# 2024 Annual Report


Mercy-USA®

Mercy-USA for Aid and Development

# 2024 Annual Report




Mercy-USA®
Mercy-USA for Aid and Development
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# Food Security


In Gaza, Yemen and Lebanon, Mercy-USA provided urgently needed food aid in response to emergencies caused by armed conflict.

In Yemen, monthly food baskets were distributed in the Marib, Taiz, Aden and Lahj regions; locations that were hardest hit by hunger.

Because thousands of Gazans were displaced from their homes and lacked any means for cooking Mercy-USA and our partner on the ground, the Agricultural & Environmental Development Society (AED), provide them with daily hot meals as well as fresh produce when available. Mercy-USA also refitted a well in the city to serve fresh water to families.

When southern Lebanon came under attack from Israel, tens of thousands fled to the north for safety. Mercy-USA provided emergency food rations to these families as they arrived with nothing more than the clothes on their back.

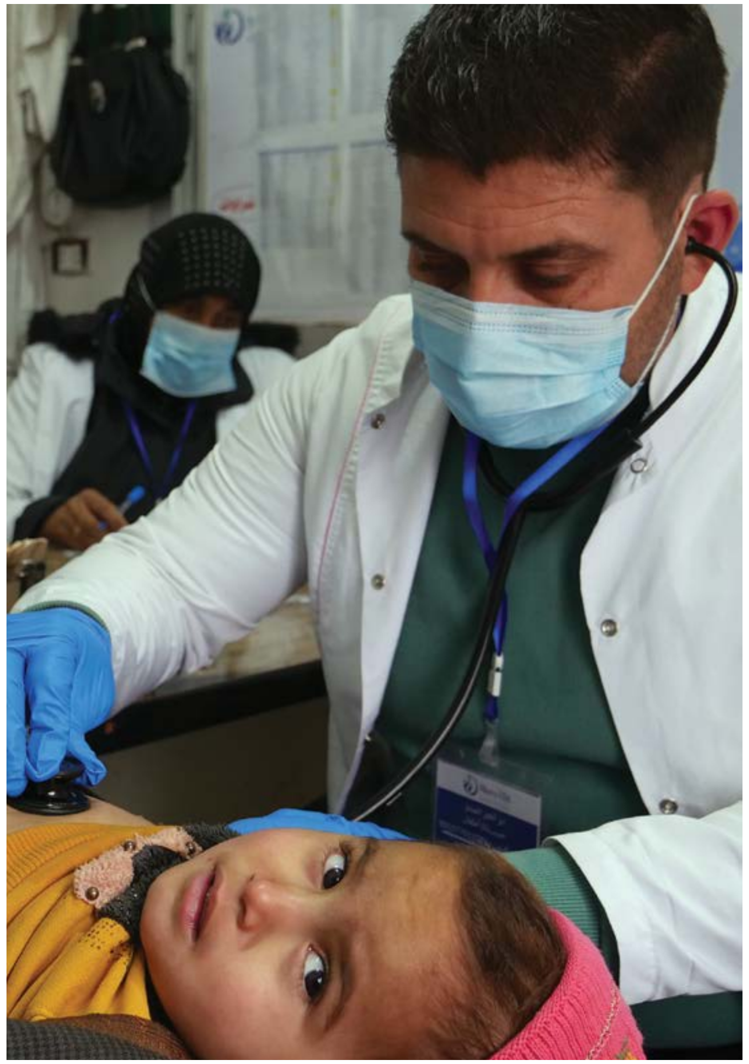
# Nutrition Programs

Mercy-USA provided free healthcare and nutrition support to extremely poor families in Lebanon. We screened mothers and children for malnutrition and provided free health and nutrition support, including prenatal care for pregnant moms.

Breastfeeding education programs helped new mothers understand the importance of breastfeeding their infants and babies for the first two years.

In Somalia, Mercy-USA operated nutrition centers across the country. Annually, these centers treated thousands of malnourished children under the age of 5, as well as pregnant women and nursing mothers.

# Healthcare



Mercy-USA's Kelly Primary Health Care Center in Idlib province in Syria delivered pre-and post-natal care, birthing services, nutrition screening as well as basic medical services for children under 5. Adults also received care for chronic ailments and psychosocial care. The clinic offered a pharmacy and an advanced diagnostic lab.

With generous grants from the United Nations Children's Fund (UNICEF) and the United Nations Office for the Coordination of Humanitarian Affairs (OCHA)'s Somalia Humanitarian Fund, Mercy-USA helped tens of thousands of people in Somalia. We operated more than two dozen Mother and Child Health Clinics offering healthcare to mothers and their children. Women found qualified healthcare providers free of charge for themselves and their children, as well as vital health services including birthing services, pre- and post-natal care, immunizations and more.

In Lebanon, Mercy-USA operated a mobile medical unit in the mountain valley of Wadi Khalid in the northern part of Lebanon. The population of this under-served area included Lebanese host families and Syrian refugee families living side by side with one thing in common: they all struggled mightily to make ends meet. Skyrocketing healthcare costs had been a major stressor on the poor in Lebanon.


# Safe Water and Sanitation

Since 1994, Mercy-USA has dug or rehabilitated over 800 wells in Somalia where factors such as climate change and armed conflict have created a perfect storm of suffering. Lack of clean, drinkable water has a tremendous negative impact on communities, especially the most vulnerable, children under five.

In addition to wells being dug throughout the country in 2024, Mercy-USA instituted a water provision system that ensured 150 households received a daily allocation of 45 liters of clean and safe drinking water. This purified water served a family's daily water needs.

