



ON THE COVER:

At HOPE International, we strive to proclaim the Gospel, work with excellence, and grow to serve even more people around the world. People like Janviere Kamana who, widowed during Burundi's civil war, is the sole provider for her family. Through her church, Janviere joined a savings group and began saving small sums each week, later using a loan from the group to invest in her cassava flour business. Now able to send her children and grandchildren to school, Janviere says, "I am so happy to do something to move our lives forward."



HOPE
INTERNATIONAL

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Unless otherwise noted, HOPE statistics are as of December 2013. Client data are based on information reported as of March 2014 and may be subject to adjustment.

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WHERE WE WORK

HOPE and our partners serve in 17 countries:

Dominican Republic
Haiti
Peru

Burundi
Democratic Republic of Congo
Malawi
Republic of Congo
Rwanda
Zimbabwe

Moldova
Romania
Russia
Ukraine

Central Asia*
China
India
Philippines

*Location withheld for security.

"Be joyful in hope,
patient in affliction,
faithful in prayer."

Romans 12:12



HOPE
INTERNATIONAL

MISSION

To invest in the dreams of the poor as we proclaim and live the Gospel in the world's underserved communities.

METHOD

We share the hope of Christ as we provide biblically based training, savings services, and loans that restore dignity and break the cycle of poverty.

MOTIVATION

The love of Jesus Christ motivates us to identify with those living in poverty and be His hands and feet as we strive to glorify God.

DEAR FRIENDS,

I met Athanasie, a dignified elderly woman, in a church in rural Rwanda. Unable to see, she tapped a walking stick on the dirt floor to find her seat. *But Athanasie did not let her blindness limit her.*

"I may be old. I may be blind," she proclaimed proudly, "but I have built my house and now rent out rooms. I will not beg. I will provide for my family."

Athanasie knows a job is better than a handout. By renting rooms, Athanasie now provides enough income for her family to thrive. Through God's grace and your generous support, individuals like Athanasie are using their God-given skills, rediscovering their creative potential, and experiencing the love of Christ.

As we celebrate the remarkable ways God has worked through HOPE in 2013, I am reminded we are to be *"joyful in hope, patient in affliction, faithful in prayer."*

Joyful in hope

In 2013, we had many reasons to be thankful:

Church partnerships: Last year, HOPE worked to strengthen and build our church network, helping connect interested clients with their local church.

Stewardship: Charity Navigator awarded us their highest rating for the seventh consecutive year—*something fewer than 2 percent of U.S. nonprofits achieve.*

Outreach: HOPE's network grew by more than 100,000 additional families last year to serve over 607,000 people—who have collectively saved over \$24 million for the future.

Patient in affliction

Serving in some of the most challenging places in the world, we worked to overcome obstacles by God's grace:

Disasters: Typhoon Haiyan affected over 5,600 clients in the Philippines, and a fire in Burundi's central market destroyed more than 100 client businesses. In each case, HOPE's partners rallied to reach affected families.

Religious persecution: In some of the more sensitive countries we work in, staff members were persecuted for sharing their faith, and religious freedom simply does not exist.

Political turmoil: Elections in Zimbabwe disrupted savings meetings, while protests in Ukraine led to uncertainty and economic instability. Upcoming elections are already heightening tensions in Burundi and India.

Faithful in prayer

At HOPE, we believe true freedom and hope can only be found through Jesus.

Humbled by God's blessing and your partnership, we ask that you remain *faithful in prayer* with us as we join together in God's restorative work to break the cycles of physical and spiritual poverty around the world.

May God bless you richly in 2014.

Gratefully,

Peter Greer
President & CEO, HOPE International



MALAWI

Year at a glance

“Glorify the Lord with me; let us exalt his name together.” Psalm 34:3

2013 marked the first year of HOPE International’s current three-year strategic plan, and as we reflect on the many ways God worked over the past year, we have much to celebrate. By God’s grace, HOPE saw significant progress in each area of our strategic plan: to keep Christ at the center of our ministry, provide quality financial services, and grow to reach even more people living in underserved areas.

For HOPE, this order is intentional. Above all, we acknowledge that Christ is our foundation. As we seek to follow Him, we pursue excellence in our work. And as we build Christ-centered, quality programs, HOPE desires to expand to meet the tremendous need for these services.

2013-2015 STRATEGIC PLAN GOALS

As HOPE continues to pursue key objectives, we celebrate the many ways we witnessed God’s hand in 2013. This year’s annual report is structured around our strategic plan goals: Christ-centeredness, quality, and growth.



CHRIST-CENTERED

We strive to follow Christ’s example and commit to honoring Him in all our work.

- Ensure that Christ remains the center of all activities
- Disciple staff and clients to actively grow in relationship with Christ
- Establish church and ministry partnerships, both in the U.S. and in the field



QUALITY

Called by Christ to work with excellence, we pursue quality of service in each interaction.

- Implement consistent, best-practice processes and procedures
- Train clients to invest wisely in their families and businesses
- Provide excellent customer service to each client and stakeholder



GROWTH

We seek to empower more people through Christ-centered financial services.

- Serve more families in more places across the network
- Strengthen and diversify existing client services
- Establish a growing community of supporters to partner in transformation

2013 MILESTONES



Hired three new spiritual integration coordinators in the field



Piloted an impact assessment tool in Burundi, Malawi, and Ukraine



Grew to serve over 607,000 clients and their families



Facilitated 39,431 viewings of the *God Provides* films



Received Charity Navigator’s highest rating—four stars—for the seventh straight year



Disbursed the 2 millionth loan to entrepreneurs in the HOPE network



GREATEST COMMANDMENT

"Love the Lord your God ... Love your neighbor as yourself."

MATTHEW 22:37-39



GREAT COMMISSION

"Therefore go and make disciples of all nations."

MATTHEW 28:19

Why we serve

"We love because he first loved us." 1 John 4:19

At HOPE International, we see our work as an ongoing response to God's love for us. We are motivated by Christ's commands—the Great Commission and the Greatest Commandment—to love God, love our neighbor, and make disciples of all nations.

We rejoice when we see lives transformed by the Gospel. Clients like Marilyn, Dolorosa, and Elena, who are profiled within this report, are breaking the cycle of poverty and realizing their God-given potential to provide for their families and serve their communities.

SERVING FAMILIES IN NEED

Millions around the world struggle to earn a living, often lacking food, clothing, and shelter. Without a safety net, too many families are just one emergency away from extreme poverty, living on less than \$1.25 a day.

LOVING OUR NEIGHBOR WELL

When faced with overwhelming need, we often try to love others by meeting their needs through charity. But by doing for others what they could do for themselves, charity unintentionally sends a harmful message: "You are not capable of providing for yourself and your family."

Instead, HOPE offers financial tools and services that empower individuals to put their God-given skills and creativity to work, restoring dignity in the process. We also believe that financial services are not enough. In addition to material terms, many families living in poverty describe their situation as spiritual and social brokenness. Money alone cannot heal broken relationships, unlock hidden potential, inspire hope, or bring comfort. True restoration can only be found through Jesus Christ.

"Therefore, if anyone is in Christ, the new creation has come: The old has gone, the new is here! All this is from God, who reconciled us to himself through Christ and gave us the ministry of reconciliation." 2 Corinthians 5:17-18

MAKING DISCIPLES OF ALL NATIONS

Through fellowship, Bible study, and discipleship, HOPE invites clients to find their true identity in a loving Savior. Realizing their full potential as image bearers of God, clients are freed to tackle the challenges of poverty with renewed hope, living out the Gospel in their communities. With Christ at the center of our work, microenterprise development addresses clients' physical needs and introduces them to the redeeming love found only in Jesus Christ.

