



# - SEEDS of HOPE -

helping orphans around the world

## 2024 ANNUAL REPORT



Seeds of Hope Children’s Ministry®  
*Sowing life, love, and laughter*

2024 ANNUAL REPORT

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MISSION STATEMENT

Seeds of Hope Children’s Ministry® exists to equip children and those in need, to love and serve Jesus Christ, while becoming healthy, educated, responsible members of society.

EXECUTIVE SUMMARY

Seeds of Hope Children’s Ministry® was incorporated in British Columbia in 1995 and is a registered charity with Revenue Canada under BN # 891228280 RR 0001.

In the USA, Seeds of Hope Children’s Ministry USA® is incorporated in the State of Washington and is a registered 501(c) (3) charitable organization. (EIN# 61-1953620).

In Zambia, Seeds of Hope Children’s Ministry Zambia was incorporated as a charitable organization in 2002 and Seeds of Hope Educational Centre as a Company Limited by Guarantee in 2010.

In Australia, Seeds of Hope Children’s Ministry is registered as a Company Limited by Guarantee ACN 606 739 897.

Susan Chalkias | FOUNDER / DIRECTOR OF OPERATIONS  
Rev. John Chalkias | EXECUTIVE DIRECTOR

2024 BOARD OF DIRECTORS

Wade Godin | CHAIR  
Karalee Braaksma, BSN | VICE CHAIR, *term ended June 2024*  
Eldon Guenther | TREASURER  
Stan Rempel | DIRECTOR, *term ended June 2024*  
Tami Strople | SECRETARY, *ex officio*  
Kim VanderHaak | DIRECTOR, USA REP  
Elvira Warner, BSN MEd | DIRECTOR  
Brydan Patzer, LPN | DIRECTOR  
Kevin McAllan | DIRECTOR



SEEDS OF HOPE  
helping orphans around the world







Those who refresh others will themselves be refreshed.  
Proverbs 11:25

From the Executive Director,

Dear Friends,

As we reflect on 2024, our hearts are filled with gratitude for your generous support, which made this year of growth and impact possible. Within these pages, you’ll find stories of the ministry’s accomplishments and the children whose lives have been transformed.

We stand in awe as we witness God’s Word come to life: **“He cares for the vulnerable.”** We celebrate the rescue of children from abusive and dangerous situations, as well as those grieving the loss of parents and family.

None of this would be possible without your prayers, support, and partnership. At Seeds of Hope, we remain committed to being a grassroots organization—dedicated to our relationship with our donors and guided by the highest standards of integrity in how we care for children, support our staff, and serve the communities where we work.

Enclosed you’ll find our audited financial statements, a reflection of our commitment to transparency and accountability with the resources you so faithfully entrust to us.

May God bless you for your compassion and heart for the vulnerable.

With deep gratitude,

John Chalkias  
Executive Director

2024 saw us move into our new office. We now have room to grow, with plenty of space for our staff, volunteers, and much-needed storage. We are incredibly grateful to our friends, volunteers, and donors who helped renovate, move us in, and furnish the space with new office furniture. What an undertaking—it wouldn’t have been possible without your help and generosity. Thank you!

GRACE ACADEMY ZAMBIA

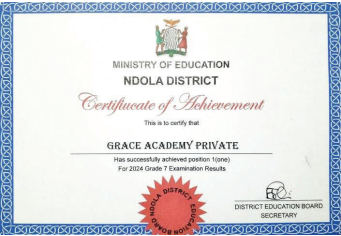
In Zambia, as in much of Africa, it has traditionally been the responsibility of extended family members to care for orphaned children when parents pass away. However, this practice does not always hold true—particularly when the parents have died from HIV/AIDS. Children left behind in such cases are often referred to by Social Welfare as “dumped children”—children who have been cast aside.

Our dream and ongoing prayer for Grace Academy is to provide a place of healing and hope for children who arrive traumatized, grieving, abandoned, malnourished, or ill. After more than 20 years of ministry in Zambia, we are now witnessing a beautiful transformation—children who once came to us as infants are now graduating, launching careers, and beginning families of their own.

In 2024, Grace Academy was home to 165 children, including 20 preschoolers. This number does not include the many day students from the surrounding community or our graduates who remain under our care. Of the total student body, 145 children lived on campus, while an additional 99 students from the local community attended as day scholars.

