

July 10, 2009

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 A **501 (c) (3)** corporation
 Uganda (0) **782.561.374**

1 Cor. 15:58 "Therefore...be steadfast, immovable, always abounding in the work of the Lord, **knowing that your toil is not in vain in the LORD.**"

SHILOAH MINISTRIES INCORPORATED

2nd Quarter / Year 2009 Summary Report

Financial Summary (Unaudited)

<u>Revenues SMI</u>	2nd Quarter	Year
Donations	\$ 3,187	\$ 9,510
SMI Funds	\$ 20,000	\$ 20,000
TOTAL	\$ 23,187	\$ 29,510
Goods and Services Contribution (non-cash)	\$ 0	\$ 0
Total All Donations, Goods and Services	\$ 23,187	\$ 29,510
 <u>Expenses</u>		
Day Spring Christian Academy (Uganda) Funding	\$ 16,611	\$ 52,613
Grace Christian Academy (Uganda) Funding	\$ 239	\$ 737
Shiloah Ministries Inc Support & Management Expenses	\$ 2,181	\$ 6,074
TOTAL	\$ 19,031	\$ 59,424
 Balance Sheet (6/30/2009) (12/31/2008)		
SMI Bank Balance USA	\$117	\$ 5,739

DAY SPRING CHRISTIAN ACADEMY, LTD.

Financial Summary (2009) (Unaudited)

(subsidiary - 96% owned by Shiloah Ministries Inc)

<u>Revenues DSCA Ltd</u>	2nd Quarter	Year
School Fees (\$564 equip. sale)♦	\$ 5,625	\$ 12,305♦
SMI Support Funding (include \$405 security sale)♦♦	\$ 16,850	\$ 53,350♦♦
TOTAL	\$ 22,475	\$ 65,655
 <u>Expenses</u>		
Payroll	\$ 6,536	\$ 13,254
Food (SMI staff Food & Lodging \$3,576 not included)	\$ 2,043	\$ 4,926
Operations costs *	\$ 5,779	\$ 12,219
Construction	\$ 3,038	\$ 14,345
Furniture, equipment and repair ■	\$ 7,728	\$ 9,359
TOTAL	\$ 25,124	\$ 54,103
 ■ Purchase of a vehicle in 2 nd QTR to serve as "Bus"		
Balance Sheet (6/30/2009) (12/31/2008)		
CRANE Bank Balance (Uganda) \$ 470 (Cash \$ 3,302)		\$ 738 (Cash \$ 25,000)*
*Transferred \$25,000 on 12/31/2008 by courier to pay outstanding debt, build fence, repair damage to school and \$3,700 for Nov. & Dec. 2008 Operations costs		
ASSETS (Land, Buildings, Equipment - @ cost): \$231,972 – Investment Total \$ 444,684		

Financial Notes of explanation: 1. In 2008, Watertech Services drilled DSCA's deep-water well. The final payment to DSCA Ltd was \$564, plus their application for our license to the mineral rights, in exchange for which they received our drill rig (DSCA Ltd – court winning case). **2.** Shiloah Ministries operates on a standard quarterly basis but Day Spring C.A. Ltd. operates on a 3 Term basis (4 month periods) to coincide with the school year. The financials are converted to "U.S." dollars (from Uganda Shillings) ranging from 1945 to 2190 Ugx to \$1.00 U.S. **3.** School fees are paid in cash by the parents to the school bursar and varies in amount depending on the grade level. For Term 2, 2009, Fees ranged from 50,000 Uganda shillings per student per term (3 terms) for Kindergarten classes to 110,000 Uganda shillings for P-7. Boarding space has been added for up to 30 boys and 30 girls, in a temporary space (Fee is 200,000 per term per student). We currently have 11 boarders and 5 double bunk beds. **4. Fee collection (\$12,305) for the first half of the year is 86% of all of the fees collected in 2008, and at 84% of the first quarter of 2009 with only ½ of the number of students.** Praise God. **DSCA school revenue collections** included \$405 investment funds, and \$564 well contract funds... 1st Qtr. DSCA Ltd. sold 4% of the remaining outstanding ownership for \$405. No additional equity investment sales were recorded. **5.** Construction activities Qtr 1 were \$11,307, which related to the building of the fence, gates, security house and repair. Second Qtr. work costing \$3,038 was directed toward further repair, paint, weld doors, new swing frame, repair the seating in the pavilion. New equipment in the quarter was the vehicle purchase (\$7,735). **6. Financial Overview:** Like 2008, donor supported funding decreased, the first quarter was below even the December giving by 25% (\$6,174) and the 2nd quarter was at 50% of the first quarter 2009 or \$3,187. We remain on site in Uganda to oversee the restructuring of the school 2009 and to reestablish DSCA operations, to recover our equipment and we have recovered the land title (through the courts). This lower level of donor **funding does not permit us to finish building the classroom we started earlier in 2008 (\$17,000 still needed)**, and again postponed the badly needed boys dorm boarding space. **Therefore, Secondary Christian Academy Classroom building will also be delayed to at least 2010.** Donor sponsorship continued in the second quarter and supported our 55 sponsored children for the first term and provided the funding to God is Good (formerly Grace) CA. Financial collections improved due to a stronger staff, a change in balance toward higher "Fee" classes (KG has dropped to 30% of the first term –about 30). Sadly, the major theft in 2008 by an insider(s) now includes the former management, the DSCA Headmaster John Wasswa and Bursar Ruth Luwangula, with an action against them pending in criminal court, as we seek to restore financial files and embezzled funds (student fees and 50,000 Ugshs sale-of-vehicle payment) and equipment - two laptops, payment for repairs to computer monitors as we had to replace the picture tubes and two printers. We further seek to restore our generator, cook top and microwave oven, refrigerator, 275 chairs and the digital camera. **The land title has been recovered due to the court's favorable verdict for DSCA, and the judge dismissed their lawsuit against DSCA Ltd.**



