A PLACE OF WONDER **Varm**



Give the world the best you have and it may never be enough; give the world the best you have anyway. (Mother Teresa)

A letter from the founder

This year I was present for both Anahit's and Davit's birthday celebrations. Anahit and Davit received gifts from the staff. For both occasions, there was a beautiful layered, homemade cake on the table. And instead of a candle, we had sparklers!

It is a tradition at Warm Hearth that everyone present speaks their wishes for whomever we are celebrating. I heard both whispers and confident toasts as Anahit and Davit were wished long lives, much love, and for their respective dreams to come true.

Almost always, the one who is celebrated sheds a few tears. They are tears of joy, for the most part. But, does not every joy carry with it a bit of longing that almost feels like sadness? I wonder if they long for the

love of their families so acutely in those moments.

Do they think of the loneliness they have carried with them most of their lives? Or, do they think of the friendship that now belongs to them?

At the first birthday celebration after Warm Hearth opened, I remember wondering if that resident might break open from so much joy, from so much wonder. I wondered: should we not celebrate so vibrantly? Should we tame the celebrations for their sake?

I do not think a person can be given too much love. So, I believe the answer is no. Celebrate vibrantly! Shower them with blessing. And one day, they might realize how worthy of celebration they really are. One day - when their celebrations at Warm Hearth

outnumber the previous ones and their stories are re-read to include lifelong love.

Sincerely Yours,

Natalie Bryant-Rizzieri

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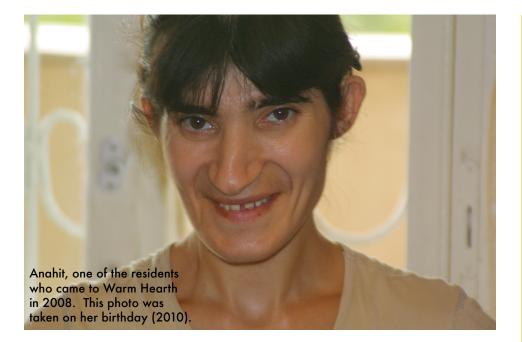
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2010

Warm Hearth opened its doors in 2006 and remains the first and only long-term group home in Armenia. We provide a place of wonder, peace and nurture for our residents, all of whom are adults with disabilities and either have been orphaned or abandoned. Most of them will need lifelong care and for those, we will be their home for life. Some of them may eventually live independently or with less support. For them we hope to be the bridge that will allow them to move toward greater independence. Were our home not to exist, our residents would either be living on the streets or in psychiatric institutions. These institutions are remnants of the Soviet system which are known for their inhumane and hopeless conditions.



Many Kinds of Miracles

by Vanya Stier Van Essen

First, I heard about them - the first eight residents of Warm Hearth. This was before there was a Warm Hearth. I heard about them from Natalie. I heard about her long and usually peaceful walk to the orphanage every afternoon, and the hours spent doing art projects. I heard about how she took portraits of them and hung them in the halls of the orphanage where they lived. I heard how they were overwhelmed by this honor. I imagined the joy on their faces and the long years of neglect that led to that moment of joy.

Then there was an email when Natalie found out that these particular eight orphans were going to be sent to the psychiatric institution, Vardenis. Even now, having heard and read about this place and, for lack of a better word, the horrors that happen there, I can't describe how it felt to get that news.

The email was to her family and closest friends. We all heard the love, heartbreak, power-lessness, and outrage in her voice. Deep beneath all of that, we also heard the hope. And slowly, through emails, phone calls, and long conversations, the dream of Warm Hearth grew – the first group home in Armenia for orphans with disabilities. The first alternative to institutionalization.

People started giving. A house was found in Third Village. The bureaucracy was breeched. There were mazes of paperwork, tears, special fees, loops, hoops, and those who tried to take advantage. It was a long road and at each new turn, there was a new impossibility.

I wasn't there, but I remember the winter day when the residents were introduced to their beautiful home. Davit. Gayane. Yulia. Anna. Roman. Alina. Sassoon. Susanna. Again, I imagined the joy on their faces as they saw their rooms and their beds. I imagined how it felt when they heard that this was their home, that they would have a say in the house rules, and share in the responsibilities of the home. I imagined the moment when they realized that they had a voice at Warm Hearth - a voice that mattered. Isn't that one of the greatest gifts any of us could receive?