1.2 BILLION
PEOPLE
LIVE ON
 \$1.25
OR LESS A DAY.

World Bank, 2013

"While poor people mention having a lack of material things, they tend to describe their condition ... in terms of shame, inferiority, powerlessness, humiliation, fear, hopelessness, depression, social isolation, and voicelessness."

Steve Corbett & Brian Fikkert,
When Helping Hurts



How we serve

Committed to spiritual and physical transformation, HOPE International serves families through discipleship, training, a safe place to save, and small loans—empowering those in poverty to flourish and become providers in their families and communities. Through our network of HOPE-managed and partner programs, we provide these services in 17 countries around the world through two models: savings and credit associations (SCAs) and microfinance institutions (MFIs).

REPUBLIC OF CONGO

A HOLISTIC APPROACH



DISCIPLESHIP

Through regular interactions with clients, staff members share the Gospel, facilitate Bible studies, and invite clients to experience lasting transformation through a relationship with Christ.



TRAINING

Because many clients have had limited access to formal education, HOPE's network offers biblically based training, mentoring, and coaching to help clients start or expand their businesses.



SAVINGS

Clients regularly save money to stabilize household income, provide a safety net in emergencies, start or expand businesses, or pay for routine expenses such as school fees.



SMALL LOANS

As they access much-needed capital, clients can launch or expand businesses by purchasing productive assets, buying supplies in bulk, improving inventory, or investing in improvements.

THE NETWORK

HOPE International is a network of 22 programs that includes partners and HOPE-managed organizations. We work through two models: **savings and credit associations (SCAs)** and **microfinance institutions (MFIs)**. Through SCAs, groups of individuals save their own money together. As they build a secure sum of money, members often take out loans from their group to pay for routine expenses or invest in businesses. An MFI is a bank specifically designed to serve entrepreneurs in poverty by providing small loans and other financial services to help men and women invest in their businesses and provide for their families.



HOPE PROGRAMS

Burundi ^{SCA}

Central Asia* ^{MFI}

China ^{MFI}

Democratic Republic of Congo ^{MFI}

Haiti ^{SCA}

Malawi ^{SCA}

Republic of Congo ^{MFI}

Russia ^{MFI}

Rwanda ^{SCA}

Ukraine ^{MFI}

Zimbabwe ^{SCA}

HOPE PARTNERS

Burundi ^{MFI}
Turame Community Finance

Dominican Republic ^{MFI}
Esperanza International

Haiti ^{MFI}
Esperanza International

India East* ^{SCA}

India West* ^{SCA}

Moldova ^{MFI}
Invest-Credit

Peru ^{SCA}
Comas CMA Church

Philippines ^{MFI SCA}
Center for Community Transformation

Romania ^{MFI}
ROMCOM

Rwanda ^{MFI}
Urwego Opportunity Bank

*Name or location withheld for security.



Marilyn Ciprian's story

For Marilyn Ciprian, serving God as a businesswoman means dedicating each day—and each transaction—to the Lord. “May God bless this day and multiply things in accordance with His glory,” she writes each morning in her account book. Thus begins her search for opportunities to serve Christ as she opens her convenience store—appropriately named *La Gran Comision* or “The Great Commission”—in San Pedro de Macoris, Dominican Republic.

AN ENTREPRENEUR WITH A MISSION

Marilyn's first step in making disciples is consistently showing Christ's love to her customers. Whether or not community members attend church, most of them visit her *colmado* on a regular basis to purchase fresh bread, meats, cooking essentials, diapers, notebooks, and even shoes. She welcomes customers with her characteristic smile, shares the testimony of God's provision in her life, and distributes Christian literature at her own expense with each purchase. “That way I complete a job for me and a job for God,” she says.

Despite her hardworking nature, Marilyn doesn't spend all her time behind the counter. “With my own business, I have the ability to close my shop and go into the communities and minister to people whenever I want to,” she shares. Marilyn can often be found visiting a neighbor in need or attending church activities. She also uses her *colmado* to reach those in difficult situations by selling essentials on credit to members of her community.

“NOW I FEEL LIKE I HAVE EVERYTHING”

Marilyn explains that she became a *colmado* owner through hard work, God's blessing, and small business loans and training from Esperanza International, HOPE's partner in the Dominican Republic. Her business began with no inventory and no dedicated space—selling prepared foods in the streets of San Pedro's free trade zone. Over the course of eight years and 10 loan cycles from Esperanza, Marilyn grew the *colmado* so significantly that today several family members help her run the business. Her daily sales now total roughly \$46: the amount of her initial loan from Esperanza.

As Marilyn dedicates herself and her business to the Lord, He has been faithful to bless her efforts, using Esperanza's teachings to help her grow her bookkeeping and customer service skills and manage her funds wisely. In addition to the thriving *colmado*, Marilyn—who lives with three generations of her family in a small home behind her store—now owns eight homes throughout the community, which she leases to tenants.

“When I started [receiving loans from Esperanza],” Marilyn shares, “I didn't have anything. Now I feel like I have everything.” She hopes to expand upon her successful *colmado* by opening several additional locations, which she dreams of passing on to her children and grandchildren.

Marilyn's daily sales now total roughly \$46: the amount of her initial loan from Esperanza.





Pursuing Christ-centeredness

"I am the vine; you are the branches. If you remain in me and I in you, you will bear much fruit; apart from me you can do nothing." John 15:5

HOPE International believes Christ is central to our ministry. That's why the first objective in our strategic plan is to reflect Christ in all our activities—with staff, clients, partners, and supporters. While this looks different across the network, HOPE's model includes three key elements:

- Discipling staff members to actively grow in their faith
- Praying for and building relationships with clients
- Partnering with local churches

REPUBLIC OF CONGO

"With HOPE, we are able to read the [Bible] passage, discuss its meaning, and ask questions. It helps us move forward in our relationship with God."
Mama Julienne, HOPE Congo Client

CASE STUDY

MAKING DISCIPLES IN CONGO

Since launching in 2010, HOPE Republic of Congo has grown to serve over 4,000 clients. As the program invested in discipling staff members, they realized that while every client studies God's Word in repayment meetings, there was no structure in place for interested clients to go even deeper.

As a result, HOPE Congo partnered with local churches to provide optional activities for clients seeking to build their relationship with Christ.



CATALYZING DISCIPLESHIP AND GROWTH

Precy Ndongui (pictured above with client Angèle Ondessa) started with HOPE Congo in 2011 as a loan officer. As the program grew, he took on the role of spiritual integration coordinator to equip staff members to pursue holistic transformation. Enthusiastic about his role, Precy shares, "I want to see people understand the Word, live the Word, and see the benefits in their lives. ... I'm earning a living doing what my mission is anyway!"



In 2013, programs in Moldova, the Democratic Republic of Congo, and Ukraine hired spiritual integration coordinators, bringing the total number in the network to eight.



GOING DEEPER

- 1. STAFF DEVOTIONS**
Believing that you can't give what you don't have, HOPE Congo **equips staff members through daily times of Bible study and prayer.** Leaders regularly discuss HOPE's Faith in Practice theme—topics such as joy, trust, and obedience—to help staff live out their faith.
- 2. REPAYMENT MEETINGS**
Because repayment meetings are an opportunity to reach every client, HOPE Congo **divides each meeting into five sections known as the 5W's:** welcome, worship, Word, work, and wrap-up. In 2013, HOPE Congo doubled the time spent discussing God's Word in client meetings.
- 3. CLIENT DAYS OF PRAYER**
HOPE Congo partners with churches to hold optional client days, which include prayer, worship, a Bible story from Crown Financial Ministries' *God Provides* film series, and a brief message. These events are **opportunities for clients, staff, and church partners to fellowship** outside of repayment meetings.
- 4. CLIENT BIBLE STUDIES**
For clients interested in deeper discipleship, HOPE Congo initiated Bible studies in partnership with local churches. One client shared, "The day I confessed Jesus as my Lord and my Savior, something changed in me. ... **My new life cannot be compared with my past life.**"



"So faith comes from hearing, and hearing through the word of Christ."

