



# HOPE

INTERNATIONAL

# 2015

ANNUAL REPORT









# Dear friends,

*With the end of 2015, HOPE International celebrated the culmination of a three-year strategic plan period. As we complete one period and prepare for the next, we pause and consider where we are thriving, where we are struggling, and where we believe God is leading us in the future.*

In 2015, we faced some difficult decisions, and chief among them was the decision to close microfinance operations in Russia. We acknowledged that—given the political conflict with Ukraine, along with an increasingly inhospitable operational environment—we could no longer serve there with excellence.

Despite this decision, HOPE experienced many new opportunities in 2015, including expanding our church-based savings and credit association model into Zambia, a new country for HOPE. We also accepted invitations from our microfinance partners in Rwanda and Burundi to become lead implementers in their organizations.

And as we look back further on the past three years, we praise God for the following milestones:

- ▶ *Growth in clients served from 503,125 to 893,281 clients, a 77 percent increase*
- ▶ *Launching three new programs in India, Malawi, and Zambia*
- ▶ *Achieving over 80 percent operational self-sufficiency\* in nine out of 10 microfinance institutions*
- ▶ *Growth in annual donations from \$10.5 million to \$17.4 million, a 66 percent increase fueled by more than 4,775 generous supporters in 2015 alone*

We enter our next strategic plan mindful that HOPE's highest calling is not just to grow or to serve with excellence, though we want to do both. Instead, we are called to be faithful in fulfilling the mission we've been given: to love God and love our neighbor, uniting Christ's Greatest Commandment with the Great Commission.

Strengthened by our great God and by your friendship and support, we walk forward into a new season. We couldn't do this work without you.



A handwritten signature in black ink, appearing to read 'Peter Greer'.

Peter Greer  
President & CEO

\*100 percent operational self-sufficiency is the point at which operational income can cover operational costs.

### MISSION

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



### 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.

All Scripture quotations, unless otherwise noted, are taken from The Holy Bible, New International Version®, NIV® Copyright © 1973, 1978, 1984, 2011 by Biblica, Inc.™ Used by permission. All rights reserved worldwide.

Unless otherwise noted, HOPE statistics are as of December 2015 (based on information reported in March 2016) and may be subject to adjustment. Total portfolio and savings numbers reflect currency exchange rates as of January 2013 to more clearly represent growth in local currency.

References to the four domains of transformation (p. 14) are drawn from *Walking with the Poor*, Bryant Myers, 2011.

Feature photography courtesy of Sarah Severns (cover, back cover), Becky Svendsen (inside cover, 6), Michael Rothermel (2, 10, 24, 26), Kelsey Fox (8, 12), Tyson Presnell (9, 16), Joanne Lu (14, 22), Kelly Hewes (17), Matt Stockamp (18), Life.Church (20).

## Table of contents

<i>Three years in review</i>	3
<i>Investing in dreams</i>	4
<i>Christ-centeredness</i>	8
<i>Quality</i>	14
<i>Growth</i>	20
<i>Financials</i>	24
<i>Where we serve</i>	28



# Three years in review

*"Taste and see that the Lord is good."* PSALM 34:8

*In 2015, HOPE International concluded a three-year strategic plan focusing on three key objectives: to remain Christ-centered, pursue quality in every aspect of our work, and grow to reach even more families in underserved areas. In this annual report, we reflect on progress made, along with stories of how God, in His goodness, is transforming the lives of HOPE-network clients like Fanny (p. 6), Jacob (p. 12), and Juvita (p. 18).*

## 2013–2015 strategic plan highlights



### CHRIST-CENTEREDNESS

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

- ▶ Engaged at least one active church partner in all HOPE-managed microfinance offices
- ▶ Rolled out staff discipleship initiatives in all HOPE-managed programs



### QUALITY

*Called by Christ to work with excellence, we pursue quality in all we do.*

- ▶ Utilized new and improved monitoring and evaluation tools to enhance client services in all HOPE-managed programs
- ▶ Reached operational self-sufficiency of 80 percent or higher in nine of 10 microfinance institutions in the HOPE network



### GROWTH

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

- ▶ Launched new savings and credit association programs in Malawi, India, and Zambia
- ▶ Raised \$43.6M over three years to fulfill our mission

*There is an intentional order to HOPE's 2013-2015 strategic plan goals: Christ-centeredness, quality, and **then** growth. Overall, we met or exceeded 19 of our 26 distinct objectives. Here are some key highlights:*

*"God saw all that he had made,  
and it was very good."*

GENESIS 1:31



## Designed to thrive

*Creation was designed to flourish. But as we look around our world today, God's creation lives in tension with brokenness, waiting to be fully restored. All is not as it was intended to be.*

# Investing in dreams

*As Christ's followers responding to His great love, we seek physical, social, spiritual, and personal restoration in places of brokenness. Through Christ-centered microenterprise development, the HOPE network has reached nearly 900,000 underserved families in 16 countries with the hope of the Gospel.*



## A HOLISTIC APPROACH

*Poverty is a complex problem that demands a holistic solution. HOPE-network clients are not passive recipients of charity but rather individuals empowered by knowing that they were made in God's image. Through discipleship, training, savings services, and small loans, they unleash their own dreams and potential.*

### DISCIPLESHIP

HOPE's staff members are committed followers of Christ who enter into relationships with clients in which they demonstrate and proclaim the Gospel, facilitate Bible studies, and invite clients to experience lasting transformation through a relationship with Jesus Christ.

### TRAINING

Because we value building relationships and equipping clients to flourish in their businesses and personal lives, HOPE offers biblically based training, mentoring, and coaching.

### SAVINGS

HOPE helps clients save their own money to stabilize household income, provide a safety net for emergencies, pursue entrepreneurial ideas, or pay for significant household expenses.

### SMALL LOANS

Many clients have the potential to start or expand a small business but have lacked a lump sum of capital. Small loans enable them to purchase productive assets, bolster inventory, or otherwise strengthen their business.



## TWO MODELS, ONE PURPOSE

*Based on needs and context, we serve clients in the HOPE network through two operating models. Both of these models are designed to equip families to flourish.*

### SAVINGS AND CREDIT ASSOCIATIONS (SCA)

SCAs are groups that save together, often formed through HOPE's church partners. As the group builds a lump sum, members can also access loans for business or household needs.