Clean water is not only essential for drinking, it's vital for overall health and hygiene of a family living in difficult circumstances like an IDP camp. In response to this critical need, Mercy-USA, with the generous support of European Civil Protection and Humanitarian Aid Operations, ECHO successfully executed a vital water tank project. This endeavor promptly addressed the acute need for clean water within the Teedan location. Through the implementation of the water tank infrastructure, more than 7,000 individuals residing in the district, alongside pastoralist communities in the village's outskirts, now have reliable access to an adequate supply of clean water.

Mercy-USA , with the generous support from ECHO also initiated a sanitation and hygiene project that included bathing stations in three camps for internally displaced persons. They were structured to provide a dignified environment for women and girls to bathe comfortably without risk to their safety or dignity. These installations effectively met their pressing need for privacy and safety in a less than ideal context of an IDP camp.


After October 7th, 2023, the humanitarian crisis in Gaza grew worse with every passing day, including the need for clean, drinkable water. Mercy-USA has restored and upgraded and maintained a well in 2024 that was equipped with a solar-powered pump and storage system that provides clean, fresh water for families in the Bahr al-Nuseirat area in central Gaza.

# Shelter and Agriculture

With generous support from The United Nations High Commissioner for Refugees, UNHCR, Mercy-USA built 150 dignified shelter homes for displaced Syrians in Northwest Syria.

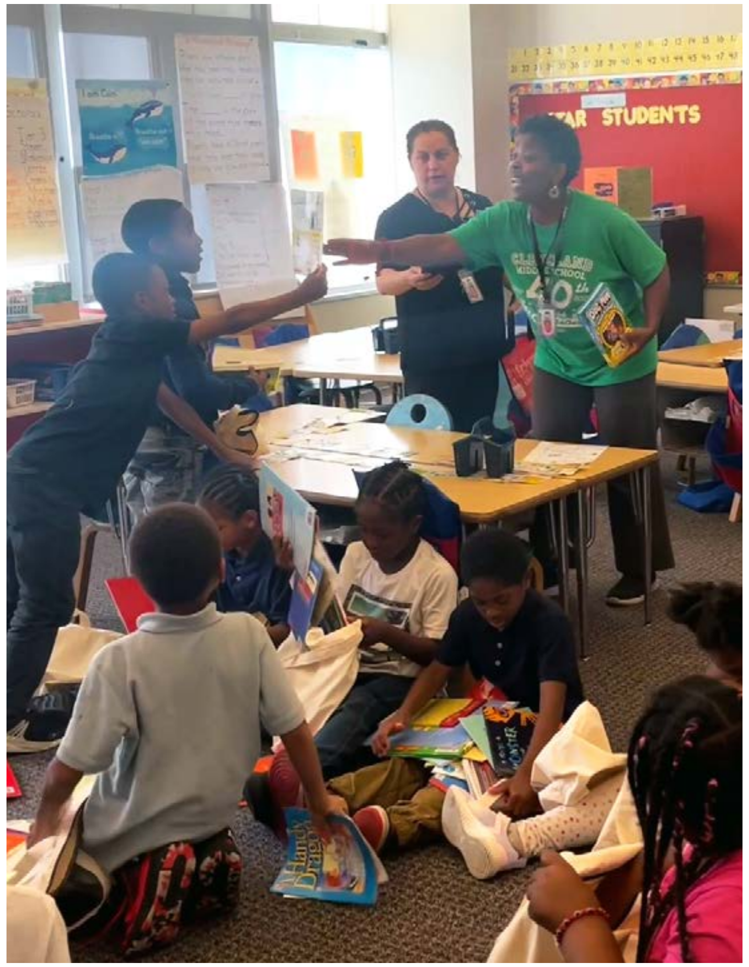
These planned shelter communities provided safe, clean homes for families featuring block walls, a sandwich panel roof, and all accompanying services, including paved courtyards and roads, exterior lights, fresh water networks, sewage infrastructure services, drinking water tank, and security fencing. Larger families with seven or more members received a three room shelter and smaller households received a two room home.


The Mercy-USA for Aid and Development Livelihood Project is a comprehensive initiative aimed at enhancing the resilience and self-sufficiency of Rohingya refugees on Bhasan Char island, Bangladesh. The project integrated livelihood support, food security measures, and essential services to improve the quality of life for vulnerable families, promoting sustainability and dignity.

The project engaged families in vegetable cultivation, equipping them with the skills and resources necessary to grow vegetables for both consumption and income generation. Families were provided with seeds, tools, and training to maximize yield and diversify crops.

To further address food insecurity and promote sustainable nutrition, the project introduced fish farming in a local lake. In 2023, 6,000 small fish were released into the lake, fostering the growth of a sustainable aquatic ecosystem. By October 2024, the fish farming initiative resulted in the distribution of more than a ton of fish to refugee families on the island of Bhasan Char.

# Education



Because Mercy-USA believes that helping to build resilient communities begins with children, and because strong literacy skills are crucial for a child's success, our Lanterns for Literacy program was launched to provide thousands of books to young readers in Michigan.

Taking advantage of the overlap between National Reading Month and Ramadan, our Lanterns for Literacy program was able to provide more than 8,300 new and like-new books to emerging readers in Wayne County in Michigan.

Thanks to the incredible generosity of the local community, over 60% of these books were donations from bookstores, schools, student groups and houses of worship. As a Scholastic Literacy Partner, Mercy-USA contributed the rest by purchasing over 3,000 books.

Through multiple events, more than 60 volunteers sorted and packaged these books into Mercy-USA Literacy Kits. Each kit contained at least 15 books, and thanks to the collective effort of our volunteers, the kits had books for students to improve on their own as well as titles that families would enjoy reading together. We hope that these books will be a catalyst toward bringing and enjoying more books into the home either through bookstores or the public or school libraries.

Our partnerships with Detroit Public Schools and local shelters allowed us to distribute these kits to 500 families, directly benefiting children in their communities.