Romans 10:17 (ESV)

INDIA

"Our passion is to raise up disciples in every village that would take on the responsibility of changing their village. We've seen businesses started, communities strengthened, and disciples formed. Where once people were convinced they were worthless, they now consider themselves children of God."

James*, HOPE India West Program Director

CASE STUDY

MAKING DISCIPLES IN INDIA

In western India, staff members are passionate about building relationships and sharing God's Word—but even more powerful is the joy with which group members embrace their new identity after coming to know Christ and share Him with others.

TESTIMONIES OF GOD'S LOVE

In a slum community hidden in urban India, women crowd into a small classroom for a savings group meeting. Sitting on mats on the floor, they worship together joyfully as their savings group facilitator, Nirmitee*, shares a message from God's Word.

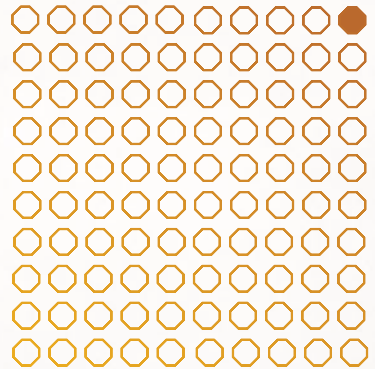
After devotions, the women praise God that they no longer rely on moneylenders. Instead, by saving money together, they've paid for stoves for their homes, medicines for their families, and weddings for their children.

Even more importantly for these women, savings groups have given them a tool to reach others. At first, members accompanied Nirmitee as she invited community members to join their group—but now they're inviting others on their own. Excitedly, they share the impact they've seen:

"When nonbelievers started watching us, they invited us into their homes for prayer."

"There's a joy for us in doing discipleship. We like to share what God is doing for us."

"What we've learned in our groups we've gone home and implemented."



In the state where HOPE India West works, 1 percent of the population is Christian.

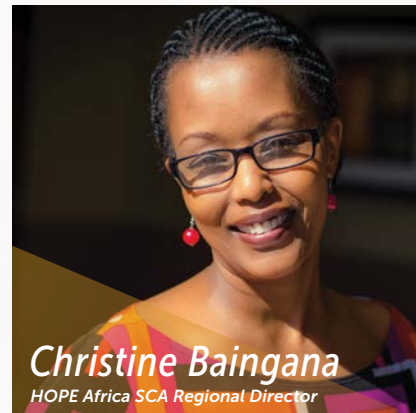
PARTNERS IN PROCLAIMING CHRIST

HOPE is grateful to partner with clients, staff, and supporters who are passionate about our Christ-centered mission.



Sheela*
HOPE India Savings Group Member

"Whenever we gather in our group, we always share what's going on in our lives, things with our families, with our husbands. ... We encourage each other, help each other, and pray for each other."



Christine Baingana
HOPE Africa SCA Regional Director

"Before coming to HOPE, I hadn't seen my work as ministry. But now I've realized that my ministry is to allow God to use my skills and talents to serve Him. To a believer, every job is ministry; every job is building God's Kingdom; every job is an opportunity to serve others."



Helene Watts
HOPE Supporter

"By God's grace, we are privileged to be a part of HOPE's mission to share God's Word with men and women around the world. We join HOPE in praying that through this commitment, God will do what only He can—reconcile sinners to Himself by giving repentance and faith to those who have ears to hear."

*Names changed for security.

Dolorosa Santos' story

Though she's small in stature, Dolorosa Santos is a giant in her passion for serving the Lord through business. The owner of a variety of enterprises in bustling Quezon City, the Philippines, Dolorosa dreams of providing employment within her community—and of using her work to share God's love with others.

Dolorosa owned several businesses by the time she took out her first loan in 2005 from the Center for Community Transformation (CCT), HOPE's partner. Her *sari-sari* (convenience) store provided neighbors everything from toiletries to soy sauce, eggs, and shoe polish. Dolorosa also owned a motorcycle and attached sidecar, a common form of transportation known as a tricycle, which she rented to drivers so they could earn an income providing taxi services.

Ever an entrepreneur, Dolorosa used loans from CCT to expand. She bought additional tricycles, growing her fleet to six. Realizing that tricycles were in constant need of repair because of the poor quality of the roads, she began selling spare parts. Dolorosa also noticed that her neighborhood supports several thriving *sari-sari* stores, creating an opportunity to supply other shops at wholesale prices.

A SUNDAY DISCOUNT

Dolorosa's steadier income has given her family a more stable life. They can pay their bills on time, and they've moved from a tiny wooden shack into a two-story concrete home. Dolorosa's oldest son has graduated from college, and she has no doubt her other three children will also be able to attend. She adds, "The Lord has blessed us beyond what I ever hoped for!"

As Dolorosa participated in Bible study and leadership training with CCT, she also grew passionate about using her businesses to share the Good News. Two years ago, Dolorosa came up with a creative idea: She offered her drivers a 50 percent discount to rent her tricycles on Sundays if they attended church. Skeptical, her drivers—several of whom were addicted to alcohol, drugs, or gambling—agreed.

Today, all six of the men, along with several of their family members, have come to know Christ and have left their former lifestyles behind. Dolorosa even bought a van to help transport those without vehicles. Each Sunday, a convoy of six tricycles and one van carries about 40 people to church.

AN ANSWER TO PRAYER

Despite these incredible stories, Dolorosa was still waiting for an answer to her most earnest prayer: that her husband, Valentino, would come to know the Lord. For six years, she faithfully prayed and showed him God's love. Finally, just last September, her prayers were answered when Valentino accepted Christ, and he now attends church with her each week.

Now, Dolorosa's dreams are focused on her community: "My most fervent dreams are no longer for myself. ... I want to be able to create jobs for others, because I believe it is easier to lead individuals to Jesus Christ when their stomachs are not empty." A giant in her faith and entrepreneurship, Dolorosa is a model of viewing her businesses as a mission—providing dignified employment and introducing others to Christ.

"My most fervent dreams are no longer for myself. ... I want to be able to create jobs for others."





CLIENT-FOCUSED SERVICES
By providing Christ-centered financial services of the highest quality, HOPE equips clients with the tools they need to break free from the cyclical grip of poverty.

Pursuing quality

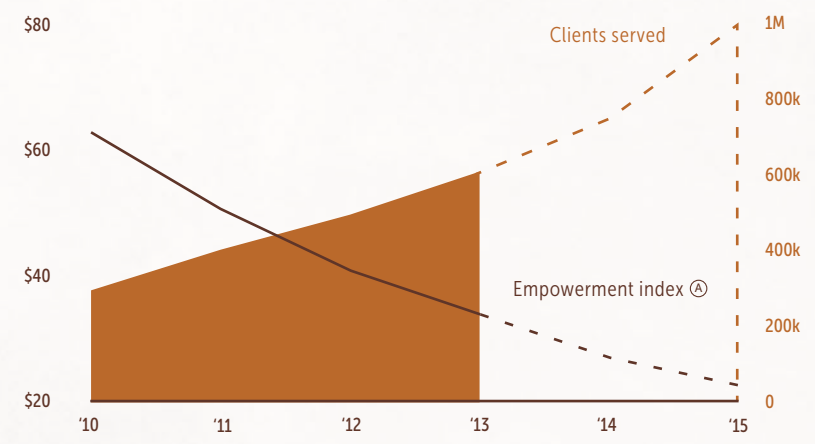
"Whatever you do, work heartily, as for the Lord and not for men." Colossians 3:23 (ESV)
Because HOPE desires to bring glory to God in all we do, we are committed to serving with excellence. We do one thing—Christ-centered microenterprise development—and focus on doing it well. Whether we're training new staff members, standardizing reporting methods, or revising operations manuals, we seek to continually improve in all areas of our work.