Level	Grace Resident	Community Resident	Total
Kinder	11	2	13
Grade 1	10	6	16
Grade 2	20	9	29
Grade 3	10	4	14
Grade 4	10	9	19
Grade 5	14	7	21
Grade 6	13	7	20
Grade 7	10	5	15
Grade 8	11	11	22
Grade 9	12	5	17
Grade 10	7	12	19
Grade 11	7	14	21
Grade 12	10	8	18
Total	145	99	244

We are thrilled to celebrate a major milestone: Grace Academy has been recognized as the number one school in the city of Ndola, based on the results of the 2023 national exams. This is a tremendous honor and a testament to the dedication of our principal, teachers, dorm mothers, and of course, our hardworking students.



The school’s performance during the 2024 national examinations was as follows:

- 1. Grade 7: 15 candidates took the exams and all passed, giving us a 100% pass rate. This put our school in position 1 in the district, we were awarded a Certificate. Grace Academy was not the only school with 100% at the grade 7 level. **The school has maintained a 100% pass rate since 2019.**
- 2. Grade 9: 17 candidates sat for exams. 14 made it to grade 10 while 3 didn’t, giving an 82.35% pass rate. This result made us among the top 25 schools in Ndola District. In 2023, the school had a 100% pass rate and was awarded a trophy.
- 3. Grade 12: 18 candidates took the national examinations. All the 18 candidates obtained certificates, giving us a 100% pass rate quantitatively. One candidate out the 18 did not meet the minimum of 5 credits for quality results, giving us a 94.44% pass rate qualitatively. The school is among the top 5 best schools in Ndola.

Our vision, boldly displayed in the principal’s office, is “To Raise Leaders Through Education and Opportunity.” We live this out by providing our children with love, stability, and encouragement, helping them grow into confident young adults who will bless their communities.

We also celebrated the graduation of our second medical doctor in 2024, and we look forward to our third doctor completing medical school in early 2025. Many of our graduates are pursuing degrees in various other fields, and we couldn’t be prouder of them.

Another encouraging sign this year has been the increase in team travel. Since the COVID lockdowns, more teams have resumed traveling with us—a tremendous blessing. In 2024, six teams joined us in Zambia and Thailand, contributing in powerful ways: organizing our graduation ceremony, running two Vacation Bible School camps, and participating in both service and vision trips. These teams are vital to our mission, bringing their skills, time, and hearts to serve alongside us.





## FARMING OPERATIONS AT GRACE ACADEMY



In 2019, we launched the farming initiative at Grace Academy with just one layer barn, three broiler barns, and a small processing building. The primary goal of the farm is to produce nutritious food

to feed our children, with any surplus sold to staff members or the local community at a discounted rate. This initiative has played a vital role in creating long-term sustainability for the Academy.

Since its inception, the farm has grown steadily each year. We've expanded to include a variety of crops, greenhouses, fish farming, and livestock such as goats and pigs. In 2024, we were excited to introduce cattle to our operations—another significant step forward in our efforts toward self-sufficiency.

We are deeply thankful for the families who have volunteered with us long-term, sharing their knowledge of modern farming practices with our Zambian staff. We also want to recognize and appreciate our North American Farming Committee, whose expertise and guidance have been instrumental in our success.



A heartfelt thank you as well to our generous donors, who made it possible for us to acquire the essential machinery and equipment needed to support this growth. The continued expansion of the farm is not just a testament to what we can accomplish together—it's a promise of food security and opportunity for years to come.

## RAYS OF HOPE THAILAND UPDATE



In Thailand, we work with children who have been rescued from human trafficking or are at risk of sexual exploitation. In 2024, with a desire to help even more children, we began construction on two

new homes and a library. The library was completed in September, providing a dedicated space for the children to study and expand their knowledge. It has already proven valuable—two of our children are now top of their class, and all are progressing well. The two homes are scheduled for completion in 2025. As of this writing, 15 children now live at Rays of Hope.

The Rays of Hope property spans approximately five acres, divided into two sections to separate the children's area from the space designated for the women in our care. These women are considered adult orphans. Some have come out of the sex trade or escaped abusive situations—are all either HIV positive or living with mental illness caused by trauma. At Rays of Hope, they find peace, love, and security. Most importantly, they discover that God loves them, that Jesus has forgiven them, and that their sins and shame have been washed away. It is a place of healing and community. Currently, 10 women reside on the property.

In 2024 we continued supporting six HIV-positive women in the hilltribes who have been ostracized by their communities.

Another exciting development was the launch of our "Vision Teams"—short-term visitors who come to serve and experience the ministry in Thailand firsthand—as well as the arrival of long-term volunteers who have committed to walk alongside us in this work.

