

EVERY CHILD MINISTRIES, INC.
FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 and 2024

ROBERT J. RIPP & ASSOCIATES
FRANKFORT, ILLINOIS

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ROBERT J. RIPP & ASSOCIATES

Certified Public Accountant & Business Consultants

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Independent Auditor's Report

To the Board of Directors
Every Child Ministries, Inc.

Opinion

We have audited the accompanying financial statements of Every Child Ministries, Inc. (a nonprofit organization) which comprise the statements of financial position as of September 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements

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, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Every Child Ministries, Inc. and to meet other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Every Child Ministries, Inc.'s ability to continue as a going concern within one year after the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Every Child Ministries, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Every Child Ministries, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of checking, savings, certificates of deposit and investments accounts on page 21 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Robert J. Ripp & Associates

Frankfort, Illinois
February 10, 2026

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 auditors, Robert J. Ripp & Associates, 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.

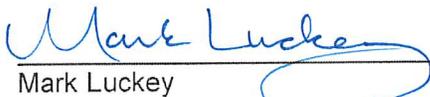
The Organization maintains internal controls, policies and procedures designed to provide reasonable assurance that the assets are safeguarded, transactions are executed in accordance with management's authorization and properly recorded. The internal control systems contain self-monitoring mechanisms, and actions are taken to correct deficiencies as they are identified. Even an effective internal control system, no matter how well designated, 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. Accounting is outsourced to Belay, an outsourced accounting services provider.
2. Clear-cut and board-approved division of labor with regard to the finances.
3. Two non-finance employees open the mail together and total the day's donations together. One of them records the donations in the donor database software. This information is then sent to the outsourced accounting service provider for entry into the Organization's accounting software.
4. Management-approved percentages for distribution of certain expenses are utilized, based on a time study by the administration.
5. Board receives and approves bi-monthly financial statements.
6. Board sets the salary of staff and approves the annual budget.

African Field:

1. Full time directors in Congo, Ghana and Uganda visit the sites of projects to verify truthfulness of reports. The International Director, or his designee, also visits the sites of projects periodically for a follow-up evaluation.
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 Country Directors and the African Boards in their respective countries and to the International Director, or his designee, who visits each country every year for purposes of evaluation.
5. Field treasurers' books are subject to annual inspection by the International Director, or his designee.



Mark Luckey
International Executive Director



Kurt Minko
Board Treasurer

EVERY CHILD MINISTRIES, INC.
STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2025 and 2024

ASSETS	2025	2024
CURRENT ASSETS		
Cash and cash equivalents - checking (Schedule 1)	\$ 13,891	\$ 17,803
Cash and cash equivalents - savings (Schedule 2)	303,012	210,636
Cash and cash equivalents - certificates of deposit (Schedule 2)	314,956	280,000
Cash and cash equivalents - Africa	121,260	94,477
Accounts receivable - ERC	-	31,935
TOTAL CURRENT ASSETS	753,119	634,851
INVESTMENTS (Schedule 2)	29,684	22,439
PROPERTY AND EQUIPMENT		
Hebron building	193,765	193,765
Furniture, equipment & software	122,063	117,263
Right of Use Asset	7,470	11,205
Accumulated depreciation	(209,144)	(197,715)
NET PROPERTY AND EQUIPMENT	114,154	124,518
OTHER ASSETS		
Interest in Designated Endowment Fund	1,099	1,041
TOTAL OTHER ASSETS	1,099	1,041
TOTAL ASSETS	\$ 898,056	\$ 782,849
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 8,061	\$ 3,878
Current portion lease liability	4,017	3,821
TOTAL CURRENT LIABILITIES	12,078	7,699
LONG-TERM LIABILITIES		
Lease liability	3,744	7,760
TOTAL LONG-TERM LIABILITIES	3,744	7,760
TOTAL LIABILITIES	15,822	15,459
NET ASSETS		
Net assets without donor restrictions		
Undesignated	25,802	(13,955)
Equity in property and equipment	106,393	112,937
TOTAL NET ASSETS WITHOUT DONOR RESTRICTIONS	132,195	98,982
Net assets with donor restrictions	750,039	668,408
TOTAL NET ASSETS	882,234	767,390
TOTAL LIABILITIES AND NET ASSETS	\$ 898,056	\$ 782,849