Albania struggles to provide the most vulnerable students with educational opportunities on par with their wealthier schoolmates. Mercy-USA worked hard to fill the gaps for thousands of disadvantaged students throughout the years.

Roma families living in Albania were encouraged to ensure their children had regular attendance in school by providing the family with a monthly food basket.

Mercy-USA has supported students with free after-school tutoring in English and in computer skills, both an absolute necessity for college admission. The students this program helped were those whose parents were not able to afford private tuition.

Our Read to Succeed program provided books to libraries in Albania's under-served public schools where access to literature and reference titles were slim to none.

# Emergency Relief

When Israel began bombing southern Lebanon in the aftermath of October 7th, tens of thousands of Lebanese fled their homes for safety in the north of the country. Mercy-USA quickly implemented a mobile kitchen and provided hot meals for the displaced who were exhausted, frightened and hungry.

During October 2024, 2000 Rohingya refugees arrived in Bhasan Char, Bangladesh, from the Cox's Bazar refugee camps. This relocation aimed to improve safety and living conditions for these families. To address immediate needs, Mercy-USA for Aid and Development organized an emergency food distribution initiative to ensure essential nourishment during this critical transition.

Hurricane Milton struck Florida in October of 2024. Our Emergency Response Team was on the ground within a short time and partnered with local organizations to provide essential supplies to families impacted by the hurricane. We distributed vital items, including cleaning supplies, hygiene products, baby essentials, and more plus gift cards to families in Kissimmee and Tampa.



# Seasonal Food Aid & Winter Warmth



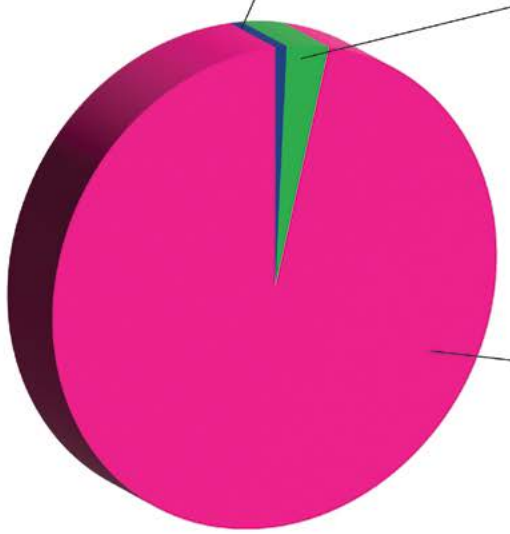

Mercy-USA provided seasonal food aid for needy families around the world and the USA in observance of Ramadan, Eid Al Fitr and Eid Al Adha. Since our founding, Mercy-USA has served hundreds of thousands of needy people each year for these special observances.

In SE Michigan, the harsh winter of 2023-24 created many  challenges for society's most vulnerable. Mercy-USA for Aid and Development believes in the power of local communities to make a difference for neighbors in need.

With help from and thanks to generous donors and volunteers, Mercy-USA and our partners organized seven packaging events that resulted in 1,000 hygiene packages, over 150 feminine hygiene packages, and 300 winter warmth packages, including $50 gift cards to help families purchase coats and other essentials. In addition to the kits, donation boxes were placed in houses of worship, schools, and local businesses across Southeast Michigan. The response was overwhelming, providing brand-new personal care items, winter clothing, and everyday essentials that were distributed to eleven shelters and transitional homes in Wayne and Washtenaw Counties.

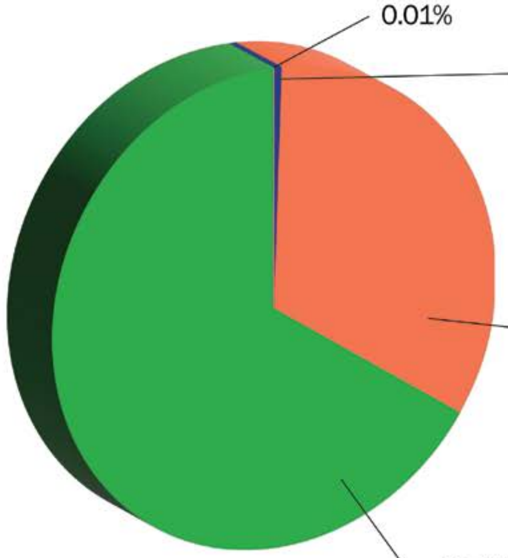

# Functional Expenses

January 1, 2024- December 31, 2024




# Program Expenses (by Service Category)

January 1, 2024- December 31, 2024





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## INDEPENDENT AUDITOR'S REPORT

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

**Opinion**

We have audited the accompanying consolidated financial statements of Mercy-USA for Aid and Development, Inc (a nonprofit organization) (the Organization), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2024 and 2023, 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.

**Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Emphasis of Matter – Procurement Investigation in East Africa Operations**

We draw attention to Note 15 to the financial statements, which describes an ongoing internal investigation by the Organization into procurement and staffing irregularities identified within its East Africa Program Office that manages donor-funded programs in Somalia. The matter involves various transactions, covering the period from July 1, 2022, through January 1, 2025.

The Organization has engaged external legal counsel in the United States, Kenya, and Somalia, notified all affected donor agencies, and implemented comprehensive corrective measures, including an e-procurement platform, strengthened payment authorization, enhanced compliance oversight, and expanded whistleblower protections. As of the date of this report, the investigation remains ongoing, and the amount of any potential financial impact, if any, cannot be reasonably determined.

Our opinion is not modified with respect to this matter.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.



Independent Auditor's Report
(Continued)

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

**Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Statement of Revenues and Program Expenses, as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Alan C. Young & Asso.