One of the year's highlights was sending the Grace Academy choir to Thailand on an educational and cultural trip. While there, they performed for the children and women at Rays of Hope and also shared their music with the wider community—a truly memorable and uplifting experience for everyone involved.

The following is from our Winter 2024 Newsletter:

This Christmas, for the first time, TT and GG are celebrating the Lord Jesus' birth. They are joining the other children in preparing songs and doing crafts. They are filled with anticipation and wonder what the day will be like. This is not the way it has always been for TT and GG.

In times of trouble and brokenness, whether it is due to war and unrest, extreme poverty, broken families, or addiction, children are most vulnerable to trauma, abuse, disease, physical harm and even death.

TT and GG (names withheld to protect their identities) are sisters aged 7 and 8.

They lived with their grandparents and were sexually abused by their grandfather for about 1 year. The director and a teacher at their school were quite concerned about the girls because of their appearance, behavior, and emotions. Their teacher, along with the director of the school, took it upon themselves to visit the family. They were shocked to see the dilapidated home and their horrible living conditions. The grandfathers abuse also became known and the police were called.

It was found out that their mother is a drug addict, and their father is absent as he has a new family. Due to the abusive grandfather the young girls were at great risk if they remained in their home. They were admitted to our children's home and are receiving the care they need to help them heal. They have started to attend school with our children and are doing well in their studies. The grandmother is requesting that the girls remain with us. The case is currently being prosecuted. Our home in Thailand cares for children who are at extreme risk of, or are coming out of, human trafficking, and/or other sexual abuse. With your help we can give children like TT and GG a safe and loving home, emotional healing, education and help them be children again.

## MYANMAR UPDATE

The political situation in Myanmar continues to deteriorate. In April 2024, a new conscription law was enacted, forcing all men and women aged 18 and over into military service, drawing them into a bloody civil war. Many of the young people we raised—who were once preparing for college and a hopeful future—are now in hiding, refusing to take up arms against their own people. It is heartbreaking to see them gripped by fear and despair, their dreams suddenly out of reach.

Alongside this crisis, the country faces a severe economic downturn. Food prices have skyrocketed, unemployment is rampant, and crime is on the rise. There is widespread fear as police go door to door, searching for those eligible for military service.

Despite these challenges, the younger children at Precious Children's Home are safe and doing well. However, the financial strain is significant. Inflation is out of control, the needs are growing, and transferring funds into the country is becoming increasingly difficult.

Your continued prayers and support for the people of Myanmar mean more now than ever. Thank you for standing with us during this difficult time.

We are stepping into 2025 with great excitement as we celebrate our 30th anniversary! This milestone year will be marked by reflection, gratitude, and celebration—culminating in our annual banquet, where we look forward to sharing the many accomplishments made possible through your support.

In preparation, several videographers joined us in Zambia. Capturing heartfelt interviews with staff and children, and filming the vibrant choir at Grace Academy.

As we look to the future, we continue to focus on strengthening our operations and improving the quality of care and education we provide. One exciting initiative is the introduction of an online curriculum at Grace Academy to complement the Zambian educational system. This will offer our students a wide range of benefits—enhanced computer and typing skills, improved vocabulary, and more fluent spoken English. The interactive nature of the program will also expose them to a broader view of the world, giving them a significant boost in their learning journey.

At Grace Academy, we believe in the power of play. Laughter, joy, and imaginative games are not just fun—they're foundational to a child's development. Through play, children grow physically, emotionally, and socially. It fuels imagination, enhances coordination, supports cognitive development, and teaches vital social skills like cooperation and teamwork.

While we have a well-equipped youth center for our older kids and teens, we recognized the need for a space tailored to younger children aged 5 to 12. So, in 2024, we launched the Toytown project—an imaginative and nurturing space designed just for them. What began as an idea for four simple playrooms has blossomed into a charming, miniature town. Toytown now includes themed spaces like an old-fashioned firehall, gas station, and general store, with dedicated play areas such as a Lego room, toy kitchen, and car play zone. Two of our senior students were invited to paint a mural in the Lego room—and they absolutely blew us away with their creativity. Their work exceeded all expectations.



Built with love and prayer, Toytown is meant to be a place of healing, joy, and belonging for children who have experienced deep loss. Construction is expected to be completed by June 2025.

Several teams are already scheduled to travel to Zambia in 2025. The first will be an electrical and maintenance team arriving in January to help address a critical issue with the national power grid (ZESCO). Due to the severe drought of

2023–2024, Zambia experienced a major power crisis, with the Kariba Dam—its main power source—reaching record lows. Nationwide, electricity was limited to just three hours per day, affecting homes, businesses, and schools.