HAITI



A SUSTAINABLE MODEL

In the last five years, approximately 98 percent of loans in the HOPE network have been repaid, allowing those funds to be re-loaned to other families so they can invest in their dreams.



LEVERAGING SCALE

As HOPE's sustainable model allows us to build economies of scale, the ongoing investment needed to serve one client continues to drop. With greater efficiencies every year, HOPE supporters' donations go even further to provide discipleship, training, savings services, and small loans.

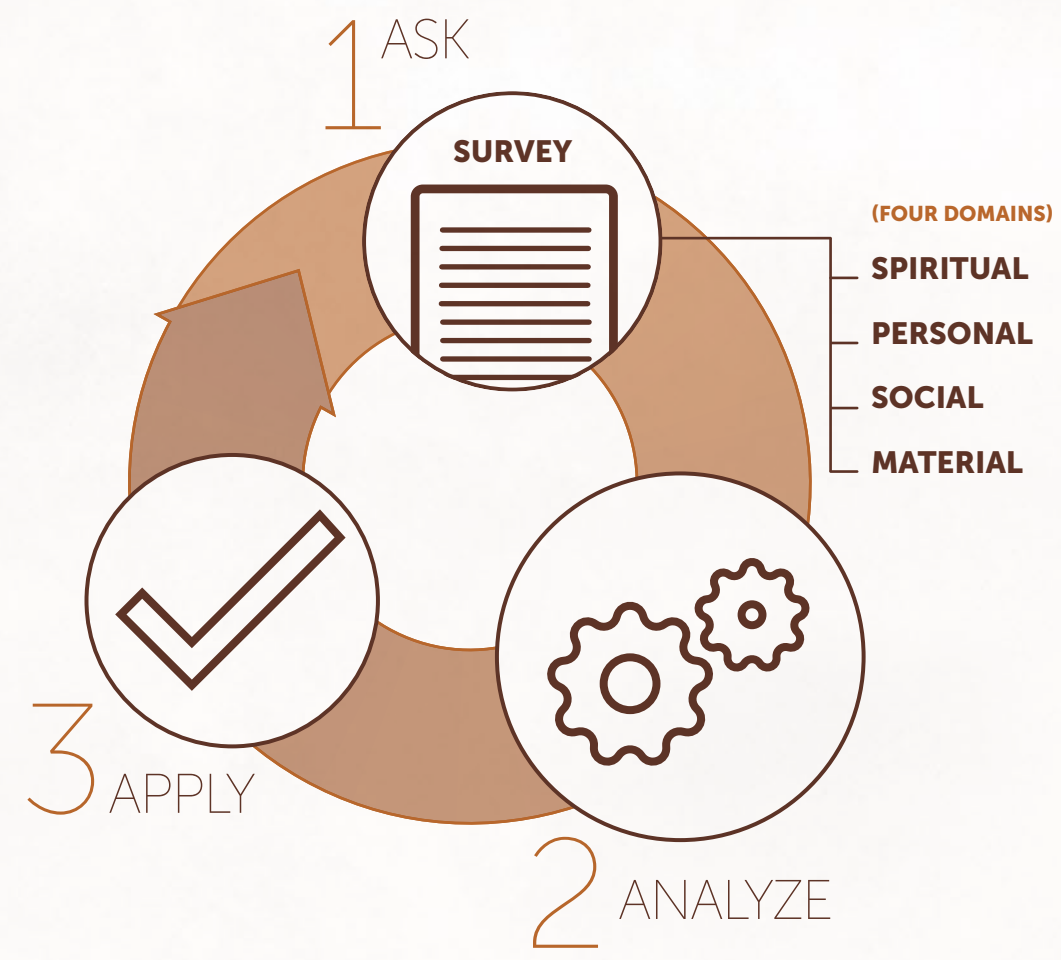


PHILIPPINES

CLIENTS BECOME STAKEHOLDERS

Because clients repay their loans with interest, they contribute to the services they use more than anyone else. This model combats dependency and places clients in the role of customers and stakeholders. Investments from clients and donors alike remain with the local microfinance institution, making it possible to empower others in the local community with each new loan cycle.

^(A) The empowerment index represents an estimation of the cost of serving one client in the HOPE network, based on clients served in 2013.



Investing in impact assessment

One way HOPE pursues quality is by setting goals and evaluating progress. Because our deepest desire is to see clients experience true and lasting change, we invest in tools to measure the impact of our work and more effectively foster holistic transformation.

In 2012, HOPE contracted Metrix Research Group to create a survey tool that measures clients' attitudes toward spiritual, personal, social, and material change. In 2013, we used this tool to gather initial feedback from clients in Ukraine, Burundi, and Malawi. This baseline research will allow us to analyze impact over time and across countries.

"At HOPE, we celebrate growth, yet we also realize that growth indicators, if not accompanied by a broader assessment of impact, can lead an organization off mission. What we don't measure will slowly become irrelevant, and so we strive to appropriately measure the full impact of holistic transformation."

Peter Greer, President & CEO



IMPACT IN BURUNDI: IN THEIR OWN WORDS

In 2013, clients in Burundi shared about the transformation they've experienced in HOPE's savings and credit associations:

"Before, I did not know how to manage money. I consumed all that I possessed without remembering the future. But now, I've changed."

"This savings group has put in us the spirit of loving each other and feeling that a problem for one of us is a problem for the whole group."

"I am proud of what I have to give in church. ... Even the church leaders testify that people of this savings group give more these days."

"I now live without fear of the future, especially when it comes to hospital admission fees."

"This savings group has trained me to bring new people to church."

"In the last six months, this savings group has significantly changed my spiritual life as we share the Word of God."

"I am now capable of supporting my family with my cassava business."



Elena Borisenko's story

When Elena Borisenko speaks, people listen. Throughout her community in Kamenka-Dneprovskaya, Ukraine, she's seen as a woman of influence, not only because of her charismatic personality but also because of the changes she has seen as a successful businesswoman and a committed follower of Jesus Christ.

HUNGRY TO LEARN

As a child, Elena loved the land and enjoyed tending her family's garden, where new life was always sprouting. She moved to the city to attend college and continued living there after graduation. But when her mother was diagnosed with cancer, Elena immediately moved home to care for her. Together, the two women cried out to God. In time, Elena's mother grew healthy and strong again, and the answered prayer left Elena hungry to know more about Christ.

While living with her mother, Elena met and married her now-husband. She soon gave birth to a son. With her husband's encouragement, Elena left her job at a local post office and began growing tomatoes. She and her husband built a greenhouse using income from his job at a feed mill, and Elena says her family had everything they desired.

In 2006, Elena's husband fell seriously ill. Doctors offered little hope, and Elena again put her hope in the Lord. She prayed fervently for her husband, and from his hospital bed, he dreamed that a powerful ray of light ascended from Elena to the sky and then entered his body. "From that moment I got better," he testifies. After this, Elena's faith was strong, but she still hungered to grow spiritually.

GOD MAKES THINGS GROW

When work dried up at her husband's job, Elena contacted HOPE Ukraine for a small loan to purchase coal to heat her greenhouse, materials to improve it, and seeds and peat to grow the tomatoes. The timely access to credit helped smooth her family's income and facilitated investment in future harvests. Elena partnered with HOPE Ukraine four times to grow her business, receiving loans from \$1,250 to \$3,750 and building relationships with HOPE's staff.

