

SMILESreport

Fall 2006



God is Good! (All the time)

Even though we know it and we often say it – it's good to recognize the truth in that statement and even more wonderful to experience the reality of it every day.

At the end of a busy summer, when 220 people have been with us on Mission Trips in just 3 months – when everyone on the Team is exhausted – when some things haven't gone as planned – when frustrations and disappointments exist – it is still true and important to know **'God Is Good – All the Time'**.

It's been an amazing year. Incredible progress and achievements made through-out every project. God has been so good to us and we thank Him for His faithfulness. We also thank you for your continued prayers, practical support and financial gifts – helping to make it all possible.

Through God's goodness and we pray 'as evidence of our faithfulness' Smiles is becoming a significant charity and its impact in Romania is greater each day.

The Charity's investment in Missions in 2005 was \$1.6million – that's \$4,383 a day and as we have been faithful to grow and expand the projects for which God has opened the doors, so we ask you to remain faithful in supporting the work God has started, so that we continue to move forward – not stand still or drift backwards as the need to meet ongoing operating costs become the primary focus for the year ahead.

This report, somewhat different to any previous report, will give you outline details of what is needed in each area of our ministry – rather like an **'Annual Report'**. We pray you will support as you are moved to and share the opportunity with others who might be able to support the work also.

2005 was a very busy year in construction as major projects drew close to completion such as the Emergency Housing Unit and then the building of the Children's Centers in Cihei and Gepiu got under way. 2006 has continued in much the same way.

It has been very exciting and rewarding to see both the **Emergency Housing Unit and the Cihei Children's Center finished** and they were both operating by April 2006. Tremendous effort and investment has continued this year and now – Praise God – **on September 15th 2006, the Gepiu Children's Center was opened** along with Phase One of the Tileagd Community Complex – being the Grade School and Kindergarten Pre-School for a total of nearly 100 children with substantial room for growth over the coming year.

Our primary focus for Construction now is the finishing of Phase Two and Three of the Tileagd Community Complex.

However, first we need to complete the investment of Phase One. We have, as of writing, \$144,257 debt on Phase One which has cost in total \$894,860. Once this small debt is repaid, we can focus on Phase 2 & 3 which we would hope to see completed in 2007. Anticipated budget for Construction of Phase 2 & 3 is \$423,000.



Children's Hospital



Family Care



Mihai from Gepiu



Tileagd Children's Choir



Cihei Children's Center



Architect's Impression of Tileagd Community Complex when completed

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Financial Report for 2005

Income

	\$	
Designated to Romanian Operating costs	451,269	
Designated to Armenian Operating costs	17,136	
Designated to Romanian Capital costs	539,437	
Mission Trip surplus to Smiles Romania General Fund	67,230	
Non-Designated (Where Most Needed)	157,727	
Other / Miscellaneous	50,940	
		\$1,283,738
Designated Income for Missionaries, Overheads & Marketing Expenses	\$209,576	
Total Income for 2005		\$1,493,314
		=====

Expenditure

Romanian Operating Expenses	395,815	
Armenian Operating Expenses	21,166	
Romanian Capital Expenditure	877,444	
Other / Miscellaneous	53,977	
		\$1,348,402
Expenditure for Missionaries, Overheads & Marketing Expenses	\$257,129	
Total Expenditure for 2005		\$1,605,531
		=====
Deficit / Shortfall for the Year		\$113,218
(Funded from previous year surplus)		=====

Tileagd School & Nursery

As the School and Nursery begin the new academic year in their new facility, we ask and seek support in our provision of the professional teaching and support staff providing the children such a wonderful education. In addition, the children receive breakfast and lunch everyday plus showers at least 3 days a week. **All school supplies are provided and the entire opportunity to attend the Tileagd Community School and Nursery is made possible by Sponsorship.**

To sponsor a Child's entire costs to attend the School or Nursery, is \$60 per month.

We currently need a further 44 sponsors.

Maybe if the full sponsorship is beyond your means, consider sponsoring each month at a level you can afford and designate it to School & Nursery. Our current monthly shortfall is \$2,691 and any contribution towards this will be very gratefully received.

\$60 a month - to change a Child's Future through Education today.



Tileagd Nursery



Tileagd School

HELP SMILES

Emergency Housing Unit



Emergency Housing Unit - Before

Having purchased the former Communist Office building and Police cell in 2003, it was hard to imagine how it might look as an Emergency Housing Unit or how long it would take to make the transformation.

Well, nearly 3 years, with most of the work done by the Smiles Construction team and Mission Trippers. But what a wonderful job they have done. The Facility looks amazing.



Emergency Housing Unit - After



Mr Jonica

Since April, we have been able to provide emergency shelter for the homeless. One man, Mr Jonica, was evicted from the State Housing facility when he reached 60 years of age because at that time, they considered he would become a greater liability to them with increased medical costs.

