

Hope for Haiti's Children Ministries, Inc.

Financial Statements
For the Year Ended September 30, 2025
and the Nine Months Ended September 30, 2024

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Independent Auditor's Report

Board of Directors
Hope for Haiti's Children Ministries, Inc.

Opinion

We have audited the financial statements of Hope for Haiti's Children Ministries, Inc. (the Organization), which comprise the statements of financial position as of September 30, 2025 and September 30, 2024, the related statements of activities, functional expenses, and cash flows for the year ended September 30, 2025 and the nine months ended September, 2024, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of September 30, 2025 and September 30, 2024, and the changes in its net assets and its cash flows for the year ended September 30, 2025 and the nine months ended September 30, 2024, 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 (GAAS). 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for 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 GAAS, 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 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.
- Obtain 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 the Organization'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 the Organization'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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of program expenses 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.

Blankenship CPA Group PLLC

Blankenship CPA Group, PLLC
Nashville, Tennessee
January 21, 2026

Hope for Haiti's Children Ministries, Inc.

Statements of Financial Position As of September 30, 2025 and 2024

	2025	2024
Assets		
Current assets		
Cash and cash equivalents	\$ 634,388	\$ 284,393
Prepaid expenses	78,297	49,276
Pledges receivable, current portion	<u>1,317,624</u>	<u>1,112,805</u>
Total current assets	2,030,309	1,446,474
Pledges receivable, net of current portion and allowance	3,489,984	2,921,497
Investments	1,285,828	1,621,802
Beneficial interest in assets held by Thrivent Charitable		
Impact and Investing	<u>482,722</u>	<u>426,459</u>
Total assets	\$ 7,288,843	\$ 6,416,232
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 40,198	\$ 26,247
Accrued expenses	<u>69,398</u>	<u>59,118</u>
Total current liabilities	109,596	85,365
Net assets		
Without donor restrictions		
Undesignated	1,167,754	1,219,153
Board designated for endowment	482,722	426,459
With donor restrictions	<u>5,528,771</u>	<u>4,685,255</u>
Total net assets	<u>7,179,247</u>	<u>6,330,867</u>
Total liabilities and net assets	\$ 7,288,843	\$ 6,416,232

Hope for Haiti's Children Ministries, Inc.

Statement of Activities For the Year Ended September 30, 2025

	Without donor restrictions	With donor restrictions	Total
Revenues and Public Support			
Contributions of cash and other financial assets	\$ 1,922,129	\$ 2,783,129	\$ 4,705,258
Contributions of nonfinancial assets	208,988	230,171	439,159
Special events revenue	428,605	-	428,605
Investment income (loss), net	157,397	-	157,397
Net assets released from restrictions	<u>2,169,784</u>	<u>(2,169,784)</u>	<u>-</u>
Total revenues and public support	4,886,903	843,516	5,730,419
Expenses			
Program services	3,943,994	-	3,943,994
Management and general	452,773	-	452,773
Fundraising	<u>485,272</u>	<u>-</u>	<u>485,272</u>
Total expenses	4,882,039	-	4,882,039
Change in net assets	4,864	843,516	848,380
Net assets, beginning of period	<u>1,645,612</u>	<u>4,685,255</u>	<u>6,330,867</u>
Net assets, end of period	\$ 1,650,476	\$ 5,528,771	\$ 7,179,247

Hope for Haiti's Children Ministries, Inc.
Statement of Activities
For the Nine Months Ended September 30, 2024

	Without donor restrictions	With donor restrictions	Total
Revenues and Public Support			
Contributions of cash and other financial assets	\$ 161,386	\$ 1,712,830	\$ 1,874,216
Contributions of nonfinancial assets	9,358	167,413	176,771
Special events revenue	211,197	-	211,197
Investment income (loss), net	189,984	-	189,984
Net assets released from restrictions	<u>2,674,609</u>	<u>(2,674,609)</u>	<u>-</u>
Total revenues and public support	3,246,534	(794,366)	2,452,168
Expenses			
Program services	3,013,669	-	3,013,669
Management and general	291,477	-	291,477
Fundraising	<u>321,786</u>	<u>-</u>	<u>321,786</u>
Total expenses	3,626,932	-	3,626,932
Change in net assets	(380,398)	(794,366)	(1,174,764)
Net assets, beginning of year	<u>2,026,010</u>	<u>5,479,621</u>	<u>7,505,631</u>
Net assets, end of year	\$ 1,645,612	\$ 4,685,255	\$ 6,330,867

Hope for Haiti's Children Ministries, Inc.