God worked through HOPE not only to grow her business but also to answer her prayer to learn more about Christ. Elena borrowed Christian materials available at the office and engaged staff in theological discussions. "I did not even think when I took loans, books, and CDs in the office that this is one of the ways of God to turn our hearts to Him," she says.

Elena and her husband were baptized earlier this year—a testimony to the spiritual growth they've experienced. Their business, too, is flourishing, with four greenhouses and additional plots of land prepared for future growth. "[Elena] and her husband have great influence among their relatives and friends," says Elena's loan officer. "People see how their lives have changed."

Elena and her husband were baptized earlier this year—a testimony to the spiritual growth they've experienced.

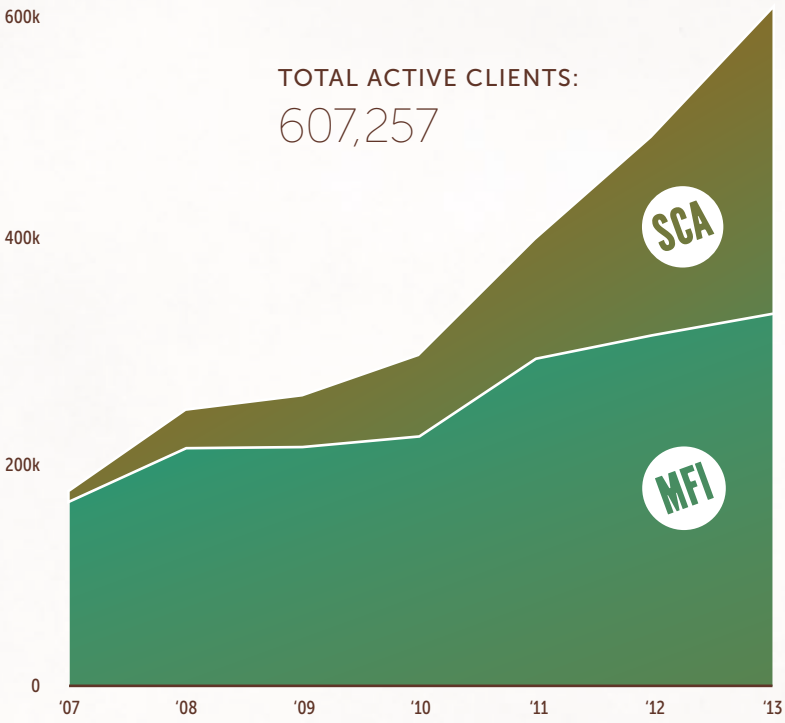




Pursuing growth

"I planted the seed, Apollos watered it, but God has been making it grow. So neither the one who plants nor the one who waters is anything, but only God, who makes things grow." 1 Corinthians 3:6-7

As Christ is central to HOPE's work, His love compels us to reach even more people in underserved areas with the life-changing message of the Gospel and sustainable financial services. Seeking excellence in all our work, we anchor our growth in prayer and partnership with churches, supporters, and Christ-centered organizations passionate to see more and more families break free from poverty. With increased funding and new partnerships in 2013, HOPE's network invested in the dreams of over 100,000 additional families.



TOTAL ACTIVE CLIENTS:
607,257

SAVINGS & CREDIT ASSOCIATIONS

Active SCA members:

274,562

SCA savings:

\$4,802,484

Average savings per SCA client:

\$17.49

MICROFINANCE INSTITUTIONS

Active MFI members:

332,695

MFI savings:

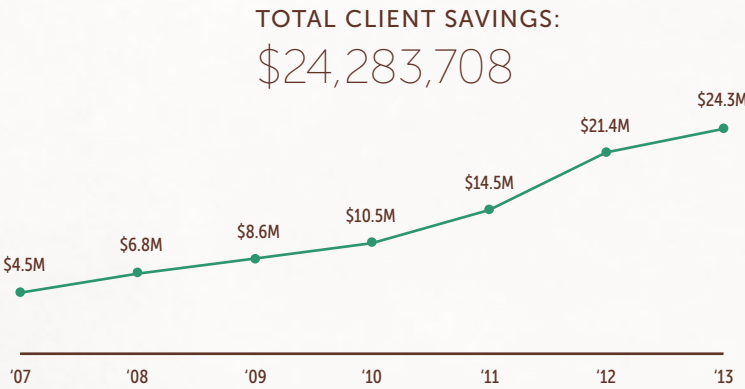
\$19,481,224

Average MFI loan disbursed:

\$392

Net portfolio outstanding:

\$41,321,678



TOTAL CLIENT SAVINGS:
\$24,283,708



EQUIPPING ENTREPRENEURS WITH CAPITAL

Since our founding in 1997, HOPE and our partners have disbursed more than 2.3 million loans, putting \$673.8 million in the hands of entrepreneurs living in poverty.

"HOPE has been blessed with continued growth opportunities, while taking strides to continuously improve the quality of our programs. We pursue growth both through expanding existing programs and by opening new programs."

Dave Wasik, Vice President of Operations



REACHING MORE CLIENTS IN RWANDA

With cell phone use on the rise in Rwanda, HOPE's microfinance partner, Urwego Opportunity Bank, launched a new mobile product for its clients that capitalizes on this trend. Delivering financial services directly to clients' cell phones, it allows clients to manage their savings, repay loans, and even pay bills. Now more clients in rural areas can benefit from financial services previously unavailable outside branch offices.



Choosing where to grow

We desire to reach even more people in underserved areas. Before we establish a program, HOPE follows an intentional discernment process to decide where to invest. We seek to empower families facing extreme poverty, living in places where few organizations are serving. To best understand local needs, we visit community leaders and churches, seeking local involvement and identifying mission-aligned partners in the process. We pray over each phase and detail, seeking to keep Christ central in every step of the process.

CASE STUDY

NEW HOPE IN MALAWI

In 2013, HOPE launched a new savings and credit association (SCA) program in Malawi. With a large rural population, the country ranks among the world’s poorest nations. Believing many rural families could benefit from increased savings and business training, HOPE met with a local church denomination eager to develop savings groups as a **holistic outreach ministry to their community**. With this like-minded church partner, HOPE Malawi officially launched in July 2013. In its first six months the program grew quickly, adding a second church partner and serving over 1,650 families as of year-end 2013.

EQUIPPING THE CHURCH IN MALAWI

As HOPE looks to develop new SCA programs, we want to build up the local Church while promoting economic opportunity for families living in poverty. **In Malawi, HOPE trains mission-aligned denominational church partners in savings methodology, and they recruit and facilitate savings groups as a holistic ministry of their church.** This equips churches in Malawi to live out the Great Commission and Greatest Commandment, proclaiming the Gospel in their communities and actively engaging in the daily challenges faced by their neighbors living in poverty.

HOPE MALAWI SCA MODEL



Gloria Kupensali
HOPE Malawi Savings Group Member

"I see the groups as a way we can help each other and also help the orphans and the elderly."