After 2 years on the Streets of Oradea, he came to live with us. Cared for by resident managers, Maria & Petru Fule who cook for and support Mr Jonica along with other residents, he is better today than he has been for years. Many others are in the same position. We currently need just \$900 a month to support the Emergency Housing Unit. **Please help with what you can as a monthly commitment or a single (one-time) gift designated to EHU.**

The Children's Centers in Tileagd, Cihei & Gepiu

Each of our Children's Centers has specialised purposes:

Tileagd – Day Nursery for Birth through 4 years

Cihei – Residential and Day Care for Abandoned, Neglected and Abused Children

Gepiu – Educational support and Life Skill projects for children from 7 – 18 years.



Children from Gepiu

Each Children's Center is involved with intensive care of children in a variety of ways. Each facility is beautifully equipped and provides a care and service hard to find in Romania. We need your support to maintain this level of care.

Approximate cost per child is \$50 per month, but any gift towards these operating costs is greatly needed.



Tileagd Children's Center

Tileagd is starting its third year with 7 children having never been sponsored. More are wanting to come to the Nursery, but operating costs have to be covered.

Cihei only opened in April 2006 and now has 4 sponsors each month. Nearer 100 are needed. To help these children who's lives have started so badly to have a brighter future, please support the work of the Cihei Children's Center.

Gepiu is finished with construction and has started operating. No shortage of plans for projects and activities for children, young people and adults in both educational and life-skills assistance. Gepiu also plans to hold 'open dinners' 2 or 3 nights a week for the elderly in the village. All needing support and certainly providing tremendous opportunity to share the Gospel to the entire community.



Cihei Children's Center

MAKE SMILES

Family Care Project

The Family Care Project is the 'Cornerstone' project of the Foundation's work. It's where it all began in 2001 as a small group of Mission Trippers began meeting the needs of the hungry, the sick and the homeless. In the early days, anyone available would deliver the food packages and fetch the prescription medicine from the Pharmacist. Now we have 5 qualified Social Workers based in Cihei, Tileagd and Gepiu serving nearly 200 families representing over 1000 people, predominantly children. A crucial support to the poor families and those with special circumstances to cope with.



Torok Family

This is the most expensive Operating project within the Foundation, with a budget of \$172,800 a year. We need 480 sponsors at \$30 a month to meet our monthly commitment. As of writing we have – 311

It is a desperate prayer, that this Report will move the others to sponsor a family for their support with food, medicine and social assistance. Please help now.



Dr Ema

Within our Family Care Project is the Medical program. Smiles has 2 full-time doctors. Our first, **Dr Ema**, joined us over 3 years ago and is now based in Tileagd serving the specific needs of the Gypsy community, school and nursery. Families living in very difficult conditions without fresh running water, sewage or bathroom facilities. Considerable acute illnesses are common place often reacting like an epidemic due to the close living conditions of the residents. A few in the community suffer chronic disease and need regular medication which is expensive.

Dr Claudia joined us over 2 years ago and now serves the remaining Families – some 130 or so. A great variety of needs from the young to the old with many suffering chronic disease with heart and lung problems, blood pressure, asthma and diabetes. There is always pressure on Dr Claudia to stretch the budget beyond elasticated reality.



Dr Claudia

Our doctors need help with meeting their desire to provide the medication needed by those they treat. Many families have regular medical needs of \$20-\$30 a month. If you can help with that monthly commitment, designated to 'Medical' we can start making a real difference to the comfort of those sick within our care.

Hospitals



Children's Hospital

The Smiles Foundation had been working in 2 State Hospitals. The Children's Hospital in Oradea and the Severe Psychiatric Hospital in Bratca. Both were in desperately need of support.

We had been supporting the **Children's Hospital in Oradea** since January 2005 with 6 staff working on the 'Abandoned Babies' wards of floors two and six. The State hospital system is under-staffed and under-resourced. We provided people and supplies such as Pampers, Food supplements and Play equipment. Smiles also invested in renovating Bathrooms, Play rooms and Hospital Staff Rooms.

However, from September 1st 2006, the hospital has made some major policy changes. The support of five Foundations in the hospital has been terminated and all presence and support no longer allowed - this includes Smiles. Our concern, of course, is for the children who are most certainly the 'innocent victims' in Romania.

Now we must focus our urgent attention on serving the children's needs through the **Cihei Children's Center** where we need to increase staff shifts to cope with more children and particularly, younger children. We also urgently need to employ 'House Parents' for the Center, so the State will allow us to be an 'official' foster facility. Documentation is well progressed with this objective and we expect to have approval very soon.

For this change in our own operating procedure we need an additional \$1800 a month. This support is urgently needed to ensure we can maintain the high level of professional support and provision of supplies to this deserving and needed facility.

SHARE SMILES

Jesus said, **“Let the little children come unto Me and do not hinder them, for the Kingdom of Heaven belongs to such as these.”** Matthew 19: 14 (NIV)

We also need your prayers and support for the vision of building a facility to provide special care for children with disabilities. So many of the children in the Hospital needed special care and many of our supporters believe this can be best provided through a **Smiles Children’s Center for the Disabled**. As always, we are open to the Lord’s leading and if you share this vision, let us know and let’s plan together to ‘make it happen’.