▲
Prayer at chapel time
Our teaching staff ▶

SHILOAH MINISTRIES INCORPORATED 2009 2ND QUARTER REPORT

Psalm 127:1 A Song of Ascents. Of Solomon. **“Unless the LORD builds the house, They labor in vain who build it; Unless the LORD guards the city, The watchman stays awake in vain”.**



“Out of Africa” is in perspective when witnessing a glorious sunrise, or the smile on the face of a sponsored child (Josephine – right) when she receives a new school book bag from her sponsor, realizing what God sent us to do.



We rejoice when the football team wins. We are apprehensive about costs for our new “bus” service for the children. We cheer with parents at the “sports day” activities (left). But one is filled with frustration over the papers required for registering the school (the submission copy-lower left), but

papers required for registering the school (the submission copy-lower left), but



just now Marla has come back with the school’s new Ministry of Education Registration Number PPS/D/18.

The smile...the heart ache reflects the counsel of our LORD (Luke 10) to His disciples. WeSow continued to provide for Day Spring C.A. children with support for new shoes, socks and uniforms, as now 1/4th of our student body is Bahamian/USA/Canadian sponsored. We have reduced our “students waiting to be sponsored to 10”, listed on our website, and Andrew was already chosen as Brenda waits to be sponsored. Each of these is now qualified by teacher of the class in



which they study (right below). So we are **“...watchful in all things, endure**

afflictions, do the work of an

evangelist...” on the ground in Uganda in

God’s Kingdom work. One by one they came as Day Spring opened the 1st

Term with 403 students, but now some

200 have gone to other schools due to the cost increase (affected by the lower

support and donations). We had to raise the fees to meet expenses. **We continue to pray**

earnestly for critical support funding needs of \$15,000

per term (3 - 4mo periods) to continue operations, for our dorms (need \$50,000/dorm) which have 2 new “three-

deck” beds. Our fresh water well works daily always

reminding us of the Huizenga Family Trust gracious gift (we

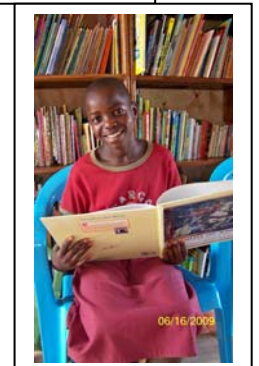
almost 10,000 liters per day for drinking, cooking and washing),

and so 1 Peter 3:12 **“For the**

eyes of the LORD are on the

righteous, And His ears are

open to their prayers...”





Student elections (above) were fun as the kids chose their “prefects”, however “personal loyalty went out of the window and vote tampering was rampant”. We have a “smaller” computer area (accessible only in the Admin house for security). Now, *we will this term restart computer training and sewing classes*. The computers are currently being “serviced” as many had serious file infections (one had 3450 corrupted files). But our prayers always remain for God’s care of our students, staff, and campus facilities/assets. We have put in place 2 night guards and 1 day time guard. The gates are closed (locked), and access is by

first registering at the guard house, even for the parents to pick up the children. We send two escorts with the Kindergarten kids as they walk ½ mile back to their home in Mutungo and we now take 9 students to their homes in the **School Van** to Police Marine- and the Prison Guard housing compound, as our own transport has been put in service as a School Van. Our **food expenditure** continues to be high as we had to spend over \$2,000 this term (plus transport costs), and just over \$2,800 for 1st term. Prices increase almost each week as we go to the market. BUT on the bright side, our staff, with continued tight financial control efforts, and increase in school fees, collections are already at 85% of all of 2008. The 2nd term is at 85% of the first term 2009 collections, and that just for ½ the number of students. Praise God!

I have written you before that **God uses all gifts for BIG purposes, and as you can see we have accomplished a lot**. No gifts are too small and none too large in His Kingdom’s work. We continue in this critical time to appeal to you to consider our great needs, payroll expense is up by 60%. Fees will again have to go up in the Third term (10%) as we push parents to pay the Fees on time – or their children are sent home as we just do not have the funds to support others besides our donor supported children. **We need your help along with our student’s parents to raise over \$3,000 /month to continue operations of the school as we continue in danger of losing its operations capability.**

Please consider a special generous gift to this ministry throughout 2009.

**RESPECTFULLY SUBMITTED IN GOD’S GRACE,
SERVING THE CHILDREN OF UGANDA**

Unfinished Dorm
needed; \$17,000 ▶

Marla and Rev Joseph Mooibroek, PhD – Chairman/CEO



◀ DSCA’s new swings made from “treated” poles resistant to termites

**Shiloah Ministries Incorporated –
100% of donations are applied
as specified**



And now we have also added 12 little chicks to the “farm” ▶ and almost added a new



PUPPY.