MINISTRY OF HOPE, INC.

FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION

DECEMBER 31, 2025

Spencer Robinson, Jr. CPA, P.C.
Certified Public Accountant
Asheville, North Carolina

MINISTRY OF HOPE, INC.

BLACK MOUNTAIN, NORTH CAROLINA

DIRECTORS OF THE ORGANIZATION

Karen Bennett

Carmel A. Courtright

Elizabeth Daley, RN

David Frey

William L. Grayson

Rex V. Hoffman

Patricia A. Johnson, PhD, MFT

Donna M. Kaminski, DO

Van Kornegay

Marilyn Manning, DMin

Mary Reagan, RN

Scott M. Rodehaver, PE

James M. Skidmore, Jr. CPA

Janet S. Wells

Helen L. Zimba

OFFICERS OF THE ORGANIZATION

Board Chair and President - Rex V. Hoffman

Board Vice Chair - Janet S. Wells

Secretary - Patricia A. Johnson, PhD, MFT

Treasurer - William L. Grayson

Assistant Treasurer - James M. Skidmore, Jr. CPA

MINISTRY OF HOPE, INC.

BLACK MOUNTAIN, NORTH CAROLINA

TABLE OF CONTENTS

	PAGE
Independent Auditor's Report	1-2
Financial Statements:	
Statements of Financial Position	3
Statements of Activities	4
Statements of Cash Flows	5
Notes to Financial Statements	6-10
Supplementary Information:	
Schedules of Contributions	11
Schedules of Program Expenses (Malawi)	12
Schedules of Supporting Services	13

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SPENCER ROBINSON, JR. CPA, P.C.
CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Ministry of Hope, Inc.

Opinion

We have audited the accompanying financial statements of Ministry of Hope, Inc. (a nonprofit corporation), which comprise the statement of financial position as of December 31, 2025 and 2024, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ministry of Hope, Inc. as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Ministry of Hope, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Ministry of Hope's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with

generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Ministry of Hope's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Ministry of Hope's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary schedules of contributions, program expenses (Malawi), and supporting services are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Spencer Robinson Jr. CPA

Asheville, North Carolina
April 10, 2026

MINISTRY OF HOPE, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CURRENT ASSETS:		
Cash:		
Unrestricted	$ 103,941	$ 75,472
Restricted	47,857	91,213
Total Cash	151,798	166,685
Accounts Receivable - NC Sales Tax	315	301
Total Current Assets	152,113	166,986
ENDOWMENT FUND	378,081	-
TOTAL ASSETS	$ 530,194	$ 166,986
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts Payable	$ 2,208	$ 1,642
NET ASSETS:		
Without Donor Restrictions	102,048	74,131
With Donor Restrictions	425,938	91,213
Total Net Assets	527,986	165,344
TOTAL LIABILITIES AND NET ASSETS	$ 530,194	$ 166,986

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

MINISTRY OF HOPE, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025			2024		
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
CONTRIBUTIONS AND OTHER REVENUES:						
Contributions	$ 237,959	$ 602,520	$ 840,479	$ 189,170	$ 371,986	$ 561,156
Contributed Accounting Services	2,400	-	2,400	1,600	-	1,600
Interest	1,700	-	1,700	1,124	-	1,124
Net Assets Released from Restriction	267,795	(267,795)	-	332,222	(332,222)	-
TOTAL CONTRIBUTIONS AND OTHER REVENUES	509,854	334,725	844,579	524,116	39,764	563,880
EXPENSES:						
Program Expenses (Malawi)	446,100	-	446,100	483,622	-	483,622
Supporting Services	35,837	-	35,837	33,027	-	33,027
TOTAL EXPENSES	481,937	-	481,937	516,649	-	516,649
INCREASE IN NET ASSETS	27,917	334,725	362,642	7,467	39,764	47,231
NET ASSETS, BEGINNING OF YEAR	74,131	91,213	165,344	66,664	51,449	118,113
NET ASSETS, END OF YEAR	$ 102,048	$ 425,938	$ 527,986	$ 74,131	$ 91,213	$ 165,344