And now, years later, the journey has not changed that much. Warm Hearth is still faced with new impossibilities, new challenges, new tears, new joys. Having been with Warm Hearth from its beginnings, I have learned to open my heart and mind to "impossibilities." When I find myself thinking that something is impossible or too difficult, I think of Warm Hearth and I wait and I hope...because I have seen impossible things happen.

Maybe there are many kinds of miracles: some born out of will, some out of strength, faith, or determination. Warm Hearth is a miracle born out of love. That's it. It wasn't logical. There was no initial project plan or budget. There were no safety nets.

But there was love.

There was love for the residents, for the forgotten in the world, for the outcast parts of ourselves. I'm not sure about you, but I don't see that very much. And I am deeply and forever grateful to be a small part of Warm Hearth.

Celebrations:

Join us in looking at what has transpired for Warm Hearth in 2010.

After much work, Sassoon, now has his passport and is a legal resident of Armenia. Due to the death of his mother at a young age, Sassoon never had papers before now.

Our board member, Lee Ann Williams, represented Warm Hearth at the St. Vartan's Bazaar in Oakland, California. We are grateful for the Diaspora in Northern California and their care for our home.

Juliet Setian (Irvine), Meline Nikoghosyan (Yerevan) and Vartuhi Vartanyan (Los Angeles) translated documents for our organization and residents. Their donated services are valued at over \$1000.

Armenian Volunteer Corps and Warm Hearth forged a partnership. Four volunteers worked at our home in 2010 doing everything from jump-starting an online store in order to sell our residents' crafts (thanks to Ashley & Olivia) to making music, jewelry, and dancing with our residents.

This January of 2011, we celebrate five years since our opening. We celebrate five years of hope, healing, growth and still-deepening love. Thank you for making this possible.

Local Support Grows

In 2010 we received 20% off all food and utilities from the government of Armenia. Our Armenia-based support from individuals, businesses and non-profits grew this year. Our taxi company purchased flooring for our home. ARDA provided us with renovations, food and other supplies for our home. Bridge of Hope donated carpet looms for our residents' craft. A business donated furniture. And this is only a portion of all we received in 2010!

values

For me, Warm Hearth is where the insulted and injured, the hopeless and sad can find comfort and healing, hope and joy. I'm struck over and over again by the kind of love that has made this possible. One of the things I love about Warm Hearth is how the residents are encouraged to discover and utilize their talents and gifts, to acquire skills and learn new things. This is very good because it empowers and helps them understand their value and feel proud of themselves.

(Juliet Setian - Irvine, CA)

small

sustainability

Warm Hearth is seeking ways to sustain itself locally through self-generated income proiects. One possibility is to open a Day Center in our home for individuals with disabilities from the community. Our residents also have been selling their handicrafts in local stores and exhibitions. Their creativity has blossomed through the encouragement of a vocational teacher, Srpuhi, volunteers who visit often (thanks to AVC and Gohar especially), and the carpet looms we inherited from Bridge of Hope! An online store is coming soon! We also continue to seek funding from the Armenian government and local individuals and founda-

waiting

is

After a year of hopefulness in regard to Anna (who came home for a time) and Sassoon, we are back to a posture of waiting. We believed that after a follow-up training conducted by Erik Logan that we would be able to bring both of them home in 2010. However, due to liability issues, we are prohibited from bringing them home at this time. We continue to advocate for them, to resist, to fight. We visit them. We wait for the day when we will have a better solution for them. Wait with us. It is sometimes the only thing. A man can...stay alive as long as there is at least one person who is waiting for him.

community

beautiful

Warm Hearth is nurtured by a small band of people doing "ordinary things...of enormous value" (Teilhard de Chardin). This band of people begins, first and foremost, with our residents. Our residents' sparkle, humanity, and endurance through hardship make their home a beautiful and celebratory place. It is their hospitality and warmth that invites people in. It is their love for one another and those who stand with them that lights a flame within the people who give of their time, resources and heart. Hasmik, Anahit, Davo, Agappy, Yulia, Roman, Susanna, Gayane, Davit, Sassoon, Anna, Armine, and Alina: you are our joy.

