

# **HOPE INTERNATIONAL**

***CONSOLIDATED FINANCIAL STATEMENTS AND  
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS***

**APRIL 30, 2008 AND 2007**

# HOPE INTERNATIONAL

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# TAIT, WELLER & BAKER LLP

*Certified Public Accountants*

## REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

**Board of Directors  
Hope International  
Lancaster, Pennsylvania**

We have audited the accompanying consolidated statements of financial position of Hope International as of April 30, 2008 and 2007, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Hope International as of April 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.

*Tait, Weller & Baker LLP*

**Philadelphia, Pennsylvania  
October 9, 2008**

# HOPE INTERNATIONAL

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

April 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 950,670	\$ 796,380
Certificate of deposit	-	85,514
Investment	9,692	-
Rental receivable	12,655	16,241
Prepaid expenses and other assets	284,659	14,712
Program advances	179,020	564,000
Loans and interest receivable	41,950	94,840
Loans receivable – related organization	-	250,000
<b>Total Current Assets</b>	<b>1,478,646</b>	<b>1,821,687</b>
<b>PROPERTY AND EQUIPMENT, net</b>	<b>1,175,409</b>	<b>865,787</b>
<b>LOAN RECEIVABLE – RELATED ORGANIZATION</b>	<b>250,000</b>	<b>-</b>
<b>MINORITY INTEREST IN NET ASSETS</b>	<b>1,132,378</b>	<b>500,000</b>
<b>Total Assets</b>	<b><u>\$4,036,433</u></b>	<b><u>\$3,187,474</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 177,231	\$ 122,825
Security deposits and other liabilities	<u>177,199</u>	<u>103,980</u>
<b>Total Current Liabilities</b>	<b><u>354,430</u></b>	<b><u>226,805</u></b>
<b>NET ASSETS</b>		
Unrestricted	2,941,917	2,179,703
Temporarily restricted	<u>740,086</u>	<u>780,966</u>
<b>Total Net Assets</b>	<b><u>3,682,003</u></b>	<b><u>2,960,669</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$4,036,433</u></b>	<b><u>\$3,187,474</u></b>

# HOPE INTERNATIONAL

## CONSOLIDATED STATEMENTS OF ACTIVITIES

For the Years ended April 30, 2008 and 2007

	2008			2007		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>SUPPORT AND REVENUE</b>						
Contributions (includes \$231,655 of in-kind support in 2008)	\$2,213,503	\$ 2,931,791	\$5,145,294	\$2,259,103	\$ 1,446,843	\$3,705,946
Special events, net of direct expenses of \$74,086 and \$41,749 for 2008 and 2007, respectively	189,614	29,901	219,515	153,884	-	153,884
Interest	41,980	-	41,980	44,362	-	44,362
Rental revenue	138,876	-	138,876	177,207	-	177,207
Less expenses (including depreciation)	(135,827)	-	(135,827)	(186,099)	-	(186,099)
Net rental (loss) income	3,049	-	3,049	(8,892)	-	(8,892)
Other income						
Net gain on sale of property and equipment	-	-	-	73,787	-	73,787
Other	-	-	-	220	-	220
<b>Total support and revenue before net assets released from restrictions</b>	<b>2,448,146</b>	<b>2,961,692</b>	<b>5,409,838</b>	<b>2,522,464</b>	<b>1,446,843</b>	<b>3,969,307</b>
Net assets released from restrictions	<u>3,002,572</u>	<u>(3,002,572)</u>	-	<u>1,876,769</u>	<u>(1,876,769)</u>	-
<b>Total support and revenue</b>	<b><u>5,450,718</u></b>	<b><u>(40,880)</u></b>	<b><u>5,409,838</u></b>	<b><u>4,399,233</u></b>	<b><u>(429,926)</u></b>	<b><u>3,969,307</u></b>
<b>FUNCTIONAL EXPENSES</b>						
Program services	4,093,986	-	4,093,986	3,044,302	-	3,044,302
Management and general	209,852	-	209,852	169,285	-	169,285
Fundraising	<u>384,666</u>	-	<u>384,666</u>	<u>309,509</u>	-	<u>309,509</u>
<b>Total expenses</b>	<b><u>4,688,504</u></b>	<b><u>-</u></b>	<b><u>4,688,504</u></b>	<b><u>3,523,096</u></b>	<b><u>-</u></b>	<b><u>3,523,096</u></b>
<b>CHANGES IN NET ASSETS</b>	<b>762,214</b>	<b>(40,880)</b>	<b>721,334</b>	<b>876,137</b>	<b>(429,926)</b>	<b>446,211</b>
<b>NET ASSETS</b>						
Beginning of year	<u>2,179,703</u>	<u>780,966</u>	<u>2,960,669</u>	<u>1,303,566</u>	<u>1,210,892</u>	<u>2,514,458</u>
<b>End of year</b>	<b><u>\$2,941,917</u></b>	<b><u>\$ 740,086</u></b>	<b><u>\$3,682,003</u></b>	<b><u>\$2,179,703</u></b>	<b><u>\$ 780,966</u></b>	<b><u>\$2,960,669</u></b>