Although we have solar power at Grace Academy, our battery storage was insufficient for the prolonged outages. Thanks to the generosity of our donors, we will be able to purchase additional batteries by the end of 2024 and redesign our electrical infrastructure to increase efficiency and resilience. The incoming team will be instrumental in making this upgrade possible.

In Thailand, we look forward to completing construction on two new children's homes, welcoming more children, and hiring dedicated staff to care for them.

## NEW PROJECT IN 2025: TANZANIA

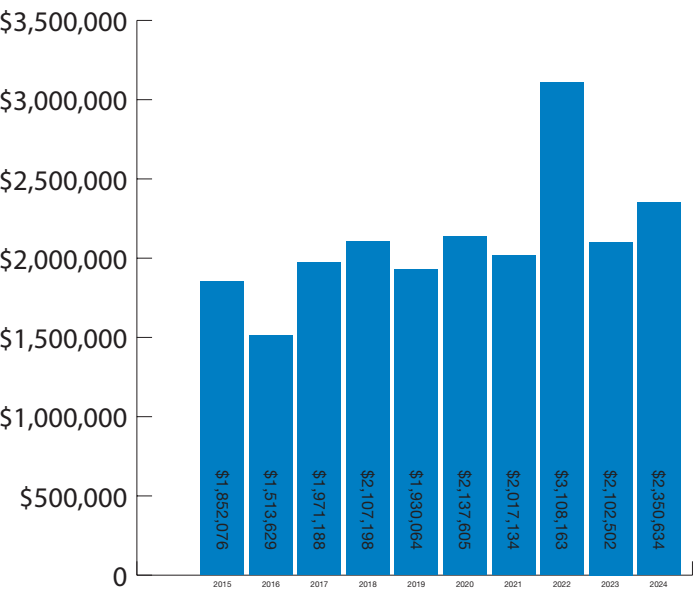
In 2024, Global Aid Network (GAIN) approached us with a request: to take over a children's home in Tanzania. While their focus remains on church planting and water well drilling, they sought a trusted partner to continue the work with these children. Two of our directors visited the home and returned with a very encouraging report.

Our prayer has always been, **"Lord, show us how to help more children."** As we enter 2025, we are excited to continue exploring this opportunity and discerning the way forward. This will include the legal work of incorporating as a non-profit organization, transfer of the property and renovations before we can begin to bring in children. In Tanzania, an estimated 1.3 million children are orphaned due to HIV/AIDS. We want to bring the expertise we gained in working with HIV orphaned children in Thailand and Zambia and build the same model in Tanzania