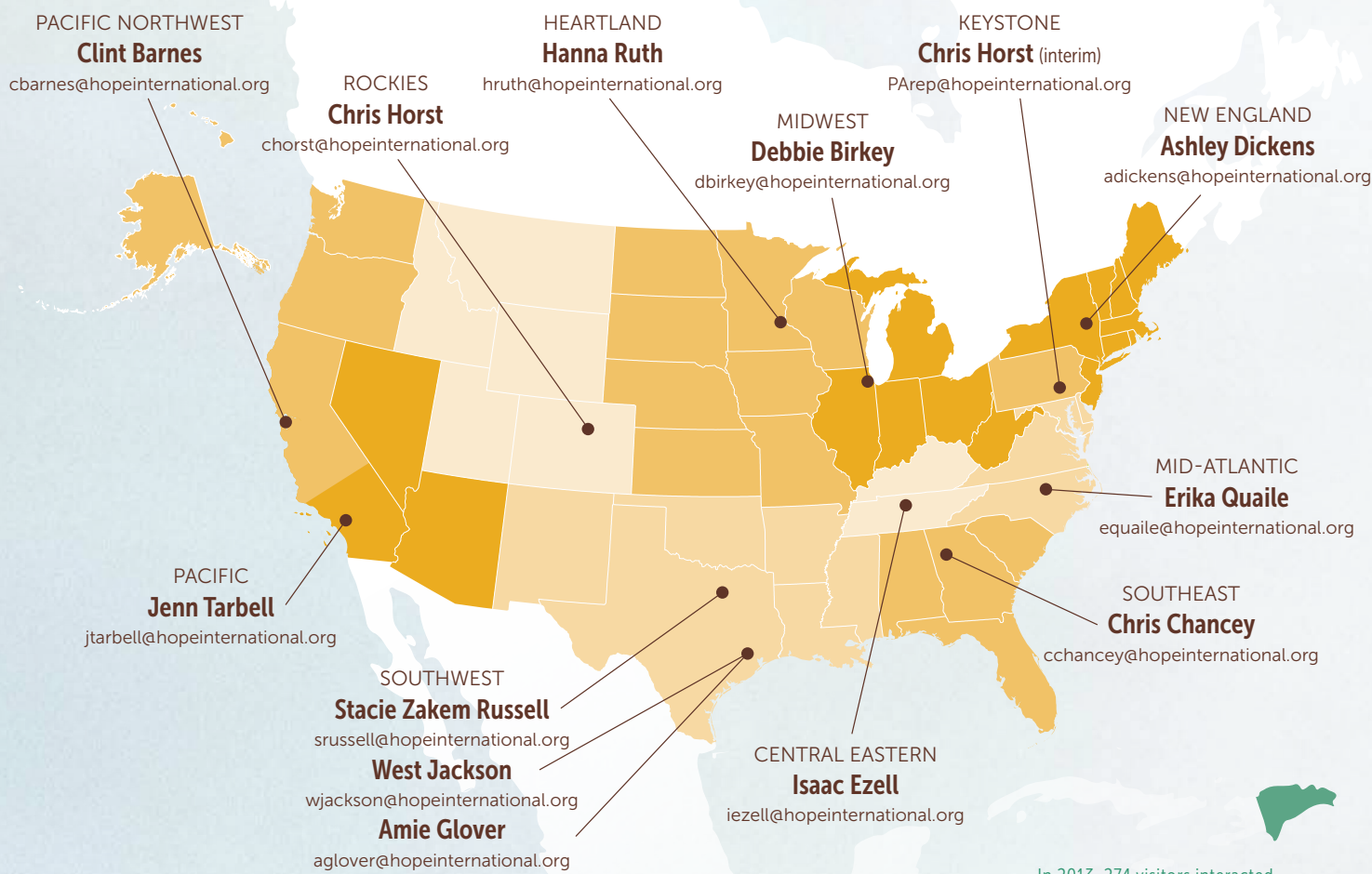
Pastor Black
Field Coordinator, Pentecostal Church

"When I learned about this program, I thought ... it was the best opportunity for those in my congregation and community to move away from loan sharks and begin to save for themselves."



Sylvia Bolokonya
Field Coordinator, Presbyterian Church

"My main vision for the [SCA] program is for every Malawian in our churches to be reconciled back to Christ and to change their lifestyles through savings and through sharing the Word of God."



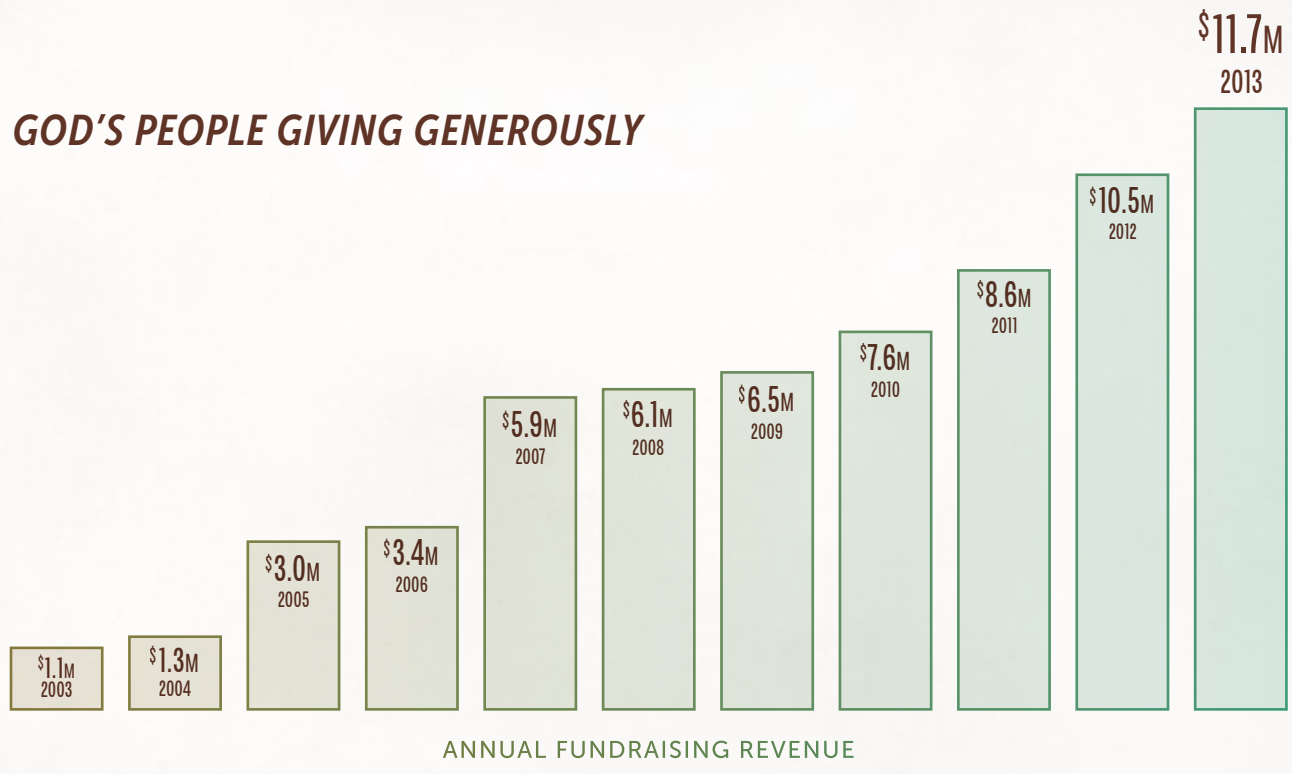
In 2013, 274 visitors interacted directly with clients through an Experience HOPE Trip to the Dominican Republic and other field locations.

Partners in restoration

God worked through HOPE supporters in 2013 to empower clients to build profitable businesses, save for the future, attend biblically based training, form relationships with staff, and hear the hope of the Gospel. We thank God for those standing with HOPE in our shared desire to see physical and spiritual restoration. In 2013, 4,113 supporters joined us, giving 14,964 generous gifts—representing a 22 percent increase in gifts from the previous year.

WE WOULD LOVE TO HEAR FROM YOU!
Use the map above to connect with a HOPE representative in your region.

