

# **FINDING HOPE MINISTRIES**

Statement of Financial Position as of November 30, 2018

**A MINISTRY OF CAROLINA MISSION INTERNATIONAL**

November 30, 2018  
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We at Finding Hope have developed this financial analysis for the interested parties. We seek 100% transparency. If you require any more financial information or have any further inquiries please do not hesitate to ask. Thank you for taking the time to learn about our ministry and for your consideration in becoming ministry partners with us!

## Introduction

Finding Hope Ministries is a faith based non-profit 501(c)(3) organization established in 2014. We are fully funded by charitable donations. Our staff is entirely volunteer-based and we do not receive a salary or support from donors. We work primarily in Romania and our ministry there is called Finding Hope. Finding Hope is a nondenominational Christian mission dedicated to helping the abandoned children of Romania achieve spiritual, economic, and physical well-being. Above all we seek to bring the light of Christ to these precious children!

## Our Mission

We currently operate one children's home and are working on opening another in September 2018. We house 12 orphan children in our current home and will put another 12 in the next home as soon as we get it up and running. We teach and show the children the love of God by providing them a family environment where they can thrive and grow up in the ways of the Lord. Our children's homes are staffed by godly house parents. We do not use shift workers as many children's homes do. Instead, we operate our homes as family environments that consist of house parents who function as de facto parents for the children. We strive to make our homes as close to a normal nuclear family as possible, so as to give our children the best possible upbringing.

Our main objective is to share the love of God with these abandoned children. We want them to know Christ as their Lord and Savior and to live their lives for Him. Secondly, we want to reinforce individual self-worth and self-reliance. We want to see each of our children one day become self-sufficient, successful young adults who love and serve the Lord.

## Assets

### Current Assets

- Cash and equivalents: **\$207,516**
- The Hope Home (1st Children's home) building and premise: **\$70,000**
- The Lucas Home (2nd Children's home) building and premise: **\$80,000**
- Ministry van: **\$6000**
- Ministry Equipment: **\$5000**
- Total: **\$368,516**

## Revenue

### Current Monthly Revenue

- Monthly Contributions: ~ **\$6000**

## Expenses

### Current Expenses

- Monthly operational expenses for the Hope Home (1st Children's Home): ~ **\$5000/month**
- Current expenditure thus far to renovate Lucas home (2nd Children's Home): **\$15,683**. We expect to spend another **\$20,000** to finish the renovations.
- Purchased Lucas home (2nd children's home), building and premise for **\$72,137** (this includes closing cost, taxes, and other fees).

## Net Assets

### Asset Allotment for 2018

- Current Available Operating Funds: **\$112,516**
- Reserves: **\$60,000**. We keep **\$60,000** as reserve funds for rainy day or urgent cause. This is equivalent to six months operating costs for our two children's homes.
- Available funds for renovations, permits, inspections, fees, etc... for 2nd children's home: **\$35,000**.

\* Please note: Funds for child sponsorships program are at: \$3,360/month. These funds are allotted so we can care for and raise the Finding Hope Kids. They are included in the above \$112,516 allotted for operating funds.

# CASH FLOW ANALYSIS

January 2018 - Current

**Total Donations 2018** **\$294,897**

January	\$5,079
February	\$3,995
March	\$5,747
April	\$27,631
May	\$6,223
June	\$8,618
July	\$7,343
August	\$36,491
September	\$132,646
October	\$31,716
November	\$29,408
December	

**Total Expenses 2018** **\$146,165**

**January** **\$4,682**

Food	\$2,129
Housing	\$396
School	\$70
Utilities	\$657
Extra-Curricular Activities	\$32
Legal/misc. Service Fees	\$406
Transportation	\$678
Personal Care	\$250
Medical	\$64

<b>February</b>	<b>\$4,241</b>
Food	\$1,879
Housing	\$360
School	\$112
Utilities	\$610
Extra-Curricular Activities	\$23
Legal/misc. Service Fees	\$482
Transportation	\$366
Personal Care	\$120
Medical	\$289

<b>March</b>	<b>\$4,065</b>
Food	\$1,783
Housing	\$379
School	\$207
Utilities	\$569
Extra-Curricular Activities	\$34
Legal/misc. Service Fees	\$378
Transportation	\$333
Personal Care	\$258
Medical	\$124

<b>April</b>	<b>\$19,563</b>
Food	\$2,012
Housing	\$607
School	\$147
Utilities	\$312
Extra-Curricular Activities	\$145
Legal/misc. Service Fees	\$510
Transportation	\$306
Personal Care	\$258

