

**EVERY CHILD MINISTRIES, INC.**  
**FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2008 and 2007**

## TABLE OF CONTENTS

	<u>Page No.</u>
INDEPENDENT AUDITORS' REPORT	1
REPORT OF MANAGEMENT	2
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	7
NOTES TO FINANCIAL STATEMENTS	8
SUPPLEMENTARY INFORMATION	
Schedule of Checking and Savings Accounts	19

# DE RAIMO HILLGER & RIPP

Certified Public Accountants & Business Consultants

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JOHN J. DE RAIMO  
FERNE M. HILLGER  
ROBERT J. RIPP

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Every Child Ministries, Inc.  
Hebron, IN 46341

We have audited the accompanying statements of financial position of Every Child Ministries, Inc. (a not-for-profit organization) as of September 30, 2008 and 2007, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion of these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Every Child Ministries, Inc. as of September 30, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The Schedule of Checking and Savings Accounts on page 19 is presented for purposes of additional analysis and is not required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*De Raimo Hillger & Ripp*

December 11, 2008

## REPORT OF MANAGEMENT

The management of Every Child Ministries, Inc. is responsible for the financial statements and other information contained in this audited statement. The Organization's independent accountants, De Raimo Hillger & Ripp, CPA's, consider the Organization's internal control systems for the purpose of determining the nature, timing and extent of procedures necessary for expressing an independent opinion as to the fairness of the presentation of the financial statements. Their report is enclosed.

The Organization maintains internal controls, policies and procedures designed to provide reasonable assurance that the assets are safeguarded, transactions are executed in accordance with management's authorization and properly recorded. The internal control systems contain self-monitoring mechanisms, and actions are taken to correct deficiencies as they are identified. Even an effective internal control system, no matter how well designed, has inherent limitations and, therefore, can provide only reasonable assurance with respect to financial statement preparation. The internal control system of Every Child Ministries, Inc. is listed below.

### International Office:

1. Clear-cut and board-approved division of labor within the finance department.
2. One person opens the mail and records incoming gifts manually, while another records them in a computer, as a double-check.
3. Board-approved percentages for distribution of certain expenses are utilized, based on a time study by the administration.
4. Board receives and approves monthly financial statements.
5. Board sets the salary of staff and approves the annual budget.

### African Field:

1. Full time inspector in Congo visits sites of projects to verify truthfulness of reports. International Directors visit sites of projects in Ghana.
2. Field treasurers in each country maintain a daily log and monthly reports, maintaining all project funds separately from others.
3. Field treasurers in each country submit monthly reports and keep receipts of all transactions.
4. Field treasurers answer to the African Board in their respective countries and to the International Directors, who visit each country every year for purposes of evaluation.
5. Field treasurers' books are subject to annual inspection by International Directors.

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John Rouster, Co Executive Director

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Berlin W. Wyman, Treasurer

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Lorella Rouster, Co Executive Director

EVERY CHILD MINISTRIES, INC.  
 STATEMENTS OF FINANCIAL POSITION  
 SEPTEMBER 30, 2008 and 2007

ASSETS	2008	2007
<b>CURRENT ASSETS</b>		
Cash and cash equivalents - checking (Schedule 1)	\$ 8,197	\$ 5,283
Cash and cash equivalents - savings (Schedule 2)	203,104	109,710
Cash and cash equivalents - money market	4,969	68,617
<b>TOTAL CURRENT ASSETS</b>	<b>216,270</b>	<b>183,610</b>
 <b>PROPERTY AND EQUIPMENT</b>		
Hebron building	169,705	107,060
Furniture & equipment	55,502	55,502
Accumulated depreciation	(68,548)	(60,760)
<b>NET PROPERTY AND EQUIPMENT</b>	<b>156,659</b>	<b>101,802</b>
 <b>TOTAL ASSETS</b>	<b>\$ 372,929</b>	<b>\$ 285,412</b>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 19,342	\$ 1,653
Accrued payroll taxes	-	768
<b>TOTAL CURRENT LIABILITIES</b>	<b>19,342</b>	<b>2,421</b>
 <b>TOTAL LIABILITIES</b>	<b>19,342</b>	<b>2,421</b>
 <b>NET ASSETS</b>		
Unrestricted		
Designated	8,557	442
Undesignated	(11,145)	2,862
Equity in property and equipment	156,659	101,802
<b>TOTAL UNRESTRICTED ASSETS</b>	<b>154,071</b>	<b>105,106</b>
Temporarily Restricted	199,516	177,885
<b>TOTAL NET ASSETS</b>	<b>353,587</b>	<b>282,991</b>
 <b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 372,929</b>	<b>\$ 285,412</b>