Detroit, Michigan
October 28, 2025

## MERCY-USA FOR AID AND DEVELOPMENT, INC.

**Consolidated Statements of Financial Position**
**December 31, 2024 and 2023**

| | 2024 | 2023 |
|---|---|---|
| **ASSETS** | | |
| **Current Assets** | | |
| Cash and Cash Equivalents (Note 2) | $ 2,455,938 | $ 5,702,995 |
| Investments (Note 4) | 23,301 | 10,130 |
| Pledges & Grants Receivable, net (Note 6) | 428,734 | 1,126,397 |
| Advance to Subcontractor | - | 11,951 |
| Prepaid Insurance & Expenses | 1,041 | 32,474 |
| **Total Current Assets** | 2,909,014 | 6,883,947 |
| **Fixed Assets (Note 7)** | | |
| Building, Vehicles, Furniture & Equipment | 1,657,817 | 1,653,942 |
| Less: Accumulated Depreciation | (1,019,694) | (986,494) |
| **Total Fixed Assets** | 638,123 | 667,448 |
| **Other Assets** | | |
| Security Deposits | 11,786 | 12,371 |
| **Total Other Assets** | 11,786 | 12,371 |
| **Total Assets** | $ 3,558,923 | $ 7,563,766 |
| **LIABILITIES AND NET ASSETS** | | |
| **Current Liabilities** | | |
| Accounts Payable | $ 1,748,709 | $ 3,165,760 |
| Refundable Advances (Note 1) | 440,269 | 648,187 |
| Tenant Security Deposit | 8,325 | 8,325 |
| Other Liabilities | 25,355 | - |
| Payroll Liabilities | 9,232 | 12,921 |
| Accrued Payroll & Taxes | 38,666 | 1,893 |
| **Total Current Liabilities** | 2,270,556 | 3,837,086 |
| **Net Assets** | | |
| Without Donor Restrictions | (2,346,053) | 1,618,010 |
| With Donor Restrictions (Note 10) | 3,634,420 | 2,108,670 |
| **Total Net Assets** | 1,288,367 | 3,726,680 |
| **Total Liabilities and Net Assets** | $ 3,558,923 | $ 7,563,766 |

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

## MERCY-USA FOR AID AND DEVELOPMENT, INC.

**Consolidated Statements of Activities**
**Years Ended December 31, 2024 and 2023**

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| **SUPPORT AND REVENUE** | **Without Donor Restrictions** | **With Donor Restrictions** | **Total** | **Without Donor Restrictions** | **With Donor Restrictions** | **Total** |
| Contributions From Public | $ 1,562,377 | $ 4,846,629 | $ 6,409,006 | $ 1,392,859 | $ 6,837,856 | $ 8,230,715 |
| US Agency for International Development (USAID) | - | - | - | - | 6,475,630 | 6,475,630 |
| United Nation (UN) Grants | - | 11,629,624 | 11,629,624 | - | 19,310,870 | 19,310,870 |
| Global Fund to Fight AIDS, Tuberculosis & Malaria (GFATM) Grants | - | 284,229 | 284,229 | - | 335,550 | 335,550 |
| Contribution In-Kind - UN Agencies (Note 5) | - | 16,218,089 | 16,218,089 | - | 19,342,151 | 19,342,151 |
| Rental Income (Note 13) | 95,700 | - | 95,700 | 95,700 | - | 95,700 |
| Dividend Income | 32,512 | - | 32,512 | 52,765 | - | 52,765 |
| Gain/Loss on Foreign Currency Fluctuation | 49,818 | - | 49,818 | 203,295 | - | 203,295 |
| Reversal of Previously Accrued Grant (Note 14) | - | 180,000 | 180,000 | - | - | - |
| Realized Gain/Loss | - | - | - | 7,050 | - | 7,050 |
| Gain/Loss on Sale of Equipment | 23,529 | - | 23,529 | 14,097 | - | 14,097 |
| **Net Assets Released From Restrictions:** | | | | | | |
| Satisfaction of Service Restrictions (Note 10) | 31,632,821 | (31,632,821) | - | 52,149,005 | (52,149,005) | - |
| **Total Support and Revenue** | 33,396,757 | 1,525,750 | 34,922,507 | 53,914,771 | 153,052 | 54,067,823 |
| **EXPENSES** | | | | | | |
| **Program Services:** | | | | | | |
| Food, Shelter and Orphan Assistance | 12,124,691 | - | 12,124,691 | 44,053,572 | - | 44,053,572 |
| Health | 23,527,365 | - | 23,527,365 | 9,564,300 | - | 9,564,300 |
| Economic Vitalization | 2,069 | - | 2,069 | 30,491 | - | 30,491 |
| Education | 200,764 | - | 200,764 | 280,777 | - | 280,777 |
| **Total Program Services** | 35,854,889 | - | 35,854,889 | 53,929,140 | - | 53,929,140 |
| **Supporting Services:** | | | | | | |
| Management and General | 385,435 | - | 385,435 | 1,980,933 | - | 1,980,933 |
| Fundraising | 1,120,496 | - | 1,120,496 | 1,046,341 | - | 1,046,341 |
| **Total Supporting Expenses** | 1,505,931 | - | 1,505,931 | 3,027,274 | - | 3,027,274 |
| **Total Expenses** | 37,360,820 | - | 37,360,820 | 56,956,414 | - | 56,956,414 |
| Change In Net Assets | (3,964,063) | 1,525,750 | (2,438,313) | (3,041,643) | 153,052 | (2,888,591) |
| Net Assets - Beginning of Year | 1,618,010 | 2,108,670 | 3,726,680 | 4,659,653 | 1,955,618 | 6,615,271 |
| **Net Assets - End of Year** | $ (2,346,053) | $ 3,634,420 | $ 1,288,367 | $ 1,618,010 | $ 2,108,670 | $ 3,726,680 |