### MICROFINANCE INSTITUTIONS (MFI)

MFIs are banks that serve entrepreneurs in poverty by offering small loans, a safe place to save, and other financial services so clients can invest in their businesses and better provide for their families.



*"I am rebuilding my own house because of my savings group, and my goal is to see my children educated."*





# Unshaken

## Fanny Nakhumwa's story

*"I feel God has given me many gifts," Fanny Nakhumwa says, and one of them is farming. She works hard in her fields, knowing her efforts mean nourishment for her children. She's one of Malawi's 2 million small-scale farmers who grow food mostly to feed their families and produce roughly 80 percent of the nation's food.*

Even though she already faced challenges as a single mother, when her sister passed away and left four children behind, Fanny agreed to adopt them. Suddenly, Fanny was supporting seven school-age children alone. She managed to meet their basic needs, but Fanny struggled to find money for school fees and even soap. "It was possible that some months, I wouldn't have money at all," she says.

Saving felt impossible, yet when she heard about savings groups forming at her church, she recalls, "I was the first to sign up." As her group met to worship, study the Word, and save small amounts of money together, the benefits became clear. Savings and access to small loans from the group gave Fanny the breathing room she needed, and she no longer had to sell her family's food supply when she needed cash.

### WASHED AWAY

Last January, disaster struck. Malawi's rains fell too hard, sweeping away Fanny's fields, crops, and home. But she reacted quickly, investing her savings in bricks for her new house and moving in with a relative. Still farming, she used her savings to launch a second business selling used clothing. And less than a year after losing her home, Fanny accomplished something achieved by few others in her community: She paid to install a water tap in her future backyard to help with irrigation and household chores.

### GIVING BACK

Though she was once a likely candidate for charity from others, today, Fanny is caring for those around her. She visits those who are ill and grieving, and she leads worship at church. Before, she couldn't bring offerings to church. "But now I can bring them with no difficulty because I've been saving," she says. She has grown spiritually through Bible study in each group meeting, especially as she learned to teach the Word to others. The group's

*Though she was once a likely candidate for charity from others, today, Fanny is caring for those around her.*

fellowship and openness give Fanny a powerful sense of belonging. "My challenges have grown less because I am supported," she says. "My fellow group members encourage me and pray for me. ... Since I joined the group, I'm a more joyful person."

Fanny shares, "I can say this is my testimony: Before joining the savings group, I had no business of my own, and my children were suffering from hunger. But now, I am rebuilding my own house because of my savings group, and my goal is to see my children educated."





## Serving the Roma in Ukraine

The Roma are an ethnic minority group with roots in India. For centuries, the Roma have endured persecution and oppression, migrating across the globe. Stereotyped as criminals and thieves, the Roma are often denied access to financial institutions and employment opportunities.

An estimated 40,000 Roma live within Ukraine's borders. Seeking to share God's love with them, HOPE Ukraine used focus groups and small research studies to identify the most pressing needs of an underserved Roma community in southwestern Ukraine. In 2015, HOPE Ukraine launched two savings program pilots. The HOPE Ukraine team is eager to see this tight-knit community develop a greater knowledge of who God is and the gifts He has given them.

*"We believe  
God has  
a special  
plan for the  
Roma."*

**ANDRE BARKOV**  
MANAGING DIRECTOR  
OF HOPE UKRAINE



# Christ-centeredness

## FROM HIM, THROUGH HIM, AND TO HIM

*At HOPE International, we believe that transformation occurs when hearts are turned toward Christ. John 15:5 declares that those who abide in Christ will “bear much fruit,” and at HOPE, we believe this is true for our staff and clients alike. Recognizing our dependence on Him, we seek to worship and glorify Christ through our work.*

## REACHING UNDERSERVED FAMILIES

Our desire is to see restoration in communities that have long been underserved. Just as Jesus pursued those whom society had overlooked, we seek to serve those on the margins.

Toward that end, we serve communities that have long been disregarded, sharing access to financial services and the hope of Christ. In 2015, HOPE piloted a small number of programs to target extremely underserved and minority populations in places where we already operate, including Ukraine and Malawi.

*“And he who was seated on the throne said, ‘Behold, I am making all things new.’”*

REVELATION 21:5 (ESV)







*"I need to preach about light to people who are in darkness. I can't do otherwise."*

TOM,\* SAVINGS GROUP FACILITATOR WITH HOPE MALAWI

604 | \$22,000



## SPREADING THE GOSPEL IN HARD PLACES

In 2015, HOPE Malawi conducted a year-long pilot in an unreached region. Tom,\* a savings group facilitator, experienced great persecution after joining the group, even being disowned by his family. Despite being threatened and beaten by others in his village, he concluded, "I need to preach about light to people who are in darkness. I can't do otherwise." In the midst of the challenges of working in communities not open to the Gospel, we have seen unbelievable fruit and will continue the program beyond the pilot. In one year of the Malawian pilot:

- ▶ 604 members saved over \$22,000 together
- ▶ 13 members came to know Christ through the program
- ▶ 95 percent of surveyed members reported positive changes in the way they view people of other faiths

*\*Name changed for security*



# Making disciples

*While the Great Commission commands us to make disciples of all nations, we recognize that we must first know Christ ourselves. As Ruth Callanta, president of HOPE's partner in the Philippines, taught us, we cannot give what we do not have. We prioritize discipleship among staff members because we know abiding in Christ equips us to share Him with others.*

*When meeting with clients, we employ the 5W's model: welcome, worship, study of the Word, work, and wrap-up. Several of our programs have also piloted optional Discovery Bible Studies, encouraging clients to go deeper into the Word.*

## PARTNERING WITH THE GLOBAL CHURCH

We believe it is crucial to join hands with local churches who are already active in the communities where we serve. Recognizing that God's desire is for His Church to serve their communities, we seek to support local congregations—not replace them. At HOPE, a major component of our spiritual integration strategy is partnering with the local church, empowering them to be vibrant, flourishing, and sustainable.