See accompanying notes and auditors' report

EVERY CHILD MINISTRIES, INC.
 STATEMENTS OF ACTIVITIES
 FOR THE YEARS ENDED SEPTEMBER 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Revenues, Gains and Other Support		
Contributions	\$ 2,051,072	\$ 1,807,220
Contributions - In-Kind	1,710	-
Special events	38,801	2,992
Other support	5,000	10,000
Interest & investment income	35,128	21,978
Unrealized gain on investments	<u>3,006</u>	<u>940</u>
Total Revenues, Gains and Other Support	<u>2,134,717</u>	<u>1,843,130</u>
Total	2,134,717	1,843,130
EXPENSES		
Program Services		
Education, evangelism, training, relief & rehabilitation	1,664,712	1,590,922
Ministry to constituency	12,624	11,019
Support Activities		
Management & general	252,475	232,019
Fund-raising	<u>171,693</u>	<u>79,984</u>
Total Expenses	<u>2,101,504</u>	<u>1,913,944</u>
Increase (decrease) in Net Assets without donor restrictions	<u>33,213</u>	<u>(70,814)</u>
NET ASSETS WITH DONOR RESTRICTIONS		
Contributions	<u>81,631</u>	<u>81,418</u>
Increase in Net Assets with donor restrictions	<u>81,631</u>	<u>81,418</u>
INCREASE IN NET ASSETS	<u>114,844</u>	<u>10,604</u>
NET ASSETS, BEGINNING OF YEAR	<u>767,390</u>	<u>756,786</u>
NET ASSETS, END OF YEAR	<u>\$ 882,234</u>	<u>\$ 767,390</u>

See accompanying notes and auditors' report

EVERY CHILD MINISTRIES, INC.
 STATEMENT OF FUNCTIONAL EXPENSES
 FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Program Services			Supporting Activities		
	Education, Evangelism & Training and Relief & Rehabilitation	Ministry To Constituency	Total	Management and General	Fund-Raising	Total
Salaries	\$ 55,148	\$ 11,610	\$ 66,758	\$ 179,957	\$ 87,384	\$ 334,099
Fringe benefits	2,648	557	3,205	8,639	2,090	13,934
Total Compensation	\$ 57,796	\$ 12,167	\$ 69,963	\$ 188,596	\$ 89,474	\$ 348,033
Programs						
Missionaries	821,125	-	821,125	-	-	821,125
Next Step	322	-	322	-	-	322
Uganda	310,366	-	310,366	-	-	310,366
Ghana	307,711	-	307,711	-	-	307,711
DR Congo	140,525	-	140,525	-	-	140,525
Office						
Insurance	-	-	-	8,657	456	9,113
Postage	-	-	-	4,461	235	4,696
Repairs & maintenance	-	-	-	4,720	248	4,968
Supplies	-	-	-	5,760	302	6,062
Miscellaneous	-	-	-	458	24	482
Information Technology	-	-	-	8,626	454	9,080
Administrative						
Bank fees	-	-	-	846	45	891
Dues & memberships	-	-	-	1,216	64	1,280
Professional fees	-	-	-	8,557	-	8,557
Miscellaneous	-	-	-	146	8	154
Professional Development	-	-	-	6,682	-	6,682
Utilities						
Internet	-	-	-	1,632	86	1,718
Telephone	-	-	-	2,271	120	2,391
Utilities	-	-	-	2,761	145	2,906
Travel	24,695	-	24,695	-	2,371	27,066
Donor Relations	-	-	-	-	6,307	6,307
Fund-raising						
Consultant	-	-	-	-	24,891	24,891
Events	-	-	-	-	3,384	3,384
Printing & supplies	-	-	-	-	20,514	20,514
Processing fees	-	-	-	-	9,598	9,598
Registration fees	-	-	-	-	2,641	2,641
Software	-	-	-	-	8,612	8,612
Depreciation	2,172	457	2,629	7,086	1,714	11,429
Total Expenses	\$ 1,664,712	\$ 12,624	\$ 1,677,336	\$ 252,475	\$ 171,693	\$ 2,101,504

