

HOPE FOR RURAL CHILDREN & ORPHANS (HORCO)

(Ontario Corporation No.1670425; CRA No. 82604 0941 RR001)

ANNUAL REPORT 2009

Administrative Activities

HORCO Ethiopia. Unexpected administrative activities arose in February of 2009, when the Ethiopian Government passed new legislation regarding the licensing and operation of local NGOs. In brief, all NGOs had to undergo new registration, and development work by NGOs was essentially halted until that process was completed. Over the same time frame, Getachew Yemane, working towards obtaining citizenship in the USA, resigned as Executive Director of HORCO Ethiopia.

Re-registration of NGOs finally began in the Fall. Dagim Almaw, one of our Directors, was in Addis Ababa, and he met extensively with Dr. Getenesh Sintayehu, President of the former HORCO Ethiopia. Between the two of them, they decided that Dr. Getenesh would try to re-register HORCO Ethiopia, with herself as Executive Director, and a new Board would be formed. Dr. Getenesh was successful in the registration process, but the accepted name was changed to *Hope for Rural Children (HORC)*. The word *Orphans* was dropped, as required by Government officials.

HORCO Canada is working within the context of their charitable objects to help re-establish Dr. Getenesh and HORC. During the 8 month 'shut-down', most staff had to be let go and other sources of funding lapsed. This is a challenging task, but Dr. Getenesh is well-educated, has experience in development work, and is familiar with the goals and work of HORCO Canada through her membership on the Board of HORCO Ethiopia. She has committed to implementing our water/sanitation project planned for the Gimbichu District.

HORCO Canada BOARD of DIRECTORS. At the AGM in 2009, Board Members Dan Fischer and Ruth Atkinson submitted their resignations for personal reasons. Both expressed their appreciation for the vision and mission of HORCO Canada. The Board accepted with regret their resignations, and thanked them for their service on the Board for the last four years. Several people were approached to consider joining the Board, but no new Board Members were added in 2009.

Charitable activities in Ethiopia

Gimbichu District. With the money raised from the 2008 Fund-raising Event, we expected to be ready to begin implementation of the approved water/sanitation project in Gimbichu in February, 2009. As noted above, things in Ethiopia changed, and our project was put on hold. By July, Dr. Getenesh was able to convince District Water Officials that our project had been approved before the new legislation; therefore, we were allowed to start work. We sent \$18,000 to Ethiopia, but it was now the rainy season, and construction could not begin until November/December.

In December the original site was still impassable for transport trucks with materials. In consultation with the District Water Office, a new site, Cheffe Lem Lem was chosen. This is a community of about 400 families (average of 6 children per family) without ready access to safe water and sanitation. Water engineers indicated that ample springs that could be protected are located nearby. HORCO Canada approved the site change and began working with Dr. Getenesh on a new budget to take into

account the 41% inflation in Ethiopia in 2009, and the low admin/management fees which were not appropriate in the 2008 budget. The project would be implemented in 2010.

Holeta Town. Dr. Getenesh followed-up with the 20 vulnerable children and families supported in 2008. A photo is attached. There was discussion about continuing the funding in 2010. While the use of sheep for income-generating purposes seemed to be working in the summer of 2008, when Dr. Getenesh visited the families in 2009, none of the families had sheep any longer. Each family told Dr. Getenesh that after the rainy season in 2008, they had no money for food, and all the sheep were sold. This result points out some of the difficulties that are encountered when trying to help families establish a stable source of income. We will have to review this outcome before doing this again.

Fund-raising

Annual Event. A goal of raising sufficient funds to complete water/sanitation services for another community in Gimbichu (\$20,000) was set for 2009. We held an Event on October 17th, *Injera & Jazz*, an Ethiopian dinner similar to that served in 2008. The event was held again at Hillside Church in London, and Denise Pelley, a local jazz singer, provided entertainment. By all measures the evening was again a great success. Approximately 200 people (175 last year) attended the event, with about half of the people being new to HORCO Canada. London's Ethiopian Community provided lots of help at the event, and donated 200 injera for the meal! Tickets at \$15 each covered the costs for the evening, and 65 (49 last year) individuals donated \$6,000. A corporate sponsor, *Quench Water Canada, Inc*, sponsored the concert by Denise Pelley.