Statement of Functional Expenses For the Year Ended September 30, 2025

	Program services	General and administrative	Fundraising	Total
Wages	\$ 561,451	\$ 223,732	\$ 217,507	\$ 1,002,690
Payroll taxes	46,460	17,130	17,423	81,013
Employee benefits	27,376	8,110	16,046	51,532
Grants	3,067,057	12,667	-	3,079,724
Bad debt	-	14,941	-	14,941
Bank fees	1,638	49,244	97	50,979
Conferences, education, and training	5,100	6,029	100	11,229
Contract and consulting services	51,166	-	68,151	119,317
Health care	3,133	-	-	3,133
Information technology	1,458	34,601	101	36,160
Insurance	2,137	150	-	2,287
NGO management fees	71,381	-	-	71,381
Office supplies	1,505	5,670	2,809	9,984
Other	1,207	10,844	7,465	19,516
Postage and shipping	62,061	1,268	11,778	75,107
Printing	7,634	5,472	25,795	38,901
Professional fees	-	30,056	-	30,056
Special events	-	66	99,337	99,403
Supplies and materials	17,142	6,808	291	24,241
Telephone	7,280	4,604	-	11,884
Travel	8,808	21,381	18,372	48,561
	\$ 3,943,994	\$ 452,773	\$ 485,272	\$ 4,882,039

Hope for Haiti's Children Ministries, Inc.
Statement of Functional Expenses
For the Nine Months Ended September 30, 2024

	Program services	General and administrative	Fundraising	Total
Wages	\$ 378,237	\$ 121,019	\$ 151,356	\$ 650,612
Payroll taxes	28,875	8,836	11,391	49,102
Employee benefits	20,899	4,992	12,087	37,978
Grants	2,385,786	9,358	-	2,395,144
Bad debt	-	11,972	-	11,972
Bank fees	1,596	33,955	-	35,551
Conferences, education, and training	11,546	6,438	249	18,233
Contract and consulting services	42,214	116	47,915	90,245
Health care	11,703	-	-	11,703
Information technology	11,813	28,321	23	40,157
Insurance	1,603	1,141	-	2,744
NGO management fees	36,158	-	-	36,158
Office supplies	674	4,226	3,278	8,178
Other	2,660	8,692	2,342	13,694
Postage and shipping	26,289	2,625	1,704	30,618
Printing	3,808	5,208	14,170	23,186
Professional fees	-	25,330	-	25,330
Special events	409	93	68,016	68,518
Supplies and materials	19,108	2,500	-	21,608
Telephone	5,729	3,443	-	9,172
Travel	24,562	13,212	9,255	47,029
	\$ 3,013,669	\$ 291,477	\$ 321,786	\$ 3,626,932

Hope for Haiti's Children Ministries, Inc.
Statements of Cash Flows
For the Year Ended September 30, 2025
and the Nine Months Ended September 30, 2024

	2025	2024
Cash and cash equivalents, beginning of period	\$ 284,393	\$ 1,025,828
Cash flows from operating activities		
Change in net assets	848,380	(1,174,764)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Unrealized (gain) loss on investments	71,893	15,194
Reinvested interest and dividends	(109,440)	(79,250)
Change in:		
Prepaid expenses	(29,021)	721
Pledges receivable	(773,306)	463,818
Accounts payable	13,951	5,754
Accrued expenses	10,280	8,217
Net cash provided (used) by operating activities	32,737	(760,310)
Cash flows from investing activities		
Purchase of investments	(361,227)	(779,377)
Proceeds from sale of investments	678,485	798,252
Net cash provided (used) by investing activities	317,258	18,875
Net change in cash and cash equivalents	349,995	(741,435)
Cash and cash equivalents, end of period	\$ 634,388	\$ 284,393

