

Cadence International® 2007 Annual Report



Sharing
the gospel
and our lives
with
the military community

2007 Financial Report

Support and Revenue

Contributions	\$6,549,985	87.9%
Conference Registrations	251,538	3.4%
Military Ministry Contracts	535,814	7.2%
Investment Income	53,781	0.7%
Other Income	60,063	0.8%
Total Income	\$7,451,181	

Expenses

Program Services	\$6,229,073	83.1%
General & Administrative	1,085,866	14.5%
Fundraising	184,515	2.5%
Total Expenses	\$7,499,454	

Change in Net Assets (\$40,719)

Statement of Financial Position

Assets	\$3,941,366
Liabilities and Net Assets	
Liabilities	\$445,928
Net Assets	\$3,495,438



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International

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2007 Financial Report

Cadence International ended the fiscal year in a sound financial position, as portrayed in its audited financial statements. Poysti and Adams, LLC conducted the audit and found that Cadence was maintaining its financial records in accordance with generally accepted accounting practices, managing its financial resources well and exercising good internal controls. Highlights of the mission's finances are discussed below.

Total Support, revenue, and other gains were down slightly, \$127,000 (1.7%), from last year. The amount last year, however, was influenced by extraordinary income of \$270,000 from the largest gift in Cadence history. Contributions increased by \$148,500 – an increase of 2.3% over the previous year – evidence of continued, strong donor support attesting to the faithfulness of God's people in supporting this vital ministry. Ministry Services (hospitality house, youth, retreat, and conference ministries) expenses were up slightly by \$17,000 from last year, reflecting the continued pursuit of reaching service men, women and dependents for Christ. General and Administrative (G&A) expenses were down \$10,500 from last year. The most significant increase in expenses occurred in Fund Raising - \$37,000 – reflecting an increased number of missionaries on partnership development. Total liabilities decreased by \$92,500 (17.1%).

A management letter was provided to the Board of Directors highlighting areas needing attention. The letter made recommendations in the following areas: documentation of prepaid expenses, maintenance of fixed asset records, creation of a notes payable register, and establishment of a controller-type position in accounting. Overall, Poysti and Adams concluded that Cadence was continuing in its practice of sound fiscal accountability and integrity.

We give credit and praise to the Lord as the provider of all good things. We are dependent on Him for the provision of resources and people to conduct our ongoing ministries. We gratefully acknowledge our faithful donors and pray that "... God will meet all [their] needs according to his glorious riches in Christ Jesus." (Philippians 4:19)

Respectfully,



Michael Endres

Chief Financial Officer

Board of Directors FY 2007

James Howard, *Chairman*
Richard Newman, *Vice-Chairman*
Richard Patty, *Secretary*
David Schroeder, *General Director*
Stacy Bragg, *Director*
Todd Cienski, *Director*
Jeffrey Easley, *Director*
Jerri Kayll, *Director*
Curtis Kemp, *Director*
Betty Price, *Director*
John S. Roberts, *Director*
Alan M. Villanuava, *Director*

From the General Director

Cadence International® just completed its fifty-third year of ministry. Because of your faithful prayer and financial support, military people around the world have been reached for Christ, built up in Him, and mobilized in Great Commission service for Him.

This report covering our fiscal year (June 2006 – May 2007) is intended to inform you of progress in the advancement of the gospel in military communities worldwide. We trust you will be strengthened and encouraged as you are reminded of the significance of your investment in the lives of military people and their families.

FY 2007 Highlights

PTSD (Post-Traumatic Stress Disorder) is affecting thousands of our American soldiers returning from Iraq, and their families as well. Since this war began, over 3,000 soldiers have been killed in action and over 50,000 have sustained significant injury.

Those returning from the battlefield without physical injury, often carry hidden wounds in their hearts and souls. Medical literature states that to be diagnosed with PTSD, an individual must experience all the following criteria:

1. Have experienced at least one trauma or life-threatening event that had potential for bodily harm, to which the individual responded with fear, helplessness, or horror.
2. Continue to relive the trauma (nightmares, flashbacks, etc.)
3. Evidence persistent avoidance of situations reminiscent of the incident, and a numbing of emotions.
4. Evidence persistent symptoms of hyper-arousal (startle response, irritability, difficulty falling asleep, etc).