In 2015, we expanded our church partnerships, reaching our goal to have at least one active church partner engaged in discipling clients in all HOPE-managed microfinance branch offices. In Haiti, we partnered with the Church of the Nazarene, and HOPE Malawi partnered with the Assemblies of God and the Tubepoka Development Initiative, a Malawian affiliate of Willow Creek Community Church (IL).

In the United States, we've been incredibly blessed by new and growing church partnerships. Willow Creek Community Church, Life.Church, Willowdale Chapel, and North Point Community Church, among others, have come alongside our work, joining us in Christ's command to make disciples of all nations.

***"It's not just about money. It's about reconciliation; it's about relationship [and] communion among members. There is love, and they have solidarity."***

**ZENON**, A PASTOR PARTNERING WITH HOPE'S SAVINGS PROGRAM IN BURUNDI



*"Pray for repentance of [those who live in] the city,  
and that they would come to faith and know Jesus.  
That is the most important thing."*



# A generous life

## Jacob Timos' story

*In the small town of Straseni in central Moldova, Jacob Timos lives with his wife, Elena, their four sons—and around 180 rabbits. In 2004, Jacob received a loan from Invest-Credit, HOPE's local partner in Moldova, and purchased six rabbits for breeding. He has since partnered with Invest-Credit several more times to fund additional investments in his business, from more rabbits and supplies to land for growing his own rabbit food.*

In more than a decade since his first loan, Jacob's business has grown larger than he ever dreamed. Selling over 300 rabbits a year, Jacob is known among breeders throughout Europe for his high-quality breeds.

A family business to the core, the farm employs each of the Timoses in caring for the rabbits. The oldest son, Duriel, is following in his parents' footsteps and studying to be an agronomist.

For the people of Straseni, Jacob's family's success is an inspiration—the hope that circumstances can change for anyone. Moldova is one of the poorest countries in Europe, with almost 22 percent of Moldovans living below the poverty line, vulnerable to economic shocks. Jacob has referred over 200 people to Invest-Credit because of his deep belief in the transformative power of financial services coupled with discipleship. While Jacob says most people “don't see opportunities in the village,” he sees followers of Christ making a difference. “So many believers run businesses here, create jobs for others, and provide services for the community,” Jacob says.

### A GENEROUS BUSINESS

Generosity and openhandedness are etched into Jacob's life and business. While some entrepreneurs thrive on competition, Jacob goes so far as to donate rabbits to other families interested in starting their own businesses.

Built into Jacob's business model is a partial refund of each rabbit's purchase price, which he asks customers

*“So many believers run businesses here, create jobs for others, and provide services for the community.”*

to donate to their local church. Surprised by such an unusual request, many buyers ask questions about the policy, prompting conversations about God. When one customer visited a nearby church to donate the money Jacob refunded, she heard the Gospel and accepted Christ!

### SPREADING GOOD NEWS

In addition to breeding rabbits, Jacob continues to serve as the pastor of a small church. Believers and nonbelievers alike are drawn to Jacob's church because of his energetic and amiable personality. Many in Straseni have become believers because of their friendship with Jacob. Passionate about his community, Jacob dreams of seeing more people come to know Christ.



SPIRITUAL

SOCIAL

MATERIAL



RWANDA

PERSONAL

## Impact

At HOPE, we believe that the roots of poverty go deeper than a lack of material resources. To address the wider dimensions of poverty, our goal is to develop quality services where families experience true and lasting change across four domains: spiritual, social, material, and personal.

*"I used to live in poverty, always begging from my neighbors, but now I am able to provide for myself."*

*Evaristi (pictured with his family) shares how his savings group has impacted his life:*

### MATERIAL

*"I used to live in poverty, always begging from my neighbors, but now I am able to provide for myself."*

### SOCIAL

*"I used to have conflicts with my wife, which was not good. ...With the help of the group, I became humble and reconciled with my wife."*

### SPIRITUAL

*"Before I joined the group, my family was not saved. They didn't go to church. But now, my wife and two older children have been baptized and are saved."*

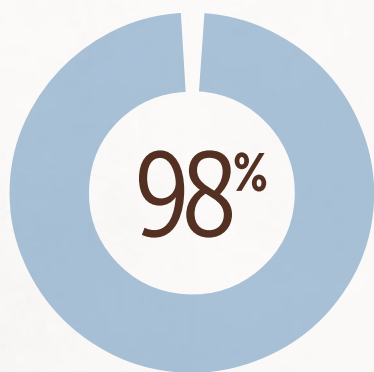
### PERSONAL

*"I have been transformed. ... Now I am humble. I have learned how to live with others in the community, all thanks to the group."*

# Quality

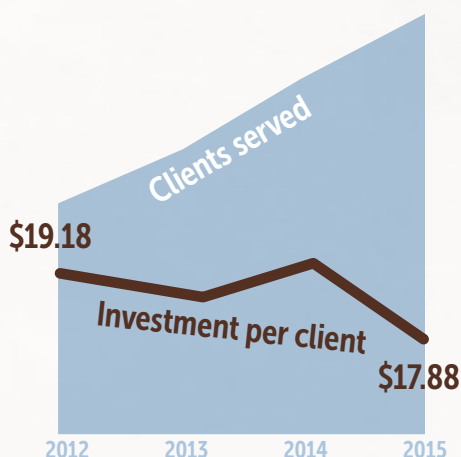
*As HOPE International strives to be Christ-centered, we also seek to carry out every element of our work—from developing new financial tools to listening to clients and partners—with integrity and excellence. Obeying Christ’s commandment to love our neighbor, we steward our God-given resources to better serve clients through increasingly sustainable and effective services.*

## Leveraging efficiency



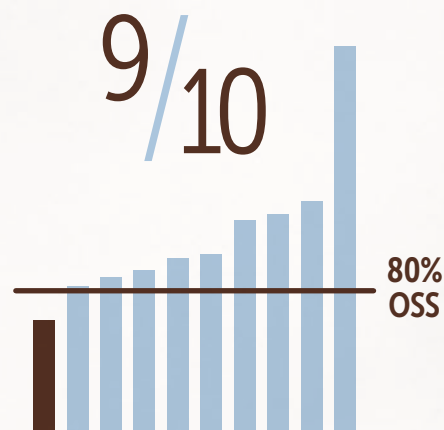
### RECYCLING OPPORTUNITY

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



### INVESTING IN EFFICIENCY

As clients repay loans with interest and church partners take greater program ownership, the ongoing investment needed to serve one client has decreased, allowing HOPE to build economies of scale and reach more families.