Hope for Haiti's Children Ministries, Inc.
Notes to Financial Statements
For the Year Ended September 30, 2025
and the Nine Months Ended September 30, 2024

Note 1. Organization and Nature of Activities

Nature of Activities

Hope for Haiti's Children Ministries, Inc., (the Organization) is located in Cincinnati, Ohio and was organized in 1995. The Organization is a not-for-profit corporation with a mission to educate and care for the impoverished children of Haiti. The needs of the children are met through an education sponsorship program, health care services, orphan care, and crisis relief efforts. The Organization is dependent upon contributions from the public and volunteers for its support.

Change in Year End

In 2024, the Organization changed its fiscal year end from December 31 to September 30. Accordingly, amounts as of the year ended September 30, 2025, are collectively referred to as the current year, and amounts as of and for the nine months ended September 30, 2024, are collectively referred to as prior period.

Note 2. Summary of Significant Accounting Policies

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP). Financial statement presentation is in accordance with standards of accounting and financial reporting prescribed for not-for-profit organizations. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

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 Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors. The Board of Directors has designated certain investments for a board endowment to be used at the Board's discretion.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management of the Organization to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Hope for Haiti's Children Ministries, Inc.
Notes to Financial Statements
For the Year Ended September 30, 2025
and the Nine Months Ended September 30, 2024

Note 2. Summary of Significant Accounting Policies

Pledges Receivable

The Organization receives pledges for child sponsorships from various organizations and individuals. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. For 2025 and 2024, the discount on those amounts is calculated at the federal prime rate. Individual pledges that are stopped or discontinued during the year due to non-payment are written off unless the donors indicate that payment is merely postponed.

The allowance for uncollectible pledges is determined based on management's evaluation of the collectability of individual promises. As of September 30, 2025 and 2024, management has estimated the allowance to be \$208,234 and \$178,145, respectively.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Investment income and realized and unrealized gains and losses are reported as changes in net assets without donor restrictions unless the use of income has been restricted by the donor.

Fair Value Measurements

The Organization has an established process in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) guidelines for determining fair values. Fair value is based upon quoted market prices, where available. If listed prices or quotes are not available, fair value is based upon internally developed models or processes that use primarily market-based or independently sourced market data and third party information. Valuation adjustments may be made to ensure financial instruments are recorded at fair value. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies, or assumptions, to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date. FASB ASC guidance has a three-level valuation hierarchy for fair value measurements. A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The three levels are explained as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 – Inputs to the valuation methodology include the following:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Hope for Haiti's Children Ministries, Inc.
Notes to Financial Statements
For the Year Ended September 30, 2025
and the Nine Months Ended September 30, 2024

Note 2. Summary of Significant Accounting Policies

Fair Value Measurements

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The Organization's fixed income securities and equities are valued at the closing price reported on the active market on which the individual securities are traded.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Revenue Recognition

Contributions of Cash and Other Financial Assets

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

Contributions of Nonfinancial Assets

Contributed services are reflected in the financial statements at the estimated fair value of the services received only when those services either (a) create or enhance nonfinancial assets, or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Contributed goods are recorded at fair value at the date of donation.

The Organization receives substantial support from volunteers who donate their time to accomplish the Organization's purpose. The value of such time is not included in the accompanying financial statements unless the criteria for recognition of such volunteer effort under accounting and reporting standards prescribed for not-for-profit organizations has been satisfied.

Special Events

The Organization has special events each year where admission is charged. A portion of the admission generally will be considered a contribution while the portion that is considered payment for a tangible benefit received by the attendee, such as a meal or a round of golf, is considered an exchange transaction under Accounting Standards Update 2014-09. Any admission tickets sold in advance of the event would be considered a contract liability until the date of the event, which is the point in time that the Organization meets their performance obligation in relation to the exchange transaction and recognizes the revenue.

