



# Mercy-USA

For Aid and Development **2012 Annual Report**

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## Dear Friends and Supporters,

*Greetings and peace be upon you.*

During 2012, with your generous support, Mercy-USA for Aid and Development's dedicated and hardworking staff have assisted, comforted and empowered over 300,000 persons affected by poverty, war and natural disasters around the world.

Whether it is providing health services to Syrian refugees, distributing food baskets to war-affected families inside Syria, fighting malnutrition in Somalia and Kenya or training and educating orphans and other at-risk children and youth in Albania, Bosnia, Bangladesh and in Palestinian refugee camps, Mercy-USA always strives to relieve suffering, break the cycle of poverty and partner with individuals and their communities to develop sustainable solutions.

We look forward to your continued support as we help those in need to help themselves and their communities.

Sincerely,



Umar al-Qadi

President and CEO



## Food and Shelter Aid to Displaced and Other Vulnerable Families Inside Syria

As the humanitarian situation inside Syria continues to deteriorate, Mercy-USA for Aid and Development relief workers have been working tirelessly to provide aid and comfort to children and their families displaced by this worsening tragedy. From October 2012 to January 2013, we were able to provide food, shelter and hygiene items to approximately 6,500 displaced and other vulnerable families (about 26,000 persons) in Syria.

From October to November 2012, Mercy-USA distributed fresh lamb meat and other food, as well as hygiene packages. Details are in the tables at right.

From December 2012 to January 2013, Mercy-USA provided a total of 12,000 Baby Milk Boxes (each box weighed over 0.5 pounds) to 5,590 children, 7,300 blankets to 2,525 families, 352,000 pounds of flour\* to 3,550 families, and 1,000 tarpaulins to 1,000 families. Details on these distributions are in the table at the right.

*\* Most of the flour was distributed as fresh baked bread.*



*To escape armed fighting, families inside Syria fled their homes and now lack even the basic necessities to survive winter cold. Mercy-USA distributed 7,300 blankets to 2,525 families during December 2012 through January 2013.*



Mercy-USA is providing life-sustaining aid to displaced Syrian families with infant formula and food baskets that feed a family of six for a month.

### Lamb Meat Distributions

Distribution Points in Syria	# Of Sheep Distributed	# Of Beneficiary Families
Aleppo	30	210
Hama	30	210
Maarat El-Noaman	30	210
Jabal El-Akrad	10	70
Guvecci, Turkey (to refugees in Turkey near the border)	30	210
<b>Total</b>	<b>130</b>	<b>910</b>

### Food/Hygiene/ Flour Distributions

Town/ Distribution Point	# Of Food Packages Distributed	# Of Hygiene Packages Distributed	# Of Flour Bags Distributed	Total Families	Total Beneficiaries
Tal Adeh	60	50	10	63	530
Meraayan	20	30	32	33	215
Ihsim	20	20	20	35	239
Salweh	-	-	10	10	97
Sarmadah	-	-	3	3	25
Atmeh Camp	-	-	25* <sup>*11 pounds per family</sup>	125	625
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>269</b>	<b>1,731</b>



# Providing Safe Water to Vulnerable Communities in Somalia

From August 2011 to July 2012, Mercy-USA for Aid and Development dug 53 new wells and rehabilitated 19 others in Somalia. These wells, which were dug and rehabbed in Mogadishu (24 wells), Mudug Region (38 wells) and Galgadud Region (10 wells), are providing fresh drinking water to communities and villages with a total population of approximately 70,000 persons. Since 1997, Mercy-USA has played a vital role in providing safe drinking water in Somalia, digging and repairing 318 wells. Communities with a combined population of over 525,000 persons are benefiting from this safe water program. According to studies carried out by UNICEF, only about one-third of families in Somalia have access to clean drinking water.

*Only one-third of families in Somalia have access to clean drinking water. Since 1997 Mercy-USA has dug or rehabilitated over 300 wells in the country, serving over half a million people.*



## Nutrition and Health Services for Women and Children in Somalia

Mercy-USA for Aid and Development, with the support of the United States Agency for International Development (USAID), the United Nations Children's Fund (UNICEF) and the UN World Food Program (WFP), is providing nutrition support and health services for children, pregnant women and nursing mothers in Somalia. This funding has allowed Mercy-USA to set-up ten therapeutic feeding centers, five supplemental feeding centers and one stabilization/in-patient center.

From July 2011 to February 2013, about 16,100 children under the age of five suffering from moderate acute malnutrition (MAM) and 6,450 suffering from severe acute malnutrition (SAM) have been admitted into the selective feeding program, including approximately 150 inpatients. In addition, about 4,600 pregnant women and nursing mothers have also been admitted into the program. The children with SAM are given ready to use therapeutic foods like Plumpy'Nut weekly, while those with MAM are given UNIMIX biweekly. Both are specialized food for malnourished children. Mercy-USA is also preventing disease through the immunization of children and women, distribution of vitamin A and iron folate, digging new wells and rehabilitating others, constructing sanitary latrines and hand-washing stations, as well as providing health and nutrition education and hygiene promotion to vulnerable communities.



*Last year, Mercy-USA treated thousands of Somali children suffering from moderate to severe acute malnutrition. Children were given specialized food at therapeutic feeding centers like this one in Daynille, Somalia.*



*Mercy-USA performs health evaluations at the 13 Mother and Children Health Clinics across Somalia and provides childhood immunizations, as well as prenatal care and OB/GYN services to women.*

From September 2011 to February 2013, Mercy-USA's 13 Mother and Child Health Clinics (MCHs) received approximately 75,300 visits from women and children seeking treatment, including about 47,400 visits from children under the age of five. These MCHs also provided approximately 33,000 immunizations to children (including about 21,600 to children under the age of one) and about 8,200 to women, including expectant mothers. Mercy-USA's MCHs provided about 15,300 vitamin A, iron and folic acid tablets to women and children, as well as providing

approximately 15,600 OB/GYN services to women in their communities. Somalia has one of the highest child and maternal mortality rates in the world. One in eight children dies before reaching the age of five and 1,600 women die for every 100,000 live births. Various UNICEF studies report that other social indicators for children are among the worst in the world: one in three children is chronically malnourished, hardly a third of families have access to clean drinking water, just 30 per cent of children go to school and on average people only live to the age of 47.

## Fighting Malnutrition in Kenya

Mercy-USA for Aid and Development - with grant funding from the US Agency for International Development/Office of Foreign Disaster Assistance (USAID/OFDA) and the UN Children's Fund (UNICEF) - has set up 200 outpatient sites and 10 inpatient locations to treat malnourished children in four counties (Garissa, Kajiado, Kwale and Mwingi) within Kenya. This nutrition program, which is carried out in partnership with the Kenyan Ministries of Medical Services and Public Health and Sanitation (MoMS and MoPHS), also treats malnourished pregnant women and nursing mothers.

Mercy-USA's Kenya nutrition program began in 2009 with 27 sites and has now expanded, in partnership with MoMS and MoPHS, to include the 210 current sites, as well as outreach trips to more isolated villages. Health and nutrition workers and volunteers also train the caregivers of admitted children, as well as the general community on factors that affect nutrition including diet, breastfeeding, hygiene, sanitation and access to safe water.