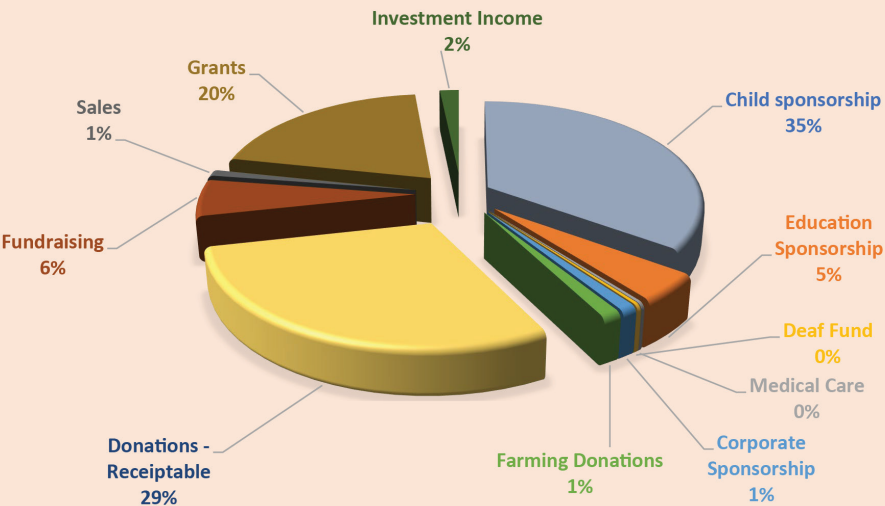
TEN YEARS OF GROWTH



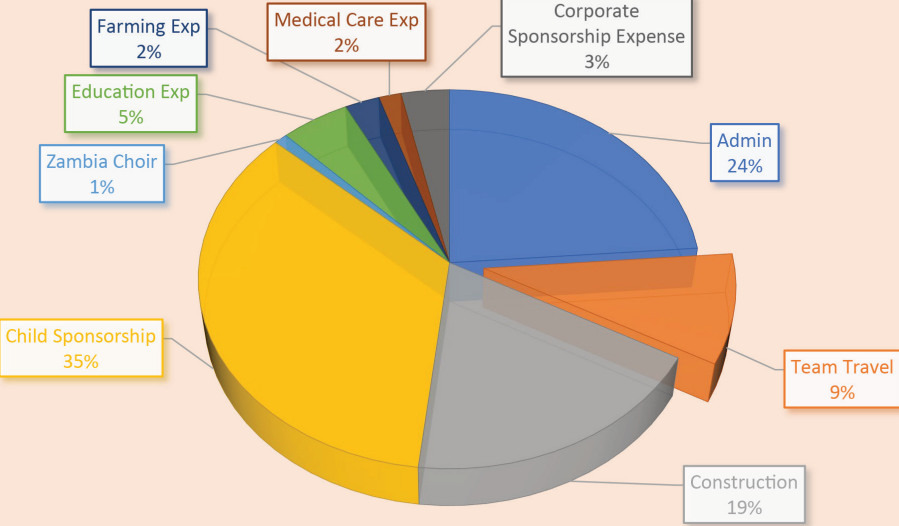
Seeds of Hope Children's Ministry is a certified member of the Canadian Council of Christian Charities and abides by all its strict ethical and financial standards, including annual audits by an independent accounting firm. Spending of funds is confined to programs and projects approved by the organization. Each restricted contribution is designated with the understanding that when the need for such a program or project has been met or cannot be completed for any reason determined by the organization, the remaining restricted contributions will be used where needed most.



SOURCES OF INCOME IN 2024



HOW WE SPENT OUR FUNDS IN 2024



\*Note: We apply a 7% administrative fee to all designated funds. The remaining administrative costs are fundraised to keep fees low, ensuring that 93% of funds are used as designated.

Seeds of Hope Children's Ministry®

2024 AUDITED FINANCIAL STATEMENTS

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**A. Stephen Pomeroy Ltd.**  
**Chartered Professional Accountant**  
**202 33123 First Avenue**  
**Mission B.C. V2V 1G5**

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**INDEPENDENT AUDITOR'S REPORT**

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To the Members of Seeds of Hope Children's Ministry

*Qualified Opinion*

I have audited the financial statements of Seeds of Hope Children's Ministry (the organization), which comprise the statement of financial position as at December 31, 2024, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of my report, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO)

*Basis for Qualified Opinion*

Note 2 indicates that the Society has control over a not-for-profit organization in Zambia, a not-for-profit organization in Thailand and a not-for-profit organization in the United States, all of which carry out activities on behalf of the Society. These non-consolidated financial statements do not contain disclosure related to the assets, liabilities, net assets, revenues, expenses and net cash flows of these foreign organizations. The effects of this departure from Canadian generally accepted accounting principles on the non-consolidated financial statements are not quantifiable.

In common with many not-for-profit organizations, the Society derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, I was not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2024 and 2023, current assets as at December 31, 2024 and 2023, and net assets as at January 1 and December 31 for both the 2024 and 2024 years. The audit opinion of the prior year ending December 31, 2023 was also modified because of the possible effect of this limitation in scope.

(continues)

Independent Auditor's Report to the Members of Seeds of Hope Children's Ministry (continued)

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the organization in accordance with ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

*Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

*Auditor's Responsibilities for the Audit of the Financial Statements*

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. 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.
- 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 the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.

(continues)



Independent Auditor's Report to the Members of Seeds of Hope Children's Ministry (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on other legal and regulatory requirements

As required by the Societies Act (British Columbia), I report that, in my opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian accounting standards for not for profit organization have been applied on a basis consistent with that of the preceding year.