Feasts and Favorites

This story was written by Alya, our Armenia Director.

New Year and Christmas celebrations began for our residents on December 24th. They were giddy with their gift of a new television as theirs had been broken for a couple of months.

Traditionally in Armenia, the New Year festivities begin on December 31st with the preparation for the New Year and Christmas, which is celebrated on January 6th. The anticipation and preparation are part of the merry-making, and this is usually the favorite season for all people in Armenia. Our residents are no exception.

Together we prepared many very tasty foods and put Christmas decorations throughout our home. It looked so warm and beautiful.

On December 30th, one of our staff members, Olga, prepared a new cake for our residents, which they all thought was delicious. Then on December 31st, the staff and residents worked together to prepare the table for the midnight feast. Everyone was so happy!

Near midnight, Margo, one of our caregivers, decided to put a small present for each resident on the first floor near the chimney so that the residents would think of Dzmer Papik (Santa Claus) when they ran downstairs to get their gifts. So, in the morning, Margo banged on the door and smiled at the thought of all the residents running in to see their gifts. The residents did come running, but there were no presents near the chimney! Earlier, Davit had come downstairs and seen all the gifts. Thinking they belonged to the caregivers, he had carefully taken them all to the caregiver's room to be helpful. Still in shock, Margo said that those were the gifts Santa Claus brought for them. At this point, everyone began laughing so hard. It was really very funny.

Afterwards, we all gathered near the carefully set table and with laughter in our bellies, celebrated our favorite holiday together.



A Second Home

We have carefully considered opening a second home for residents with more intense behavioral needs. At this time we have determined that our first home needs to secure 60% of the funding from Armenian sources or projects before opening a second.

Sustainability is another word for justice.

the daily life

When the work is to provide a home, as ours is, the details can sound small and insignificant. Making a home, as you know, is a humble and "daily" endeavor. Ours is the same. To us, the details are not unimportant. To us, there is no insignificant part. The details are what make up our days and fill our dreams at night. This is our daily life. This is our handmade life.

nothing

too

small

Seeds

Our garden soil was tilled in early spring. Seeds and flowering bushes were planted and tended by our residents.

Flowers

For the first time, we planted new beds of flowers along the street. Our neighbors and visitors enjoyed these bursts of color!

Photography

Our residents were given a camera and have enjoyed honing the art of picture taking. Thanks, Jodie Ann!

School

In September, our residents began their 2nd year in university. They were ready to return and enjoy learning!

Makeovers

The first two floors of our home were repainted in 2010 in gorgeous blues, yellows and browns. Thanks to ARDA.

Summer Fun

Thanks to generous donations, our residents made day trips to the forest, the countryside and the water!

Growth

Weekly group meetings on developing coping skills for stressful situations were begun in our home. Thank you to Gretchen, Juliet and Katherine.

Sharing

Our residents were invited to show their hand crafts at an exhibit in Yerevan held at the Marriott Hotel.

Government Funding

As many of you know, we have been actively seeking funding from the Armenian government since our opening in 2005. While we have yet to secure a significant portion, there are some signs that we are getting closer to meeting this goal.

In August, Alya and Natalie (our directors from Armenia and the United States, respectively) met again with one of the ministry officials. The official came to Warm Hearth and met the residents. Afterwards, the three met and discussed the funding needs of Warm Hearth.

Armenian law is such that the government is only able to provide funding for certain categories of expenses. In our case, were we to receive government funding, it would be for salaries, food and utilities. These categories make up about 60% of our local operating budget.

The remainder of our operating budget would still come from donors and, hopefully, some self-generated income projects mentioned on page three.

One of the reasons it has taken so long to secure funding is that typically, an organization must have three years of experience prior to receiving government funding. While we have been open for five years, in 2008 we branched off from our initial umbrella organization, Mission Armenia, and founded

Jermik Ankyun Foundation. While this delayed our eligibility for government funding, we feel it was and is a sound and strategic decision.