See accompanying notes and auditors' report

EVERY CHILD MINISTRIES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Program Services			Supporting Activities		
	Education, Evangelism & Training and Relief & Rehabilitation	Ministry To Constituency	Total	Management and General	Fund-Raising	Total
Salaries	\$ 47,889	\$ 10,082	\$ 57,971	\$ 156,268	\$ 37,807	\$ 252,046
Fringe benefits	2,322	489	2,811	7,576	1,833	12,220
Total Compensation	\$ 50,211	\$ 10,571	\$ 60,782	\$ 163,844	\$ 39,640	\$ 264,266
Programs						
Missionaries	726,495	-	726,495	-	-	726,495
Next Step	100,689	-	100,689	-	-	100,689
Uganda	250,347	-	250,347	-	-	250,347
Ghana	206,234	-	206,234	-	-	206,234
DR Congo	154,577	-	154,577	-	-	154,577
Special initiatives	84,842	-	84,842	-	-	84,842
Office						
Insurance	-	-	-	6,867	361	7,228
Postage	-	-	-	3,940	207	4,147
Repairs & maintenance	-	-	-	5,458	287	5,745
Supplies	-	-	-	4,551	239	4,790
Miscellaneous	-	-	-	543	29	572
Information Technology	-	-	-	9,784	515	10,299
Administrative						
Bank fees	-	-	-	779	41	820
Dues & memberships	-	-	-	1,178	62	1,240
Professional fees	-	-	-	9,349	-	9,349
Miscellaneous	-	-	-	189	10	199
Professional Development	-	-	-	12,071	-	12,071
Recruitment	-	-	-	791	-	791
Utilities						
Internet	-	-	-	1,537	81	1,618
Telephone	-	-	-	1,869	98	1,967
Utilities	-	-	-	2,329	123	2,452
Travel	15,401	-	15,401	-	2,411	17,812
Donor Relations	-	-	-	-	4,085	4,085
Fund-raising						
Events	-	-	-	-	1,411	1,411
Printing & supplies	-	-	-	-	9,271	9,271
Processing fees	-	-	-	-	8,161	8,161
Registration fees	-	-	-	-	3,718	3,718
Software	-	-	-	-	7,555	7,555
Depreciation	2,126	448	2,574	6,940	1,679	11,193
Total Expenses	\$ 1,590,922	\$ 11,019	\$ 1,601,941	\$ 232,019	\$ 79,984	\$ 1,913,944

See accompanying notes and auditors' report

EVERY CHILD MINISTRIES, INC.
 STATEMENTS OF CASH FLOWS
 FOR THE YEARS ENDED SEPTEMBER 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from donors	\$ 2,178,214	\$ 1,901,630
Cash received from interest & investment income	35,128	21,978
Cash disbursed for general supporting & program expenses	<u>(2,054,042)</u>	<u>(1,906,611)</u>
Net Cash Provided by Operating Activities	<u>159,300</u>	<u>16,997</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	(4,800)	-
Purchase of investments	(4,239)	(21,499)
Interest in designated endowment fund	<u>(58)</u>	<u>(140)</u>
Net Cash (Used) by Investing Activities	<u>(9,097)</u>	<u>(21,639)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	150,203	(4,642)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>602,916</u>	<u>607,558</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 753,119</u>	<u>\$ 602,916</u>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Increase in Net Assets	\$ 114,844	\$ 10,604
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	11,429	11,193
Unrealized (gain) on investments	(3,006)	(940)
Decrease in accounts receivable	31,935	-
Decrease in right of use asset	3,735	3,735
Increase (decrease) in accounts payable	4,183	(3,960)
(Decrease) in lease liability	<u>(3,820)</u>	<u>(3,635)</u>
Net Cash Provided by Operating Activities	<u>\$ 159,300</u>	<u>\$ 16,997</u>
SUPPLEMENTAL INFORMATION:		
Interest paid	\$ -	\$ -
Income taxes paid	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes and auditors' report

1. Nature of Organization

Every Child Ministries, Inc. (ECM) is a faith-based nonprofit organization committed to bringing hope to the world's most vulnerable children. ECM envisions children transformed by the Gospel, becoming agents of transformation in their communities and beyond. Our mission is to transform lives in Jesus' name by offering hope, help, and dignity to children, families, and communities.