5. Criteria 2, 3, and 4 must persist for at least one month after the incident.
6. The traumatic event caused significant distress and dysfunction.

To put it another way, many soldiers experiencing post-traumatic stress experience huge amounts of *anxiety*, *anger*, and struggle significantly with *alienation*.

A few months ago, I sat in Soldiers Memorial Chapel on Fort Carson army base, just south of where I live here in Englewood, Colorado. Over 150 soldiers from units from this base have been killed in action, and each one of their memorial services were held in that very chapel. The chaplains report that there are over 1700 appointments every month at the psych clinics on base, and that their counseling load has sky-rocketed. Since the beginning of this war, the divorce rate in the army has doubled. Many families are hurting and in trouble.

Cadence staff is joining chaplains around the world at deployable bases ministering to these returning soldiers and their families. Pray for their strength in the midst of this strategic and timely battle.

Cadence Foreign Military Ministry – Cambodia. One conversation began it all. Tucked away in the northern outreaches of Cambodia, a poverty stricken military encampment struggled through yet another day of hardship. Cadence's national Cambodian staff member shared the hope of the gospel with a military person hungry for purpose and meaning. The man trusted Christ as his Savior. With overwhelming joy he shared his new hope with his family and friends. They also trusted Christ. A spark of hope and joy ignited, and the gospel spread like wildfire, jumping from person to person and then from military community to community in this country laden with grief from a history of atrocities and suffering.

This reminds me of the Spirit-movement we see in the book of Acts – over 10,000 Cambodian military people and their families have now placed their faith in Jesus. Just this past October 2007, over 800 new converts hiked one mile in the pouring rain in order to be baptized in a river!

Ten thousand converts to Christianity in fewer than 18 months have left our Cadence staff in the region overwhelmed with joy, scrambling with follow-up, and burdened with lack of resources. With Bible studies, discipleship groups, and home churches springing up all over these military communities, the challenge of training and equipping leaders has become very urgent. There is also a great need for community-enhancement projects in these military encampments – fresh water wells, community centers, income-bearing agriculture, and much more.

Cadence cares for the world. Our Vision is “*to exalt Christ in the nations through the lives of transformed military people.*”

While we minister predominantly to American military, we do so with the nations on our hearts, and we also have several outreaches specifically to the militaries of other nations. In the Southeast Asia region, Cadence staff has long seen incredible fruit among the security forces of the Philippines, and most recently in the militaries of Thailand and Cambodia. Because of the stronghold of Buddhism in Thailand, the evangelical church across the country typically only sees a handful of converts to Christianity every year. In contrast, over 100 officers have come to Christ in the Thai military in this last year alone! And now this amazing Spirit-powered advancement of the gospel in Cambodia . . .

New works opening. In this past year, we rejoiced in the opening of two new hospitality houses at Elmendorf Air Base, Alaska, and at Mountain Home Air Base, Idaho. Two other new hospitality houses are scheduled to be opened in

Germany during this current fiscal year. We praise God for the new wave of harvesters He is bringing to Cadence to work in this fruitful and strategic portion of His harvest.

In Conclusion. Please pray with us that this inter-generational organization will remain blessed of God, empowered by the Spirit, and centered on our Lord Jesus Christ.

“I thank my God every time I remember you. In all my prayers for all of you, I always pray with joy because of your partnership in the gospel from the first day until now.”

(Philippians 1: 3-5)



David Schroeder

General Director

Staff Leadership FY 2007

David Schroeder, *General Director; Director of Europe House Ministries*

C. David Cordell, *Director, Operations; IT Resources*

Michael Endres, *Chief Financial Officer*

Larry Ingalls, *Executive Director, Personnel; Director, Asia House Ministries*

Dick Reynolds, *Director, Cadence Associates*

Bill Sawyer, *Director, Americas Ministries*

Ron Wilson, *Director, Foreign Ministries-Asia*

Mark Wilson, *Director, Malachi Ministries*