Hope for Haiti's Children Ministries, Inc.
Notes to Financial Statements
For the Year Ended September 30, 2025
and the Nine Months Ended September 30, 2024

Note 2. Summary of Significant Accounting Policies

Functional Allocation of Expenses

The cost of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is not a private foundation. Accordingly, no provision for income taxes has been made in the financial statements. The Organization follows FASB ASC guidance clarifying the accounting for uncertainty in income taxes recognized in an entity's financial statements. This guidance prescribes a minimum probability threshold that a tax position must meet before a financial statement benefit is recognized. The minimum threshold is defined as a tax position that is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement. The Organization has no tax penalties or interest reported in the accompanying financial statements.

Note 3. Liquidity and Availability

The following represents the Organization's financial assets available for general expenditure:

	2025	2024
Financial assets		
Cash and cash equivalents	\$ 634,388	\$ 284,393
Pledges receivable	4,807,608	4,034,302
Investments	1,285,828	1,621,802
Endowment held by Thrivent Charitable Impact and Investing	<u>482,722</u>	<u>426,459</u>
Total financial assets at year-end	7,210,546	6,366,956
Less amounts not available to be used within one year		
Board designated for endowment	(482,722)	(426,459)
Net assets restricted for specific purpose by donors	<u>(5,528,771)</u>	<u>(4,685,255)</u>
Financial assets available to meet cash needs for general expenditures within one year	\$ 1,199,053	\$ 1,255,242

Average monthly expenses to maintain the Organization's operations in the US are approximately \$137,000. Cash flows fluctuate throughout the year due to the timing and nature of pledges receivable. Thus, it is the Organization's goal to maintain available cash and investments sufficient to cover approximately six months of US operational expenses (approximately \$820,000).

Hope for Haiti's Children Ministries, Inc.
Notes to Financial Statements
For the Year Ended September 30, 2025
and the Nine Months Ended September 30, 2024

Note 4. Pledges Receivable

Pledges receivable consist of the following:

	2025	2024
Less than one year	\$ 1,317,624	\$ 1,112,805
One to five years	3,887,688	3,321,267
Due beyond five years	<u>744,240</u>	<u>655,777</u>
	5,949,552	5,089,849
Less allowance for uncollectable pledges	(208,234)	(178,145)
Less discount to present value	<u>(933,710)</u>	<u>(877,402)</u>
	\$ 4,807,608	\$ 4,034,302

Note 5. Investments and Fair Value Measurements

Investments and beneficial interest in assets held by Thrivent Charitable Impact and Investing (Thrivent) are stated at fair value and are summarized as follows as of September 30, 2025:

	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 660,929	\$ -	\$ -	\$ 660,929
Certificates of deposit	624,899	-	-	624,899
Endowment held by Thrivent	<u>-</u>	<u>-</u>	<u>482,722</u>	<u>482,722</u>
Total	\$ 1,285,828	\$ -	\$ 482,722	\$ 1,768,550

Investments and beneficial interest in assets held by Thrivent are stated at fair value and are summarized as follows as of September 30, 2024:

	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 595,798	\$ -	\$ -	\$ 595,798
Certificates of deposit	1,026,004	-	-	1,026,004
Endowment held by Thrivent	<u>-</u>	<u>-</u>	<u>426,459</u>	<u>426,459</u>
Total	\$ 1,621,802	\$ -	\$ 426,459	\$ 2,048,261

For donated investments, cost is determined to be the fair value at the date of gift. During 2025 and 2024 the Organization did not receive donated investments.

Hope for Haiti's Children Ministries, Inc.
Notes to Financial Statements
For the Year Ended September 30, 2025
and the Nine Months Ended September 30, 2024

Note 5. Investments and Fair Value Measurements

All Level 3 investments are included in the Endowment held by Thrivent. The assets transferred to the Endowment are invested by Thrivent in investments that are in line with the Organization's Endowment policy.

The Level 3 investments are reported at fair value on a recurring basis determined by reference to quoted market prices for similar assets. There were no amounts distributed out of the Level 3 investments during 2025 and 2024.