ECM operates two primary categories of program services: Education, Evangelism & Training Ministry and Relief & Rehabilitation. While these are distinguished for functional allocation purposes, they are deeply interconnected and mutually reinforcing. Relief and rehabilitation efforts often include substantial educational and training components, while education and evangelism initiatives frequently address urgent physical and emotional needs. ECM's approach is holistic, addressing the full spectrum of challenges faced by vulnerable children.

Educational, Evangelism & Training programs:

- **Haven of Hope Academy (Ghana):** A Christian school serving both children who have experienced homelessness or educational disruption and families seeking faith-based education. The school employs full-time and part-time Ghanaian staff, including teachers, drivers, and support personnel. It operates from four permanent buildings, shares a dining hall with the children's home, and owns three school buses.
- **Teaching for Africa website (Worldwide):** ECM maintains a website, www.teachingforafrica.com, which offers free downloadable teaching and training resources to African churches, educators, and missionaries in multiple African languages.
- **Next Step (Ghana and Uganda):** This program prepares sponsored youth (ages 18–22) for independent adulthood through university education, vocational training, or apprenticeships. In 2024–25, ECM supported 63 young adults through this initiative.
- **Sunday School Development (DR Congo, Ghana, and Uganda):** ECM partners with local churches to launch Sunday school programs, equipping teachers through targeted training. While most training occurs in DR Congo, additional sessions are held in Ghana and Uganda. Since 1985, ECM has helped start over 7,000 Sunday schools.
- **Teacher Training (Ghana and Uganda):** ECM coordinates visits from U.S. educators to provide personalized training and professional development for teachers in selected schools.
- **The Mwindi Project (DR Congo):** Started by ECM founder and missionary Lorella Rouster, Mwindi provides culturally relevant Bible lessons in local languages to help churches disciple children and youth. Lorella writes directly in Kituba and oversees printing and distribution from her Tennessee office. The lessons reflect ECM's training methods and emphasize biblical truth.

1. Nature of Organization – Continued

- **Family Programming (Ghana and Uganda):** Through the Family Empowerment Program (FEP) and community-based initiatives, ECM offers a range of training and support designed to strengthen families and promote child well-being.
- **Vocational Education (Ghana and Uganda):** Hands-on vocational training is integrated into ECM's programs for street youth, vulnerable children, and caregivers. Beneficiaries pursue skills such as auto body repair, baking, carpentry, dressmaking, electrical work, hairdressing, blockmaking, and mechanics—often through vocational schools or apprenticeships. These efforts are typically part of the Next Step or Family Empowerment programs.

Relief & Rehabilitation Programs:

- **Street children (Uganda):** The Karamojong Kampala project rescues children from street life and places them in boarding schools, while also offering vocational training to their mothers.
- **Haven of Hope Children's Home (Ghana):** This residential program provides a safe, nurturing environment for children rescued from homelessness, abuse, or other dangerous situations. Most residents are between ages 3 and 15. The home offers comprehensive care including supervision, medical and dental services, counseling, education, and recreation. Staff includes caregivers, cooks, a supervisor, a home father, and a driver.

The facility includes two permanent housing structures for children, two units for staff and guests, garages, and storage buildings. It shares a dining hall with the academy and owns a van. The property is secured by a cement wall with barbed wire, a metal gate, and a guardhouse. Oversight is provided by a Ghanaian advisory board.

- **Sponsorship Programs (Uganda):** Eight Hope Centers support 202 children across various districts, including Gayaza, Kamwokya, Katwe, Kisenyi, Masaka, Tororo, Napak, Naigobya, and Tegot Atoo. In 2024–25, ECM acquired new land in Gulu District and began relocating its Gulu-based ministry office.

Children attend weekly or biweekly sponsorship clubs featuring Bible teaching, health education, sports, and meals. Regular family visits are conducted across all projects and are highly valued by participating families.

- **Family Empowerment (Uganda and Ghana):** The Family Empowerment Program helps entire families achieve sustainability through training, education, and financial support. In 2024–25, ECM served 43 families with a total of 199 children.
- **Sponsorship Programs (Ghana):** ECM supported 74 children through sponsorship programs in Biriwa and Sogakope. The Sogakope center includes children with albinism. Both centers provide school assistance and weekly Bible instruction. ECM owns the Biriwa facility where meetings are held.