Mission, British Columbia  
June 21, 2025

  
A. Stephen Pomeroy Ltd  
Chartered Professional Accountant

SEEDS OF HOPE CHILDREN'S MINISTRY  
Statement of Financial Position  
December 31, 2024

	2024	2023
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 548,942	\$ 1,871,556
Marketable securities (Note 5)	829,808	801,836
Inventory (Note 6)	3,234	4,739
Goods and services tax recoverable	3,286	4,487
Prepaid expenses	37,944	6,250
	1,423,214	2,688,868
PROPERTY, AND EQUIPMENT (Note 7)	1,316,813	5,148
	\$ 2,740,027	\$ 2,694,016
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 29,721	\$ 25,763
Payroll and employee deductions payable	5,301	6,256
Deferred contributions (Note 8)	1,348,147	1,112,521
	1,383,169	1,144,540
<b>NET ASSETS</b>		
Unrestricted	1,145,389	1,338,007
Internally restricted	211,469	211,469
	1,356,858	1,549,476
	\$ 2,740,027	\$ 2,694,016

ON BEHALF OF THE BOARD

 Director  
 Director

See notes to financial statements



**SEEDS OF HOPE CHILDREN'S MINISTRY**  
**Statement of Revenues and Expenditures**  
**Year Ended December 31, 2024**

	2024	2023
<b>REVENUES</b>		
Donation revenue (Note 3)	\$ 2,287,814	\$ 2,029,175
Investment income	39,630	47,620
Sales	23,190	25,707
	<b>2,350,634</b>	<b>2,102,502</b>
<b>EXPENSES</b>		
Child sponsorships	818,769	741,987
Salaries, benefits, and payroll costs	324,151	324,751
Construction costs	512,297	271,498
Teams travel	244,680	158,896
General program expense (Note 10)	158,870	137,965
Education Sponsorship	113,062	104,583
Advertising and promotion	80,658	54,432
Rental, strata fees, and property taxes (Note 11)	38,986	46,125
Sub-contracts	39,756	40,617
Office and miscellaneous	53,341	27,366
Professional fees	18,450	23,861
Farming expense	57,296	21,746
Interest and bank charges	15,923	13,928
Telephone and utilities	14,049	12,998
Travel	8,080	11,632
Insurance	11,910	8,231
Widows jar (Medical)	7,951	6,955
Feeding program	1,868	2,919
Product costs	1,505	1,382
Amortization	15,896	1,328
Supplies and maintenance	1,043	739
	<b>2,538,541</b>	<b>2,013,939</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS</b>	<b>(187,907)</b>	<b>88,563</b>
<b>OTHER INCOME (EXPENSES)</b>		
Gain on foreign exchange	(4,711)	552
Gain (loss) on marketable securities (short term investments)	-	25,234
	<b>(4,711)</b>	<b>25,786</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ (192,618)</b>	<b>\$ 114,349</b>

**SEEDS OF HOPE CHILDREN'S MINISTRY**  
**Statement of Changes in Net Assets**  
**Year Ended December 31, 2024**

	General Fund	Restricted Fund	2024	2023
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 1,338,007	\$ 211,469	\$ 1,549,476	\$ 1,435,127
<b>DEFICIENCY OF REVENUES OVER EXPENSES</b>	(192,618)	-	(192,618)	114,349
<b>NET ASSETS - END OF YEAR</b>	\$ 1,145,389	\$ 211,469	\$ 1,356,858	\$ 1,549,476



# SEEDS OF HOPE CHILDREN'S MINISTRY

## Statement of Cash Flows

Year Ended December 31, 2024

	2024	2023
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenses	\$ (192,618)	\$ 114,349
Item not affecting cash:		
Amortization of property, and equipment	15,896	1,328
	(176,722)	115,677
Changes in non-cash working capital:		
Marketable securities	(27,972)	(55,143)
Inventory	1,505	1,119
Accounts payable	3,958	(10,275)
Deferred income	235,626	283,952
Prepaid expenses	(31,694)	12,150
Goods and services tax payable	1,201	(193)
Employee deductions payable	(955)	30
	181,669	231,640
Cash flow from operating activities	4,947	347,317
<b>INVESTING ACTIVITY</b>		
Purchase of property, and equipment	(1,327,561)	(2,707)
<b>INCREASE (DECREASE) IN CASH FLOW</b>	(1,322,614)	344,610
Cash - beginning of year	1,871,556	1,526,946
<b>CASH - END OF YEAR</b>	\$ 548,942	\$ 1,871,556

# SEEDS OF HOPE CHILDREN'S MINISTRY

## Notes to Financial Statements

Year Ended December 31, 2024

### 1. NATURE OF OPERATIONS

Seeds of Hope Children's Ministry (the "organization") is a not-for-profit organization incorporated under the Societies Act of B.C.. The organization has its registered office in the City of Abbotsford, British Columbia. As a registered charity the organization is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act.

The organization operates to equip children and those in need to love and serve Jesus Christ while becoming healthy, educated, responsible members of society. The organization primarily does this by operating and partnering with orphanages, schools, women's homes and other social service endeavours in Africa and Asia.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFO) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

#### Property, and equipment

Property, and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

The organization regularly reviews its property, and equipment to eliminate obsolete items. Government grants are treated as a reduction of property, and equipment cost.