An additional component of this nutrition program has been the construction of water storage tanks, latrines and hand-washing stations at 24 elementary and pre-schools. The students at these schools, who now have access to clean water and proper sanitation facilities, are also taught important hygiene and sanitation behaviors.

As of February 28, 2013, about 27,050 children under the age of five suffering from moderate acute malnutrition (MAM) and 10,900 suffering from severe acute malnutrition (SAM) have been admitted into the selective feeding program. In addition, 10,400 pregnant women and nursing mothers have also been admitted into the program. The children with SAM are given ready to use therapeutic foods like Plumpy'Nut weekly, while those with MAM are given UNIMIX biweekly. Both are specialized food for malnourished children.



## Improving the Education and Nutrition of Children in Gaza

In 2012, Mercy-USA for Aid and Development partnered with the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) to provide daily school lunches to approximately 8,900 children attending 10 elementary and preparatory schools in Gaza. This project is helping to improve the overall nutritional status of the children, as well as their academic performance.

# Food, Household Packages and Health Services to Syrian Refugees



Mercy-USA provided food aid and 2,500 floor mats to Syrian families taking refuge in Turkey.



During 2012, Mercy-USA for Aid and Development provided food and household packages to Syrian refugees in Lebanon and Turkey. Mercy-USA also provided health services to Syrian refugees in Wadi Khalid, Lebanon.

As of December 2012, Mercy-USA was distributing fresh bread to 1,500 vulnerable families (about 7,500 persons) in Wadi Khalid, Lebanon. 1,400 of these families were Syrian refugees and 100 were Lebanese host families. This bread project began in May 2012 with 400 families (350 Syrian refugee and 50 Lebanese host families) and by December 2012 had expanded to cover 1,500 vulnerable families.



Fresh bread, (a staple of the Syrian diet) was distributed to over 1,500 families every Tuesday, Thursday and Saturday at 11 different distribution points in the Wadi Khalid region. Each family received 3 bags of bread during the week, with each bag weighing about 2.7 pounds.

Mercy-USA health services for Syrian refugees and host families living in Wadi Khalid have included:

1. A mobile health clinic that runs four days per week (services include vaccines, pre- and post-natal care, and regular medical exams).
2. The purchase of an ambulance.
3. Repairs to the main Wadi Khalid health clinic.

Since February 2012, Mercy-USA has funded a mobile clinic operated by Makassed Charitable Organization that travels four days per week to villages in Wadi Khalid where Syrian refugees are being hosted by local families.

Mercy-USA also repaired the stationary clinic operated by Makassed in the region and has purchased an ambulance to support emergency services at this health center. From February to December 2012, over 16,100 Syrian refugees have been treated by Mercy-USA supported medical services, approximately 350 Syrian children have been



The Wadi Khalid region, an already under served area of Lebanon and strained from the increased burden of thousands of Syrian refugees, now has access to basic health services through Mercy-USA's sponsored mobile health clinic.

vaccinated, while almost 1,700 women have received gynecological and obstetric services and 164 minor surgeries have been performed. In Turkey, Mercy-USA provided 2,500 floor mats to families living with host families, as well as some housed in refugee camps. In addition, from June to July 2012, Mercy-USA distributed supplementary canned food (5 cans each of fish, beans and green beans) to families living in refugee camps. These distributions were weekly and focused on approximately 200 families per week.

From April to October 2012, Mercy-USA distributed one-month food and household packages to 500 Syrian refugee families (about 2,500 persons) in Turkey. Each package contained:

- 55 pounds of flour
- 8.8 lb. of lentils
- 4.4 lb. of rice
- 4.4 lb. of potatoes
- 4.4 lb. of bulgur
- 4.4 lb. of beans
- 4.4 lb. of zaatar
- 4.4 lb. of spaghetti
- 4.4 lb. of jam
- 4.4 lb. of tomato paste
- 4.4 lb. of pepper paste
- 4.4 lb. of sugar
- 2.2 lb. of tea
- 2 liters of olive oil
- 2 liters of corn oil
- Household necessities including diapers, and hygiene items needed to maintain the dignity of the refugees.

Additionally, 500 families received 1,000 whole chickens in August 2012.

## Helping Orphans in Bosnia to Help Themselves



In November 2010, Mercy-USA for Aid and Development began providing three-month computer office software training courses to orphans and other vulnerable youth in the Tuzla Canton of Bosnia. In addition to the technical training these young people receive, they are mentored by caring Mercy-USA staff members who teach essential life skills that will serve the students as they enter adulthood. Our mentors provide character development training that nurtures the whole child and teaches the values of honesty, hard work, and integrity. This character training encourages the at-risk youth and young adults to avoid criminal responses to hardship, and gives them confidence to join the workplace after their schooling is complete.

Trainees are also being provided with a nutritious meal or snack during each class. As of December 2012, approximately 130 orphans have enrolled in and have completed these courses.

## Controlling Tuberculosis and HIV/AIDS in Somalia

During 2012, Mercy-USA for Aid and Development continued carrying out its well-recognized tuberculosis (TB) treatment and prevention program in Somalia. This program consists of specialized treatment centers with public education and community outreach. Opened in 1994, Mercy-USA's center in Mogadishu was the first specialized TB treatment facility to begin operation in Somalia after the outbreak of civil war in 1990. M-USA's second center opened in Bossaso in 1995, the third opened in 2005 in Las Anod, the fourth center opened in Buhodle in 2008, and the fifth and sixth centers opened in 2010 in the towns of Sheikh and Odweyne in Somaliland.

These six centers, which have a cure rate of about 80%, treat approximately 1,000 TB patients annually. M-USA utilizes the most effective TB treatment strategy, the Directly Observed Treatment Short-course (DOTS) method. In addition to treatment, our centers educate their local communities about TB prevention.

Since 2007, M-USA's TB centers are also providing HIV/AIDS and STI testing, treatment and counseling. The TB and HIV projects are being supported by the Global Fund to Fight AIDS, Tuberculosis and Malaria.

Additionally, through an agreement with the United Nations World Food Programme (WFP), M-USA's Bossaso and Mogadishu Centers are providing food for TB patients and their families. Since 1994, the World Health Organization (WHO) has been supplying M-USA with TB medicines.

## Educating Vulnerable Children in Bangladesh



During 2012, Mercy-USA for Aid and Development supported five community-based primary schools and two orphanages run by our local partner, Assistance for Humanitarian Development (AHD), in Bangladesh. These schools and orphanages, located in impoverished rural areas in the districts of Tangail, Rangpur and Mymensingh, are providing free education for approximately 1,680 vulnerable children.

Mercy-USA's support included constructing an additional school building for the Delda Community Primary School and repairs and maintenance to the structures and furniture at the other four schools. Our assistance also included providing school lunch three times weekly, school uniforms for 620 of the most vulnerable children, 3 training workshops for program teachers, as well as education materials like textbooks, chalk, pens and pencils, paper, etc. and covering the salaries of the 23 teachers and seven other staff members at these schools and orphanages.