1. **Nature of Organization – Continued**

- **The Way Home Project (Uganda):** Located in Nasuti, this project builds safe, permanent homes with outdoor toilets for widows raising grandchildren orphaned by parental death. Led by national staff and a U.S.-based missionary, the initiative helps families remain together.

The project also teaches Farming God's Way, a simple yet effective agricultural method that can increase yields by 3 to 10 times. Graduates are supported for three years to ensure success. The Discipleship Center offers holistic Bible teaching.

- **Beautiful Blessings (DR Congo):** This ministry provides a safe space for babies and young children while their mothers receive vocational training to escape poverty. It is led by an ECM missionary in DR Congo.
- **In His Care Program (Uganda):** This missionary-led initiative serves vulnerable populations through tailoring and shoemaking programs, distribution of protective items like hats and sunglasses for individuals with albinism, Christian radio outreach, and a local medical clinic.
- **Door of Hope (Uganda):** Led by a missionary couple, this project addresses both the spiritual and physical needs of men, women, and children in the village of Gaba, Uganda.
- **Shining the Light (Uganda):** This project provides practical skills training—especially in sewing—for vulnerable children, including those who are deaf, have albinism, or live with disabilities. It is led by a missionary committed to holistic empowerment.
- **Ministry to Children with Albinism (Ghana, Uganda, and DR Congo):** Children with albinism often face severe rejection, stigma, and danger. In East Africa, some are targeted by traditional shrines that falsely believe their body parts hold medicinal power. These children also face health challenges such as poor eyesight and high risk of skin cancer. ECM continued its outreach in all three countries, offering protection, education, and advocacy.

In Uganda and Ghana, children with albinism receive hats, sunglasses, lip balm, and skin protection. A sunscreen production lab was established at the Tororo Hope Center in Uganda to serve children and adults in ECM's programs. The project also engages in radio broadcasts and public events to raise awareness and promote dignity.

- **Village Rescue Program (Ghana):** Administered by a missionary couple in Biriwa, this program supports families—especially those led by single women—by helping them launch income-generating businesses. The initiative addresses economic vulnerability in a community with a high rate of child trafficking.
- **Koforidua Outreach (Ghana):** ECM serves vulnerable children in Koforidua, Eastern Ghana, by providing school supplies, healthcare, and a weekly Bible club for over 25 children in the local community.

1. **Nature of Organization – Continued**

- **Medical Outreach (Ghana, Uganda and DR Congo):** ECM provides practical medical support—including eye exams, glasses, surgeries, equipment, and nutritional supplements—as a tangible expression of Christ’s love.
- **Definition & Ministry of the International Office:** The International Office functions as a Mission Mobilization Center and operational hub for ECM’s African ministries. It handles supply sorting and packing, donor and sponsor engagement, gift receipting and processing, missionary recruitment, and communication with ECM’s global constituency, African staff, and volunteers.
- **Missionaries:** ECM recruits and sends both career and short-term missionaries through its website, speaking engagements, mission conferences, and college partnerships. Missionaries raise their own support and serve alongside African staff and volunteers. ECM provides oversight, training, and emotional support, often in collaboration with other organizations.

In 2024–25, ECM had one individual and one couple serving in Ghana, three individuals and two couples in Uganda, and two individuals in DR Congo. One U.S.-based missionary oversees The Way Home project, another serves as Church Relations Coordinator, and one individual based in Uganda serves as Africa Field Director across all three countries.

- **Volunteers:** ECM relies on a dedicated network of volunteers serving at the International Office, from home, virtually, and in small groups. Over 950 hours of volunteer service were logged this year.

Volunteers contribute in many ways: preparing for events, assisting with fundraisers, printing envelopes, assembling mailings, data entry, conducting research, and sewing.

ECM recognizes that the generosity of its volunteers is key to keeping administrative and fundraising costs low, allowing the ministry to accomplish much with limited resources.

- **Oversight/development of African ministry:** The International Director, Africa Field Director, or their designee visits each African field project annually for supervision, evaluation, reporting, and prayer.

In addition to these visits, the International Director receives quarterly email reports and maintains regular communication with national leaders—typically bi-weekly—via email, phone, and video conferencing.