Jermik Ankyun Foundation will have been in operation for three years this coming July. At that time we will be more competitive for government funding. We will also be more attractive to Armenian foundations.

Even so, the economy in Armenia suffers, as it does in most of the world. The government in Armenia is struggling to make ends meet. For this reason, we are not able to count on government funding as much as we would like. But, we are hopeful based on the conversation in August with the ministry official, who promised funding beginning in 2012

Lastly, we believe that government funding is more than just a practical goal. It also is about advocating for our residents' rights to live in the community and will hopefully set a precedent that others like them deserve such a life.

Securing even what seems like a small amount in terms of the overall government budget is a symbol of hope for our residents. In some ways, it means that they are holding the place in the budget for continued and greater change.



Few will have the greatness to bend history itself; but each of us can work to change a small portion of events, and in the total of all those acts will be written the history of this generation. (Robert F. Kennedy)

Resistance

"Resistance to oppression is often based on a love that leads us...to hope for more than the established cultural system is willing to grant. Such love is far more energizing than guilt, duty, or self-sacrifice. Love for others leads us to accept accountability (in contrast to feeling guilt) and motivates our search for ways to end our complicity with structures of oppression. Solidarity does not require self-sacrifice, but an enlargement of the self to include community with others." (Sharon Welch)

In the day-to-day life of Warm Hearth we believe that we are resisting an unjust cultural system, one in which our residents would be forced to the fringes of society. But, we did not begin this work to make a statement or to "change the world." We began this work out of love for our residents. We dared to hope that we might change their lives for the better, and due to the nature of that solidarity, our lives have also been changed for the better. We hope and trust that the same is true for you.

At the same time and as solidarity would have it, our hearts still break along with Anna's and Sassoon's. These beloved two remain institutionalized, and we have yet to be able to bring them home to stay. There is little consolation as far as they are concerned. We can only say that "in the midst of it all, [we] have to keep choosing the evernarrowing path, the path of sorrow, the path of hope." (H. Nouwen)

Our hopes – for Anna and Sassoon, and for other individuals like them whose names are yet unknown to us – prevent us from holding only to what we have. We continue to push ourselves to enter the unknown and fearful territory while we are utterly grateful and awed by what we have: a home and hearth for eleven.

Daughters of Vartan

Thanks to the San Francisco chapter of Daughters of Vartan (and especially Lucille Dolab) for working two long and hard years to get Friends of Warm Hearth on the approved charities list for all Daughters of Vartan chapters. Thank you for believing in us and our residents. Thank you for your friendships. What an honor.

Staff Development

Our staff members were able to spend a three-day intensive training with Erik Logan again in 2010. Erik came to our home in 2009 and 2010 to train our staff in crisis management and to specifically help them

build and hone their skills in behavior management.

Our staff benefited from Erik's return trip and the continuity that provided. He is an artful teacher and was able to assess the staff's needs quickly. Our staff had successfully integrated many of the principles from the first training. We are proud of their efforts, bravery and willingness to try new things.

The training was intense on all sides. We laughed and cried. We talked through our successes and challenges, both of which were myriad and many. We listened as each person on our staff shared their reasons for doing this work. There was a strong sense of unity and purposefulness behind our work.

Thanks to Erik for coming again and to Anna for translating. Your generosity of spirit and time are astonishing. Thanks to our staff for your perseverance and dedication. It is something to behold.

In addition, Alya (Armenia Director) and Olga (Armenia Financial Director & Accountant) attended a grant-writing workshop to strengthen their skills.

Finally, due to Alya's hard work, Jermik Ankyun Foundation was accepted and included in the Civilitas Foundation Project, which will help create access to various Armenian donors and foundations. It also allows our organization to participate in roundtable discussions on nonprofit management.

Board of Directors

Our United States Board of Directors is comprised of five individuals, all of whom are deeply passionate about Warm Hearth. Meetings in 2010 were sometimes long and harrowing as we thought about our future, our role, our mission and our residents' wellbeing. The work and direction of Warm Hearth would be left severely wanting were it not for these individuals.

