

EVERY CHILD MINISTRIES, INC.
FINANCIAL STATEMENTS
SEPTEMBER 30, 2008 and 2007

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DE RAIMO HILLGER & RIPP

Certified Public Accountants & Business Consultants

655 N. La Grange Road • Suite 102 • Frankfort, IL 60423-2912 • Telephone (815) 469-7500 • Facsimile: (815) 469-6970

JOHN J. DE RAIMO
FERNE M. HILLGER
ROBERT J. RIPP

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Every Child Ministries, Inc.
Hebron, IN 46341

We have audited the accompanying statements of financial position of Every Child Ministries, Inc. (a not-for-profit organization) as of September 30, 2008 and 2007, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion of these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Every Child Ministries, Inc. as of September 30, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The Schedule of Checking and Savings Accounts on page 19 is presented for purposes of additional analysis and is not required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

De Raimo Hillger & Ripp

December 11, 2008

REPORT OF MANAGEMENT

The management of Every Child Ministries, Inc. is responsible for the financial statements and other information contained in this audited statement. The Organization's independent accountants, De Raimo Hillger & Ripp, CPA's, consider the Organization's internal control systems for the purpose of determining the nature, timing and extent of procedures necessary for expressing an independent opinion as to the fairness of the presentation of the financial statements. Their report is enclosed.

The Organization maintains internal controls, policies and procedures designed to provide reasonable assurance that the assets are safeguarded, transactions are executed in accordance with management's authorization and properly recorded. The internal control systems contain self-monitoring mechanisms, and actions are taken to correct deficiencies as they are identified. Even an effective internal control system, no matter how well designed, has inherent limitations and, therefore, can provide only reasonable assurance with respect to financial statement preparation. The internal control system of Every Child Ministries, Inc. is listed below.

International Office:

1. Clear-cut and board-approved division of labor within the finance department.
2. One person opens the mail and records incoming gifts manually, while another records them in a computer, as a double-check.
3. Board-approved percentages for distribution of certain expenses are utilized, based on a time study by the administration.
4. Board receives and approves monthly financial statements.
5. Board sets the salary of staff and approves the annual budget.

African Field:

1. Full time inspector in Congo visits sites of projects to verify truthfulness of reports. International Directors visit sites of projects in Ghana.
2. Field treasurers in each country maintain a daily log and monthly reports, maintaining all project funds separately from others.
3. Field treasurers in each country submit monthly reports and keep receipts of all transactions.
4. Field treasurers answer to the African Board in their respective countries and to the International Directors, who visit each country every year for purposes of evaluation.
5. Field treasurers' books are subject to annual inspection by International Directors.

John Rouster, Co Executive Director

Berlin W. Wyman, Treasurer

Lorella Rouster, Co Executive Director

EVERY CHILD MINISTRIES, INC.
 STATEMENTS OF FINANCIAL POSITION
 SEPTEMBER 30, 2008 and 2007

ASSETS	<u>2008</u>	<u>2007</u>
CURRENT ASSETS		
Cash and cash equivalents - checking (Schedule 1)	\$ 8,197	\$ 5,283
Cash and cash equivalents - savings (Schedule 2)	203,104	109,710
Cash and cash equivalents - money market	<u>4,969</u>	<u>68,617</u>
TOTAL CURRENT ASSETS	<u>216,270</u>	<u>183,610</u>
 PROPERTY AND EQUIPMENT		
Hebron building	169,705	107,060
Furniture & equipment	55,502	55,502
Accumulated depreciation	<u>(68,548)</u>	<u>(60,760)</u>
NET PROPERTY AND EQUIPMENT	<u>156,659</u>	<u>101,802</u>
 TOTAL ASSETS	 <u>\$ 372,929</u>	 <u>\$ 285,412</u>
 LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 19,342	\$ 1,653
Accrued payroll taxes	<u>-</u>	<u>768</u>
TOTAL CURRENT LIABILITIES	<u>19,342</u>	<u>2,421</u>
 TOTAL LIABILITIES	 <u>19,342</u>	 <u>2,421</u>
 NET ASSETS		
Unrestricted		
Designated	8,557	442
Undesignated	(11,145)	2,862
Equity in property and equipment	<u>156,659</u>	<u>101,802</u>
TOTAL UNRESTRICTED ASSETS	<u>154,071</u>	<u>105,106</u>
Temporarily Restricted	<u>199,516</u>	<u>177,885</u>
 TOTAL NET ASSETS	 <u>353,587</u>	 <u>282,991</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 372,929</u>	 <u>\$ 285,412</u>

See accompanying notes and auditors' report

EVERY CHILD MINISTRIES, INC.
 STATEMENTS OF ACTIVITIES
 FOR THE YEARS ENDED SEPTEMBER 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
UNRESTRICTED NET ASSETS		
Unrestricted Revenues and Gains		
Contributions	\$ 847,483	\$ 499,299
Rental income	-	2,039
Interest & investment income	<u>1,642</u>	<u>1,840</u>
Total Unrestricted Revenues	849,125	503,178
Net assets released from restrictions	<u>-</u>	<u>136,109</u>
Total Unrestricted Revenues, Gains and Other Support	849,125	639,287
EXPENSES		
Program Services		
Christian education & evangelism	743,468	499,715
Ministry to constituency	26,080	36,180
African medical ministry	1,329	6,140
Support Activities		
Management & general	16,466	13,603
Fund-raising	<u>12,817</u>	<u>7,481</u>
Total Expenses	<u>800,160</u>	<u>563,119</u>
Change in Unrestricted Net Assets	<u>48,965</u>	<u>76,168</u>
TEMPORARILY RESTRICTED NET ASSETS		
Contributions	20,323	89,342
Interest - money market	<u>1,308</u>	<u>3,093</u>
Total Temporarily Restricted Revenues	21,631	92,435
Net assets released from restrictions	<u>-</u>	<u>(136,109)</u>
Change in Temporarily Restricted Net Assets	<u>21,631</u>	<u>(43,674)</u>
Increase in Net Assets	<u>70,596</u>	<u>32,494</u>
NET ASSETS, BEGINNING OF YEAR	<u>282,991</u>	<u>250,497</u>
NET ASSETS, END OF YEAR	<u>\$ 353,587</u>	<u>\$ 282,991</u>

See accompanying notes and auditors' report