*Mercy-USA's schools are giving a free education to approximately 1,600 deserving children in rural Bangladesh, as well as providing a nutritious lunch three times a week.*

## Restoring the Livelihoods of Vulnerable Farming Families in Indonesia



Since March 2011, Mercy-USA for Aid and Development has been providing livestock, feed-production machines, rice and sweet potato seeds, fertilizer and training to farming families in three provinces of Indonesia. Mercy-USA is also supporting these farmers to form cooperatives. These agricultural inputs and training are helping these farmers and their families to feed themselves and increase their production and income. As of January 2013, approximately 630 farming families (about 2,530 persons) have been supported.



## Computer Software, English Language and Job Search Training in Bosnia

Since 1998, Mercy-USA for Aid and Development has been providing computer software training to individuals in towns throughout the Tuzla Canton. Three-month training courses are given in the leading basic office software, Windows, Microsoft Word and Excel.

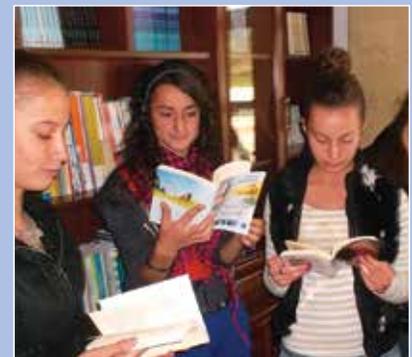
At the end of each training session, students are tested, and if they have mastered the required skills, they receive a certificate. As of December 2012, over 1,740 persons have graduated from this program.

In 2004, Mercy-USA initiated a series of intensive English language courses in Srebrenik Municipality in northeastern Bosnia. As of December 2012, approximately 900 persons have successfully completed these courses. Graduates of Mercy-USA's computer and English courses are also offered job search skills training. They are instructed on proper techniques for developing a resume, how to find job openings and interview skills.

## Aiding Displaced Families in Assam, India



In November 2012, Mercy-USA for Aid and Development, through our local partner Foundation for Economic and Educational Development (FEED), provided winter kits to 1,350 families (about 3,400 persons) that were displaced by flooding and communal riots in the Indian province of Assam. Each kit consisted of one blanket, one sheet and two pieces of clothing.



## Helping Children in Albania to Read to Succeed

Starting in 2011, Mercy-USA for Aid and Development began assisting schools in Albania to open or expand libraries. As of April 1, 2013, 18 elementary and middle schools have been provided with over 6,400 new books (about 50 different titles). Almost 6,000 children attending these schools have access to important reference material, novels, poems and short stories to broaden their horizons and encourage them to "Read to Succeed!"

## Seasonal Food Aid and Clothing Provided Around the World



During 2012, Mercy-USA for Aid and Development provided meat, rice, pasta, beans, cooking oil, flour, other food items and clothing to approximately 77,000 vulnerable persons. These distributions took place in Albania, Bangladesh, Bosnia, Egypt, India, Indonesia, Kenya, Lebanon, Somalia, Syria and the United

States, as well as to Syrian and Palestinian refugees in Lebanon. Mercy-USA distributed the above food items and clothing to orphans, the elderly, displaced individuals, refugees, persons with disabilities and those living in poverty. Food was provided as hot meals and food packages

during the Muslim fasting month of Ramadan, while the clothing was distributed as gifts during Eid ul-Fitr, the holiday that marks the end of the fast. Fresh qurbani meat was distributed during the Muslim holiday of Eid ul-Adha.

## Vocational Training for Orphans and At-Risk Palestinian Youth in Lebanon

Since 2008, Mercy-USA for Aid and Development has supported vocational training for Palestinian refugees in Lebanon. The project, focusing on orphans and other vulnerable youth and young adults, is being carried out in partnership with the Women's Program/ Community Development Centers in the Beddawi and Nahr Al-Bared Palestinian Refugee Camps near Tripoli. The vocational training courses, which range in length from two to nine months each, include pastry and sweet baking, ice cream making,

English language, photography and video production, office secretarial training, basic computer software, computer and cell phone maintenance, hair cutting/styling and sewing. Trainees are also given workshops on important life and social skills (respect for time, goal setting, personal and family responsibility, etc.), career planning and resume and job interview preparation, as well as employment search counseling. Additionally, Mercy-USA has provided the women's centers with electric generators, computers, other

office equipment, heat/air-conditioning units, and supplies specific for the training courses. As of February 2013, approximately 450 young adults had successfully graduated from the various courses. In addition, Mercy-USA has supported the summer and holiday activities carried out by the Nahr Al-Bared Women's Center. These activities for younger children have included field trips, handicraft/art classes and holiday parties. Over 4,000 children have participated in these various activities.





## Agriculture Education Center in Bosnia

Since 2007, Mercy-USA for Aid and Development has been operating an Agriculture Education Center (AEC) in the Brcko District of Bosnia. This AEC is being carried out in cooperation with Brcko district authorities, who donated approximately one acre of farmland, and the Agriculture Institute of Sarajevo, which is providing technical assistance.

The AEC project includes a 10,900 square-foot greenhouse and serves as a theoretical and practical training center for farmers in and around the Brcko District and students from the local agriculture school.

The AEC also distributes a portion of the seedlings grown in the greenhouse to vulnerable families. From 2009 to December 2012, Mercy-USA's AEC distributed over 80,600 tomato, cucumber, eggplant and melon seedlings to about 1,250 internally displaced families (about 4,200 persons) living in the greater Tuzla area. The vegetables and fruit produced from the seedlings have helped these vulnerable families to feed themselves.



*For many of these children, the two consistent meals provided by Mercy-USA are the only ones that they eat on a daily basis.*

## Helping School Children in Kenya

Since January 2007, Mercy-USA for Aid and Development, in partnership with the local community, has been providing daily breakfast and lunch to over 500 pre-school, kindergarten and primary school children in two schools in the Kariobangi slum area of Nairobi, Kenya. The objectives of this program are to improve the children's nutrition and to increase attendance, reduce dropout rates and improve overall academic performance, especially among girls.

**Watoto Weto School** This school focuses on orphans, whose parents died from HIV/AIDS. It has a total student population of over 200 children.

**Kariobangi Day Nursery School** This nursery school has over 250 children, ranging from three to six years of age. The daycare and education services provided allow the parents to work and support their families, while their children are cared for in a nurturing and stimulating environment.



## Helping Orphans in Albania

Mercy-USA for Aid and Development is carrying out three-month training courses for orphans in Tirana, Albania. The orphans are studying English or commonly used office computer software. The objective of these courses is to provide the orphans with knowledge that will assist them in achieving their academic goals and in finding employment. In addition, these young people are mentored by caring Mercy-USA staff members who teach essential life skills, and provide character development training that nurtures the whole child and teaches the values of honesty, hard work, and integrity. This character training encourages the orphans to avoid criminal responses to hardship, and gives them confidence to join the workplace after their schooling is complete.