- **Websites:** In addition to the specialized educational websites already mentioned, the organization maintains www.ecmafrica.org as its main website.
- **Memberships:** ECM has been a member in good standing of the Evangelical Council for Financial Accountability since 1988 and continues to meet all accountability standards. The organization is legally recognized in DR Congo, Ghana, and Uganda.

1. Nature of Organization – Continued

- **Tax Exempt Status:** ECM is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and applicable state laws. Contributions are tax-deductible within the limits of the code. ECM is classified as a publicly supported organization and not a private foundation under Section 509(a).

2. Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting policies generally accepted in the United States.

Estimates

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.

Income Taxes

The Organization follows the accounting standard regarding “Accounting for Uncertain Tax Positions”. This accounting standard provides detailed guidance for financial statement recognition, measurement and disclosure of uncertain tax positions recognized in the Organization’s financial statements. It requires an entity to recognize the financial statement benefit of a tax position when it is more likely than not that the position will be sustained upon examination. The Organization does not have any uncertain tax positions that are material to the financial statements. The Organization files informational tax returns in the U.S. federal and State of Indiana jurisdictions. These returns are subject to examination by taxing authorities, generally for three years after they are filed.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking, savings, and money market accounts. Cash and cash equivalents for the purpose of the statements of cash flows include all instruments with an original maturity of three months or less. The Organization maintains demand deposits in financial institutions and are insured by the Federal Depository Insurance Corporation (FDIC).

Certificates of Deposit

Certificates of deposit with an original maturity greater than three months are carried at cost which approximates fair market value. The certificates of deposit balances were \$314,956 and \$280,000, as September 30, 2025 and 2024, respectively. The certificates of deposit have original maturities ranging from 9 to 12 months. The certificates of deposit were in excess of the amount insured by the FDIC in the amount of \$0 and \$43,143 as of September 30, 2025 and 2024, respectively.

2. Significant Accounting Policies – Continued

Classification of Net Assets

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

- a) Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Ministry. These assets may be used at the discretion of the Ministry's management and the board of directors.
- b) Net assets with donor restrictions: Net assets subject to stipulations imposed by donors. These stipulations by donors are for specific operating purposes or for the acquisition of property and equipment.

Property and Equipment

Expenditures for property and equipment in excess on \$1,000 are capitalized at cost. The cost of maintenance and repairs is charged to operations as incurred. Donated assets to be used in the ministry are capitalized at fair market value on the date of the gift. Depreciation of buildings, equipment, and software 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 software). Depreciation expense was \$11,429 and \$11,193 for the years ended September 30, 2025 and 2024, respectively.

Fair Value Measurement

Current accounting standards establishes a three-level hierarchy for fair value measurements which prioritizes the inputs to valuation techniques used to measure fair value of investment assets and liabilities into three levels as follows:

Level 1 – Quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 – Quoted prices for similar assets or liabilities in markets that are not considered to be active, and inputs that are observable for the asset or liability, either directly or indirectly.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The level of an asset or liability within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

2. Significant Accounting Policies – Continued

Investments

Under FASB ASC 958-320, *Accounting for Certain Investments Held by Not-for-Profit Organizations*, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values based on quoted prices in active markets (all Level 1 measurements) in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Revenues and Expenses

Contributions are recognized as increases to net assets without donor restrictions or net assets with donor restrictions 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 an increase to net assets without donor restrictions. Non-cash gifts are recorded at estimated fair value.

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 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, 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 periodic fundraisers, 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. For the years ended September 30, 2025 and 2024 the volunteer labor hours registered were 952 and 700, respectively. 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 generally accepted accounting principles.

In-Kind Contributions

The Organization records in-kind contributions of goods at their estimated fair value based upon the Organization's estimate of the value that would be received for selling the goods in their principal market considering the goods' condition and utility for use at the time of the contribution. The Organization does not sell donated goods.

2. Significant Accounting Policies – Continued

In-Kind Contributions – Continued

During the year ended September 30, 2025, the Organization received the following donations which were recorded as in-kind contributions of support and expense.