In October 2003, the **Bratca Hospital** for severe psychiatric patients contacted Smiles for help having had their Food and Heating Fuel budget suspended. The State had no funds. 25 patients, all abandoned by their families, living on bread and in very cold conditions. Within 36 hours, Smiles had food supplies to the Hospital and to this day, we have continued supplying monthly food to the value of \$900. In November 2003, we purchased a new heating system and supplied the fuel for the whole year. In 2004, we built a Day Center for the patients to enjoy when there is bad weather and we established a live-stock project by sponsoring cows to provide milk and meat for the hospital.



Bratca

Our budget for Bratca is also a minimum of \$1,800 a month. A little extra enables us to respond to requests by the hospital for other urgent needs, such as plastic mattress covers, clothes and shoes for the patients and similar things that arise each month.

Making Houses into Homes



Renovation

Through our Family Care Project, we have dealt with many tragic cases of homelessness. Either cases of families facing eviction due to financial pressure, or homeless families contacting us as a known source of help. **In 2001, we began our Housing Project** – having houses sponsored by individuals, families and Churches to provide a home for a family in need of shelter. Today, Smiles has 28 residential properties, some with 2 homes on the property and we have facility to provide a home for up to 40 homeless families.

Whilst properties always need sponsoring to ensure a continued supply of options for the homeless, our urgent need this coming year is to repair and renovate several of the houses we have. Great progress has been seen this year with 4 homes being completely and beautifully renovated at a cost of \$18,000 and are now ready to receive homeless families. We would like to tackle another 4 homes in 2007 and need a similar budget to plan accordingly.

If you can help us provide homes for the homeless – designate your gift for ‘Housing Renovation’.

If you can help with the sponsorship of a house – designate it for ‘Housing’.

Sack of Smiles

Christmas is a special time for us all, particularly in Smiles where we believe in Celebrating the Savior’s Birth. Being in Romania at Christmas and seeing so many children unhappy at receiving no gifts, inspired us to create the ‘Sack of Smiles’ project.

A sack is sponsored for a child and then Smiles purchases items in Romania to fill the sacks including, clothing, hygiene items, school supplies, a toy, along with some candies and other goodies.

S.O.S. was launched in 2004 and was a great success. Last year over 800 sacks were delivered to children from birth to 16 years within our various programs. Mission trippers on our Christmas Trips distribute them and have amazing stories and memories of the impact the project has on so many children and their parents who delight in seeing their children so happy.

\$50 to sponsor a sack filled with happiness.



Sacks of Smiles

Please help us this Christmas to share the Joy of Christ’s Birth with many.

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Mission Trips Christmas 2006 & Through-out 2007

As of writing we have spaces on our December Mission Trips 2006, so if you would like to join us at this special time, please contact the Kingsport office for further information.

In 2007 there are 10 trips scheduled throughout the year with dates detailed below. Why not help promote Mission Trips in your Church and Community. Get more leaflets from the Smiles Office to help.

April 6th – 21st / May 4th – 19th
June 1st – 14th / June 15th – 28th / June 29th – July 7th
July 13th – 26th / August 3rd – 16th / August 17th – 30th
October 19th – November 3rd / December 7th – 22nd

A word from the Chief Executive – Kevin D. Hoy

Being a Founding Trustee of this Charity as well as carrying the responsibility of day-to-day executive management – I realise the enormous honour of serving God through this work in Romania. At times it is tough, tiring and challenging as I not only face the demands of managing a large organization with a budget getting close to \$2 million but the human demands of over 70 full-time staff, hundreds of volunteers and thousands of financial supporters.

I do not have time or opportunity to meet and talk with you all, but I want to take this opportunity to **Thank You for all your prayers** for the work, without which we would not be achieving all we are. To **Thank You for your practical support** in Fund Raising events, Mission trip visits and collecting valuable and much needed supplies for the work in Romania.

I also want to **Thank You for your gifts** – your sacrificial gifts that have enabled this Work of God to grow at tremendous speed, impacting the lives of so many not just for today with Food and Medicine or tomorrow with an education and hope of employment but for Eternity as we teach and encourage the people to know the Love of God and His Plan for their lives.

I ask you to continue supporting the Foundation as we seek this coming year to not only continue growing, exploring new areas of care and service to those in need, but as we build up the support structure for the projects now well established. We need the security of having those committed to regular support to see the projects function and succeed with their objectives.

In addition to what you can do personally, please encourage your Church, School and Community to be involved with supporting the Smiles Charity. Be creative in Fund-Raising events and keep in touch with us with how we can help you, to help us, to help others.

Our office staff, Development Associates and Ambassadors across the country will do all they can to assist you. I also undertake to do anything within my ability to assist you to help us. I am now in Romania 8 months a year and see on a daily basis the needs and the difference your support is having. I encourage you to come on one of our Mission Trips to see for yourself and I believe, like me and so many, you will never be the same again.

God Bless you and Thank You for all you do.
In Christ



Kevin D. Hoy - Chief Executive

The Smiles Foundation



Kevin Hoy



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