The accompanying notes are an integral part of these financial statements.

# HOPE INTERNATIONAL

## CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

For the Years ended April 30, 2008 and 2007

2008	Program Services			Management And General	Fundraising	Total
	Microfinance	Clubs	Total			
Salaries	\$ 550,234	\$ 23,629	\$ 573,863	\$ 141,585	\$ 266,435	\$ 981,883
Payroll taxes	86,323	1,703	88,026	10,917	20,283	119,226
Employee benefits	43,712	2,775	46,487	5,228	21,510	73,225
Other staff expenses	61,073	-	61,073	14,933	4,935	80,941
Insurance	5,425	-	5,425	2,065	721	8,211
Professional services	80,610	-	80,610	2,918	10,493	94,021
Office expenses	30,646	11	30,657	8,997	9,229	48,883
HOPE trips	367,301	-	367,301	-	-	367,301
Travel	160,558	111	160,669	9,644	18,668	188,981
Marketing	286	-	286	-	122	408
Radio advertising fees	-	-	-	-	-	-
Finance expenses –						
Interest and fees	4,080	330	4,410	1,037	5,103	10,880
Printing and reproduction	476	-	476	1,911	11,601	13,988
Other expenses	19,347	-	19,347	10,617	15,566	45,200
Grants to Partners	<u>2,339,506</u>	<u>315,850</u>	<u>2,655,356</u>	<u>-</u>	<u>-</u>	<u>2,555,356</u>
	<u>\$ 3,749,577</u>	<u>\$344,409</u>	<u>\$ 4,093,986</u>	<u>\$209,852</u>	<u>\$384,666</u>	<u>\$ 4,688,504</u>

2007	Program Services			Management And General	Fundraising	Total
	Microfinance	Clubs	Total			
Salaries	\$ 433,047	\$ 24,927	\$ 457,974	\$ 122,509	\$ 199,928	\$ 780,411
Payroll taxes	35,461	2,032	37,493	9,730	16,605	63,828
Employee benefits	58,782	2,542	61,324	6,512	17,151	84,987
Other staff expenses	26,481	-	26,481	3,888	2,587	32,956
Insurance	3,376	24	3,400	668	617	4,685
Professional services	17,182	-	17,182	1,038	5,384	23,604
Office expenses	11,875	-	11,875	9,973	7,285	29,133
HOPE trips	438,490	-	438,490	-	-	438,490
Travel	73,347	1,155	74,502	4,289	31,263	110,054
Marketing	109	-	109	57	11,320	11,486
Radio advertising fees	-	-	-	-	1,800	1,800
Finance expenses –						
Interest and fees	3,114	335	3,449	181	1,887	5,517
Printing and reproduction	-	-	-	2,369	3,746	6,115
Other expenses	6,351	-	6,351	8,071	9,936	24,358
Grants to Partners	<u>1,737,872</u>	<u>167,800</u>	<u>1,905,672</u>	<u>-</u>	<u>-</u>	<u>1,905,672</u>
	<u>\$ 2,845,487</u>	<u>\$198,815</u>	<u>\$ 3,044,302</u>	<u>\$169,285</u>	<u>\$309,509</u>	<u>\$ 3,523,096</u>

The accompanying notes are an integral part of these financial statements.