### GROWING IN SUSTAINABILITY

In the last three years, nine out of 10 microfinance institutions in the HOPE network reached over 80 percent **operational self-sufficiency** (12-month average), allowing them to cover the majority of their operating costs locally.

*“Let your light shine before others, so that they may see your good works and give glory to your Father who is in heaven.”*

MATTHEW 5:16 (ESV)

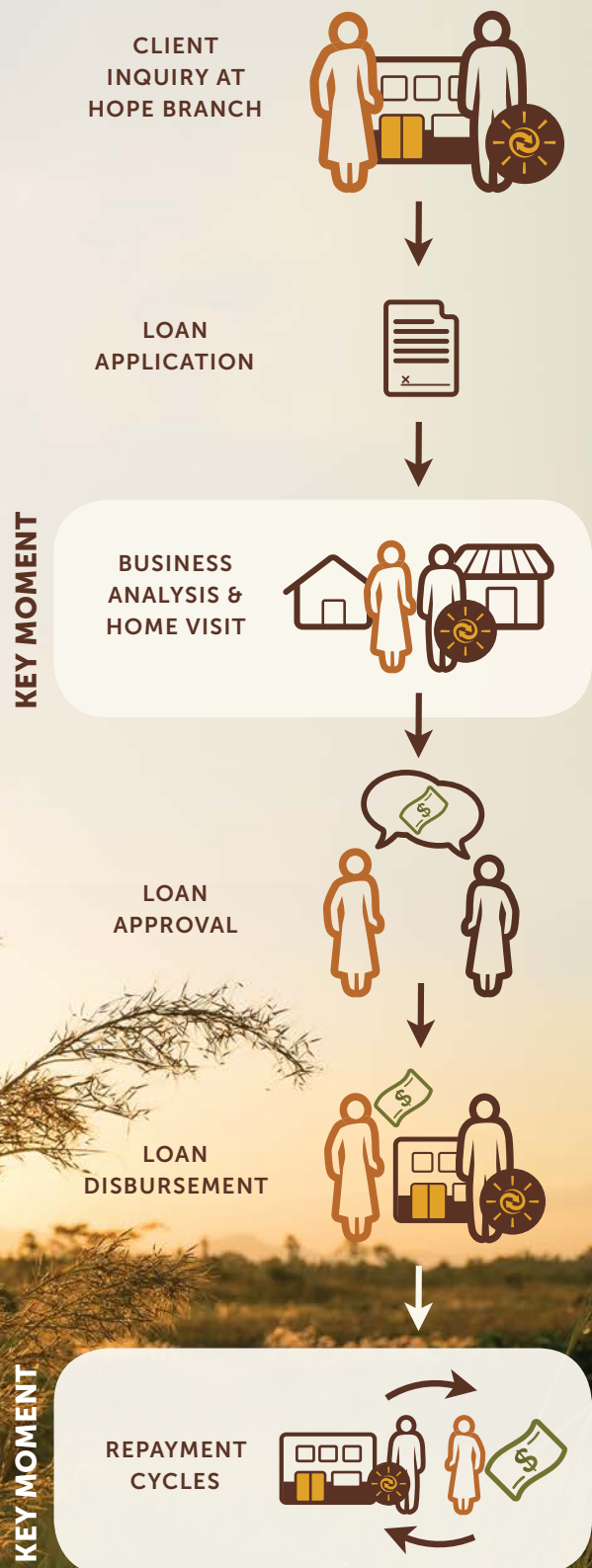


# Moments that matter in Ukraine

To serve clients well, HOPE Ukraine used focus group feedback to **identify KEY MOMENTS** where clients' interactions with HOPE could **improve**, which led to streamlining the number of in-person visits during the loan application and repayment process. Looking to create additional opportunities for spiritual encouragement and building relationships, HOPE Ukraine coordinated a Bible camp for clients and their families, pouring into them with the hope of the Gospel.



## A CLIENT'S INTERACTION WITH HOPE UKRAINE



# Listening to those we serve

*Across the HOPE network, our work is full of moments with clients and partners. From trainings to Bible studies and loan repayment meetings, we have the opportunity to make each encounter a two-way interaction of mutual learning. Listening in this way, we show dignity to those we serve and proactively seek to address their expressed needs—rather than reacting in ways we assume are best.*



## AN OPPORTUNITY FOR EXCELLENCE

After a number of focus groups and surveys with clients in Lubumbashi, Democratic Republic of Congo (DRC), HOPE DRC realized that, due to the timing of repayment cycles, some clients were unable to use a loan to its full potential. After months of research and development, HOPE DRC launched a new, more flexible loan product to better meet clients' needs. Feedback indicates clients are significantly more satisfied using this new "flex" loan product.

*"Just as our love for God begins with listening to God's Word, the beginning of love for other Christians is learning to listen to them."*

DIETRICH BONHOEFFER



*"Through joining a savings group, I found a community that loved me for who I was and reminded me that God loved me too."*



# Amazing grace

## Juvita Cerron's story

*It wasn't easy for Juvita Cerron to set foot in a church for her first savings group meeting in Comas, Peru. As an unmarried mother expecting her second child, she feared the group would be a place of judgment—but her drive to meet her children's needs eclipsed her concern for what others might think. As the group welcomed her warmly, their response surprised Juvita: "Through joining a savings group, I found a community that loved me for who I was and reminded me that God loved me too."*

Juvita was still new to the group when her daughter was born three months prematurely. Her savings group embraced her fully, providing support and prayers for her family. After months of constant medical attention, her daughter, Julieta, was near death. Amid crisis, Juvita found new life in Jesus Christ, putting her trust in His faithfulness rather than the relationships or alcohol on which she once relied. Despite doctors' warnings that her daughter might never fully recover, Juvita rejoices that the Lord miraculously healed her, and now, two years later, Julieta is strong and healthy.