See accompanying notes and auditors' report

EVERY CHILD MINISTRIES, INC.  
 STATEMENTS OF ACTIVITIES  
 FOR THE YEARS ENDED SEPTEMBER 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
<b>UNRESTRICTED NET ASSETS</b>		
Unrestricted Revenues and Gains		
Contributions	\$ 847,483	\$ 499,299
Rental income	-	2,039
Interest & investment income	<u>1,642</u>	<u>1,840</u>
Total Unrestricted Revenues	849,125	503,178
Net assets released from restrictions	<u>-</u>	<u>136,109</u>
Total Unrestricted Revenues, Gains and Other Support	849,125	639,287
<b>EXPENSES</b>		
Program Services		
Christian education & evangelism	743,468	499,715
Ministry to constituency	26,080	36,180
African medical ministry	1,329	6,140
Support Activities		
Management & general	16,466	13,603
Fund-raising	<u>12,817</u>	<u>7,481</u>
Total Expenses	<u>800,160</u>	<u>563,119</u>
Change in Unrestricted Net Assets	<u>48,965</u>	<u>76,168</u>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>		
Contributions	20,323	89,342
Interest - money market	<u>1,308</u>	<u>3,093</u>
Total Temporarily Restricted Revenues	21,631	92,435
Net assets released from restrictions	<u>-</u>	<u>(136,109)</u>
Change in Temporarily Restricted Net Assets	<u>21,631</u>	<u>(43,674)</u>
Increase in Net Assets	<u>70,596</u>	<u>32,494</u>
NET ASSETS, BEGINNING OF YEAR	<u>282,991</u>	<u>250,497</u>
NET ASSETS, END OF YEAR	<u>\$ 353,587</u>	<u>\$ 282,991</u>

See accompanying notes and auditors' report

EVERY CHILD MINISTRIES  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Program Services				Supporting Activities		
	Christian Education and Evangelism	Ministry To Constituency	African Medical Ministry	Total	Management and General	Fund Raising	Total
Salaries - homeland	\$ 35,000	\$ 10,000	\$ -	\$ 45,000	\$ 3,739	\$ 3,739	\$ 52,478
Salaries - field personnel	22,371	4,957	500	27,828	-	-	27,828
Health and pension	10,196	2,760	-	12,956	730	730	14,416
<b>Total Compensation</b>	<b>\$ 67,567</b>	<b>\$ 17,717</b>	<b>\$ 500</b>	<b>\$ 85,784</b>	<b>\$ 4,469</b>	<b>\$ 4,469</b>	<b>\$ 94,722</b>
Advertising	3,258	923	-	4,181	2,564	2,793	9,538
Bank and exchange fees	450	-	-	450	-	-	450
Depreciation	4,672	1,507	829	7,008	390	390	7,788
Direct project costs	610,645	-	-	610,645	-	328	610,973
Equipment maintenance	11,589	410	-	11,999	105	85	12,189
Government/church relations	-	-	-	-	7	10	17
Insurance	1,585	-	-	1,585	445	89	2,119
Interest	-	515	-	515	129	129	773
Newsletter	-	-	-	-	1,137	1	1,138
Occupancy	3,428	-	-	3,428	348	18	3,794
Office supplies	4,355	1,276	-	5,631	468	302	6,401
Organ member dues	-	-	-	-	954	-	954
Payroll taxes	1,565	447	-	2,012	112	112	2,236
Phone and email	1,527	436	-	1,963	149	109	2,221
Postage and shipping	16,954	746	-	17,700	(70)	1,687	19,317
Professional service	-	-	-	-	3,850	-	3,850
Real estate taxes	-	-	-	-	1,082	2,148	3,230
Software maintenance	-	1,775	-	1,775	429	-	2,204
Staff training	63	18	-	81	5	5	91
Transportation	3,878	-	-	3,878	-	-	3,878
Travel	10,667	-	-	10,667	-	64	10,731
Web page	1,265	310	-	1,575	(107)	78	1,546
<b>Total Expenses</b>	<b>\$ 743,468</b>	<b>\$ 26,080</b>	<b>\$ 1,329</b>	<b>\$ 770,877</b>	<b>\$ 16,466</b>	<b>\$ 12,817</b>	<b>\$ 800,160</b>