# HOPE INTERNATIONAL

## CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Years ended April 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
<b>OPERATING ACTIVITIES</b>		
Change in net assets	\$ 721,334	\$ 446,211
Adjustments to reconcile change in net assets to net cash provided by or (used in) operating activities:		
Depreciation	34,573	37,679
Net gain on sale and disposal of property and equipment	-	(73,787)
(Increase) decrease in operating assets		
Rental receivable	3,586	5,017
Prepaid expenses	(269,947)	8,562
Increase (decrease) in operating liabilities		
Accounts payable and accrued expense	54,406	(5,482)
Security deposits and other liabilities	<u>73,219</u>	<u>89,007</u>
<b>Net cash provided by operating activities</b>	<u>617,171</u>	<u>507,207</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(344,195)	(5,500)
Proceeds from sale of property	-	240,000
Change in certificate of deposits	85,514	(3,680)
Purchase of investments	(9,692)	-
Program advances	384,980	(564,000)
Issuance of notes receivable	-	(41,950)
Issuance of notes receivable – related parties	(250,000)	(250,000)
Repayments of notes receivable	52,890	9,161
Repayments of notes receivable – related parties	250,000	500,000
Capital contributions for minority interest	<u>(632,378)</u>	<u>(400,000)</u>
<b>Net cash used for investing activities</b>	<u>(462,881)</u>	<u>(515,969)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	154,290	(8,762)
<b>CASH AND CASH EQUIVALENT</b>		
Beginning of year	<u>796,380</u>	<u>805,142</u>
End of year	<u>\$ 950,670</u>	<u>\$ 796,380</u>
<b>SUPPLEMENTARY DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash paid during the year for interest	<u>\$ -</u>	<u>\$ 108</u>

# HOPE INTERNATIONAL

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2008 and 2007

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### (1) NATURE OF ORGANIZATION

The consolidated financial statements include the accounts of HOPE International (“**HOPE**”) and Higher Impact Properties, LLC (“**HIP**”), a Pennsylvania limited liability company.

HOPE is a global, faith-based, 501(c)(3) non-profit organization focused on poverty alleviation through microenterprise development. HOPE’s vision is to enable sustainable economic development that results in significant and lasting change, temporal and eternal, in the lives of many people living in poverty. HOPE accomplishes this vision through microfinance, making small loans to individual entrepreneurs and small business owners in developing countries, and actively supporting complementary ministries through churches, with a focus on children. HOPE was incorporated in 1996 and the organization currently serves in Afghanistan, Burundi, China, the Democratic Republic of Congo, the Dominican Republic, Haiti, India, Moldova, Romania, Russia, Rwanda, Sri Lanka, and Ukraine.

HOPE raises funds from several sources such as churches, foundations, and individuals to support its programs. In addition, HOPE offers multiple mission trip opportunities each year and owns and operates several rental properties in Pennsylvania. These sources of funds contribute to HOPE’s work around the world.

HIP was established in December 2007 to manage rental properties acquired subsequent to commencement of its operations.

### (2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### ***BASIS OF PRESENTATION***

All material intercompany accounts and transactions have been eliminated. The 2007 comparative financial information includes only the accounts of HOPE as HIP did not commence operations until December 2007.

#### ***BASIS OF ACCOUNTING***

The financial statements of HOPE have been prepared on the accrual basis of accounting.

#### ***CASH AND CASH EQUIVALENTS***

HOPE considers all unrestricted, highly liquid investments with an initial maturity of three months or less to be cash equivalents.

#### ***ALLOWANCE FOR DOUBTFUL ACCOUNTS***

HOPE uses the allowance method to account for uncollectible receivables. This method provides allowances for doubtful receivables equal to the estimated losses that will be incurred in the collection of receivables. HOPE believes all receivables were collectible as of April 30, 2008 and 2007; therefore, no allowance is necessary.

# HOPE INTERNATIONAL

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

April 30, 2008 and 2007

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### **PROPERTY**

Expenditures greater than \$3,000 for the acquisition of property and equipment are capitalized at cost, and donated property and equipment are capitalized at fair value. As of April 30, 2008 and 2007, all property related to land, buildings and improvements are associated with rental properties. Depreciation is computed on the straight-line method over the estimated useful lives of the assets which range from 3 to 30 years.

### **NET ASSETS**

HOPE reports its resources, according to externally (donor) imposed restrictions, in the following net asset categories.

*Unrestricted net assets* include the revenues and expenses associated with the principal purpose of HOPE.

*Temporarily restricted net assets* include gifts for which donor-imposed restrictions have not been met.

### **INCOME TAXES**

HOPE is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and has been classified as an organization that is not a private foundation under Section 509(a).