Thank you to Jessica Barrett Simpson for your ability to strategize, being willing to ask hard questions that honor our residents, and for bringing your much-needed experience in the international development world to our home and organization.

Thank you to Marshal Bryant for your attention to detail, your desire to provide for our residents "above and beyond" and for bringing your vast experience in financial management to our home and organization.

Thank you to Lee Ann Williams for your faith, your love for Armenia and for bringing your deeply-held passion for all individuals with disabilities to our residents and organization.

Thank you to Bridget Brown for reaching for the stars, caring about the ones who struggle most and for bringing to our home a

well-versed understanding of Armenia and the specific context of our residents' lives.

It is a rare thing to have a supportive, brilliant, effective and compassionate board. We are blessed.

Volunteers

Phillip Vartanyan, a junior at California's La Canada High School, volunteered and organized two community events in honor of Warm Hearth to raise money and collect needed supplies for our residents.

Ashley Howard organized a benefit concert in Boston to raise money for our residents.

In addition, a group of Boston teenagers who have suffered from brain injuries have decided to raise funds for Warm Hearth. They were introduced to our residents and inspired to help through Ashley Howard (Armenian Volunteer Corps) and her sister.

Irina, a volunteer connected with Armenian Relief & Development Agency, began conducting group faith meetings on a weekly basis for those residents who want to attend. She also organized excursions during the summer. The residents love her.

Tyler Nelson continued to support us through website maintenance and design.

Bryan Ward continued to promote our home through online marketing.

Charlie and Maria Stepanyan organized a 2nd annual art auction and fundraiser for Warm Hearth in their Colorado home.

Vocational Life

A supporter recently asked what kind of vocational preparation and career-building education exists at Warm Hearth. It is an important question.

We do have a vocational program at this time. Almost all of our residents are enrolled in a three-year university program for individuals with special needs, which is the first program of its kind in Armenia. Our residents are able to choose between two majors: carpet weaving (an ancient Armenian art) and gardening.

In addition to the university courses, we offer vocational courses in our own home to facilitate their independent living skills and to increase their quality of life. Some examples of these courses include managing and counting money, stress management, and basic cooking.

Our residents are also intimately involved in "making their home" and participating with the caregivers in making their house a home.



At times our own light goes out and is rekindled by a spark from another person. Each of us has cause to think with deep gratitude of those who have lighted the flame within us. -A. Schweitzer

Each time we receive a gift whether it be your time, money, expertise, or services, we are rekindled in our efforts and commitment to our residents.

We appreciate the ways you choose to give to our residents. Your gifts and generosity are sparks that keep the flame in Warm Hearth burning.

We are blessed and encouraged by the words on little scraps of paper that accompany your donations.

We are reminded by your sacrifices that this work we engage in is an honor. For this, we thank you.

This year, more than any other year, we received gifts in memory of people who recently died. It is a humbling and beautiful thing to receive these gifts on behalf of our residents, to carry on the life and legacy of those who inspire kindness even after they have passed through this life.

We carry these individuals with us. We hope and pray that their souls rest in peace. They are now a part of our story. We try to honor them in our work and continued efforts on behalf of our residents. We also think of their loved ones who remain.

We received other gifts this year honoring men and women who have carry the torch for Warm Hearth. We received gifts in honor of individuals who embody values that are akin to Warm Hearth's. We took these gifts, inspired by people whose spirits harbor kindness, justice, love and passion, and passed them on to the residents.

Record-Giving

In 2010, we received record contributions despite the economic climate. In a day and age when people are scaling back, trimming budgets and worried about making ends meet, our residents continue to have a home, healthy food, meaningful projects and educational opportunities.

This speaks to the deep-seated commitment that each of you has to our residents.

We hope that this also speaks to the beauty that our residents bring to you through their smiles, their resilience, their dreams and their love for humanity.

This work we partake in is a give-andtake. While our residents have different gifts to give the world than the ones that you give to keep them safe and cared for, they are gifts that the world needs just as much.