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

**Statement of Consolidated Functional Expenses**
**Year Ended December 31, 2024**
**(With Combined Comparative Totals for 2023)**

| Expenditures | Program Services: Food, Shelter & Orphan Assistance | Program Services: Health | Program Services: Economic Vitalization | Program Services: Education | Total Program Services | Management & General | Fundraising | Total Expenditures | 2023 Total Expenditures |
|---|---|---|---|---|---|---|---|---|---|
| Grants | $ 235,240 | $ - | $ - | $ - | $ 235,240 | $ - | $ - | $ 235,240 | $ 806,240 |
| Salaries & Wages | 4,697,301 | 4,291,761 | - | 46,883 | 9,035,945 | 13,073 | - | 9,049,018 | 10,407,634 |
| Employee Benefits | 145,687 | 163,859 | - | 54,001 | 363,547 | 132,794 | - | 496,341 | 698,658 |
| Advertising & Promotion (Note 1) | - | - | - | - | - | - | 798,752 | 798,752 | 629,195 |
| Transportation Expenses | 320,907 | 941,060 | - | 3,057 | 1,265,024 | 69 | - | 1,265,093 | 1,740,383 |
| Commercial Insurance | 3,978 | - | - | - | 3,978 | 116 | - | 4,094 | 7,498 |
| Conference, Meeting & Seminars | 78 | 346 | - | - | 424 | 287 | 9,429 | 10,140 | 12,470 |
| Consultants & Other Professional Services | 62,249 | 23,860 | 1,831 | 5,125 | 93,065 | 4 | 104,534 | 197,603 | 403,587 |
| Dues, Subscriptions, Fees, etc. | 9,965 | 10,994 | - | - | 20,959 | 1,348 | 154 | 22,461 | 32,050 |
| Legal | 5,713 | 2,000 | - | 63 | 7,776 | 7,189 | - | 14,965 | 41,536 |
| Accounting | 37,091 | 16,133 | - | 226 | 53,450 | 549 | - | 53,999 | 50,847 |
| Occupancy & Warehousing | 220,876 | 760,077 | - | 14,650 | 995,603 | 889 | 2,900 | 999,392 | 703,899 |
| Postage & Shipping, etc. | 424 | 2,500 | - | 2 | 2,926 | 492 | - | 3,418 | 14,962 |
| Printing & Copying | 1,446 | 2,732 | - | - | 4,178 | 641 | - | 4,819 | 34,796 |
| Program Materials | 4,221,285 | 15,964,667 | - | 22,820 | 20,208,772 | - | - | 20,208,772 | 36,531,991 |
| Telephone | 30,807 | 13,803 | - | 1,296 | 45,906 | 390 | - | 46,296 | 62,968 |
| Travel | 133,312 | 76,309 | 238 | 257 | 210,116 | 747 | 3,045 | 213,908 | 353,905 |
| Bank Charges/Currency Adjustment | 88,063 | 70,723 | - | 9,159 | 167,945 | 700 | 199,667 | 368,312 | 632,259 |
| Office Supplies and Equipment | 65,529 | 87,832 | - | 1,450 | 154,811 | 825 | 2,015 | 157,651 | 272,315 |
| Payroll Taxes | 80,591 | 16,502 | - | 6,997 | 104,090 | 5,048 | - | 109,138 | 268,465 |
| Credit Losses | - | - | - | - | - | 160,920 | - | 160,920 | 1,390,594 |
| Unrealized Gain/Loss | - | - | - | - | - | - | - | - | 86 |
| Gain/Loss | - | - | - | - | - | 875 | - | 875 | - |
| Indirect cost | 1,748,169 | 1,068,227 | - | 34,778 | 2,851,174 | - | - | 2,851,174 | 1,764,464 |
| Depreciation (Note 7) | 15,980 | 13,980 | - | - | 29,960 | 58,479 | - | 88,439 | 95,612 |
| Total | $ 12,124,691 | $ 23,527,365 | $ 2,069 | $ 200,764 | $ 35,854,889 | $ 385,435 | $ 1,120,496 | $ 37,360,820 | $ 56,956,414 |

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



MERCY-USA FOR AID AND DEVELOPMENT, INC.

**Consolidated Statements of Cash Flows**
**Years Ended December 31, 2024 and 2023**

| CASH FLOWS FROM OPERATING ACTIVITIES | 2024 | 2023 |
|---|---|---|
| Change in Net Assets | $ (2,438,313) | $ (2,888,591) |
| Adjustments to Reconcile Change in Net Assets | | |
| to Net Cash Provided by (Used in) Operations: | | |
| Depreciation | 88,439 | 95,612 |
| Allowance for Credit Losses | 160,920 | 1,390,594 |
| Unrealized Loss on Investments | - | 86 |
| **Change in:** | | |
| Prepaid Insurance and Expenses | 31,433 | (16,649) |
| Pledges and Grants Receivable | 536,743 | (419,862) |
| Advance to Subcontractors | 11,951 | (11,951) |
| Accounts Payable | (1,417,051) | 1,094,972 |
| Refundable Advances | (207,918) | (1,142,540) |
| Security Deposits | 585 | 3,000 |
| Other Liabilities | 25,355 | - |
| Accrued Payroll and Taxes | 33,084 | (9,596) |
| **Net Cash Provided by (Used in) Operating Activities** | (3,174,772) | (1,904,925) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Purchase of Investments | (88,990) | (54,066) |
| Proceeds from Sale of Investments | 75,819 | 54,438 |
| Purchase of Fixed Assets | (59,114) | (32,745) |
| **Net Cash Provided by (Used in) Investing Activities** | (72,285) | (32,373) |
| Change in Cash and Cash Equivalents | (3,247,057) | (1,937,298) |
| Cash and Cash Equivalents - Beginning of Year | 5,702,995 | 7,640,293 |
| **Cash and Cash Equivalents - End of Year** | $ 2,455,938 | $ 5,702,995 |

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

**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, and New Jersey to solicit public funds. Mercy-USA is involved in the relief and development for individuals and communities providing economic vitalization, health care, food and shelter and education mainly in Somalia, Syria, Kenya, Bosnia, Indonesia, Lebanon and Albania and also in the United States and other countries around the world with the help of the United States Agency for International Development (USAID), Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM), United Nations Children Fund (UNICEF), World Food Program (WFP), United Nations Office for Coordination of Humanitarian Affairs (OCHA) and other United Nations grants as well as through public contributions.