<u>Description</u>	<u>Revenue recognized</u>	<u>Donor restrictions</u>	<u>Valuation technique</u>
Laptop computers	\$ 1,710	none	Estimated fair value
	<u>\$ 1,710</u>		

Lease Accounting

In accordance with FASB ASU 2016-02, Leases (Topic 842), the Organization recognizes a “right-of-use” asset and a lease liability, initially measured at the present value of the lease payments, on lease obligations. The Organization recognizes operating lease right-of-use assets and liabilities for operating leases based on the present value of lease payments over the lease term.

The Organization calculates its operating lease right-of-use asset and operating lease liability using its incremental borrowing rate and terms under the lease agreements. Lease payments for leases with a term of 12 months or less are expensed on a straight-line basis over the term of the lease with no lease asset or liability recognized. The Organization amortizes the operating lease right-of-use asset over the lease term.

3. Net Assets with Donor Restrictions

Net assets with donor restrictions at September 30, 2025 and 2024 are restricted for the following purposes:

	<u>2025</u>	<u>2024</u>
Next Step	\$ 9,703	\$ 8,418
Staff Support	50,934	22,924
Short Term Missionaries	6,661	395
Long Term Missionaries	473,138	488,169
Capital Improvements - Relocation	50,000	0
Projects & missions	<u>159,603</u>	<u>148,502</u>
	<u>\$ 750,039</u>	<u>\$ 668,408</u>

EVERY CHILD MINISTRIES, INC.
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 SEPTEMBER 30, 2025 and 2024

4. Investments

Investments are carried at fair value based on quoted prices in active markets (all Level 1 measurements) and consist of the following as of September 30, 2025:

	<u>Cost</u>	<u>Market Value</u>	<u>Unrealized Appreciation</u>	<u>Market Value 9/30/2024</u>
Cash	\$ 2,543	\$ 2,543	\$ 0	\$ 4,898
Certificates of Deposit	9,000	9,120	120	5,000
Equity Mutual Funds	16,110	18,021	1,911	12,541
	<u>\$ 27,653</u>	<u>\$ 29,684</u>	<u>\$ 2,031</u>	<u>\$ 22,439</u>

The components of investment return consist of the following for the year ended September 30:

	<u>2025</u>	<u>2024</u>
Interest and dividend income	\$ 304	\$ 96
Net unrealized gain on investments	2,031	940
Total investment return	<u>\$ 2,335</u>	<u>\$ 1,036</u>

5. Interest in Designated Endowment Fund

The Organization established a designated endowment fund with the Porter County Community Foundation, Inc. (PCCF) in which Every Child Ministries is the beneficiary. The terms of the designated endowment fund agreement give PCCF variance power to change the terms of any gift if continued adherence to any condition or restriction is in the judgement of the PCCF Board is unnecessary, incapable of fulfillment, or inconsistent with the charitable or other exempt purposes or the needs of the community served by PCCF. Distributions from the PCCF designated endowment fund are subject to the distribution policy of PCCF. The carrying value of the designated endowment fund held by the PCCF was \$1,099 and \$1,041 as of September 30, 2025 and 2024, respectively.

6. Analysis of Functional and Natural Expenses

The expenses of the Organization are reported in the statements of functional expenses by their functional and natural classifications. Functional classification is a method of reporting expenses according to the purpose for which the costs are incurred. Natural classification is a method of grouping expenses according to the kinds of economic benefits received in incurring those expenses. Some of the Ministries expenses can be directly assigned to their functional classifications while other expenses must be allocated based on employee time because they benefit more than one functional classification. Expenses are allocated based on estimates of time and effort.

EVERY CHILD MINISTRIES, INC.
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 SEPTEMBER 30, 2025 and 2024

7. Liquidity and Availability of Resources

The following represents the Association's financial assets as of September 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 753,119	\$ 602,916
Total financial assets	<u>753,119</u>	<u>602,916</u>
Less: amounts not available to be used within one year	<u>0</u>	<u>0</u>
Financial assets to meet general expenditures within one year	<u>\$ 753,119</u>	<u>\$ 602,916</u>

The Ministry is principally supported by contributions from donors. The Ministries goal is to maintain sufficient financial assets to meet its future operating expenses.