See accompanying notes and auditors' report

EVERY CHILD MINISTRIES  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 2007

	Program Services				Supporting Activities		
	Christian Education and Evangelism	Ministry To Constituency	African Medical Ministry	Total	Management and General	Fund Raising	Total
Salaries - homeland	\$ 42,305	\$ 17,539	\$ 3,508	\$ 63,352	\$ 3,508	\$ 3,508	\$ 70,368
Salaries - field personnel	3,940	-	-	3,940	-	-	3,940
Health and pension	8,751	3,287	732	12,770	657	657	14,084
Total Compensation	\$ 54,996	\$ 20,826	\$ 4,240	\$ 80,062	\$ 4,165	\$ 4,165	\$ 88,392
Advertising	327	-	-	327	377	379	1,083
Bank and exchange fees	1,373	-	-	1,373	-	-	1,373
Conventions	-	476	-	476	-	543	1,019
Depreciation	3,347	1,395	279	5,021	279	279	5,579
Direct project costs	361,139	-	-	361,139	-	415	361,554
Equipment maintenance	3,193	1,080	216	4,489	216	216	4,921
Government/church relations	-	-	-	-	7	-	7
Insurance	1,563	485	97	2,145	97	97	2,339
Interest	-	389	-	389	36	36	461
Newsletter	3,773	5,875	342	9,990	314	314	10,618
Occupancy	2,633	18	77	2,728	42	42	2,812
Office supplies	4,678	1,609	364	6,651	712	451	7,814
Organ member dues	-	-	-	-	768	-	768
Payroll taxes	722	301	60	1,083	60	60	1,203
Phone and email	1,290	454	91	1,835	91	91	2,017
Postage and shipping	8,093	902	180	9,175	902	180	10,257
Professional service	-	-	-	-	3,500	-	3,500
Real estate taxes	-	-	-	-	883	-	883
Software maintenance	-	1,400	-	1,400	-	-	1,400
Staff training	225	177	35	437	795	35	1,267
Transportation	7,764	-	-	7,764	-	-	7,764
Travel	42,401	-	-	42,401	-	19	42,420
Utilities	970	404	81	1,455	81	81	1,617
Web page	1,228	389	78	1,695	278	78	2,051
Total Expenses	\$ 499,715	\$ 36,180	\$ 6,140	\$ 542,035	\$ 13,603	\$ 7,481	\$ 563,119

See accompanying notes and auditors' report

EVERY CHILD MINISTRIES, INC.  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED SEPTEMBER 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from donors	\$ 867,833	\$ 594,182
Cash received from lessees	(25)	2,039
Cash received from interest & investment income	2,951	4,933
Cash disbursed for general supporting & program expenses	<u>(775,453)</u>	<u>(557,540)</u>
Net Cash Provided by Operating Activities	95,306	43,614
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of equipment	<u>(62,646)</u>	<u>(14,886)</u>
Net Cash (Used) by Investing Activities	(62,646)	(14,886)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayments of long-term debt	<u>-</u>	<u>(68,795)</u>
Net Cash (Used) by Financing Activities	<u>-</u>	<u>(68,795)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	32,660	(40,067)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>183,610</u>	<u>223,677</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 216,270</u>	<u>\$ 183,610</u>
<b>RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES</b>		
Increase in Net Assets	\$ 70,596	\$ 32,494
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	7,788	5,579
Unrealized (gain) loss on investment	-	3,120
Increase in accounts payable	17,688	1,653
Increase in accrued payroll taxes	<u>(766)</u>	<u>768</u>
Net Cash Provided by Operating Activities	<u>\$ 95,306</u>	<u>\$ 43,614</u>

See accompanying notes and auditors' report

EVERY CHILD MINISTRIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2008 and 2007