Basis of Accounting

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

- Albania
- Bosnia
- Indonesia
- Kenya, Somalia
- Lebanon
- Turkey
- Canada

Translation of Currencies

Financial statements in currencies other than United States dollars are revalued for accounting as per FASB Accounting Standards Codification Topic 830, *Foreign Currency Matter*s. 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.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.





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

Basis of Presentation (Continued)

***Net assets without donor restrictions:*** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. From time to time, the Board designates a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion. The Organization did not have board designated net assets as of December 31, 2024, or 2023, respectively.

***Net assets with donor restrictions:*** Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resources was restricted has been fulfilled, or both.

Financial Instruments

The carrying value of cash and cash equivalents, restricted cash, accounts receivable, pledges receivable, accounts payable and accrued liabilities, are stated at carrying cost at December 31, 2024 and 2023, which approximates fair value due to the relatively short maturity of these instruments.

Income Taxes

The Organization is organized as a nonprofit corporation and is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The Organization follows the guidance of ASC-740-10, Accounting for Uncertainty in Income Taxes. The Organization recognizes the tax (benefit) expense from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by the tax authorities. The Organization had no uncertain tax positions at December 31, 2024 or 2023. The Organization files an exempt organization return with the Internal Revenue Service (IRS). The Organization had no taxable unrelated business income for the years ended December 31, 2024 and 2023. Accordingly, a provision for income taxes has not been established in the accompanying financial statements. The Organization's federal tax returns for the prior three years remain subject to examination by the Internal Revenue Service.

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.

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

Cash and Cash Equivalents

Cash includes cash on hand and cash in checking and savings accounts. For financial statement purposes, The Organization 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 over $5,000 and a useful life in excess of one year are capitalized.

Advertising

The Organization expenses advertising costs as incurred. Advertising expense was $798,752 and $629,195 for the years ending December 31, 2024 and 2023, respectively.

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.

Revenue Recognition

*Contributions* - Contribution revenue is accounted for under FASB Accounting Standards Update ("ASU") 2018-08, *Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (ASU 2018-08). Contributions, including unconditional promises to give, are recognized in the period received. Contributions received are considered to be available for use unless specifically restricted by the donor. Amounts received that are designated for a future period or are restricted by the donor for specific purposes are reported as contributions with donor restrictions. These contributions also increase net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions.

Contributions are reported at fair value, which is net of estimated uncollectible amounts. The Organization uses the allowance method to determine uncollectible, unconditional pledges receivable. The allowance is based on experience as well as management's analysis of specific pledges made, including such factors as prior collection history, type of contribution, and nature of fundraising activity. The total allowance for credit losses at December 31, 2024 and 2023 was $1,551,514 and $1,390,594, respectively.





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

Revenue Recognition (Continued)

Conditional promises to give, including those received under multi-year grant agreements are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. A promise is considered conditional only if the donor has stipulated one or more barriers that must be overcome before the Organization is entitled to the assets transferred or promised, and there also exists a right of return to the donor of any assets transferred or a right of release of the donor's obligation to honor the promise.

*Grant Revenue* - Under ASU 2018-08, these arrangements constitute contributions since the customer does not receive commensurate value for the consideration received by the Organization; rather, the purpose of an arrangement is for the benefit of the general public. Therefore, Organization management concluded that the agreements are conditional due to rights of return/ release and barriers to entitlement to funds. Revenue is recognized when the condition is satisfied. Because the nature of conditions is either based on incurring qualifying expenses or satisfying a milestone or other deliverable, the pattern of revenue recognition remained consistent with previous years. Under ASU 2018-08, a refundable advance is recorded when the Organization receives assets (i.e., cash) in advance of the satisfaction of the conditions within these arrangements.

*Contributed Services* - Contributed services are recognized as revenue if the services received create or enhance nonfinancial assets, require specialized skills provided by individuals possessing those skills and typically need to be purchased if not provided by donation. Contributed services are recorded at the fair market value of the services provided. There were no contributed services for the years ended December 31, 2024, and 2023.

*Refundable Advances* - On December 31, 2024, and 2023, the Organization had refundable advances on grants and contracts for sponsored projects of $440,269 and $648,187, respectively. These balances are recognized as liabilities and will be recognized as revenue as the projects progress and conditions are met, generally as expenses are incurred.

Prepaid Expenses

Prepaid expenses primarily represent cash payments made in advance of when the related expenditures are recognized for financial statement purposes.

Fair Value Measurements

The Organization uses fair value measurements in the preparation of its financial statements, which utilize various inputs, including those that can be readily observable, corroborated, or are generally unobservable. The Organization utilizes market-based data and valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Additionally, the Organization applies assumptions that market participants would use in pricing an asset or liability, including assumptions about risk.

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

Fair Value Measurements (Continued)

ASC 820 establishes a framework for measuring fair value, which includes a hierarchy based on the quality of inputs used to measure fair value, and provides specific disclosure requirements based on the hierarchy, ASC 820 requires the categorization of financial assets and liabilities, based on the inputs to valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable inputs.