### INVESTING IN A DREAM

Before becoming a mother, Juvita spent two years studying administration at the university level. When she withdrew from college to care for her first child, she had no income and relied entirely on support from her family and her son's father. She didn't know how to break the cycle of dependency and provide for her own children—though she longed to do so.

After joining a savings group, Juvita learned of a part-time position as secretary of the savings program her church operated in partnership with HOPE. It was a strong fit with her skills and background, and Juvita was offered the job. She has quickly become an ambassador for the program, visiting groups and encouraging women with hope for financial and spiritual transformation. She openly

*"Just as I have loved you, you also are to love one another. By this all people will know that you are my disciples."*

JOHN 13:34–35 (ESV)

shares her own story, and in turn, women confide in Juvita. Through her friendship, many have found life and forgiveness in Jesus.

Juvita has continued to save with her group, increasing her biweekly savings from \$6 to \$33. Along with other savings group members, she recently participated in a vocational training for bakers. She's now saving to purchase a \$200 oven and open her own bakery. She's also started saving toward her dream of owning her own home where she and her two children can live independently as they continue to trust God together.



# Reaching more families

In 2015, the number of clients in the HOPE network grew by over 100,000. While we did not achieve our original goal of reaching 1 million clients by the end of 2015, we are grateful for healthy growth, focus on our Christ-centered mission, and excellence in our programs.



TOTAL SAVINGS  
**\$26,236,019**

NET PORTFOLIO OUTSTANDING

**\$54,482,897**

AVERAGE LOAN DISBURSED

**\$384**



TOTAL SAVINGS  
**\$5,426,414**

GROUP LOANS OUTSTANDING

**\$2,748,640**

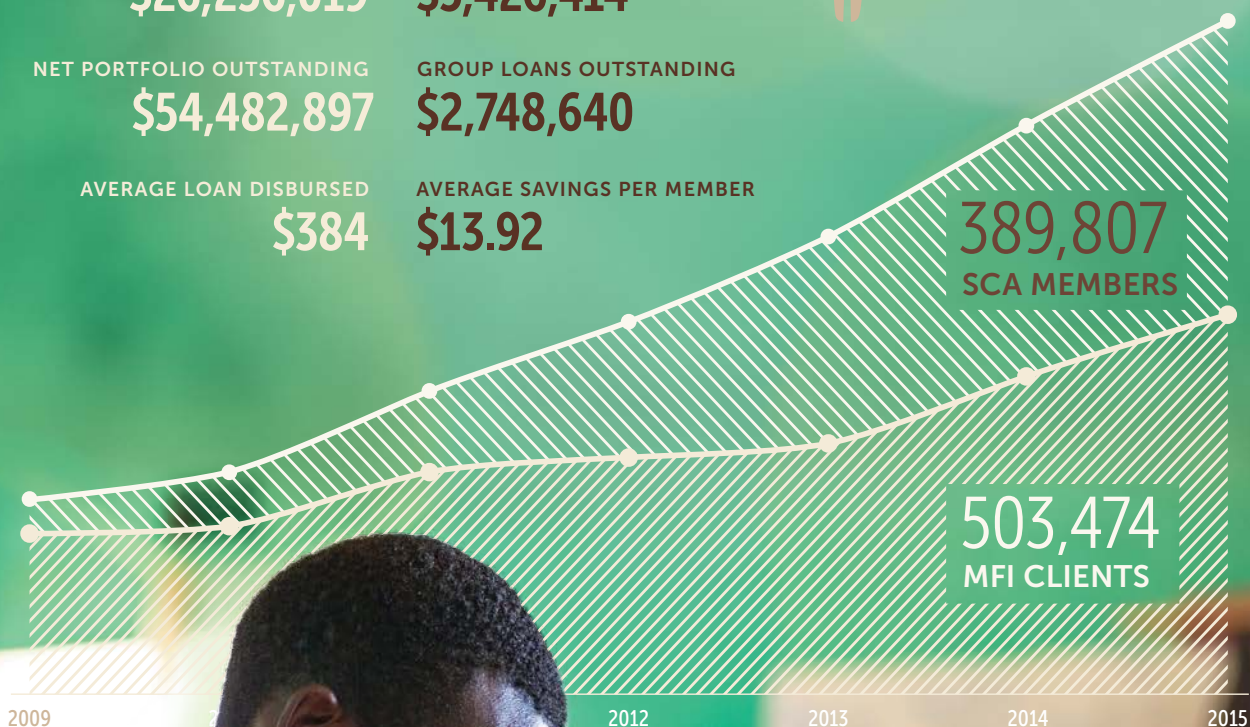
AVERAGE SAVINGS PER MEMBER

**\$13.92**



**893,281**

CLIENTS SERVED IN 2015



# Growth

*At HOPE, we intentionally prioritize growth **after** Christ-centeredness and quality. Each family we serve is a gift from God, and we take seriously the responsibility to ensure our services are transformative and of the highest caliber. When we are confident that our work is centered on Christ and our services are delivered with excellence, we then seek to reach more families in underserved areas.*

## HOPE Zambia launch

More than 70 percent of Zambians live on less than \$1.25 a day, making them extremely vulnerable to economic shocks. Many Zambians living in rural areas are small-scale farmers, and recent droughts have left families with few resources to fall back on.

To meet this need, HOPE launched a new savings and credit association (SCA) in Zambia. Because of HOPE's commitment to coming alongside the local church, HOPE Zambia is partnering with the Brethren in Christ and the Nazarene Church denominations.

Leading HOPE's work is Brian Mtambo (pictured below), HOPE Zambia's country director. Brian has a passion to see the Church impact Zambia with the Gospel and is eager to teach the discipline of saving. He believes the SCA program will not only equip the church for holistic ministry, but will also open new doors for evangelism.

At HOPE Zambia's launch celebration in November, a field strategy coordinator for the Nazarene Church described the SCA program this way: "We do works of compassion so society can be transformed."



