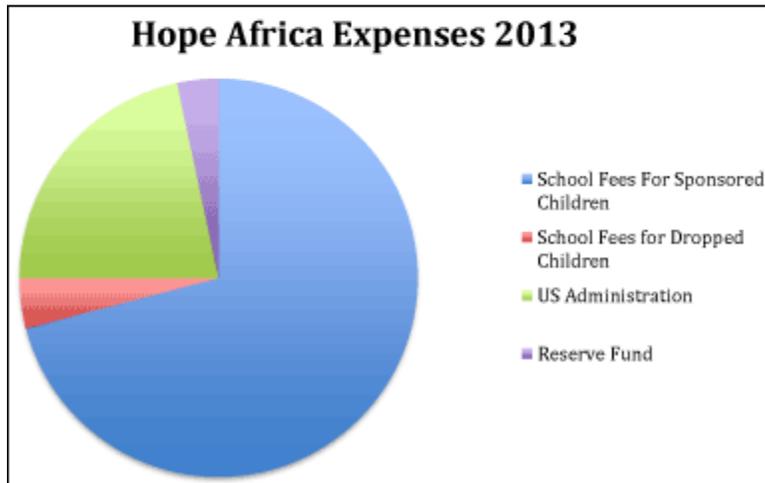
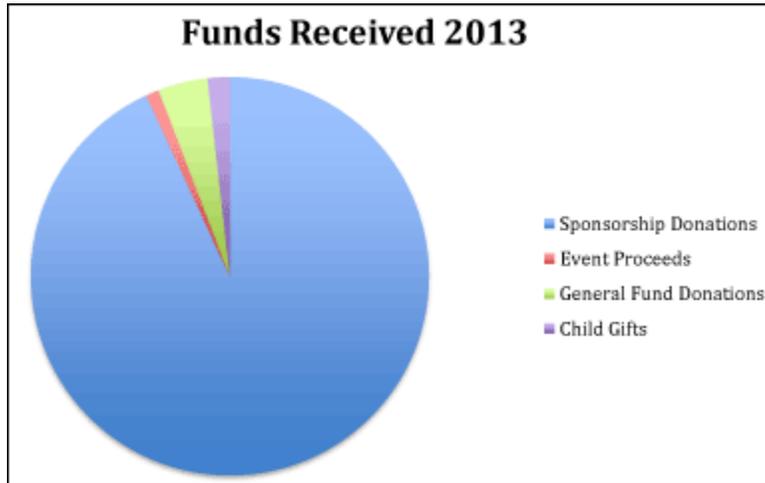


## 2013 Report of Funds Received and Expenses



Our policy is to use 80% of sponsorship donations for the work in Africa and 20% for administration. In 2013, Hope Africa received \$194,293 in sponsorship donations and sent \$165,745.30 to Uganda to provide for the needs of sponsored children. This means that we sent 85% of the sponsorship donations received. In the past, Hope Africa decided to send funds faithfully to Hope Africa Uganda, regardless if sponsors paid their monthly donations. This was to ensure that the program could have a steady source of income to function effectively. As a result, we sent 5% more to Uganda than what was actually received in 2013. In addition to this, we sent \$9,491.10 to pay school fees for children who had been dropped by their sponsors. We have managed to send these extra funds by using the African Reserve Fund and General Fund donations. The balance of the African Reserve Fund at the end of 2013 is \$7,800.

Starting in 2014, we have implemented a new policy to only send funds we have received. Approximately 77% is sent to the field to pay for school fees for sponsored children, 3% is kept in the African Reserve Fund for future project needs and 20% is used for USA administration and promotion. If sponsors miss donations, funds are not sent for

those months. We have made necessary budgetary changes to account for possible missed donations.

It is important for sponsors to understand that the funds received for their sponsored children are used as a whole for the program. Funds are pooled together and expenses for the sponsored children are paid including school fees, uniforms, shoes and medical care as needed. This means the program will care for the children even if their sponsors miss a month's donation. However, if sponsors are more than 2 months behind in their donations, we will have to drop their children and put them on the waiting list for a new sponsor to avoid long-term financial strain on the program.