The various levels of the ASC 820 fair value hierarchy are described as follows:

- **Level 1** – Financial assets and liabilities whose values are based on unadjusted quoted market prices for identical assets and liabilities in an active market that the Organization has the ability to access.
- **Level 2** – Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable for substantially the full term of the asset or liability.
- **Level 3** – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

ASC 820 requires the use of observable market data, when available, in making fair value measurements. When inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement falls is categorized.

Following is the description of the valuation methodologies used for assets measured at fair value:

*Equities:* These investments are common stocks. These are listed on the stock exchange and are valued at their quoted market prices held at year end.

Accounting Pronouncement Adopted in Fiscal Year 2023

During June 2016, FASB issued AS No. 2016-13, *Measurement of Credit Losses on Financial Instruments.* ASU No. 2016-13 requires financial assets measured at amortized cost to be presented at the net amount expected to be collected, through an allowance for credit losses that is deducted from the amortized cost basis. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions and reasonable and supportable forecasts that affect the collectability of the reported amount. The Organization adopted and implemented this pronouncement on January 1, 2023.





**2) CASH AND CASH EQUIVALENTS**

The total cash held by the Organization in the bank accounts (excluding outstanding checks and deposit in transit) totaled $2,423,965 and $5,662,792 of which $2,033,380 and $5,036,495 is not insured through federal depository insurance in fiscal years 2024 and 2023, respectively.

**3) PROGRAM AND SUPPORTING SERVICES**

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

**Program Services**

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.

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.

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.

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.

## 3) PROGRAM AND SUPPORTING SERVICES (Continued)

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.

## 4) INVESTMENTS

Investments consist of mutual funds and equities and are carried at fair value at December 31, 2024 and 2023. The investments are considered Level 1.

| | Fair Value Measurements | | | |
|---|---|---|---|---|
| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Other Unobservable Inputs (Level 3) | 2024 Total |
| Cash and Cash Equivalents | $ 119 | $ - | $ - | $ 119 |
| Equity | 23,182 | - | - | 23,182 |
| Total | $ 23,301 | $ - | $ - | $ 23,301 |

| | Fair Value Measurements | | | |
|---|---|---|---|---|
| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Other Unobservable Inputs (Level 3) | 2023 Total |
| Cash and Cash Equivalents | $ 119 | $ - | $ - | $ 119 |
| Equity | 10,011 | - | - | 10,011 |
| Total | $ 10,130 | $ - | $ - | $ 10,130 |

## 5) 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 statements of activities are based on fair value of the goods received at the time of donation. The Organization received $16,218,089 and $19,342,151 in fiscal years 2024 and 2023, respectively.





## 6) PLEDGES AND GRANTS RECEIVABLE

Accounts receivable consist of Somalia, Lebanon and Syria grant funding receivable from the United Nations Grant agencies. Details of Accounts Receivable as of December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Grants Receivable | $ 1,863,781 | $ 2,339,039 |
| Pledges Receivable | 116,467 | 177,952 |
| | 1,980,248 | 2,516,991 |
| less: Allowance for Uncollectables | (1,551,514) | (1,390,594) |
| Pledges and Grants Receivable, net | $ 428,734 | $ 1,126,397 |

## 7) FIXED ASSETS

Fixed assets are comprised of the following:

| | Balance January 1, 2024 | Additions | Deletions | Balance December 31, 2024 |
|---|---|---|---|---|
| **Fixed Assets** | | | | |
| Building | $ 1,121,853 | $ - | $ - | $ 1,121,853 |
| Office Equipment | 210,468 | - | (17,928) | 192,540 |
| Office Furniture | 11,467 | - | (359) | 11,108 |
| Audio Visual Equipment | 5,225 | - | - | 5,225 |
| Automobiles | 296,471 | 59,114 | (35,852) | 319,733 |
| Others | 8,458 | - | (1,100) | 7,358 |
| **TOTAL** | 1,653,942 | 59,114 | (55,239) | 1,657,817 |
| Less Accumulated Depreciation | (986,494) | (88,439) | 55,239 | (1,019,694) |
| **Net Fixed Assets** | $ 667,448 | $ (29,325) | $ - | $ 638,123 |

| | Balance January 1, 2023 | Additions | Deletions | Balance December 31, 2023 |
|---|---|---|---|---|
| **Fixed Assets** | | | | |
| Building | $ 1,121,853 | $ - | $ - | $ 1,121,853 |
| Office Equipment | 214,653 | 5,490 | (9,675) | 210,468 |
| Office Furniture | 11,467 | - | - | 11,467 |
| Audio Visual Equipment | 7,225 | - | (2,000) | 5,225 |
| Automobiles | 291,945 | 27,255 | (22,729) | 296,471 |
| Others | 8,908 | - | (450) | 8,458 |
| **TOTAL** | 1,656,051 | 32,745 | (34,854) | 1,653,942 |
| Less Accumulated Depreciation | (925,736) | (95,612) | 34,854 | (986,494) |
| **Net Fixed Assets** | $ 730,315 | $ (62,867) | $ - | $ 667,448 |

Depreciation expense was $88,439 and $95,612 for the years ended December 31, 2024 and 2023, respectively.

**8) 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 100% match on eligible employee contributions to the plan up to a maximum allowable by the plan. The Organization contributed $130,103 and $110,582 in fiscal years 2024 and 2023, respectively, to the plan.

**9) 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, 2024 and 2023 the Organization collected $27,905 and $25,921 respectively, on behalf of Mercy-USA for Aid & Development, (Canada) and received $73,019 and $104,687 respectively, from Mercy-USA for Aid & Development, (Canada). As at December 31, 2024 and 2023, an amount of $38 and $3,566 respectively, was payable to Mercy-USA for Aid and Development, (Canada) and no amount was receivable from them.