### **CONTRIBUTIONS**

HOPE records unconditional promises to give (pledges) as a receivable and revenue when the pledge is received, net of the discount to present value of the future cash flows and of uncollectible receivables. Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of the restriction is accomplished, temporarily restricted net assets are then classified to unrestricted net assets and reported in the statement of activities as “*net assets released from restrictions.*”

### **DONATED MATERIALS AND SERVICES**

In-kind contributions are reflected as support in the financial statements at their estimated values on the date of donation. Donated services are recognized as contributions in accordance with Statement of Financial Accounting Standards No. 116, *Accounting for Contributions Received and Contributions Made* (“SFAS No. 116”), if the services (a) create or enhance nonfinancial assets or (b) specialized skills, are performed by people with those skills, and would otherwise be purchased by HOPE. Volunteers provided services throughout the year that are not recognized as contributions in the financial statements since the criteria for SFAS No. 116 are not met.

### **FUNCTIONAL EXPENSE ALLOCATION**

The costs of providing HOPE’s various programs and supporting services have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services.

# HOPE INTERNATIONAL

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

April 30, 2008 and 2007

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### ACCOUNTING ESTIMATES

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the estimates.

### CONCENTRATIONS OF CREDIT RISK

HOPE occasionally maintains cash in banks in excess of federally insured limits. Statement of Financial Accounting Standards No. 105, “*Disclosure of Information about Financial Instruments with Off-Balance-Sheet Risk and Financial Instruments with Concentrations of Credit Risk*”, identifies these items as a concentration of credit risk requiring disclosure, regardless of the degree of risk. The risk is managed by monitoring the financial institutions in which deposits are made.

### RECLASSIFICATION

Certain 2007 account balances have been reclassified in order to conform to the 2008 presentation.

### (3) PROPERTY

Property and equipment as of April 30 consisted of the following:

	<u>2008</u>	<u>2007</u>
Rental Properties		
Land	\$ 285,005	\$ 285,005
Buildings	1,069,446	760,195
Building improvements	94,793	60,249
Construction-in-progress	<u>400</u>	<u>-</u>
<b>Total rental properties</b>	1,449,644	1,105,449
Less: accumulated depreciation	<u>274,235</u>	<u>239,662</u>
Net property	<u>\$1,175,409</u>	<u>\$ 865,787</u>

Depreciation expense was \$34,573 and \$37,679 for the years ended April 30, 2008 and 2007 and is included in rental properties expense for the years ended April 30, 2008 and 2007.

### (4) NOTE PAYABLE

As of April 30, 2008, HOPE has an unsecured line of credit of \$300,000 with a financial institution. There was no outstanding balance under the line of credit as of April 30, 2008.

# HOPE INTERNATIONAL

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

April 30, 2008 and 2007

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### (5) RESTRICTIONS OF NET ASSETS

Temporarily restricted net assets are available for the following purposes as of April 30, 2008 and 2007:

	<u>2008</u>	<u>2007</u>
Programs – Microfinance		
Democratic Republic of Congo	\$154,872	\$350,000
Democratic Republic of Congo – Savings Led (“SL”)	24,763	-
Dominican Republic	70,000	-
Moldova	8,116	-
Russia	21,672	91,022
Rwanda	2,152	-
Rwanda SL	41,219	-
Sri Lanka	48,627	180,959
Ukraine	-	100,000
Romania	26,000	33,841
Haiti	64,235	-
India SL	68,197	-
Afghanistan	6,104	-
Other countries	-	120
Tomorrow Clubs		
Ukraine	9,423	-
Russia	4,570	9,600
HOPE Trips	26,576	300
Spiritual Integration	75,392	-
President Discretionary	76,168	-
Other	<u>12,000</u>	<u>15,124</u>
	<u>\$740,086</u>	<u>\$780,966</u>

# HOPE INTERNATIONAL

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

April 30, 2008 and 2007

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes as follows during the years ended April 30, 2008 and 2007:

	<u>2008</u>	<u>2007</u>
Microfinance Program		
Democratic Republic of Congo	\$ 509,066	\$ 376,472
Democratic Republic of Congo – Savings Led (“SL”)	15,237	-
Afghanistan	43,381	-
China	29,235	-
HOPE Global Investment Fund	250,000	-
Dominican Republic	425,311	-
Moldova	25,722	58,694
Russia	165,550	221,561
Rwanda	263,947	-
Rwanda SL	123,781	399,810
Sri Lanka	52,931	7,736
Ukraine	111,223	267,281
Romania	108,266	108,793
Haiti	52,489	-
India SL	3,974	-
Other countries	-	82,750
Tomorrow Clubs		
Ukraine	130,379	49,747
Dominican Republic	209,000	18,155
Russia	5,029	-
HOPE trips	358,813	270,701
Spiritual Integration	84,608	-
President Discretionary	3,453	-
Other	<u>31,177</u>	<u>15,069</u>
	<u>\$ 3,002,572</u>	<u>\$ 1,876,769</u>

### (6) RELATED PARTY TRANSACTIONS

During the year, HOPE invested a total of \$250,000 in debt with 3% interest maturing on December 31, 2010 with the HOPE International Credit Corporation (“HHC”), a related nonprofit organization of which the President of HOPE International serves as the Executive Director. HCC was created to issue unsecured debt to investors, the proceeds of which are to be invested in microfinance institutions. HCC has a separate Board of Directors which is not controlled by HOPE.