As of September 30, 2025 and 2024, the Organization has balances in their liquid unrestricted net assets as follows:

	<u>2025</u>	<u>2024</u>
Net assets without restrictions	\$ 132,195	\$ 98,982
Non-liquid assets without restrictions		
Equity in property and equipment	(106,393)	(112,937)
Accounts receivable – ERC	0	(31,935)
Accounts payable	<u>8,061</u>	<u>3,878</u>
Surplus (deficit) in liquid unrestricted net assets	<u>\$ 33,863</u>	<u>\$ (42,012)</u>

As of September 30, 2025 the Organization had a surplus in liquid unrestricted net assets of \$33,863

8. Employee Retirement Plan

The Organization sponsors a non-ERISA 403(b) retirement plan that is available to all eligible employees. Participants in the plan are allowed to contribute elective deferrals up to the maximum allowed by law on an annual basis. The plan does not involve employer contributions.

9. Leasing Agreements

The Organization leases a copier under a lease dated September 12, 2022. The lease requires monthly payments of \$359 for 60 months. The Organization calculated its operating right-of-use asset and operating lease liability over the remaining term of the lease using its incremental borrowing rate of 5%.

EVERY CHILD MINISTRIES, INC.
 NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2025 and 2024

9. Leasing Agreements - continued

The following summarizes the line items in the statements of financial position, which include amounts for operating leases as of September 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Operating lease right-of-use asset, net of amortization	\$ <u>7,470</u>	\$ <u>11,205</u>
Current portion of operating lease liability	\$ 4,017	\$ 3,821
Operating lease liability	<u>3,744</u>	<u>7,760</u>
Total operating lease liability	<u>\$ 7,761</u>	<u>\$ 11,581</u>

The maturities of operating lease liabilities as of September 30, 2025 were as follows:

<u>Year Ending September 30:</u>	<u>Amount</u>
2026	\$ 4,308
2027	3,949
2028	0
2029	0
2030	0
Thereafter	<u>0</u>
Total lease payments	8,257
Less: Interest	<u>(496)</u>
Present value of lease liabilities	<u>\$ 7,761</u>

10. Employee Retention Credit

Laws and regulations concerning government programs, including the Employee Retention Credit (ERC) established by the Coronavirus Aid, Relief and Economic Security (CARES) Act, are complex and subject to varying interpretations. Claims made under the CARES Act may also be subject to retroactive audit and review. There can be no assurance that regulatory authorities will not challenge the Organization's claim to the ERC, and it is not possible to determine the impact (if any) this would have upon the Organization. The Organization made claims totaling \$62,500 under the ERC Program. As of September 30, 2025 the Organization has received the total \$62,500 claimed under the ERC Program. The ERC receivable was \$0 and \$31,935 as of September 30, 2025 and 2024, respectively.

11. Date of Management's Review

The Organization has evaluated subsequent events through February 10, 2026, the date that the financial statements were available to be issued.

12. Reclassifications

Certain reclassifications have been made to the prior year financial statements in order for them to be in conformity with the current year presentation with no effect on previously reported total net assets or the change in net assets for the year ended September 30, 2024.

SUPPLEMENTARY INFORMATION

EVERY CHILD MINISTRIES, INC.
 SCHEDULE OF CHECKING, SAVINGS, CERTIFICATES OF DEPOSIT AND INVESTMENTS
 SEPTEMBER 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Schedule 1 - Checking Accounts		
Without Donor Restrictions		
General Operations	\$ 13,891	\$ 17,803
Total Checking Accounts	<u>\$ 13,891</u>	<u>\$ 17,803</u>
Schedule 2 - Savings, Certificates of Deposit & Investments		
Without Donor Restrictions		
General Operations	\$ 19,972	\$ (59,815)
With Donor Restrictions		
General Ministry	25,300	44,973
Community Connection	675	1,020
Medical	294	1,468
Projects	10,975	5,523
Next Step	9,703	8,418
Capital Improvements - Relocation	50,000	-
Staff Support	50,934	22,924
Short Term Missionary	6,660	395
Long Term Missionary	<u>473,139</u>	<u>488,169</u>
Total Savings, Certificates of Deposit & Investments	<u>\$ 647,652</u>	<u>\$ 513,075</u>
 TOTAL CHECKING, SAVINGS, CERTIFICATES OF DEPOSIT & INVESTMENT	 <u>\$ 661,543</u>	 <u>\$ 530,878</u>

See auditor's report