*"Now to the King eternal,  
immortal, invisible, the only  
God, be honor and glory for  
ever and ever. Amen."*

**1 TIMOTHY 1:17**







## 2015 HOPE FUNDING SOURCES

1% - GIFTS IN KIND

5% - CHURCHES

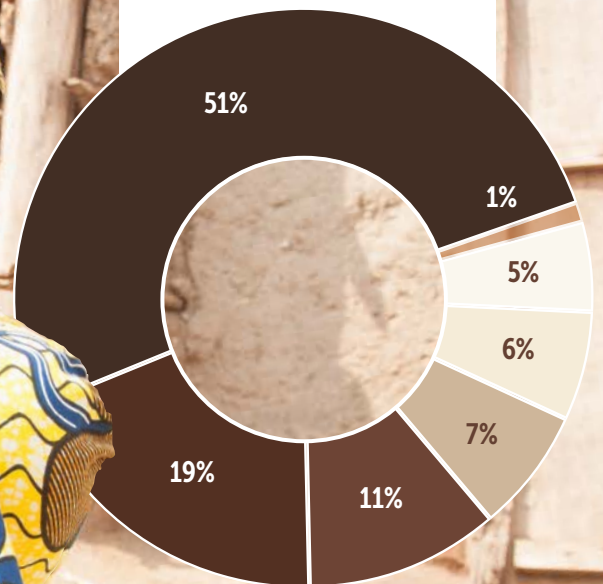
6% - HOMES FOR HOPE

7% - SPECIAL EVENTS

11% - BUSINESSES

19% - INDIVIDUALS

51% - FOUNDATIONS



Annual fundraising revenue



# Partners in ministry

*With a deep conviction that God's people are stronger together, we are incredibly grateful for our supporters, who are true partners in ministry. In 2015, 4,775 donors gave 17,054 gifts. Beyond material gifts, our supporters have traveled with us, celebrated with us, and most importantly, prayed for the HOPE network.*

*"I pray that your partnership with us in the faith may be effective in deepening your understanding of every good thing we share for the sake of Christ."*

PHILEMON 1:6

## Creative generosity



### CALVARY CHURCH

Lancaster, PA

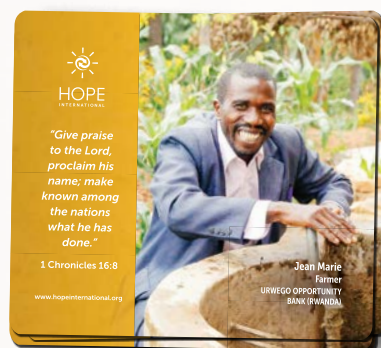
In an effort to engage children in HOPE's mission, Calvary Church's sixth grade Wednesday night club engaged in a poverty simulation, using Tootsie Rolls® to illustrate global wealth distribution. They also participated in a mock savings group. At the end of the experience, the group decided to pool their money each week to support families living in poverty.



### ROBERT AND NANCY WOLGEMUTH

Niles, MI

When Robert Wolgemuth and Nancy Leigh Demoss were married in November, they made an unusual request of their guests—in lieu of a gift, to donate to one of four ministries, including HOPE. "The Lord has blessed us," Robert said. "We have enough stuff and wanted to bless a few ministries instead of trying to find a place to store one more toaster."



### HOUSE OF MAGNETS

El Cajon, CA

A long-time supporter, Ken Hamilton is passionate about HOPE's holistic approach. "As an entrepreneur, I have seen the hope, dignity, and stability that small business can provide to people and communities," Ken shares. This year, Ken's company, House of Magnets, donated enough magnets to supply gifts for our entire fall events series, a total of 22 events. The magnets featured Jean Marie, last year's Thurman Award winner.



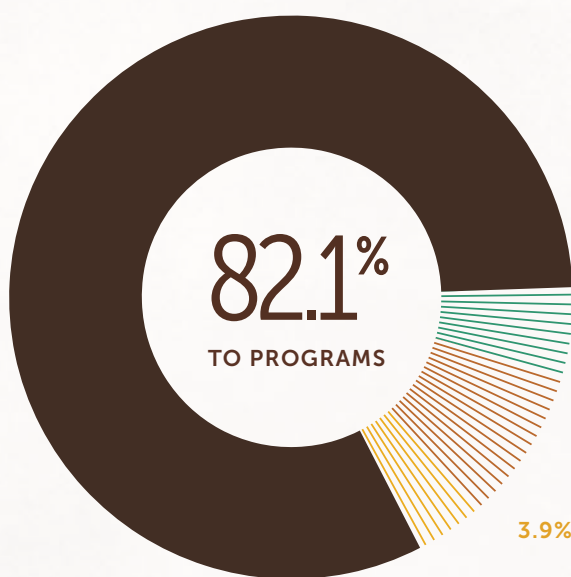
*"Now it is required that those who have been given a trust must prove faithful."*

1 CORINTHIANS 4:2



# Financials

*HOPE is committed to sound stewardship of every donation. Total contributions grew by 22 percent in 2015, representing increases in each category of supporters: individuals, churches, businesses, foundations, and Homes for Hope.*



## 82% to programs

*In 2015, HOPE used 82 cents of every dollar to directly serve clients through microfinance and savings programs around the world.*

4.8% GENERAL & ADMINISTRATIVE

9.2% FUNDRAISING

3.9% MARKETING



### INVESTING IN THE NEXT GENERATION

Through HOPE's philanthropic dividend policy, HOPE-managed microfinance institutions (MFIs) give a portion of profits to local children's ministries, including Tomorrow Clubs. The Tomorrow Clubs ministry serves children across Eastern Europe and, in 2015, expanded to serve Roma communities in Ukraine.



**HOMES  
FOR HOPE**

### HOMES FOR HOPE

Homebuilders and trade partners throughout the U.S. and Canada donated \$1 million to HOPE from home sales.



### CHARITY NAVIGATOR

We are honored to receive Charity Navigator's highest rating for the ninth consecutive year—a distinction achieved by fewer than 1 percent of U.S. nonprofits.