Property, and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

#### Controlled entities

The Society controls a Zambian government registered not-for-profit Society operating under the name "Seeds of Hope Children's Ministry Zambia", a Thailand government registered not-for-profit Society operating under the name "Baan Nu Rain" and United States of America not-for-profit entity operating under the name "Seeds of Hope Children's Ministry USA". The controlled not-for-profit entities in Zambia and Thailand have some board members in common with the Canadian Seeds of Hope Children's Ministry, which has operational control over the organizations through veto power. The USA Society has directors and board members in common with the Canadian Seeds of Hope Children's Ministry. The USA not-for-profit entity exists in order to enable USA donors to contribute to the organization and receive USA tax receipts.

The Zambian Society, the Thailand Society and the USA Society all have unaudited financial information and financial information for them is not readily available and have, therefore, not been presented through note disclosure or consolidation with the Canadian Society at December 31, 2024.

#### Revenue recognition

Seeds of Hope Children's Ministry follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Sales of product, such as coffee, are recorded when product is transferred to the purchaser. Rental income is recorded in the month to which tenancy relates.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The preparation of the financial statements, in conformity with ASNPO, requires management to make estimates that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, as at the date of the financial statement, as well as reported amounts of revenues and expenses during the reporting period. These estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

Foreign currency transactions

The Society translates all of its self-sustaining foreign operations using the current rate method. All assets and liabilities are translated using exchange rates in effect at year-end. Items appearing in the statement of net income (loss) are translated using the average exchange rates for the period. Exchange gains and losses are included in the statement of net income (loss).

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Donations and gift in kind

Donations of materials and services are recognized in the accounts of the society at estimated fair market value when the materials and services are used in the normal course of the Society's operations and would otherwise have been acquired for distribution in accordance with the Society's purpose and objectives.

Cash and cash equivalents

The Society's policy is to disclose bank balances under cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and highly liquid temporary investments usually with a maturity period of three months or less from the date of acquisition. Term deposits that the Society can not use for current transactions because they are pledged as security are excluded from cash and cash equivalents.

Internally restricted net assets

The Society has internally restricted net assets for a number of purposes. The Society sets aside funds from child sponsorship for future post secondary education scholarships for the children. In addition, the Society sets aside funds for construction, expansion and refurbishment of overseas facilities.

Financial instruments

Financial assets and financial liabilities, other than those with related parties, are initially recognized at fair value when the Society becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments, other than those with related parties, are measured at amortized cost. Financial assets and financial liabilities arising from transactions with related parties are recognized at the exchange amount which is the amount agreed to by the parties..

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

With respect to financial assets measured at cost or amortized cost, the Society recognizes in net income an impairment loss, if any, when it determines that a significant adverse change has occurred during the period that would impair the carrying value or change the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss shall be reversed in net income in the period the reversal occurs.

3. DONATIONS

	2024	2023
Donations		
Donations received in the year	\$ 2,523,440	\$ 2,313,128
Deferred revenue - prior year	1,112,521	828,568
Deferred revenue - current year	(1,348,147)	(1,112,521)
	\$ 2,287,814	\$ 2,029,175

4. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

Foreign exchange risk

Currency risk is the risk that the fair value, or future cash flows, of a financial instrument will fluctuate because of changes in foreign exchange rates. As at December 31, 2024, cash on hand and in the bank totaling \$ 30,049 USD ( \$48,679 USD in 2023) is denominated in US dollars and converted into Canadian dollars at the year-end exchange rate. The organization also had marketable securities totaling \$53 USD (\$ 260,110 USD in 2023) denominated in US dollars and converted into Canadian Dollars at the year end exchange rate.

5. SHORT TERM INVESTMENT

The short term investments consist of: Cash equivalents . All amounts have been converted to Canadian Dollars. The cost of \$ 829,808 is the same as the fair market value

	2024	2023
Short term investment		
Cash equivalent equity investments	\$ 829,808	\$ 801,836



SEEDS OF HOPE CHILDREN'S MINISTRY  
Notes to Financial Statements  
Year Ended December 31, 2024

6. INVENTORY

	2024	2023
Inventory consists of books and apparel as follows:		
Books	\$ 3,079	\$ 3,336
Clothing	155	1,403
	<b>\$ 3,234</b>	<b>\$ 4,739</b>