1. Nature of Organization

Every Child Ministries, Inc. (ECM) is a not-for-profit organization dedicated to bringing hope to “the forgotten children of Africa” such as street children, orphans and abandoned children, slave children, children displaced through war, and others in desperate, dangerous and debilitating circumstances. To do this, ECM trains teachers and leaders for children and youth and seeks to encourage, empower, and provide resources for African churches to evangelize and disciple the new generation of their continent for Jesus Christ. In 2008, Every Child Ministries is celebrating its 23rd Anniversary of service to African children. The ultimate goals of the organization are to demonstrate the value of every child as created in the image of God, to demonstrate the love of Jesus Christ for every child, and to provide every African child with an opportunity to make a life-changing decision for Jesus Christ by accepting Him as Savior and following Him as Lord. This opportunity is offered without coercion and all help programs are open to all without reference to religious affiliation or ethnic heritage.

Every Child Ministries maintains two basic kinds of program services—Education/Training Ministry, and Relief & Rehabilitation.

**Educational & Training programs:**

- **Haven of Hope, Ghana** – a long-term home that provides a safe haven for children rescued from desperate, dangerous and debilitating situations. Haven of Hope is now home to 45 children ages 1 to 17 years. Of these, most were formerly homeless street children, some were children from devastating situations brought to us by the Ghana Social Welfare Department, and four were victims of ritual servitude in traditional shrines. Haven of Hope has one full-time African missionary and employs 24 full-time workers. During the year, one American career missionary couple was added to the staff at Haven of Hope, with another soon to follow. Haven of Hope also has nine permanent buildings, a playground, tractor, truck and small van. During the year, the Training Center building was largely completed, and construction of a cement security wall continued. The missionaries at Haven of Hope purchased a truck and a van to aid in the work and each shipped a sea container of mission supplies as well as personal effects. Haven of Hope is supervised by a three-member board of staff members. Two Ghanaian doctors donate their services by visiting the home regularly, and providing health-related counsel to the mothers and the leadership committee.

EVERY CHILD MINISTRIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2008 and 2007

1. Nature of Organization – Continued

- **Haven of Hope Academy, Ghana** – a school designed to meet the needs of those who have been educationally deprived because of homelessness or other debilitating situations. Haven Academy caters first to the children living at Haven of Hope, but 35 needy children from the surrounding area attended this year. The school opened in January of 2005 and completed its first full year of classes in July of 2006. This year, the school taught children through 6th grade. Two older children attended classes at nearby Rafiki Academy through an agreement with that organization. Haven Academy employs eight full-time teachers and has two permanent buildings. One American missionary teacher served as one of the teachers during the academic year.
- **“Character Building from the Bible” Program for Schools, Ghana** – a 45 minute special program is taught monthly in 121 schools in Ghana. In the summer of 2008, an eight member American team joined with Ghanaian teaching partners to introduce the program to four new schools in the Agave area in the Volta Region, with an intensive program of four lessons in two weeks. The teaching teams presented the schools with mini-libraries at the conclusion of the program. They taught about 800 children and visited homes of the neighborhoods in the afternoons. The monthly follow-up program reaches approximately 48,000 elementary and junior high students. The program is directed by a full-time African missionary aided by one additional full time African missionary and part-time efforts of 15 African teaching team members.
- **African Leadership Training Centers, DR Congo** – ECM operates two centers in Congo where “Teachers of Teachers” are developed in nine-month intensive programs. Specialty in Christian Education (SEC) Kinshasa gives training for urban ministries and SEC Garizim develops trainers for rural ministries. Seven trainers were developed at each site. Each center is directed by a full-time African missionary aided by part-time efforts of other African staff members. About 15 workers and staff members maintain Mission Garizim, with seven permanent buildings.
  - **Hill of Blessing Clinic, DR Congo** – Every Child Ministries maintains a clinic and lab associated with the African Leadership Training Center at Mission Garizim in Congo. An African nurse and assistant operate the clinic which is partially self-supporting through minimal fees charged for its services.