GOD’S PEOPLE GIVING GENEROUSLY



ENTREPRENEURS EQUIPPING ENTREPRENEURS



Steven Vick
Co-founder and CEO, Signature Senior Living, Dallas, TX

Steven went on an Experience HOPE Trip to the Dominican Republic with his son, Robert. He shares, “I would definitely recommend this trip to others. Because of what HOPE and its partners are doing, we can be a part of helping people help themselves. It’s a phenomenal thing to see in person.”

Check the dates of 2014 Experience HOPE Trips at www.hopetrips.org.



Bandwidth.com
Raleigh, NC and Denver, CO

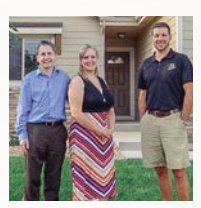
The entire staff of Bandwidth.com raised \$22,579 for HOPE’s work during their Entrepreneur Week. Rebecca Bottorff, chief people officer, explains, “HOPE’s mission really resonated with our entrepreneurial culture. We invented Entrepreneur Week to both celebrate our entrepreneurialism and provide a ‘marketplace’ experience where team members used their own microbusinesses to raise money for HOPE’s cause.”



Mark Hove
Student, Trinity School, Durham, NC

When Mark’s economics teacher challenged his class to use a small loan to help support HOPE’s work, Mark had an idea. “What came to mind was buying and selling from local thrift shops. By borrowing \$20 from my parents, I bought a couple items and sold them to friends, relatives, and even teachers. ... I profited \$100.67 in the span of about a month to go toward HOPE.”

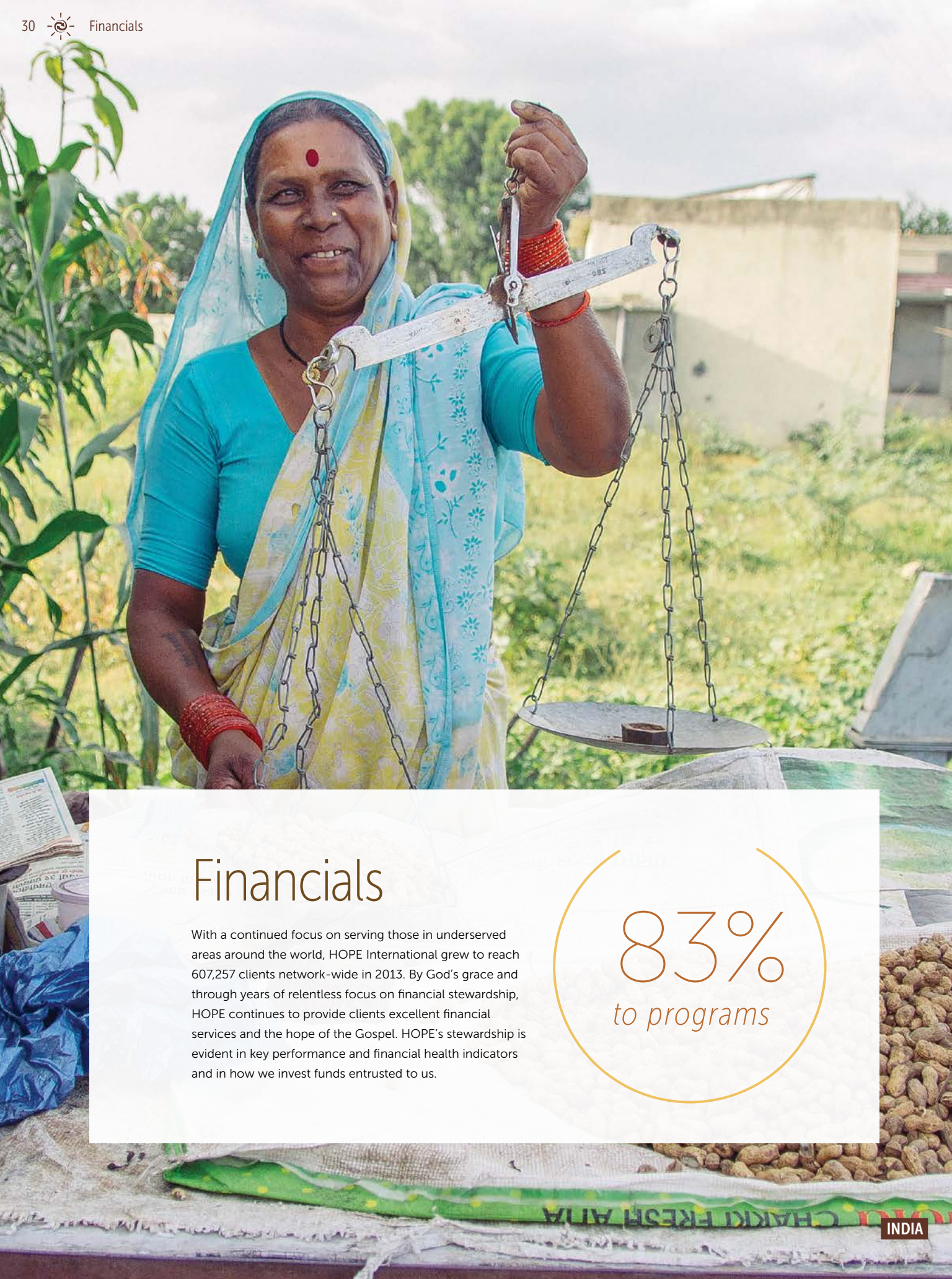
Share your idea for fighting poverty at www.myhoperising.com.



Jamie Baessler
President, Baessler Homes, Greeley, CO

With the help of its trade partners and a land donation, Baessler Homes built and sold a home that led to a \$124,000 donation through the Homes for Hope program. Jamie shares, “It’s exciting to think that 30 years from now, the home we built will still be making a difference.”

Learn more about Homes for Hope at www.homes4hope.org.



Financials

With a continued focus on serving those in underserved areas around the world, HOPE International grew to reach 607,257 clients network-wide in 2013. By God’s grace and through years of relentless focus on financial stewardship, HOPE continues to provide clients excellent financial services and the hope of the Gospel. HOPE’s stewardship is evident in key performance and financial health indicators and in how we invest funds entrusted to us.

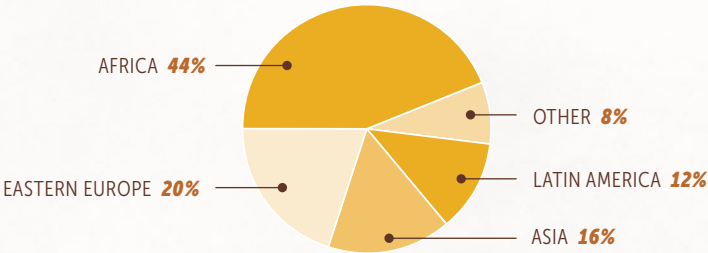
83%
to programs

INDIA

MANAGEMENT DISCUSSION OF 2013 FINANCIAL ACTIVITIES

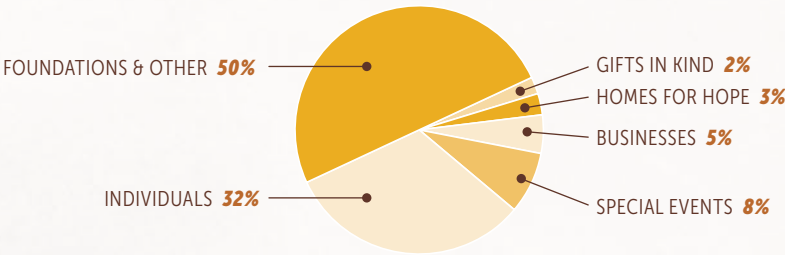
In 2013, HOPE International invested 83 cents of every dollar in serving clients through microfinance institution (MFI) and savings and credit association (SCA) programs in 17 countries in four regions around the world.