The orphans are also being provided with a nutritious meal or snack during each class. From the program's inception in 2009 till December 2012, approximately 600 orphans in Albania have successfully completed these courses



## *Alan C. Young & Associates, P.C.*

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### INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Mercy-USA for Aid & Development, Inc.  
Plymouth, Michigan

#### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of Mercy-USA for Aid and Development, Inc (the Organization) and its overseas operations, which comprise the consolidated statements of financial position as of December 31, 2012 and 2011, and the related consolidated statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

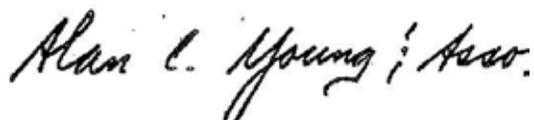
## Other Matters

### Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, statement of functional expense and other supplemental information as identified in the table of contents, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

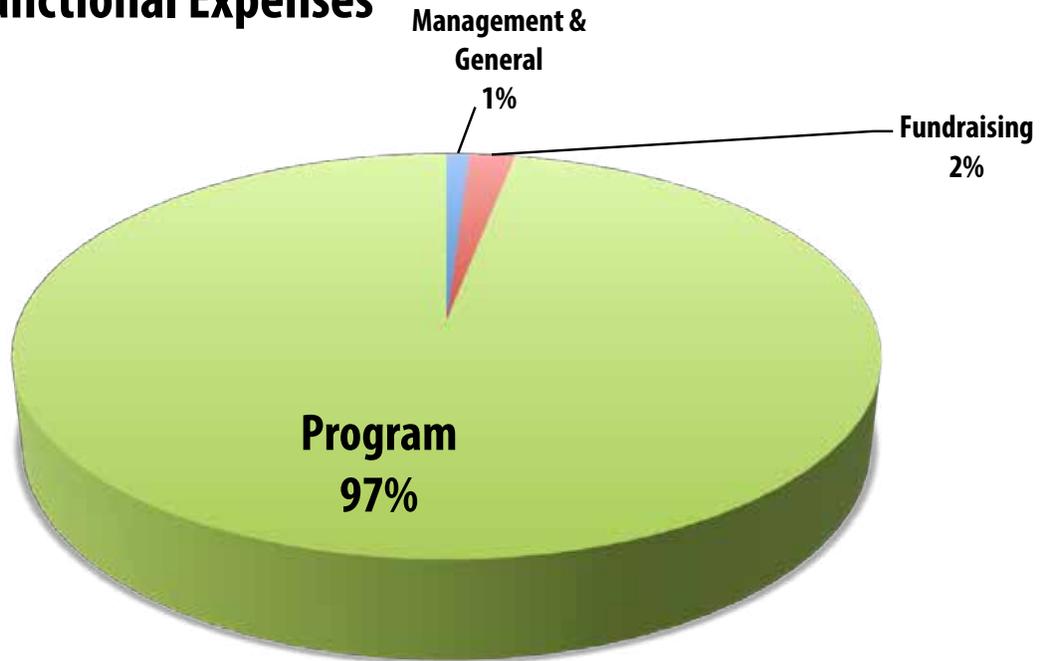
## Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated September 20, 2013 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Organization's internal control over financial reporting and compliance.



Detroit, Michigan  
September 20, 2013

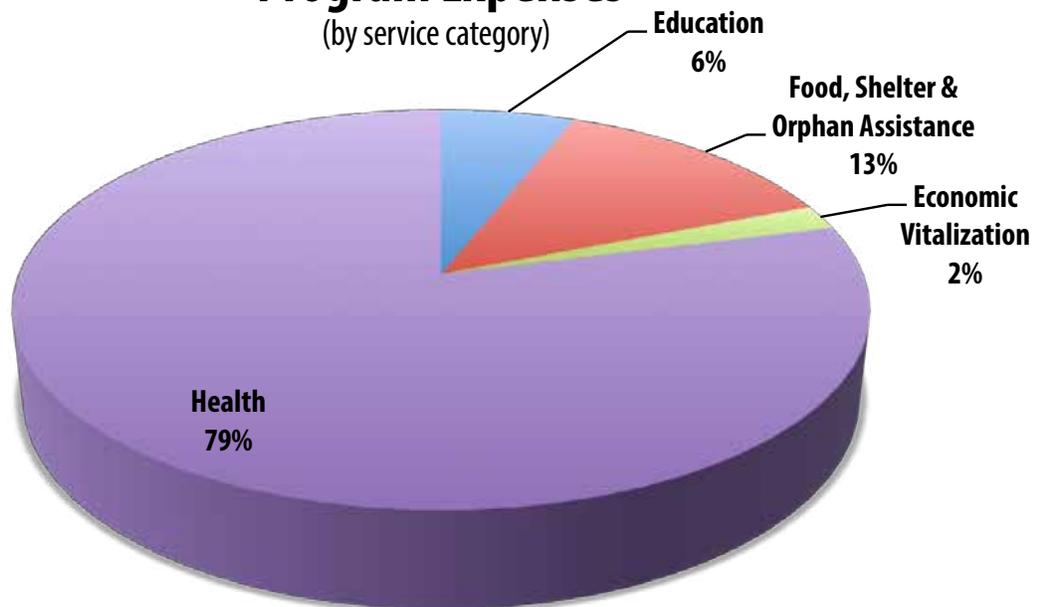
## Functional Expenses



January 1 to December 31, 2012

## Program Expenses

(by service category)



January 1 to December 31, 2012

## Mercy-USA for Aid & Development, Inc.

### Consolidated Statements of Financial Position December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and Cash Equivalents	\$ 3,291,369	\$ 4,429,330
Pledges & Accounts Receivable	730,988	81,067
Notes Receivable - Micro-Lending/SED	6,000	10,000
Prepaid Insurance & Expenses	10,377	10,037
<b>Total Current Assets</b>	<u>4,038,734</u>	<u>4,530,434</u>
<b>Fixed Assets:</b>		
Building, Vehicles, Furniture & Equipment	1,058,240	214,513
Less: Accumulated Depreciation	(195,656)	(153,418)
<b>Total Fixed Assets</b>	<u>862,584</u>	<u>61,095</u>
<b>Other Assets:</b>		
Security Deposits	500	5,600
<b>Total Other Assets</b>	<u>500</u>	<u>5,600</u>
<b>Total Assets</b>	<u>\$ 4,901,818</u>	<u>\$ 4,597,129</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities:</b>		
Accounts Payable	\$ 830,944	\$ 441,787
Deferred Revenue	356,861	298,311
Tenant Security Deposit	6,625	-
Accrued Payroll & Taxes	353	333
Advance Rent	1,283	-
<b>Total Current Liabilities</b>	<u>1,196,066</u>	<u>740,431</u>
<b>Net Assets:</b>		
Unrestricted	1,535,800	1,503,334
Temporarily Restricted	2,169,952	2,353,364
<b>Total Net Assets</b>	<u>3,705,752</u>	<u>3,856,698</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 4,901,818</u>	<u>\$ 4,597,129</u>