EVERY CHILD MINISTRIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2008 and 2007

1. Nature of Organization – Continued

- **Teacher Training for Children’s Ministries, DR Congo, Benin** – Graduates of ECM’s African Leadership Training Center in Congo held seminars to train teachers for children’s ministries in local churches. Most of the seminars done this year were to reanimate and revitalize already-existing but struggling ministries. At the end of the year, ECM had helped develop children’s ministries in 2,333 congregations, reaching approximately 172,800 children with weekly Bible teaching. In May 2008 the organization held two training seminars in Benin to train teachers for children’s ministries in local churches there.
- **Teachers’ Resource Libraries & Public Reading Rooms, Ghana DR Congo** – Active libraries were maintained in four locations in Ghana and in three locations in DR Congo to provide resources for teachers and Christian leaders. Two of these also maintains a public reading room oriented to youth.

**Relief & Rehabilitation Programs:**

- **Street children, Ghana, DR Congo** – The program for street children consists of Bible teaching, friendship evangelism, counseling, direct aid for basic needs, hot meals once or twice a week, literacy, sports and gardening. Two sites are worked regularly in Ghana – the Kantamanto Central Railway Station area and the Agblobloshie Market area. One site is worked in Congo – the Kinshasa Binza IPN Market area. About 300 children are assisted weekly through these efforts. The annual Christmas party for Street Children reached about 600 children. The Ghana street ministry is sustained by one full-time African missionary and nine part-time team members. This year, they were joined by the American missionary couple living at Haven of Hope. In Congo it is sustained by two full-time African missionaries aided by part-time efforts of other staff members.

In Congo, the street children raised their own garden to teach them work skills and add to their diet. They also sang and put on skits at local churches and talked on the radio about the problems of street life. All street children in Congo attended weekly literacy classes to teach them basic literacy and math skills necessary for life.

EVERY CHILD MINISTRIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2008 and 2007

1. Nature of Organization – Continued

- **Street Youth Vocational Training, Ghana, DR Congo:**

Two street boys in Ghana were assisted with vocational training in carpentry. Two street girls there received vocational training in hairdressing. In Congo, three street youth are in vocational training. ECM helped five others set up small businesses, joining in partnerships of two and three to establish a dressmaking and a carpentry shop.

- **Initiative to Free & Rehabilitate Slave Children, Ghana, Togo, Benin:**

The organization is heading up an initiative to end to the practice of ritual servitude in West Africa through prayer, education and dissemination of information about the practice, and through negotiating the liberation of ritual slaves known as trokosi, one shrine at a time. This year the staff worked ceaselessly in preliminary efforts to liberate the slaves from three shrines in addition to the five already liberated. The slave child program is sustained by two full-time African missionary counselors, one part-time American counselor, and the part-time efforts of several other African staff members.

Visits were made to several shrines in Ghana and in Benin to give an in-depth Gospel presentation to priests and shrine elders with whom friendships were previously established.

Continuing assistance was given to many of the women through the distribution of quilts, used clothing, and medicines. Counselors visited the women individually and in small groups throughout the year. Educational assistance was given to children of four former trokosi.

Most of above work was done in Ghana. The organization is also concerned with the practice of ritual servitude called “voodooosi” (voundounsi, vudusi, voudousi, etc.) in Togo and Benin. While the organization’s Co-Director was in Benin in May, she gathered information on the practice, spoke about it in local churches, and made initial contact with several shrines associated with the practice.

- **Orphan Project, DR Congo:**

60 children are being assisted in two separate projects in the Kikwit area (Bandundu Province). The assistance consists of educational assistance (paying school fees), high-protein supplemental feeding and teaching three times a week.

EVERY CHILD MINISTRIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2008 and 2007

1. Nature of Organization – Continued

- **Initiative for Orphans & Vulnerable Children, Uganda**

The Uganda Initiative for orphans & vulnerable children grew considerably during the year. A national secretary-treasurer and project coordinators and workers were named and trained.

Major improvements were made to the Gayaza office, thereafter called Uganda National Ministry Center. Water and electricity were installed, a holding tank was added to guarantee water availability, an inside toilet and two showers were added, and a brick fence and gate were added surrounding the premises for security reasons. The inside was painted and furniture purchased.

- **Sponsorship Programs, Uganda:**

Three sponsorship programs were initiated to enable children to attend school and upgrade their standards of living. Sixty-four children were sponsored. Saturday clubs were held for the sponsored children, involving Bible teaching, health and other practical matters, and a nutritious meal.