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

MINISTRY OF HOPE, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (Decrease) in Net Assets	$ 362,642	$ 47,231
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by (Used for) Operating Activities:		
(Increase) Decrease in Accounts Receivable	(14)	(67)
(Increase) Decrease in Endowment Fund	(378,081)	-
Increase (Decrease) in Accounts Payable	566	1,642
Total Adjustments	(377,529)	1,575
Net Cash Provided by (Used for) Operating Activities	(14,887)	48,806
CASH, BEGINNING OF YEAR	166,685	117,879
CASH, END OF YEAR	$ 151,798	$ 166,685

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

MINISTRY OF HOPE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 1: NATURE OF ACTIVITIES & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

Ministry of Hope, Inc. (the Organization) was incorporated under the Oregon Nonprofit Corporation Act on June 18, 2002 and was subsequently reorganized as a North Carolina nonprofit corporation on December 18, 2003.

MISSION

The Organization seeks to glorify God by reaching out to the orphans, widows, and the destitute with the gospel of Jesus Christ, providing hope as it ministers to their basic needs. The Board of Directors consists of members drawn from across the United States of America who are dedicated to supporting this mission.

In furtherance of the Organization's mission, Ministry of Hope Trust (Malawi) (the Trust) was established in 1999 by Malawians as a local, community-based response for meeting the physical and spiritual needs of the growing number of children orphaned by the Aids epidemic. The Trust's operations are overseen by a Board of Directors. The Trust sponsors community centers, discipleship and education programs, crisis nurseries, and international volunteer efforts through a Christ-centered, community-based approach in Malawi. The Organization provides a significant portion of the Trust's funding for its programs, administrative activities, and capital projects.

TAX STATUS

The Organization has been classified as a publically-supported charitable organization under the Internal Revenue Code Section 501(c)(3).

MINISTRY OF HOPE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 1: NATURE OF ACTIVITIES & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Accordingly, actual results could differ from these estimates.

NET ASSETS AND RECOGNITION OF DONOR RESTRICTIONS

The Organization reports, in compliance with FASB Accounting Standards Codification No. 958, information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. The two classes of net assets are defined as follows:

Net Assets Without Donor Restrictions: Net assets not subject to donor-imposed restrictions. (Such net assets represent resources whose use is not limited or restricted by donors. They generally arise as a result of exchange transactions, unrestricted contributions, or restricted contributions whose restrictions have expired.)

Net Assets With Donor Restrictions: Net assets with donor-imposed restrictions. (Such net assets represent resources whose use is limited by donors for the purpose and/or time in which they may be expended. Eventually, net assets with donor restrictions are reclassified to net assets without donor restrictions as their time and purpose requirements are met.)

MINISTRY OF HOPE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1: NATURE OF ACTIVITIES & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

DONATED SERVICES AND MATERIALS

A number of volunteers have donated and continue to donate a significant amount of time to the Organization's operations and program services. Contributed services that create or enhance nonfinancial assets or require specialized skills and are provided by individuals possessing those skills are recorded in the financial statements at their estimated fair value.

Donated materials and equipment are reflected as contributions in the financial statements at their estimated fair value at the date of receipt.

NOTE 2: RESTRICTIONS ON NET ASSETS

Net assets with donor restrictions are available for the following purposes at December 31, 2025 and 2024:

	2025	2024
Endowment Fund	$ 378,081	$ -
Education & Scholarship Programs	21,632	39,051
Special Missions Projects	10,428	-
Mobile Medical Clinic	6,453	13,449
Selengo Community Center	3,117	5,561
Malawi Visions Program	2,500	12,530
Lilongwe Crisis Nursery	1,377	2,344
Other	2,350	1,050
Feeding Programs	-	12,900
S/T Mission Travel & Projects	-	3,000
Hezekiah Crisis Nursery	-	1,328
Total Net Assets with Donor Restrictions	$ 425,938	$ 91,213

NOTE 3: ENDOWMENT FUND

The Organization's Board of Directors (the Board) has approved the establishment of the Ministry of Hope, Inc. Endowment (the Endowment Fund) for the primary purpose of providing a long-term, stable, and growing source of funds to support the Organization's charitable activities, principally its funding of community centers and programs serving orphans and impoverished children in Malawi through Ministry of Hope Trust (Malawi). The net assets of the Endowment Fund (primarily donor-restricted contributions) are intended to be invested in perpetuity and are carried at fair market value (FMV) with any unrealized appreciation being considered restricted. The Board and Finance Committee have the authority and fiduciary responsibility to oversee the investment and management of the Endowment Fund following the main investment objectives of financial stability and preservation of the purchasing power of the Endowment Fund's financial assets by exceeding inflation.