*The accompanying notes are an integral part of these financial statements.*

# Mercy-USA for Aid & Development, Inc.

## Consolidated Statements of Activities Years Ended December 31, 2012 and 2011

	2012			2011		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>SUPPORT AND REVENUE</b>						
Contributions From Public	\$ 333,002	\$ 2,305,999	\$ 2,639,001	\$ 289,949	\$ 2,922,376	\$ 3,212,325
US Agency for International Development (USAID)	-	3,032,110	3,032,110	-	1,987,460	1,987,460
United Nation (UN) Grants	-	1,620,833	1,620,833	-	850,808	850,808
Global Fund to Fight AIDS, Tuberculosis & Malaria (GFATM) Grants	-	273,899	273,899	-	267,782	267,782
Contribution In-Kind - UN agencies	-	2,099,922	2,099,922	-	744,324	744,324
Rental Income	27,769	-	27,769	-	-	-
Dividend Income	3,458	-	3,458	5,667	-	5,667
Gain on Foreign Currency Fluctuation	19,121	-	19,121	22,541	-	22,541
Gain on Sale of Equipment	110	-	110	-	-	-
Program Fees	1,000	-	1,000	-	-	-
<b>Net Assets Released From Restrictions:</b>						
Satisfaction of Service Restrictions	9,516,175	(9,516,175)	-	6,269,339	(6,269,339)	-
<b>Total Support and Revenue</b>	<b>\$ 9,900,635</b>	<b>\$ (183,412)</b>	<b>\$ 9,717,223</b>	<b>\$ 6,587,496</b>	<b>\$ 503,411</b>	<b>\$ 7,090,907</b>
<b>EXPENSES</b>						
<b>Program Services:</b>						
Food, Shelter and Orphan Assistance	\$ 1,224,989	\$ -	\$ 1,224,989	\$ 574,452	\$ -	\$ 574,452
Economic Vitalization	205,726	-	205,726	265,929	-	265,929
Health	7,528,404	-	7,528,404	5,278,161	-	5,278,161
Education	606,457	-	606,457	446,626	-	446,626
<b>Total Program Services</b>	<b>9,565,576</b>	<b>-</b>	<b>9,565,576</b>	<b>6,565,168</b>	<b>-</b>	<b>6,565,168</b>
<b>Supporting Services:</b>						
Management and General	134,882	-	134,882	121,347	-	121,347
Fund Raising	167,711	-	167,711	207,836	-	207,836
<b>Total Supporting Expenses</b>	<b>302,593</b>	<b>-</b>	<b>302,593</b>	<b>329,183</b>	<b>-</b>	<b>329,183</b>
<b>Total Expenses</b>	<b>9,868,169</b>	<b>-</b>	<b>9,868,169</b>	<b>6,894,351</b>	<b>-</b>	<b>6,894,351</b>
Change In Net Assets	32,466	(183,412)	(150,946)	(306,855)	503,411	196,556
Net Assets - Beginning of Year, as Restated	1,503,334	2,353,364	\$3,856,698	1,810,189	1,849,953	\$3,660,142
<b>Net Assets - End of Year</b>	<b>\$ 1,535,800</b>	<b>\$ 2,169,952</b>	<b>\$ 3,705,752</b>	<b>\$ 1,503,334</b>	<b>\$ 2,353,364</b>	<b>\$ 3,856,698</b>

The accompanying notes are an integral part of these financial statements.

## Mercy-USA for Aid & Development, Inc.

### Consolidated Statements of Cash Flows Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (150,946)	\$ 196,556
Adjustments to reconcile Change in Net Asset to Cash Provided by (Used in) Operations:		
Loss (Gain) on Disposal of Assets	(46)	15
Depreciation	53,287	20,561
<b>Change in:</b>		
Repayments from/(Payments for) Notes Receivable	4,000	2,000
Prepaid Insurance and Expenses	(340)	105
Pledges and Accounts Receivable	(649,921)	47,179
Other Assets	5,100	-
Accounts Payable	389,157	175,459
Deferred Revenue	58,550	298,311
Accrued Payroll and Taxes	20	(58,896)
Other Liabilities	7,908	-
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>(283,231)</u>	<u>681,290</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Equipment/Building	(854,840)	(48,267)
Proceeds from Sale of Assets	110	549
<b>Net Cash Used in Investing Activities</b>	<u>(854,730)</u>	<u>(47,718)</u>
Increase (Decrease) in Cash	(1,137,961)	633,572
Cash and Cash Equivalents - Beginning of Year	<u>4,429,330</u>	<u>3,795,758</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$ 3,291,369</u>	<u>\$ 4,429,330</u>

*The accompanying notes are an integral part of these financial statements.*

**Mercy-USA for Aid & Development, Inc.**

Notes to Financial Statements  
December 31, 2012 and 2011

1) **NATURE OF ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of Activity

Mercy-USA for Aid & Development, Inc. (the Organization) is a nonprofit organization exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code. It was incorporated in the State of Michigan on September 23, 1988. The organization is also licensed by the States of Michigan, Illinois, New Jersey and California to solicit public funds. Mercy-USA is involved in the relief and development for individuals and communities providing economic revitalization, health care, food and shelter and education mainly in Kenya, Somalia, Bosnia, Indonesia, Lebanon and Albania and also in the United States and other countries around the world with the help of the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM), United States Agency for International Development (USAID), United Nations Food and Agriculture Organization (FAO), United Nations Children Fund (UNICEF), World Food Program (WFP) and other United Nations grants as well as through public contributions.

Basis of Accounting

The financial statements of Mercy-USA for Aid & Development, Inc. have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

The financial statements include the amounts of the Organization and its various overseas locations. All significant inter-branch transactions and accounts are eliminated.

Translation of Currencies

Financial statements in currencies other than United State dollars are revalued for accounting as per FASB Accounting Standards Codification Topic 830, *Foreign Currency Matters*. The adjustments for currency exchange rates are included in the net income for those transactions that impact cash flow and are excluded for those that do not.

Financial Statement Presentation

In accordance with accounting standards applicable to not-for-profit organizations, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

To ensure proper usage of restricted and unrestricted assets, the Organization maintains its accounting according to fund accounting principles. The assets, liabilities and net assets are classified in accordance with specified restrictions and objectives. The Organization's funds are described below and are placed in the following categories:



*Qurbani meat distribution in Somalia*

**Mercy-USA for Aid & Development, Inc.**

Notes to Financial Statements (Continued)  
December 31, 2012 and 2011

1) **NATURE OF ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Unrestricted Fund:

Unrestricted net assets are those currently available for use of the Organization Board, and the resources invested in fixed assets. These assets are accounted for internally in the general operating fund.

Temporarily Restricted Fund:

Temporarily restricted net assets are those assets received with donor stipulations that limit the use of the donated assets. When stipulated time restrictions expire or purpose restrictions are accomplished, these net assets are reclassified as unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

The Organization does not have any permanently restricted net assets.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence or the nature of any donor restrictions.

Certain restricted contributions are required to be reported as temporarily restricted support and are then reclassified to unrestricted net assets upon expiration of the donor restrictions.

Contributions, including unconditional promises to give, are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor.

Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give due in subsequent years are reported at the present value of their net realized value, using risk-free interest rates applicable to the years in which the promises are to be received.

Income Taxes

Accounting Standards Codification Topic, *Accounting for Uncertainty in Income Taxes*, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Organization may recognize the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and accounting interim periods. The Organization's federal tax returns for the prior three years remain subject to examination by the Internal Revenue Service.

**Mercy-USA for Aid & Development, Inc.**

Notes to Financial Statements (Continued)  
December 31, 2012 and 2011

1) **NATURE OF ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
(Continued)

Grants

Grant support is recognized as revenue when expenditures are incurred for the specific purpose established under the grant agencies.

