accrued Interest	121,703	-	121,703	166,052	-	166,052
Notes Payable	535,405	-	535,405	1,064,387	-	1,064,387
<b>Total Long-Term Liabilities</b>	<b>657,108</b>	<b>-</b>	<b>657,108</b>	<b>1,230,439</b>	<b>-</b>	<b>1,230,439</b>
<b>TOTAL LIABILITIES</b>	<b>831,537</b>	<b>-</b>	<b>831,537</b>	<b>1,361,156</b>	<b>-</b>	<b>1,361,156</b>
<b>NET ASSETS</b>						
Unrestricted	12,802	-	12,802	(126,600)	-	(126,600)
Temporarily Restricted	-	48,954	48,954	-	174,489	174,489
<b>Total Net Assets</b>	<b>12,802</b>	<b>48,954</b>	<b>61,756</b>	<b>(126,600)</b>	<b>174,489</b>	<b>47,889</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$844,339</b>	<b>\$48,954</b>	<b>\$893,293</b>	<b>\$1,234,556</b>	<b>\$174,489</b>	<b>\$1,409,045</b>

# Statements of Activities and Change in Net Assets

- for Fiscal Years Ending June 30<sup>th</sup> 2016 and 2015

	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>REVENUES AND SUPPORT FROM OPERATIONS</b>						
Public Support						
Contributions	\$1,472,772	\$48,954	\$1,521,726	\$764,500	\$174,489	\$938,989
In-kind Donations	16,843	-	16,843	-	-	-
Special Events	482,054	-	482,054	342,076	-	342,076
Less: Direct Costs of Special Events	(82,245)	-	(82,245)	(113,370)	-	(113,370)
<b>Total Public Support</b>	<b>1,889,424</b>	<b>48,954</b>	<b>1,938,378</b>	<b>993,206</b>	<b>174,489</b>	<b>1,167,695</b>
<b>REVENUE</b>						
Affiliate Fees, Interest, & Other Revenue	100,522	-	100,522	110,833	-	110,833
<b>Total Revenue</b>	<b>100,522</b>	<b>-</b>	<b>100,522</b>	<b>110,833</b>	<b>-</b>	<b>110,833</b>
Released from Restriction	174,489	(174,489)	-	-	-	-
<b>Total Revenues and Support from Operations</b>	<b>2,164,435</b>	<b>(125,535)</b>	<b>2,038,900</b>	<b>1,104,039</b>	<b>174,489</b>	<b>1,278,528</b>
<b>OPERATING EXPENSES</b>						
Program Services	1,894,556	-	1,894,556	1,052,480	-	1,052,480
<b>SUPPORTING SERVICES</b>						
Fundraising Costs	29,527	-	29,527	14,260	-	14,260
General and Administrative	101,125	-	101,125	66,854	-	66,854
Total Supporting Services	130,652	-	130,652	81,114	-	81,114
Total Operating Expenses	2,025,208	-	2,025,208	1,133,594	-	1,133,594
<b>OTHER INCOME</b>						
Gain (loss) on Sale or Disposal of Property and Equipment	175	-	175	(151)	-	(151)
<b>Total Other Income</b>	<b>175</b>	<b>-</b>	<b>175</b>	<b>(151)</b>	<b>-</b>	<b>(151)</b>
Change in Net Assets	139,402	(125,535)	13,867	(29,706)	174,489	144,783
Net Assets at Beginning of Year	(126,600)	174,489	47,889	(96,894)	-	(96,894)
<b>Net Assets at End of Year</b>	<b>\$12,802</b>	<b>\$48,954</b>	<b>\$61,756</b>	<b>\$(126,600)</b>	<b>\$174,489</b>	<b>\$47,889</b>



Lidia and her granddaughter from Peru have been lifted to self-reliance through mentoring and micro-loans from Mentors International.



# YOUR DONATION

We generate more impact with a dollar. Your dollar gives over and over again with our perpetual model. Clients repay their loans with interest at reasonable rates to Mentors International to help fund new loans, making your contribution perpetual.

# 93%



**OF YOUR DONATION GOES  
DIRECTLY TO TRAINING & LOANS**  
*7% goes towards administrative and fundraising*

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