Distributions from the Endowment Fund shall be determined by the Board and are subject to the following restriction: Distributions during each fiscal year will be limited to a maximum of five percent (5%) of the average year-end Endowment Fund balance for the prior three (3) years, but under no circumstances may distributions be made if the value of the Endowment Fund would be less than the cumulative sum of the monetary amount of all contributions to the Endowment Fund since its inception. Such distributions shall be unrestricted and may be distributed and used for operating and other purposes of the Organization and the entities it supports at the discretion of the Board.

The Endowment Fund received its initial donor-restricted contributions in December 2025 of $378,294, incurred a realized loss of $213, resulting in a fund balance at December 31, 2025 of $378,081.

MINISTRY OF HOPE, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 4: CONCENTRATION OF CREDIT RISK

The Organization maintains its cash balances at institutions that are insured by the Federal Deposit Insurance Corporation up to a maximum of $250,000 for each account. From time-to-time the Organization's cash balances may exceed the insured limit.

NOTE 5: DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through April 10, 2026, the date that the financial statements were available to be issued.

NOTE 6: SUPPORTING SERVICES EXPENSE

Supporting services expense consist of the following expenses for the year ended December 31, 2025 and 2024:

	2025	2024
Administrative Expenses:		
Audit Fees & Expenses	$ 10,105	$ 10,046
Administrative Office Expense	6,900	6,730
Insurance	1,240	1,200
Other	1,792	969
Total Administrative Expenses	20,037	18,945
Fundraising & Development Expenses:		
Newsletters	6,655	6,212
Software	2,917	3,116
Postage & Shipping	1,240	1,212
Printing & Stationery	943	457
Other	1,645	1,485
Total Fundraising & Development Expenses	13,400	12,482
Contributed Accounting Services Expense	2,400	1,600
Total Supporting Services Expense	$ 35,837	$ 33,027

SUPPLEMENTARY

INFORMATION

MINISTRY OF HOPE, INC.
SCHEDULES OF CONTRIBUTIONS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CONTRIBUTIONS WITHOUT DONOR RESTRICTIONS:		
Individuals	$ 167,422	$ 129,860
Churches	62,987	51,775
Foundations	7,550	7,535
TOTAL CONTRIBUTIONS WITHOUT DONOR RESTRICTIONS	237,959	189,170
CONTRIBUTIONS WITH DONOR RESTRICTIONS:		
Endowment Fund	378,294	-
Famine Relief	88,300	96,575
Education & Scholarships	53,581	113,230
Malawi Visions Program	35,000	68,530
Spiritual Development and Special Projects	18,429	13,350
Mobile Medical Clinic	11,204	25,326
Community Centers	6,356	26,300
Lilongwe Crisis Nursery	6,333	11,222
Capital Projects	5,023	-
S/T Missions Travel	-	17,453
TOTAL CONTRIBUTIONS WITH DONOR RESTRICTIONS	602,520	371,986
TOTAL CONTRIBUTIONS	$ 840,479	$ 561,156

MINISTRY OF HOPE, INC.
SCHEDULES OF PROGRAM EXPENSES (MALAWI)
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
COMMUNITY CENTERS & CRISIS NURSERY OPERATIONS	$ 190,620	$ 167,450
FAMINE RELIEF PROJECT	88,450	96,519
EDUCATION & SCHOLARSHIP PROGRAMS	71,000	98,000
MALAWI VISIONS PROGRAM	45,030	56,000
MOBILE MEDICAL CLINIC	24,200	26,200
OTHER PROJECTS	26,800	39,453
TOTAL PROGRAM EXPENSES (MALAWI)	$ 446,100	$ 483,622

MINISTRY OF HOPE, INC.
SCHEDULES OF SUPPORTING SERVICES
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
SUPPORTING SERVICES (USA):		
Administrative Expenses	$ 20,037	$ 18,946
Fundraising and Development Expenses	13,400	12,481
Contributed Accounting Services Expense	2,400	1,600
TOTAL SUPPORTING SERVICES (USA)	$ 35,837	$ 33,027