Functional Allocation of Expenses

The cost of providing the various programs and other activities has been summarized on a program basis in the statement of activities. Costs are allocated between fund raising, management and general and the appropriate program based on evaluations of the related benefits. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide the overall support and direction of the Organization.

Cash and Cash Equivalents

Cash includes cash on hand and cash in checking and savings accounts. For financial statement purposes, Mercy-USA for Aid & Development, Inc. considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents. Cash equivalents are carried at cost, which approximates market value.

Fixed Assets

Fixed assets are stated at cost if purchased or, at fair market value when received as contributions. Depreciation is recorded on a straight-line basis over the estimated useful life of the assets. Costs of normal repair and maintenance that do not add to the value or materially extend asset life are not capitalized. Assets with an individual cost of \$ 250 and over are capitalized.

Use of Estimates

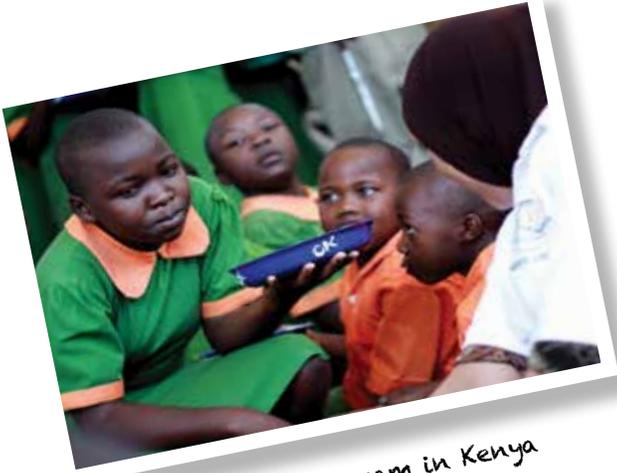
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. This will affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

2) **CASH AND CASH EQUIVALENTS**

The total cash held by the Organization at December 31, 2012, includes \$456,265 not covered by insurance provided by the Federal Deposit Insurance Corporation. As of December 31, 2011 the uninsured amount was \$1,038,491. Federal insurance limits decreased on January 1, 2013 to a maximum of \$250,000 for all accounts.



*Food Aid for Syrian Refugees in Turkey*



*School feeding program in Kenya*

**Mercy-USA for Aid & Development, Inc.**

Notes to Financial Statements (Continued)  
December 31, 2012 and 2011

3) **PROGRAM AND SUPPORTING SERVICES**

Mercy-USA for Aid & Development, Inc.'s program and supporting services are as follows:

Program Services

Economic Vitalization

The provision of ways for needy individuals and their communities to sustain themselves and to improve their quality of life; and assistance in reviving the economies of communities devastated by natural and man-made disasters.

Health Services

The improvement of individual and community health through education, immunization, nutrition support, safe water, hygiene, sanitation and other preventive measures. It also includes the operation or funding of clinics, hospitals, and other health care institutions; improvement, rehabilitation and renovation of the existing health care infrastructure; and the provision of medicines, medical supplies and medical equipment to health care facilities.

Food and Shelter

The provision of all types of food and shelter, winterization materials, and necessary household and personal items.

Orphan Assistance

The orphan assistance includes specific projects or other assistance for orphans around the world.

Education

The improvement of attendance and academic performance, especially among girls, through daily school lunch programs. It also includes construction of school buildings, as well as repairs and renovations to existing schools. Additionally, the provision of vocational and technical training especially to orphans and other vulnerable children and youth.

Management and General

Includes the services necessary to maintain an adequate working environment, provide proper administrative support for the Organization's programs, and manage the financial and budgeting responsibilities of the Organization.

Fundraising

Provides the structure necessary to encourage and secure support from individuals and organizations.

## Mercy-USA for Aid & Development, Inc.

Notes to Financial Statements (Continued)  
December 31, 2012 and 2011

### 4) CONTRIBUTIONS IN-KIND

These consist of food, medicines and medical supplies etc. provided by UNICEF and World Food Program for distribution to needy people. The amounts recognized in the statement of activities are based on fair value of the goods received at the time of donation. The Organization received \$2,099,922 and \$744,324 in fiscal years 2012 and 2011, respectively.

### 5) PLEDGES AND ACCOUNTS RECEIVABLE

Accounts receivable consist of Somalia/Kenya grant funding receivable from the USAID and the United Nations Grant agencies. Details of Accounts Receivable as of December 31, 2012 and 2011 are as follows:

	<u>2012</u>	<u>2011</u>
Grants Receivable	\$ 709,527	\$ 75,364
Pledges Receivable	21,461	5,703
	<u>\$ 730,988</u>	<u>\$ 81,067</u>

### 6) FIXED ASSETS

Fixed assets are comprised of the following:

	<u>2012</u>	<u>2011</u>
Automobiles	\$ 75,129	\$ 75,129
Office Equipment	133,563	106,199
Office Furniture	11,194	13,301
Audio Visual Equipment	8,464	9,661
Building	820,000	-
Others	9,890	10,223
	<u>1,058,240</u>	<u>214,513</u>
Less: Accumulated Depreciation	<u>(195,656)</u>	<u>(153,418)</u>
<b>Total</b>	<u>\$ 862,584</u>	<u>\$ 61,095</u>

In fiscal year 2012, the Organization acquired the commercial building that it had been renting for several years in the past at a cost of \$ 820,000. As part of the purchase agreement, all other tenant leases were taken over by the Organization.

**Mercy-USA for Aid & Development, Inc.**

**Notes to Financial Statements (Continued)**  
December 31, 2012 and 2011

6) **FIXED ASSETS (Continued)**

The security deposits from all tenants were also transferred to the Organization. No borrowings or loan was obtained towards the purchase of the building. In addition, the Organization had asset disposals of \$11,113 resulting in a net gain on disposal of \$46.

The depreciation for the years ended December 31, 2012 and 2011 was \$ 53,287 and \$20,561 respectively.

7) **PENSION PLAN**

The Organization started a 401(k) pension plan on January 1, 2000 for all employees in the headquarters in the USA, who have attained the age of 20 ½ years. Employees may join the plan on January 1 or July 1 that coincides with or follows the date of employment after the completion of one year of service. The employer provides a 50% match on eligible employee contributions to the plan up to a maximum allowable by the plan. The Organization contributed \$9,682 in fiscal years 2012 and 2011, respectively, to the plan.

8) **RELATED PARTY TRANSACTIONS**

The Organization partners with Mercy-USA for Aid & Development, (Canada) towards providing relief and development activities. For the years ended December 31, 2012 and 2011 the Organization, collected \$68,208 and \$38,737 respectively, on behalf of Mercy-USA for Aid & Development, (Canada) and received \$87,204 and \$61,594, respectively, from Mercy-USA for Aid & Development, (Canada). As at December 31, 2012, an amount of \$ 280 was payable to Mercy- USA for Aid and Development, (Canada) and no amount was receivable from them.