- **Vocational Training for Vulnerable Youth, Uganda:**

Property for a vocational poultry project was purchased and buildings constructed so that the project is almost ready to begin. In the northern Gulu District, property was purchased having the shell of a building. The Board voted to develop that property into a Babies' Home, to grow into a Children's Home. A generous gift enabled the organization to purchase a bus which will both be used for ministry and will provide a stream of income to the organization.

- **Assistance to Internally Displaced Children, Uganda:**

In December 2007 the Uganda national team held our first Christmas Festival for 500 children at Tegotatoo IDP camp. There was preaching and a special Christmas meal including meat and a soft drink.

EVERY CHILD MINISTRIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2008 and 2007

1. Nature of Organization – Continued

- **Day Camps for Vulnerable Children, Uganda:**

In July 2008, Lorella Rouster led a fourteen-person team to put on week-long day camps for vulnerable children. Part of the team served at Kamwokya, a slum area in the capital city of Kampala where many displaced children live, while others served children who gathered at the National Ministry Center at Gayaza. The whole group joined together to meet the challenges of the Tegotatoo IDP camp in the northern Gulu District. At Kamwokya the team taught Bible classes and led small group developmental activities and some teachers assisted at KCC School. At Gayaza the team taught Bible classes and led recreational activities. At Tegotatoo the team worked in conjunction with the Gulu Community Bible Church. Together they taught Bible classes, led developmental and recreational small group activities, provided a simple lunch for 300 children, and held a first aid and simple medical clinic every day for five days. In all places, team members helped screen children for child sponsorship, take pictures and gather needed information to allow us to begin looking for sponsors.

**“Mission Central” Supporting Activities—**

**Definition & expansion of “Mission Central”:**

The International Office acts as a Mission Mobilization Center and a hub of operations supporting all the African ministries. Many activities are performed at Mission Central for the benefit of the organization’s ministry programs, including development and production of African literature and teaching materials, sorting and packing supplies for African ministries, enlistment of supporters and child sponsors, gift receipting and processing, and communicating with the organization’s constituency.

During the year, building permits were obtained, a new septic system was installed, and a new addition and front porch were constructed. At the end of the year, the shell of the building was completed.

EVERY CHILD MINISTRIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2008 and 2007

1. Nature of Organization – Continued

**Volunteers:**

The organization relies on the efforts of many volunteers serving at Mission Central, from their homes, in a virtual capacity, and in small groups. This year, volunteer labor included efforts to remodel and finish Mission Central. During the year, 7040 hours of volunteer labor were registered, up about 2,000 hours from last year. This does not include the volunteer hours donated by the Board of Directors for Board activities, nor does it include volunteer missionary hours overseas. Volunteers serve in many capacities at the International Office in Hebron, IN, such as special events, represent the mission at conventions, compile research results, translate literature, pack boxes for Africa, sew, and create teaching aids and gifts to encourage students.

The organization participates in the President's Volunteer Service Award initiative. During the year, five volunteers qualified for the Presidential Gold award for 500 or more hours of service, six qualified for the Presidential Silver award for 250-499 hours of volunteer service, and six qualified for the Presidential Bronze award for 100-249 hours of service.

The organization recognizes that it is only through the efforts of its many partners and friends volunteering a part of their lives that administrative and fundraising costs are able to be kept so low.

**Oversight of overseas work:**

Ordinarily one or both of the International Directors visits each of the African field projects each year for purposes of supervision, evaluation, reporting, and prayer. The usual trip to Congo in March, however, was postponed because Congo leaders reported that things were "shaking" there.

In May Lorella Rouster traveled to Benin, leading a team consisting of two American teacher trainers. The team traveled with a Beninise sister and her husband to Cotonou and Abomey, where they conducted five days of teacher training seminars at each place. The team also spoke in local churches of Benin and visited numerous shrines, where they made contacts and had a chance to share the Gospel story in some places.

In June John and Lorella Rouster spent the month in Ghana for purposes of supervision. They visited every region where ECM has work and every project of the organization and met several times with key leaders.

In July Lorella Rouster visited Uganda, where she also visited the various projects and regions and met with national staff.