The following schedule summarizes investment income (loss) in the statements of activities:

	2025	2024
Interest and dividend income	\$ 109,440	\$ 79,250
Realized and unrealized gain (loss) on investment	<u>47,957</u>	<u>110,734</u>
	\$ 157,397	\$ 189,984

Note 6. Endowment

In 2021, the Organization established an endowment fund at Thrivent with gifts made to Thrivent by Hope for Haiti's Children and its supporters. The fund agreement between Thrivent and the Organization grants Thrivent variance power over the fund, which allows Thrivent's Board to modify any condition or restriction on the fund if, in the judgement of Thrivent's Board, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable purposes of Thrivent. Net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Endowment net assets composition by type of fund at September 30, 2025 is as follows:

	Without donor restrictions	With donor restrictions	Total
Endowment net assets	\$ 482,722	\$ -	\$ 482,722

Endowment net assets composition by type of fund at September 30, 2024 is as follows:

	Without donor restrictions	With donor restrictions	Total
Endowment net assets	\$ 426,459	\$ -	\$ 426,459

Hope for Haiti's Children Ministries, Inc.
Notes to Financial Statements
For the Year Ended September 30, 2025
and the Nine Months Ended September 30, 2024

Note 6. Endowment

Changes in endowment net assets for 2025 are as follows:

	Without donor restrictions	With donor restrictions	Total
Endowment net assets, beginning of period	\$ 426,459	\$ -	\$ 426,459
Contributions for endowment	-	-	-
Investment return, net	<u>56,263</u>	<u>-</u>	<u>56,263</u>
Endowment net assets, end of period	\$ 482,722	\$ -	\$ 482,722

Changes in endowment net assets for 2024 are as follows:

	Without donor restrictions	With donor restrictions	Total
Endowment net assets, beginning of year	\$ 377,819	\$ -	\$ 377,819
Contributions for endowment	-	-	-
Investment return, net	<u>48,640</u>	<u>-</u>	<u>48,640</u>
Endowment net assets, end of year	\$ 426,459	\$ -	\$ 426,459

Under the fund agreement and Thrivent's current distribution policy, the Organization may request distributions from the fund, so long as the distribution requests are submitted in writing no more often than once each calendar quarter. The Organization's policy limits withdrawals until the fund reaches \$500,000 and caps annual spending at 5% unless approved by the Board. The Organization did not request distributions during 2025 or 2024.

Note 7. Net Assets With Donor Restrictions

Net assets with donor restrictions were as follows:

	2025	2024
Passage of time – receivables	\$ 4,807,608	\$ 4,034,302
Purpose restrictions		
Child education and vocational	256,484	203,593
Orphanage operations	56,712	5,928
Mission trips	488	4,533
School lunch program	79,957	51,091
Thomazeau Camp Hope	17,281	-
Thomazeau Church	14,980	5,283
Crisis Relief	19,192	29,174
Joy Box/Gift Ministry	7,315	9,135
General Haiti operations	57,069	23,171
School development	197,743	316,056
Project Hope Gift Match	<u>13,942</u>	<u>2,989</u>
Total purpose restrictions	<u>721,163</u>	<u>650,953</u>
Total net assets with donor restrictions	\$ 5,528,771	\$ 4,685,255

Hope for Haiti's Children Ministries, Inc.
Notes to Financial Statements
For the Year Ended September 30, 2025
and the Nine Months Ended September 30, 2024

Note 7. Net Assets With Donor Restrictions

Net assets released from net assets with donor restrictions were as follows:

	2025	2024
Satisfaction of time restrictions	\$ 820,290	\$ 1,275,152
Satisfaction of purpose restrictions	<u>1,349,494</u>	<u>1,399,457</u>
Total released from restrictions	\$ 2,169,784	\$ 2,674,609

Note 8. Contributions of Nonfinancial Assets

The following represents contributed nonfinancial assets:

	2025	2024
Drugs and medical supplies	\$ 8,985	\$ 9,864
Clothing and other supplies	101,448	98,934
Joy gift boxes	156,150	55,375
Food boxes	150,443	-
Office space	10,027	7,378
Technology and software licenses	<u>12,106</u>	<u>5,220</u>
Total contributed nonfinancial assets	\$ 439,159	\$ 176,771

The Organization recognized contributed nonfinancial assets within revenue, including contributed medical supplies, pharmaceuticals, clothing, food, software licenses, holiday gift boxes and office space. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Donated pharmaceuticals and medical supplies were restricted for use in the Child Education program. Food, clothing, and other supplies were restricted for use in the Child Education, Orphanage Operations, and Crisis Relief programs. Donated Joy Boxes were restricted for use in the Gift Ministry program. Software licenses were donated for use in the Child Education Program. The contributed office space was used for management and general activities.