RWANDA

# Financials

## CONSOLIDATED SCHEDULE OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2015, AND DECEMBER 31, 2014

<b>SUPPORT &amp; REVENUE</b>	<b>2015</b>	<b>2014</b>	<b>\$ CHANGE</b>	<b>% CHANGE</b>
<b>SUPPORT</b>				
Individuals	\$3,345,682	\$3,049,661	\$296,021	10 %
Businesses	1,958,178	851,674	1,106,504	130 %
Foundations	8,860,562	7,750,217	1,110,345	14 %
Churches	931,598	562,392	369,206	66 %
Homes for Hope	1,000,000	900,000	100,000	11 %
Government	0	0	0	0 %
Special event revenue (net of expenses)	1,212,306	1,102,892	109,414	10 %
Gifts in kind	121,350	182,870	(61,520)	-34 %
<b>TOTAL SUPPORT</b>	<b>\$17,429,676</b>	<b>\$14,399,706</b>	<b>\$3,029,970</b>	<b>21 %</b>
<b>REVENUE</b>				
Microfinance income	2,350,494	2,273,914	76,580	3 %
Foreign currency translation loss <sup>Ⓐ</sup>	(692,140)	(1,396,285)	704,145	50 %
Investment and other losses <sup>Ⓑ</sup>	(53,077)	298,781	(351,858)	-118 %
<b>TOTAL SUPPORT &amp; REVENUE</b>	<b>\$19,034,953</b>	<b>\$15,576,116</b>	<b>\$3,458,837</b>	<b>22 %</b>
<b>EXPENSES &amp; PROGRAM INVESTMENTS</b>				
Program services & investments	15,316,851	14,017,792	1,299,059	9 %
Management, general, & fundraising	2,897,972	2,660,427	237,545	9 %
<b>TOTAL EXPENSES &amp; PROGRAM INVESTMENTS</b>	<b>\$18,214,823</b>	<b>\$16,678,219</b>	<b>\$1,536,604</b>	<b>9 %</b>
Funding of board-designated reserve	269,020	(567,879)	836,899	147 %
<b>NET</b>	<b>\$551,110</b>	<b>\$(534,224)</b>	<b>\$1,085,334</b>	<b>203 %</b>

## CONSOLIDATED SCHEDULE OF FINANCIAL POSITION

AS OF DECEMBER 31, 2015, AND DECEMBER 31, 2014

<b>ASSETS</b>	<b>2015</b>	<b>2014</b>
U.S. cash & cash equivalents: unrestricted	\$278,210	\$918,543
Field cash & cash equivalents: unrestricted	815,465	969,461
Client savings ©	1,488,587	1,457,761
Restricted cash	1,690,538	693,916
Contributions & pledges receivable	1,689,612	1,580,931
Prepaid expenses & other assets	613,829	356,271
Interest receivable	24,188	16,831
MFI loans receivable, net @	4,646,625	3,666,342
<b>TOTAL CURRENT ASSETS</b>	<b>\$11,247,054</b>	<b>\$9,660,056</b>
Board-designated and operating reserves ⑤	1,949,061	3,678,246
Property & equipment (net of accumulated depreciation)	804,954	719,922
Long-term loans receivable, net	84,839	332,730
Investment in MFIs & other investments ⑥	10,876,984	6,284,574
<b>TOTAL ASSETS</b>	<b>\$24,962,892</b>	<b>\$20,675,528</b>
<b>LIABILITIES &amp; NET ASSETS</b>		
<b>LIABILITIES</b>		
Client savings deposits ©	1,488,587	1,457,761
Accounts payable & accrued expenses	706,230	469,856
Other liabilities	300,307	281,320
Current portion of loans payable & interest payable	602,464	711,897
Notes payable	100,000	100,000
<b>TOTAL LIABILITIES</b>	<b>\$3,197,588</b>	<b>\$3,020,834</b>
<b>TOTAL NET ASSETS</b>	<b>\$21,765,304</b>	<b>\$17,654,694</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$24,962,892</b>	<b>\$20,675,528</b>

Financial statements are unaudited. Audited financials will be posted at [www.hopeinternational.org](http://www.hopeinternational.org) when they become available.

For the year ended December 31, 2015, HOPE International consolidated Higher Impact Properties; Hope Global Investment Fund; HOPE-managed microfinance institutions (MFIs) in the Republic of Congo (Congo), Democratic Republic of Congo (DRC), Ukraine, and Russia; and savings and credit association (SCA) programs in Burundi, Malawi, Rwanda, and Zambia.

Ⓐ The deficit of \$692,140 is not a true cash loss but instead reflects the impact of foreign exchange losses in HOPE programs. Political instability in Ukraine and Congo was the primary driver behind foreign exchange losses in 2015.

Ⓔ The deficit reflects HOPE's operating loss in Urwego Opportunity Bank (Urwego), HOPE's microfinance partner in Rwanda, along with a gain in Turame Community Finance (Turame), HOPE's microfinance partner in Burundi.

Ⓒ Consists of client savings held by HOPE Congo and HOPE DRC. Across the network, total client savings grew to \$31.7 million.

Ⓓ HOPE is a network of organizations—including partners that are not consolidated on our balance sheet—and we contribute financially to their growth. Net portfolio network-wide was approximately \$57.2 million.

Ⓔ In 2014, this balance consisted of the board-designated reserve as well as an operating reserve. Due to a policy change, 2015's balance includes the board-designated reserve only.

Ⓕ The investment in MFIs and other assets includes but is not limited to \$2.9 million in Urwego, \$430,000 in Turame, and \$6 million in financial investments across the network



● CENTRAL SERVICE UNIT  
LANCASTER, PA



# Where we serve

HOPE International has a heart for underserved areas—places where poverty stifles dreams or the love of Christ isn't known. In some cases, that means starting a HOPE-managed program; in others, it means partnering with an existing Christ-centered ministry. The HOPE network consists of microfinance institutions (MFIs) and savings and credit associations (SCAs) throughout Africa, Asia, Eastern Europe, and Latin America.