EVERY CHILD MINISTRIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2008 and 2007

1. Nature of Organization – Continued

**Oversight of overseas work:**

The International Co-Directors spent the month of June in Ghana and John also spent July there while Lorella was in Uganda. During that time, they met with the Ghana Board and all Ghana staff and visited every region and every project of ECM, overseeing and evaluating the work.

In addition to these annual visits, the International Directors receive monthly reports by e-mail from Ghana and Uganda. Communication with DR Congo is more difficult. Reports from Congo are compiled and sent quarterly by DHL. The Directors are in communication with African projects on an almost daily basis by e-mail.

**Sea Container of supplies to Ghana:**

One of the activities that goes on at Mission Central is the collecting and sorting of goods to support the African ministries, including preparing them for shipping. Some of these goods were shipped in the missionary sea container of Jere Gowin for Ghana in September 2007. Collecting and boxing of goods is now underway for a sea container to Uganda.

**Teaching Websites:**

In addition to the main organizational website, [www.ecmafrica.org](http://www.ecmafrica.org), the mission maintained [www.teachingafrica.com](http://www.teachingafrica.com) as a website dedicated to offering training and teaching helps to African churches and leaders. The server for this website crashed during the year and the organization has not yet rebuilt another site. During the year, it did maintain a number of websites dedicated to the dissemination of information on the issue of child slavery.

**Memberships:**

The organization is a member in good standing of the Evangelical Council for Financial Accountability since 1987 and meets all of their accountability standards. The organization is also a member of the Better Business Bureau, meeting their standards for charitable organizations.

EVERY CHILD MINISTRIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2008 and 2007

1. Nature of Organization – Continued

**Tax Exempt Status:**

The organization is exempt from income tax under Section 501 (c) (3) of the U.S. Internal Revenue Code and comparable state law, and contributions to it are tax deductible within the limitation prescribed by the code. The organization has been classified as a publicly supported organization, which is not a private foundation under Section 509 (a) of the code.

2. Significant Accounting Policies

The financial statements have been prepared on the accrual basis. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from these estimates. The fair value of financial instruments approximates their carrying value. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

**Classes of Assets**

The financial statement reports amounts separately by class of net assets.

- a) Unrestricted amounts are those currently available at the discretion of the board for use in the organization's operations and those resources invested in property and equipment.
- b) Temporarily restricted amounts are those which stipulated by donors for specific operating purposes or for the acquisition of property and equipment.

**Cash and Cash Equivalents**

Cash and cash equivalents consist of cash held in checking, savings, and money market accounts.

**Investment Securities**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at the fair values in the statement of financial position. Unrealized gains and losses are included in change in net assets.

2. Significant Accounting Policies – Continued

**Land, Buildings, Equipment and Depreciation**

Expenditures for land, building, and equipment in excess on \$1,000 are capitalized at cost. Donated assets to be used in the ministry are capitalized at fair market value on the date of the gift. Depreciation of buildings and equipment is computed on the straight-line method over the estimated useful lives of the assets (39 years for buildings, 7 years for furniture and equipment, 5 years for computer equipment and vehicles).

**Revenues and Expenses**

Contributions are recognized as unrestricted or temporarily restricted when received, depending on the existence and nature of donor restrictions. When restrictions are satisfied, revenues are reclassified and reported as net assets released from restrictions. If the restriction is satisfied in the same period the contribution is received, the contribution is reported as unrestricted.

**Contributed Services**

A substantial number of unpaid volunteers have made significant contributions of their time and effort to help at the International Office. Their services include gift processing, bookkeeping, word processing, preparing mailings, printing envelopes, preparing prayer updates, producing and packing materials for African Teachers' Resource Library, sorting and filing pictures for African teachers, making award plaques to encourage African Sunday school teachers, printing and assembling literature for the African ministry, cleaning and maintaining the building and grounds, and many other tasks. Other volunteers serve as Board members, help with the semi-annual garage sales, with ECM's translation of literature, and teach as short-term volunteers in Africa. Yet others have produced materials needed for the African Sunday Schools in their homes or in-groups. No amounts have been reflected in the financial statements for these donated services since the volunteer's time does not meet the criteria for recognition under SFAS No. 116.