9) **TEMPORARILY RESTRICTED NET ASSETS**

Net assets were released from donor restrictions by incurring expenses satisfying the purpose specified by donors as follows:

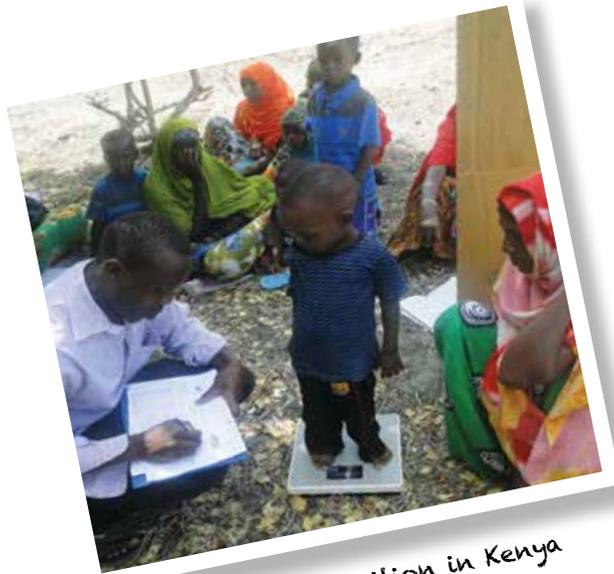
Purpose restriction accomplished:

Albania Programs	\$ 85,257
Bosnia Programs	91,409
Indonesia Programs	108,436
Lebanon Programs	182,669
Somalia & Kenya Programs	7,559,351
Syria Programs	957,351
Gaza Programs	372,512
Bangladesh Programs	90,136
United States Programs	15,466
India Programs	35,530
Other Programs	18,058
<b>Total Restrictions Released</b>	<b>\$ 9,516,175</b>

Temporarily restricted net assets are available for specific programs and have a balance of \$2,169,952 and \$2,353,364 at December 31, 2012 and 2011 respectively.



*Agriculture Education Center in Bosnia*



*Fighting Malnutrition in Kenya*

**Mercy-USA for Aid & Development, Inc.**

**Notes to Financial Statements (Continued)**  
December 31, 2012 and 2011

10) **CONTINGENCY**

The Organization is the recipient of several grants. The expenditures for each program are subject to audit by appropriate agencies. Any disallowed claims, including amounts already collected, may constitute a liability. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Organization expects such amounts, if any to be immaterial.

11) **PRIOR PERIOD ADJUSTMENT**

During fiscal year ended December 31, 2012, the Organization identified certain errors in the previously reported temporarily restricted net asset balance which resulted in temporarily restricted net assets being understated by \$789,744. Although, the total net assets balance did not change, the balances in Unrestricted and Temporarily restricted net assets for prior years changed. The errors identified related to fiscal year 2011 and prior. To correct this error, a prior period adjustment is made to properly state the beginning net assets for 2011.

	<b>Unrestricted Net Assets</b>	<b>Temporarily Restricted Net Assets</b>	<b>Total</b>
As Previously Reported at 12/31/2010	\$ 2,599,933	\$ 1,060,209	\$ 3,660,142
Reclassification Adjustment	(789,744)	789,744	-
Amounts as restated, 12/31/2010	<b>\$ 1,810,189</b>	<b>\$ 1,849,953</b>	<b>\$ 3,660,142</b>

12) **SUBSEQUENT EVENTS**

The Organization has evaluated events through September 20, 2013 the date that the accompanying financial statements were available to be issued. No significant subsequent event was noted that required adjustment or disclosure in the financial statements.

**Mercy-USA for Aid & Development, Inc.**

**Statement of Functional Expenses  
Year Ended December 31, 2012  
(With Combined Comparative Totals for 2011)**

Expenditures	Food, Shelter & Orphan Assistance	Economic Vitalization	Health	Education	Total Program Services	Management & General	Fund Raising	Total Expenditures	2011 Total Expenditures
Grants	\$ 81,014	\$ -	\$ -	\$ 412,975	\$ 493,989	\$ -	\$ -	\$ 493,989	\$ 608,915
Salaries & Wages	128,874	83,395	1,785,457	57,203	2,054,929	53,790	8,518	2,117,237	1,360,447
Employee Benefits	2,891	14,419	157,176	-	174,486	15,640	-	190,126	99,513
Advertising & Promotion	-	-	-	-	-	810	104,559	105,369	146,049
Transportation Expenses	6,750	13,325	910,381	4,296	934,752	1,055	-	935,807	840,901
Commercial Insurance	-	-	-	-	-	1,877	-	1,877	1,483
Conference, Meeting & Seminars	1,960	449	2,008	-	4,417	685	-	5,102	2,834
Consultants & Other Professional Services	5,200	1,605	6,000	10,047	22,852	1,564	1,100	25,516	65,114
Dues, Subscriptions, Fees, etc.	6,388	-	164	-	6,552	3,033	-	9,585	3,475
Legal	2,620	1,679	290	-	4,589	330	-	4,919	6,022
Accounting	-	-	23,475	-	23,475	3,417	-	26,892	14,300
Occupancy & Warehousing	5,219	7,242	143,134	7,316	162,911	5,499	-	168,410	121,740
Postage & Shipping, etc.	-	432	2,662	381	3,475	4,185	5,899	13,559	25,217
Printing & Copying	953	119	504	267	1,843	1,324	12,961	16,128	14,124
Program Materials	869,256	48,419	3,751,860	72,818	4,742,353	-	-	4,742,353	2,854,442
Telephone	2,043	2,630	60,896	1,563	67,132	2,843	-	69,975	52,853
Travel	50,924	15,487	178,715	4,244	249,370	2,057	7,056	258,483	124,952
Bank Charges/Currency Adjustment	14,471	1,254	59,939	1,293	76,957	493	27,618	105,058	105,285
Office Supplies and Equipment	2,995	2,580	113,133	1,237	119,945	2,984	-	122,929	83,768
Payroll Taxes	-	-	1,435	-	1,435	4,139	-	5,574	4,849
Loss on Sale of Assets	-	-	-	-	-	64	-	64	15
Indirect cost	43,431	10,724	310,306	31,459	395,920	-	-	395,920	337,492
Depreciation	-	1,967	20,869	1,358	24,194	29,093	-	53,287	20,561
<b>Total</b>	<b>\$ 1,224,989</b>	<b>\$ 205,726</b>	<b>\$ 7,528,404</b>	<b>\$ 606,457</b>	<b>\$ 9,565,576</b>	<b>\$ 134,882</b>	<b>\$ 167,711</b>	<b>\$ 9,868,169</b>	<b>\$ 6,894,351</b>

**Mercy-USA for Aid & Development, Inc.**

**Supplemental Statement of Revenue and Program Expenses  
Year Ended December 31, 2012  
(With Combined Comparative Totals for 2011)**