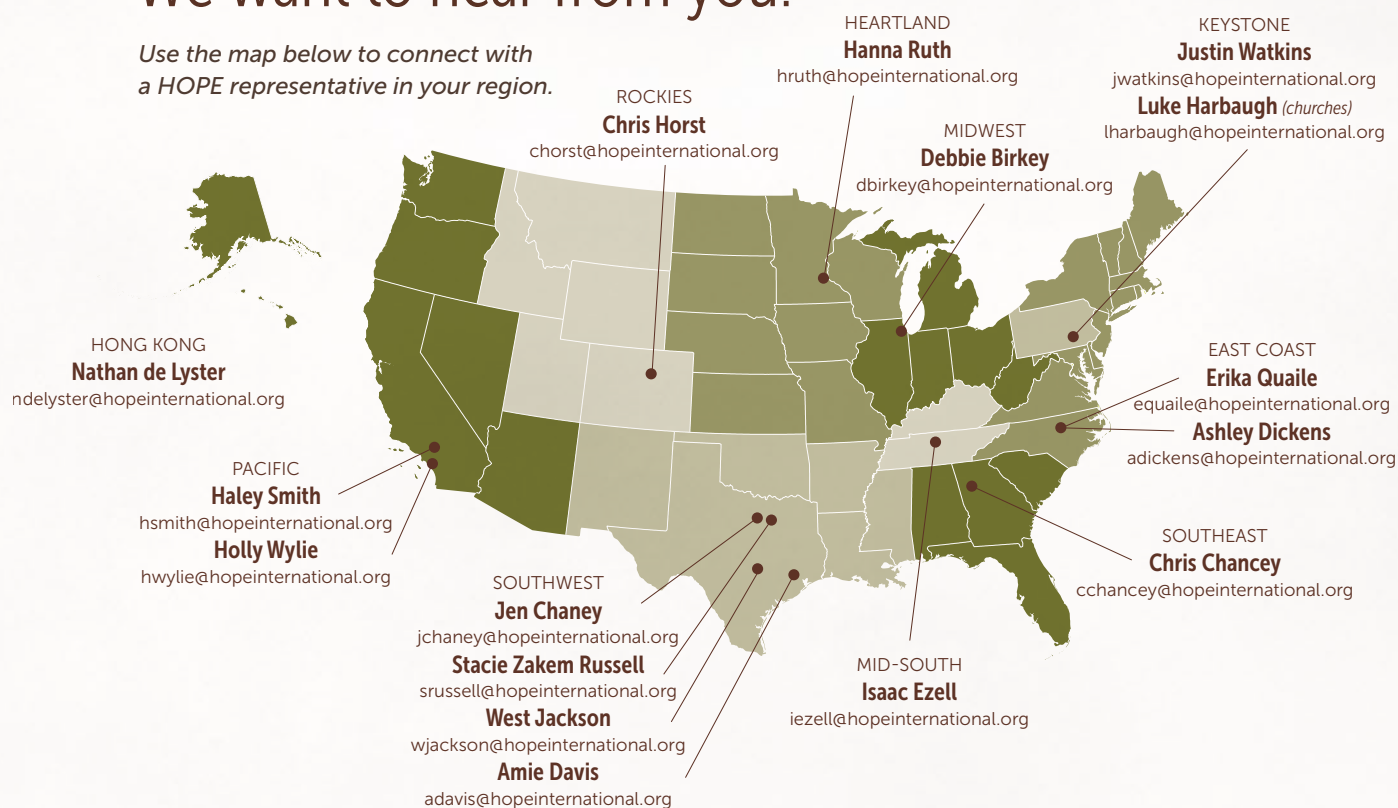
- Microfinance institution
- Savings and credit association

\*Partner names withheld for security

	Country	Name	HOPE or Partner	Program type
AFRICA	① Burundi	HOPE Burundi	HOPE	
		Turame Community Finance	Partner	
	② Democratic Republic of Congo	HOPE DRC	HOPE	
	③ Malawi	HOPE Malawi	HOPE	
	④ Republic of Congo	HOPE Congo	HOPE	
	⑤ Rwanda	HOPE Rwanda	HOPE	
		Urwego Opportunity Bank	Partner	
ASIA	⑥ Zambia	HOPE Zambia	HOPE	
	⑦ Zimbabwe	Central Baptist Church	Partner	
	⑧ China	HOPE China	HOPE	
	⑨ India	India Central, East, and West*	Partner	
EASTERN EUROPE	⑩ Philippines	Center for Community Transformation	Partner	
	⑪ Moldova	Invest-Credit	Partner	
	⑫ Romania	ROMCOM	Partner	
LATIN AMERICA	⑬ Ukraine	HOPE Ukraine	HOPE	
	⑭ Dominican Republic	Esperanza International	Partner	
	⑮ Haiti	HOPE Haiti	HOPE	
	⑯ Peru	Comas CMA Church	Partner	

# We want to hear from you!

Use the map below to connect with a HOPE representative in your region.



## EXECUTIVE TEAM

PETER GREER	President & CEO
JESSE CASLER	Vice President of Finance & Administration
CHRIS HORST	Vice President of Development
KEVIN TORDOFF	Vice President of Marketing
DAVE WASIK	Vice President of Operations
MATTHEW ROHRS	Director of Spiritual Integration
SARAH RUTT	Manager of Accounting Operations
JOSH RUYLE	Regional Director for Asia and Eastern Europe
BECCA SPRADLIN	Director of Knowledge Management
PHIL SMITH	Director of Savings and Credit Associations

## BOARD OF DIRECTORS

JEFF RUTT	Founder & Chair of the Board, HOPE International; Founder & CEO, Keystone Custom Homes
KATELYN BEATY	Managing Editor, <i>Christianity Today</i> magazine
DOUGLAS BOLLES	Chief Investment Officer, Southside Wealth Management
CHRISTOPHER CRANE	CEO, Edify International
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 LINCH	CPA, Former Treasurer, Edmond campus of Life.Church
KATIE MACC	Vice President of Business Development, Juntos Finanzas
ANDRÉ MANN	Head of European Operations, Diversified Conveyors, Inc.





ON THE COVER:

*Abubaha Imana savings  
group, Burundi*



**ABUBAHA IMANA SAVINGS GROUP, BURUNDI**

When a savings group formed in their church, the members chose to name themselves *Abubaha Imana*, which means "Those who honor God." Each week, they meet to worship, study the Word, and save together. With their accumulated savings, group members have been able to purchase goats, beans, and fertilizer and pay for school fees.

227 Granite Run Drive, Suite 250 | Lancaster, PA 17601 | 717.464.3220 | [www.hopeinternational.org](http://www.hopeinternational.org)

Copyright © 2016 HOPE International. All rights reserved. Printed on paper certified by the Forest Stewardship Council™ (FSC®) using vegetable-based inks.