In April 2007 HOPE provided a non-interest loan payable on demand of \$250,000 to Houses for HOPE (“H4H”), a related nonprofit organization of which the President of HOPE International serves on the Board of Directors, as start-up capital. H4H has a separate Board of Directors which is not controlled by HOPE. The loan payable was repaid in full by H4H in July 2007.

During the year, HOPE was awarded and received operating grants in the amount of \$655,000 from H4H and such amounts are included in contributions in the “Statement of Activities”.

During the year, HOPE provided administrative services to both HCC and H4H for which HOPE was reimbursed \$5,674 and \$12,435, respectively.

# HOPE INTERNATIONAL

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

April 30, 2008 and 2007

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During the years ended April 30, 2008 and 2007, HOPE received contributions of approximately \$36,831 and \$801,500, respectively, from companies in which the Chairman of the Board of Directors of HOPE is President.

### (7) MINORITY INTEREST IN NET ASSETS

As of April 30, 2008 and 2007, HOPE had a minority interest in the following financial institutions:

<u>Name</u>	<u>% Owned</u>	<u>Cost And Carrying Value</u>		<u>Equity Capital At April 30, 2008 (Unaudited)</u>
		<u>2008</u>	<u>2007</u>	
URWEGO Opportunity Bank, a microfinance institution in Rwanda	19.90	\$ 875,913	\$ 500,000	\$766,000
Turame, a microfinance institution in Burundi	4.18	94,089	-	41,000
HOPE-Ukraine Finance Company, a microfinance institution in Ukraine	5.73	<u>162,376</u>	<u>-</u>	<u>137,000</u>
		<u>\$1,132,378</u>	<u>\$ 500,000</u>	<u>\$944,000</u>

HOPE carries its minority interest in these microfinance institutions at cost.

### (8) RETIREMENT PLAN

HOPE sponsors a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. The plan provides for elective employee deferrals with no contribution made by HOPE.

### (9) GRANTS TO PARTNERS

HOPE provides grants to the following affiliated organizations which are organized in the respective overseas country: HOPE Ukraine, HOPE DRC (Democratic Republic of Congo) and HOPE Russia. These affiliated organizations provide microenterprise loans to individual borrowers which enables them to start or expand small businesses. HOPE has a majority ownership interest in HOPE DRC, but does not consolidate the financial position and operating results of HOPE DRC due to the significant uncertainty regarding HOPE's control as a result of restrictions imposed by the government of the Democratic Republic of Congo. Such restrictions limit HOPE's ability to repatriate assets held by HOPE DRC. Since HOPE does not have a controlling financial interest or a majority voting interest in the Board of Directors of HOPE Ukraine or HOPE Russia, HOPE does not consolidate the activity of these organizations and reflects funding to these organizations as grants to partners.

# HOPE INTERNATIONAL

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

**April 30, 2008 and 2007**

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Grants provided to these affiliates for the year ending April 30, 2008 and 2007 are as follows:

	<u>2008</u>	<u>2007</u>
Microfinance:		
Democratic Republic of Congo	\$ 623,574	\$483,290
Russia	207,000	193,079
Ukraine	<u>43,600</u>	<u>-</u>
Total microfinance grants – affiliates	<u>874,174</u>	<u>676,369</u>
Children’s Ministry:		
Dominican Republic	209,000	20,000
Russia	5,000	-
Ukraine	<u>101,850</u>	<u>147,800</u>
Total grants – affiliates	<u>\$1,190,024</u>	<u>\$844,169</u>

Equity capital of HOPE DRC amounted to approximately \$1,203,000 at April 30, 2008. Total outstanding loans of HOPE DRC under the microenterprise program totaled approximately \$1,470,000 at April 30, 2008.

HOPE also contributed \$1,465,332 and \$1,061,503 in fiscal years 2008 and 2007, respectively, to non-affiliated partner organizations under their microenterprise programs.