By the end of 2009, we had raised just about \$14,000 for the second Gimbichu Project. Tax receipts were sent out for those who donated funds 2009. We had 94 (80 last year) donors overall. *[Note: With the new budget for the first Gimbichu Project increased by inflation and adjusted admin/management fees for local NGOs as required by the Ethiopian Government, we had to send an additional \$8,000 in 2010 to complete the first project. We will likely not implement a second project until 2011.]*

Ethiopian Community. Obtaining support from Ethiopian Communities across Canada may be an important source of funding for HORCO Canada in the long-run. It is difficult to estimate how many people of Ethiopian origin live in Canada, but the Toronto Ethiopian Association estimates that there may be 60,000 Ethiopians in the GTA. London may have about 1,500. There are known Ethiopian populations in Winnipeg, Edmonton, Calgary and Vancouver. Dagim and Bob made contact with the Toronto Association by attending the Ethiopian-Canadian Day celebration in September, 2009. Ethiopians in Kitchener and Hamilton have also been made aware of HORCO through visits by Dagim. Letters have been sent to Alberta groups. It is our goal to get Ethiopians engaged in supporting HORCO Canada and initiating fund-raising activities for HORCO Canada on their own (e.g. *Sunfest*). This partnership is developing in London.

Financial Report

The 2009 records and reports of HORCO Canada were reviewed by Mr. R. James Connelly, C.A. His letter and the summary report is attached. (to be presented at the meeting)

HORCO Board Members in 2009

Howard Katz	President and Director
Dagim Almaw	Vice President and Director
Bob Kline	Secretary/Treasurer and Director
Kevin Webb	Director
Ruth Atkinson	Director (resigned in June 2009)
Dan Fischer	Director (resigned in June 2009)

HORCO Canada, January 2010

STEWARDSHIP REPORT: FINANCES AND ACTIVITIES 2006-2009

	2006		2007		2008		2009	
Balance Forward	149.00	Jan. 1/06	1,981.22	Jan.1/07	5,849.97	Jan.1/08	16,914.72	Jan. 1/09
Revenue	-							
Donors	7,230.00		3,860.00		19,251.25	Fundraising & Dinner Event	17,715.65	Fundraising & Dinner Event
Other	-		50.00	Bank Corrections	3,028.00	Dinner Tickets & Sales	3,615.00	Dinner Tickets & Sponsorship
Revenue Sub-Total	7,230.00		3,910.00		22,279.25		21,330.65	
Expenses								
Admin	137.20	Bank Charges	41.25	Bank Charges	334.66	Bank charges, supplies, mailing	478.98	Bank charges, supplies, mailing
HORCO Ethiopia	3,780.00	Debrasina Flood Relief	-		5,145.00	Holeta Orphans Support	18,000.00	Gimbichu Water & Sanitation
Other	1,480.58	Lawyer Fees	-		2,030.48	Lawyer & Business Fees		
Fundraising Expenses	-		-		3,704.36	Dinner related costs	3,649.73	Dinner related costs
Expenses Sub-Total	5,397.78		41.25		11,214.50		22,128.71	
Balance	1,981.22	Dec.31/06	5,849.97	Dec.31/07	16,914.72	Dec. 31/08	16,116.66	Dec. 31/09

Notes:

1. Major fund-raising is in October, November, December, leading to a large balance on Dec 31st each year. Those funds are dispersed the following year for Board-approved projects in Ethiopia.
2. 100% of all project-designated gifts is sent to Ethiopia. Donations to the General Fund are used to support administrative and management fees, and to supplement project funds when necessary.