	ALBANIA	LEBANON*	BOSNIA	INDONESIA	SOMALIA & KENYA	SYRIA	BANGLADESH	GAZA	INDIA	USA	OTHERS**	NOT DESIGNATED	TOTAL	TOTAL 2011
<b>REVENUES</b>														
Contributions from Public:														
General	\$ 5,810	\$ 5,487	\$ 3,179	\$ 3,060	\$ 222,531	\$ 880,788	\$ 9,246	\$ 18,968	\$ 3,695	\$ 466	\$ 39,604	\$ 333,002	\$ 1,525,836	\$ 2,262,703
Food Aid	10,000	28,000	10,000	16,000	58,633	72,448	19,000	-	14,000	15,000	14,587	-	257,668	227,271
Orphan Fund	10,540	50	4,958	950	2,100	-	-	-	-	-	-	-	18,596	18,809
Zakat	60,000	150,000	5,000	30,000	25,000	335,414	10,000	200,000	17,000	-	4,487	-	836,901	703,542
US Government Grants														
US Agency for International Development (USAID)	-	-	-	-	3,032,110	-	-	-	-	-	-	-	3,032,110	1,987,460
United Nations (UN) Grants	-	-	-	-	1,620,833	-	-	-	-	-	-	-	1,620,833	850,808
Global Fund to Fight AIDS, Tuberculosis & Malaria (GFATM) Grants	-	-	-	-	273,899	-	-	-	-	-	-	-	273,899	267,782
Gifts In Kind - UN Agencies	-	-	-	-	2,099,922	-	-	-	-	-	-	-	2,099,922	744,324
Rental Income	-	-	-	-	-	-	-	-	-	-	-	27,769	27,769	-
Dividend Income	-	-	-	-	-	-	-	-	-	-	-	3,458	3,458	5,667
Gain/Loss on Foreign Currency Fluctuation	-	-	-	-	-	-	-	-	-	-	-	19,121	19,121	22,541
Gain/Loss on Sale of Equipment	-	-	-	-	-	-	-	-	-	-	-	110	110	-
Program Fees	-	-	-	-	-	-	-	-	-	-	-	1,000	1,000	-
<b>Total Revenues</b>	<b>\$ 86,350</b>	<b>\$ 183,537</b>	<b>\$ 23,135</b>	<b>\$ 50,010</b>	<b>\$ 7,335,028</b>	<b>\$ 1,288,650</b>	<b>\$ 38,246</b>	<b>\$ 218,968</b>	<b>\$ 34,695</b>	<b>\$ 15,466</b>	<b>\$ 58,678</b>	<b>\$ 384,460</b>	<b>\$ 9,717,223</b>	<b>\$ 7,090,907</b>
<b>EXPENDITURES</b>														
Program Services:														
Food, Shelter & Orphan Assistance	\$ 14,842	\$ 58,494	\$ 14,707	\$ 20,784	\$ 113,208	\$ 917,120	\$ 19,927	\$ -	\$ 35,530	\$ 15,675	\$ 14,702	\$ -	\$ 1,224,989	\$ 574,452
Economic Vitalization	8,909	-	61,110	135,707	-	-	-	-	-	-	-	-	205,726	265,929
Health	-	59,408	-	-	7,425,409	40,231	-	-	-	-	3,356	-	7,528,404	5,278,161
Education	61,506	64,767	15,592	1,137	20,734	-	70,209	372,512	-	-	-	-	606,457	446,626
<b>Total Program Services</b>	<b>\$ 85,257</b>	<b>\$ 182,669</b>	<b>\$ 91,409</b>	<b>\$ 157,628</b>	<b>\$ 7,559,351</b>	<b>\$ 957,351</b>	<b>\$ 90,136</b>	<b>\$ 372,512</b>	<b>\$ 35,530</b>	<b>\$ 15,675</b>	<b>\$ 18,058</b>	<b>\$ -</b>	<b>\$ 9,565,576</b>	<b>\$ 6,565,168</b>

\* Includes Palestinian refugees in Lebanon.  
\*\* Includes Egypt, Libya, Yemen and Pakistan

Independent Financial Auditors  
Alan C. Young & Associates, P.C.  
Certified Public Accountants

# Join Mercy-USA in "Helping People Help Themselves"<sup>TM</sup>

In addition to your one-time charitable donation, there are easy ways to donate that will benefit people in need around the world. Consider joining Mercy-USA in this vital effort with a sustaining gift:

## Automatic Giving Program

A gift of your choice can be automatically deducted monthly from your bank or major credit card account, (please clip the adjoining form and mail it along with a voided check).

## Employee Matching Program

Encourage your employer to match your donation.

## Stocks

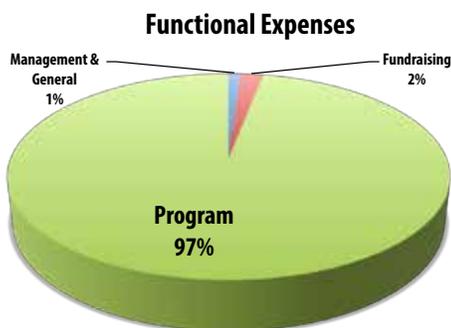
Mercy-USA accepts stocks as a charitable contribution.

## Make a Bequest

Remember Mercy-USA's mission in your will and make a bequest to benefit some of the world's most vulnerable people we serve.

## Be an Advocate for Mercy-USA's Mission

Volunteer in your community to promote Mercy-USA's work. Call us for details on how you can get involved!



January 1 to December 31, 2012

**1-800-55MERCY**  
(1-800-556-3729)

## Contribution / Pledge Form

*We cannot process your donation without your personal information!*

\_\_\_\_\_  
First Name Last Name

\_\_\_\_\_  
Street Address Apt/Ste#

\_\_\_\_\_  
City State/Province Zip/Postal Code Country

\_\_\_\_\_  
Work Phone Cell Phone Home Phone E-mail

**One Time Donation** \$ \_\_\_\_\_

**Monthly Donation**  \$10  \$25  \$50  \$100  \$250  Other \$ \_\_\_\_\_

**Check**

**Credit Card** (Fill out Credit Card Section)

**Bank Auto Withdrawal** (Fill out Banking Information Section)

**Pledge** \$ \_\_\_\_\_

*I give my permission to Mercy-USA/Mercy-USA (Canada) to withdraw from my Credit Card or Bank Account the amount I have indicated above. I also understand that I may change or end a monthly donation agreement at any time with a written notice.*

### Credit Card Information (Charged in US Currency)

Account No. \_\_\_\_\_

Expiration Date \_\_\_\_\_ Sec. Code \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

### Banking Information (For Banks in the US Only)

*Please include a voided check to avoid any delays due to inaccurate data.*

Checking Account  Savings Account

Bank Route(ABA) No. (9 digits) \_\_\_\_\_

Account No. \_\_\_\_\_

Starting with the \_\_\_\_\_ / \_\_\_\_\_ / 20

Signature \_\_\_\_\_

Date \_\_\_\_\_

Kindly send your tax deductible donation made payable to:

**Mercy-USA for Aid and Development, US Federal Tax # 38-2846307**  
44450 Pinetree Drive, Suite 201, Plymouth, MI 48170-3869

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**Mercy-USA for Aid and Development** is a nonprofit relief and development organization dedicated to alleviating human suffering and supporting individuals and their communities in their efforts to become more self-sufficient. Incorporated in 1988, Mercy-USA's projects focus on improving health, nutrition and access to safe water, as well as promoting economic and educational growth around the world.

- Registered with the United States Agency for International Development (USAID)
- Special Consultative Status with the United Nations
- Member of InterAction

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### Other Mercy-USA Offices

Tirana, Albania

Tuzla, Bosnia

Medan, Indonesia

Kenya, Nairobi

Tripoli, Lebanon

Mogadishu, Somalia

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