Medical	\$26
Travel (plane tickets for summer in US)	\$15,458
<b>May</b>	<b>\$5,542</b>
Food	\$2,125
Housing	\$728
School	\$228
Utilities	\$349
Extra-Curricular Activities	\$125
Legal/misc. Service Fees	\$405
Transportation	\$1,530
Personal Care	\$52
<b>June</b>	<b>\$7,057</b>
Food	\$2,637
Transportation	\$2,123
Personal Care	\$329
Legal/misc. Service Fees	\$221
General Merchandise	\$458
Travel	\$923
Medical	\$27
Utilities	\$336
<b>July</b>	<b>\$3,276</b>
Food	\$1,266
Transportation	\$891
Personal Care	\$146
Legal/misc. Service Fees	\$809
Utilities	\$67



<b>August</b>	<b>\$1,509</b>
Food	\$191
Housing	\$72
Transportation	\$614
Legal/misc. Service Fees	\$474
Utilities	\$155

<b>September</b>	<b>\$79,308</b>
Food	\$1,911
Housing	\$286
School	\$422
Legal/misc. Service Fees	\$562
Utilities	\$130
Personal Care	\$84
Transportation	\$732
Medical	\$49
Renovations 2 <sup>nd</sup> children's Home	\$5,132
Purchase 2 <sup>nd</sup> Children's Home	\$70,000

<b>October</b>	<b>\$6,929</b>
Food	\$1,687
Housing	\$294
School	\$148
Legal/misc. Service Fees	\$1,475
Utilities	\$359
Personal Care	\$30
Transportation	\$265
Renovations 2 <sup>nd</sup> Children's Home	\$5,115

<b>November</b>	<b>\$9,993</b>
Food	\$1,738
Housing	\$346
School	\$360
Legal/misc. Service Fees	\$254
Utilities	\$482
Personal Care	\$237
Transportation	\$293
Extra-Curricular Activities	\$297
Medical	\$50
Shipping Services (from the US to Romania)	\$500
Renovations 2 <sup>nd</sup> Children's Home	\$5,436

## Costs Incurred in 2018 for 2nd Children's home (Lucas Home).

### Costs Delineated

- Purchase of Lucas home (2nd children's home), building and premise: **\$72,137** (this includes closing cost, taxes, and other fees).
- Expenditure thus far to renovate Lucas home (2nd Children's Home): **\$15,683**. We expect to spend another **\$20,000** to finish the renovations.

## Summary and Other Comments

- Total Donations 2018: **\$294,897**
- Total Ministry Expenses 2018: **\$146,165**
- Net Income: **\$148,032**
- Cash and cash equivalent Assets: **\$207,516**
- Reserves: **\$60,000**. We keep said amount in ministry savings account at all times. This is equivalent to 6 months operating cost for two children's homes, i.e. 1) the Hope Home and 2) the Lucas Home.
- 2018 yearly operational expenses for the Hope Home (1st children's Home): **\$59,125**
- Monthly burn rate for the Hope Home (1st children's home): ~ **\$5000/month**.
- Current monthly burn rate for the ministry as a whole (renovations to Lucas Home plus operating cost for Hope Home): ~ **\$10,000/month**. Thus, we are burning ~**\$5000/month** in renovations for 2nd children's home.
- Total spent so far on for the Lucas home (2nd Children's Home), including purchase, closing costs, and renovations in 2018: **\$15,683**.
- We project to spend another **\$20,000** on renovations and start-up costs for the Lucas (the 2nd children's home).

\* Please note:

The day-to-day operational costs for the Lucas Home (the 2nd children's home) have not begun yet since it is still under renovation and not operable as a living environment yet. We expect the initial day-to-day operational costs to begin January 2019 and be around ~**\$1500/month**. This is the base operational cost covering 0-3 kids in the home. The costs will increase incrementally to eventually ~**\$5000/month** when the home is at full capacity, i.e. 12 kids.

When the initial operational costs for the Lucas home begin in January 2019, our monthly operational expenses for the ministry will exceed our average monthly revenue. Thus, we will incur a net loss of **\$500/month** - that is, if our monthly donations do not increase by this time. Fortunately, however since we have a lot of unrestricted assets (money in the bank) and periodic special offerings we will

be able to cover the monthly imbalance between the expenses and revenue for a while. This being said, we still would like to see the monthly donations increase so they balance the expenses.

We have other ministry expenses not stated above, including our gypsy ministry and older, adult orphan outreach. Since we do not fund this part of our ministry via Finding Hope donations, we have not listed them as expenses above. We cover the costs for this part of our ministry via personal funds from individuals in Romania and other various avenues that do not involve donations to Finding Hope.