I believe we become more human with any gesture of generosity. -M. Wheatley

Stewardship:

the careful and responsible management of something entrusted to one's care

Program cash expenditures accounted for 78% of our funding. Fundraising costs amounted to 12%. For the past three years, administrative costs have not exceeded 10% of our total cash expenditures.

In 2010, private contributions totaled more than \$161,000 in cash. In addition, almost \$8,000 worth of commodities such as furniture, paint, clothing and equipment were donated to our residents.

Forty volunteers combined their efforts and donated their services, time and expertise. These contributions are valued at over \$26,000.

Sources of Contributions: Individual donors provided 87% of the cash revenue in 2010. Grants & Foundations provided 11% (which is our organizational record) and churches provided 2%. We are grateful for each and every giver who sustained our home for another year.

We have mentioned before that we believe budgets to be moral documents. We are open to your questions and inquiries at any time.

Thanksgiving

We want to find new ways to thank each one who has carried, loved and nurtured Warm Hearth. But, you all have been so generous for so long that we are running out of words. It is not that we take for granted your sacrifices and love. But, how many ways are there to say "thank you"? Perhaps the best way is to continue our work with integrity, to watch over your resources carefully and to ensure that they are used wisely. Nevertheless, thank you.

Comparative Statements of Financial Position

Current assets	2010	2009	2008
Cash	\$136,637	\$68,790	\$15,935
Prepaid expenses	-		2,911
Total current assets	136,637	68,790	18,846
Property & equipment			
Land & house in Armenia	115,442	115,442	115,442
Furniture & equipment	6,393	6,393	5,187
Less accumulated depreciation	(14,015)	(9,969)	(5,923)
Net property & equipment	107,820	111,866	114,706
Total assets	\$244,457	\$180,656	\$133,552
Liabilities (accrued payroll taxes)	2,016	2,048	1,035
Unrestricted net assets	242,441	178,608	132,517
Total liabilities & net assets	\$244,457	\$180,656	\$133,552

Comparative Statements of Activities

Revenue	2010	2009	2008
Cash contributions	\$161,600	\$147,233	\$127,095
Contributions of goods	7,859	10,137	2,821
Contributions of services	26,155	20,618	11,084
Interest income	1,006	791	602
Total contributions & interest	196,620	178,779	141,602
Expenses			
Facility & program	89,227	92,602	86,016
Promotion & fundraising	*30,045	*26,183	16,304
Management & general	13,515	13,903	12,926
Total expenses	132,787	132,688	115,246
Changes in net assets	63,833	46,091	26,356
Net assets, beginning of period	178,608	132,517	106,161
Net assets, end of period	\$242,441	\$178,608	\$132,517

 $^{{\}it *These amounts include \$18,642 and \$13,737 in donated services respectively in 2010 and 2009.}$

Friends of Warm Hearth, Inc. (USA)

Natalie Bryant-Rizzieri Founder/Exec. Director Bridget Brown Board Secretary L. Marshal Bryant Board Treasurer

Lee Ann Williams Board Member Jessica Barrett Simpson Board Member

Jermik Ankyun Foundation (Armenia)

Alya Kirakosyan Armenia Director Anna Mirzoyan Psychiatrist/Board Anahit Mkhoyan Board Member

Olga Dabagyan Accountant Anahit Iskandarova Mental Health Specialist Vahagn Vardumyan Board Member



Working Together

Friends of Warm Hearth, Inc. is based in New York. We are a nonprofit which was founded solely to support Warm Hearth group home in 2005. Friends of Warm Hearth promotes respect for Armenia's culture and a sustainable future for our group home. As a support organization, we provide programmatic, administrative, legal and financial support. We believe that Armenians will find the best solutions to Armenia's challenges. We want to stand behind our people

in Armenia, allowing them to fulfill the mission of Warm Hearth.

Jermik Ankyun Foundation is a non-profit based in Yerevan, Armenia and was founded in 2008 specifically to operate and nurture our group home, to advocate on behalf of our residents and to carry the torch for Armenian orphans with disabilities and mental illnesses in Armenia. Jermik Ankyun Foundation implements and carries out the mission of Warm Warm Hearth group home on a practical and daily basis. They are the local heroes, working tirelessly to create lasting change.

hearth

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