7. PROPERTY, AND EQUIPMENT

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Land	\$ 630,339	\$ -	\$ 630,339	\$ -
Buildings	690,701	13,814	676,887	-
Machinery and equipment	10,541	9,719	822	1,027
Computer equipment	20,880	17,558	3,322	3,476
Furniture and fixtures	10,542	5,099	5,443	645
	<b>\$ 1,363,003</b>	<b>\$ 46,190</b>	<b>\$ 1,316,813</b>	<b>\$ 5,148</b>

8. DEFERRED CONTRIBUTIONS

Deferred contributions represent the unspent portion of externally restricted funds donated for specific projects. These amounts were received in the current year and prior years and will be recognized as revenue in the period in which related expenses are incurred. Changes in the deferred contributions balance are as follows:

	2024	2023
Child sponsorship	\$ 955,605	\$ 882,750
Construction	283,907	152,575
Teams	61,985	-
Other	46,650	77,196
Total deferred contributions	<b>1,348,147</b>	<b>1,112,521</b>
Total contributions received in the year	<b>2,523,440</b>	<b>2,313,128</b>
Transferred to revenue	<b>(2,287,814)</b>	<b>(2,029,175)</b>
Subtotal	<b>235,626</b>	<b>283,953</b>
Deferred contributions, beginning of year	<b>1,112,521</b>	<b>828,568</b>
Total deferred contributions	<b>1,348,147</b>	<b>1,112,521</b>

SEEDS OF HOPE CHILDREN'S MINISTRY  
Notes to Financial Statements  
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9. WAGES

The organization has employees involved in administration as well as program activities in Canada and in foreign countries.

	2024	2023
Wage Allocation		
Construction and farming activities - Zambia	\$ 44,166	\$ 33,196
Administration and program in Canada, Africa, and Asia	242,660	257,768
Benefits and payroll costs	37,325	33,787
	<b>\$ 324,151</b>	<b>\$ 324,751</b>

10. GENERAL EXPENSES

General expenses are non-recurring expenditures responding to the identified needs in Zambia, Myanmar and Thailand. These expenses include, but are not limited to, such items as vehicle repair and replacement and emergency travel for students requiring medial procedures.

11. LEASE COMMITMENTS

The organization entered into a long term lease with respect to its office premises in Abbotsford B.C. The term of the lease was from January 1, 2023 to December 31, 2024. The lease provided for payment of utilities, property taxes and maintenance costs. During the year the organization purchased its own office premises in Chilliwack B.C. and the lease in Abbotsford was terminated. Seeds of Hope Children's Ministry now pays strata fees and property taxes on its own strata office building.

12. RELATED PARTY TRANSACTIONS

The following is a summary of the organization's related party transactions:

	2024	2023
Seeds of Hope Children's Ministry Zambia (A controlled entity)		
The Society paid Seeds of Hope Children's Ministry Zambia for construction, building, and farm expansion, orphanage and child sponsorship, worker support and travel.	\$ 868,035	\$ 940,178
Myanmar organization		
The Society paid the Myanmar organization for child sponsorship, repairs, and general expenses.	51,802	23,317

(continues)

SEEDS OF HOPE CHILDREN'S MINISTRY  
Notes to Financial Statements  
Year Ended December 31, 2024

12. RELATED PARTY TRANSACTIONS (continued)	2024	2023
Baan Nuu Rain (Thailand Organization) (A controlled entity) The Society paid Baan Nuu Rain for child sponsorship and support for the on going operations of the facility	529,034	319,276
Subcontract During the year the Society paid a company controlled by a director for subcontract bookkeeping services	39,756	40,617
	\$ 1,488,627	\$ 1,323,388

13. SIGNIFICANTLY INFLUENCED NOT-FOR-PROFIT ORGANIZATION

The Society has significant influence over a Myanmar not-for-profit Society. The Myanmar Society has some board members in common with the Canadian Society Seeds of Hope Children's Ministry which has significant influence over the Myanmar organization due to being its major source of funding. The Myanmar not-for-profit entity exists in order to carry out the work of seeds of Hope Children's Ministry in Myanmar. This work consists of providing support to homes for children with HIV/AIDS. ( See also Note 2 regarding controlled entities)

14. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

15. BRITISH COLUMBIA SOCIETIES ACT DISCLOSURES

The British Columbia Societies Act includes a requirement that the society disclose remuneration paid to all directors, the ten highest paid employees and all contractors who are paid at least \$75,000 annually.

In 2024, the society had one employee who was paid in excess of \$75,000 annually



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# 2024 ANNUAL REPORT