In valuing food, clothing, and medical supplies, the Organization estimated fair value on the basis of estimates of wholesale values that would be received for selling similar products in the United States.

In valuing contributed pharmaceuticals otherwise legally permissible for sale in the United States, the Organization used prices listed by discount pharmaceutical providers and national distributors of prehospital emergency medical supplies to approximate the least-cost retail prices in the United States (that is, the principal market).

Contributed software licenses were valued based on current rates for similar licenses. The Organization estimated rental rates for contributed office space based upon square footage and comparable rates for similar properties.

Hope for Haiti's Children Ministries, Inc.
Notes to Financial Statements
For the Year Ended September 30, 2025
and the Nine Months Ended September 30, 2024

Note 9. Concentrations

The Organization maintains cash and cash equivalents in excess of federally insured limits. The Organization has not experienced any losses in such accounts. As of September 30, 2025 and September 30, 2024, the Organization's depository accounts exceeded such insurance limits by approximately \$93,000 and \$0, respectively. In management's opinion, risk related to such concentrations is minimal.

During 2024, two donors accounted for 17% of total revenues.

Note 10. Subsequent Events

Management has evaluated subsequent events through January 21, 2026, the date on which the financial statements were available to be issued.

Supplementary Information

Hope for Haiti's Children Ministries, Inc.
Schedule of Program Expenses
For the Year Ended September 30, 2025 and the Nine Months Ended September 30, 2024 (Total)

	Child Education	Program Services - US	Orphanage Operations	School Lunch Program	Thomazeau Hope Center	Thomazeau Camp Center	Thomazeau Church	Crisis Relief	Joy Box / Gift Ministry	Haiti Operations	School Development	2025 Total Program	2024 Total Program
Wages	\$ -	\$ 561,451	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 561,451	\$ 378,237
Payroll taxes	-	46,460	-	-	-	-	-	-	-	-	-	46,460	28,875
Employee benefits	-	27,376	-	-	-	-	-	-	-	-	-	27,376	20,899
Grants	1,301,682	-	202,031	263,823	37,484	16,379	18,520	41,604	171,612	312,557	701,365	3,067,057	2,385,786
Bank fees	-	1,638	-	-	-	-	-	-	-	-	-	1,638	1,596
Conferences, education, and training	5,100	-	-	-	-	-	-	-	-	-	-	5,100	11,546
Contract and consulting services	-	51,166	-	-	-	-	-	-	-	-	-	51,166	42,214
Health care	3,133	-	-	-	-	-	-	-	-	-	-	3,133	11,703
Information technology	-	1,350	-	-	-	-	-	-	-	108	-	1,458	11,813
Insurance	-	-	-	-	-	-	-	-	-	2,137	-	2,137	1,603
NGO management fees	-	-	-	-	-	-	-	-	-	71,381	-	71,381	36,158
Office supplies	-	1,505	-	-	-	-	-	-	-	-	-	1,505	674
Other	207	-	-	-	-	-	-	500	500	-	-	1,207	2,660
Postage and shipping	9,869	12,942	60	-	14	-	60	-	34,037	4,969	110	62,061	26,289
Printing	-	7,121	-	-	-	-	-	-	-	513	-	7,634	3,808
Special events	-	-	-	-	-	-	-	-	-	-	-	-	409
Supplies and materials	5,244	-	328	7,848	-	-	-	1,000	14	2,708	-	17,142	19,108
Telephone	4,185	711	270	-	559	-	-	-	-	1,555	-	7,280	5,729
Travel	-	8,808	-	-	-	-	-	-	-	-	-	8,808	24,562
	\$ 1,329,420	\$ 720,528	\$ 202,689	\$ 271,671	\$ 38,057	\$ 16,379	\$ 18,580	\$ 43,104	\$ 206,163	\$ 395,928	\$ 701,475	\$ 3,943,994	\$ 3,013,669