PROGRAM EXPENSES BY REGION



Total contributions grew by 12 percent, and HOPE’s supporter base continued to diversify. This growth represents increases in each category of supporters: individuals, businesses, and foundations.

TOTAL SUPPORT BY CATEGORY



As a member of the Evangelical Council for Financial Accountability, HOPE adheres to ECFA’s Seven Standards of Effective Stewardship. HOPE’s commitment to stewardship is also evidenced in our four-star rating from Charity Navigator, which we received for the seventh year in a row, placing HOPE among the top 2 percent of U.S. nonprofits.

GIVING BACK

Through HOPE’s philanthropic dividend policy, HOPE-managed MFIs commit to giving 10 percent of their profits to local Christ-centered children’s ministries. In Ukraine and Russia, for example, a portion of our profits supports Tomorrow Clubs, a children’s ministry sharing Jesus’ love with the next generation.



EXECUTIVE TEAM

- Peter Greer**
President & CEO
- Jesse Casler**
Vice President of Administration
- Chris Horst**
Vice President of Development
- Kevin Tordoff**
Vice President of Marketing
- Dave Wasik**
Vice President of Operations
- Christine Baingana**
Africa SCA Regional Director
- Jeff Brown**
Art Director
- Matthew Rohrs**
Director of Spiritual Integration
- Phil Smith**
Director of Savings & Credit Associations
- Jenn Tarbell**
Regional Development Director

BOARD OF DIRECTORS

- Jeff Rutt**
Founder & Chair of the Board
Founder & CEO, Keystone Custom Homes
- Christopher Crane**
CEO, Edify
- James Deitch**
Co-founder & CEO, TeraVerde Financial LLC
- Peter Greer**
President & CEO, HOPE International
- Dennis Hollinger**
President & Colman M. Mockler Distinguished Professor of Christian Ethics, Gordon-Conwell Theological Seminary
- Brian Lewis**
Principal, Cereus Partners Inc.
- Cathi Lynch**
Financial Operations Leader & Treasurer, Edmond campus of LifeChurch.tv
- André Mann**
Managing Principal, Sovereign’s Capital
- Katie Nienow**
Vice President of Business Development, Juntos Finanzas
- Timothy Snow**
Executive Pastor, University Presbyterian Church



Financials

CONSOLIDATED SCHEDULE OF ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2013, AND DECEMBER 31, 2012

| SUPPORT & REVENUE | 2013 | 2012 | \$ CHANGE | % CHANGE |
|--|--------------|--------------|---------------|----------|
| SUPPORT | | | | |
| Individuals | \$3,818,833 | \$3,343,330 | \$475,503 | 14% |
| Businesses | 554,753 | 413,761 | 140,992 | 34% |
| Foundations & other organizations | 5,904,042 | 5,776,896 | 127,146 | 2% |
| Homes for Hope | 350,000 | 450,000 | (100,000) | -22% |
| Special event revenue (net of expenses) | 900,585 | 380,766 | 519,819 | 137% |
| Gifts in kind | 198,316 | 110,927 | 87,389 | 79% |
| TOTAL SUPPORT | \$11,726,529 | \$10,475,680 | \$1,250,849 | 12% |
| REVENUE | | | | |
| Microfinance income [Ⓐ] | 2,409,499 | 3,043,868 | (634,369) | -21% |
| Other income [Ⓑ] | (33,811) | 232,884 | (266,695) | -115% |
| TOTAL SUPPORT & REVENUE | \$14,102,217 | \$13,752,432 | \$349,785 | 3% |
| EXPENSES & PROGRAM INVESTMENTS | | | | |
| Program services & investments | 10,946,047 | 9,943,829 | 1,002,218 | 10% |
| Management, general, & fundraising | 2,056,798 | 1,915,243 | 141,555 | 7% |
| TOTAL EXPENSES & PROGRAM INVESTMENTS | \$13,002,845 | \$11,859,072 | \$1,143,773 | 10% |
| Funding of board-designated reserve [Ⓒ] | 818,000 | 150,000 | 668,000 | 445% |
| NET | \$281,372 | \$1,743,360 | (\$1,461,988) | -84% |

CONSOLIDATED SCHEDULE OF FINANCIAL POSITION AS OF DECEMBER 31, 2013, AND DECEMBER 31, 2012

| ASSETS | 2013 | 2012 |
|--|--------------|--------------|
| U.S. cash & cash equivalents: unrestricted | \$707,520 | \$785,846 |
| Field cash & cash equivalents: unrestricted | 1,408,401 | 1,182,943 |
| Client savings [Ⓓ] | 998,274 | 850,610 |
| Restricted cash | 1,074,744 | 1,623,174 |
| Contributions & pledges receivable | 1,590,505 | 1,111,378 |
| Prepaid expenses & other assets | 341,301 | 271,968 |
| Interest receivable | 55,890 | 66,313 |
| MFI loans receivable, net [Ⓔ] | 4,851,781 | 4,309,218 |
| TOTAL CURRENT ASSETS | \$11,028,416 | \$10,201,450 |
| Board-designated and operating reserves [Ⓕ] | 3,328,141 | 3,533,195 |
| Property & equipment (net of accumulated depreciation) | 667,733 | 598,330 |
| Long-term loans receivable, net | 472,580 | 482,580 |
| Investment in MFIs & other long-term assets | 4,029,678 | 3,146,079 |
| TOTAL ASSETS | \$19,526,548 | \$17,961,634 |
| LIABILITIES & NET ASSETS | | |
| LIABILITIES | | |
| Client savings deposits | 998,274 | 850,610 |
| Accounts payable & accrued expenses | 588,960 | 503,720 |
| Other liabilities | 139,093 | 171,391 |
| Current portion of loans payable & interest payable | 365,267 | 937,277 |
| Notes payable | 854,269 | 1,134,698 |
| TOTAL LIABILITIES | \$2,945,863 | \$3,597,696 |
| TOTAL NET ASSETS | \$16,580,685 | \$14,363,938 |
| TOTAL LIABILITIES & NET ASSETS | \$19,526,548 | \$17,961,634 |

Financial statements are unaudited. Audited financials will be posted at www.hopeinternational.org when they become available.

For the year ended December 31, 2013, HOPE International consolidated Higher Impact Properties; Hope Global Investment Fund; HOPE-managed MFIs in Ukraine, Russia, the Republic of Congo (Congo), the Democratic Republic of Congo (DRC), and Central Asia; and SCA programs in Rwanda and Burundi.

[Ⓐ] Decrease in 2013 was driven by the closing of the HOPE DRC Kinshasa office in late 2012. Network-wide microfinance income was \$19 million in 2013.

[Ⓑ] Decrease was primarily driven by losses in HOPE International’s equity position in Urwego Opportunity Bank in Rwanda, which provided a significant gain in 2012. This loss is offset by gains on domestic investments.

[Ⓒ] This investment represents additional reserves that HOPE International set aside during the fiscal year to align with the board reserve policy to set aside 90 days of operating cash as a reserve. As operations grow, the reserve balance grows to keep pace.

[Ⓓ] Consists of client savings held by HOPE DRC and HOPE Congo. Across the network, total client savings grew to \$24.3 million in 2013.

[Ⓔ] Consists of the net portfolios of HOPE International’s consolidated entities, including HOPE Ukraine, HOPE DRC, HOPE Russia, HOPE Congo, and HOPE Central Asia. Net portfolio network-wide was approximately \$41.3 million in 2013.

[Ⓕ] This decrease was driven by two factors. Hope Global Investment Fund continued to return funds to investors as HOPE took on a larger role in supporting MFIs through more flexible loans. Additionally, after carefully analyzing the financial forecast, HOPE’s management agreed to decrease the operating reserve due to strong revenue performance in 2013.