**10) DONOR RESTRICTED NET ASSETS**

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

Purpose restriction accomplished:

| | 2024 | 2023 |
|---|---|---|
| Albania Programs | $ 50,932 | $ 108,904 |
| Bosnia Programs | 68,331 | 162,017 |
| Indonesia Programs | 8,825 | 2,775 |
| Lebanon Programs | 1,754,701 | 2,054,403 |
| Somalia & Kenya Programs | 6,260,747 | 16,351,063 |
| Syria Programs | 22,525,847 | 31,957,724 |
| United States Programs | 26,900 | 25,609 |
| Gaza Programs | 489,465 | 661,563 |
| Rohingya Refugees Program | 203,557 | 206,124 |
| Pakistan | 38,762 | 26,112 |
| Yemen | 204,754 | 135,947 |
| Bangladesh | - | 6,508 |
| Turkey | - | 450,256 |
| **Total Restrictions Released** | $ 31,632,821 | $ 52,149,005 |



MERCY-USA FOR AID AND DEVELOPMENT, INC.
Notes to Consolidated Financial Statements (Continued)
December 31, 2024 and 2023

**10) DONOR RESTRICTED NET ASSETS (Continued)**

The details of the donor restricted net assets are as below:

| | 2024 | 2023 |
|---|---|---|
| Albania | $ - | $ 13,416 |
| Bosnia | - | 13,639 |
| Lebanon | 156,779 | 202,949 |
| Gaza | 2,192,466 | 559,936 |
| Bangladesh & Rohingya Refugees | 9,141 | 142,117 |
| Pakistan | 339,317 | 365,287 |
| Yemen | 934,040 | 808,649 |
| Other | 2,677 | 2,677 |
| **Total** | $ 3,634,420 | $ 2,108,670 |

**11) LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The Organization's working capital and cash flows have variations during the year attributable to the timing of grants and contribution receipts. Monthly cash outflows vary each year based on the specific requirements of the events and programs that year.

The following reflects the Organization's financial assets as of the balance sheet date, reduced by the amounts not available for general use within one year of the balance sheet date because of contractual or donor-imposed restrictions.

| | 2024 | 2023 |
|---|---|---|
| Current Assets, at Year End | $ 2,909,014 | $ 6,883,947 |
| Less: | | |
| Prepaid Insurance Expenses | (1,041) | (32,474) |
| Assets with Donor Restrictions | (3,634,420) | (2,108,670) |
| Financial assets available within one year to meet needs for general expenditures within one year | $ (726,447) | $ 4,742,803 |

As of December 31, 2024, the Organization's current financial assets available for general expenditure within one year were limited due to a high level of donor-restricted net assets. This resulted in a negative short-term liquidity position, which reflects the timing of restricted funding.

Management actively monitors liquidity through cash flow forecasting and budget-to-actual analysis to ensure sufficient funds are available to meet current obligations. Although a significant portion of financial assets are restricted for specific programs and geographic projects, many of these funds are expected to be released from restriction within the next fiscal year as related program activities are carried out. The Organization also relies on consistent donor support and ongoing grant renewals to supplement cash flow needs and maintain financial stability.

12) **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.

One of the funding agencies has notified the Organization about an ongoing investigation into allegations of specific improper conduct. The Organization is vigorously contesting these claims of wrongdoing.

13) **RENTAL INCOME**

The Organization's rental operations primarily consist of facility leases that are classified as operating leases in accordance with FASB ASC Topic 842**,** *Leases*. These arrangements generally have noncancellable terms ranging from one day to five years, with certain leases providing renewal options.

Management exercises judgment in evaluating whether renewal or termination options are reasonably certain to be exercised and in determining the collectability of lease payments, which is based on factors such as tenant creditworthiness, economic conditions, and the Organization's historical experience. As of December 31, 2024, management determined that collectability of all lease payments was probable.

Rental income is recognized on a straight-line basis over the noncancellable lease term. The difference between rental income recognized on a straight-line basis and amounts contractually due is recorded as straight-line rent receivable, while any rental or other payments received in advance are recorded as deferred revenue and recognized in the period earned.

Rental income recognized for the years ending December 31, 2024 and 2023, was $95,700 and $95,700, respectively.

The following table summarizes the Organization's future minimum rental income expected to be received under non-cancellable operating leases as of December 31, 2024:

| Years Ending December 31, | Amount |
|---|---|
| 2025 | $ 96,400 |
| 2026 | 92,900 |
| 2027 | 65,750 |
| **Total Lease Payments to be Received** | **$ 255,050** |



14) **REVERSAL OF PREVIOUSLY ACCRUED GRANT**

In 2023, the Organization entered into a Memorandum of Understanding (MOU) with an overseas not-for-profit organization to fund an educational project amounting to $600,000. At that time, the approval represented an unconditional commitment, and the Organization properly recognized the amount as grant expense and grants payable in accordance with ASC 958-720, Not-for-Profit Entities – Other Expenses, and ASC 958-605, Contributions Received and Made. The project was to be carried out during July 15, 2023, through January 2025. Of this, services amounting to $420,000 were provided in 2023 leaving unspent grant expenses and grants payable of $180,000.

In 2024, before any payment was made, management cancelled the grant due to project feasibility and donor-related constraints. As a result, the obligation no longer existed, and the accrued payable was reversed. The 2023 financial statements were appropriately stated based on information available at that time, and therefore no restatement was necessary.

15) **PROCUREMENT INVESTIGATION IN EAST AFRICA OPERATIONS**

In early 2025, Mercy-USA for Aid and Development, Inc. identified procurement and staff engagement irregularities within its East Africa Program Office, which oversees donor-funded projects in Somalia. The ongoing internal investigation, supported by external legal counsel in the United States, Kenya, and Somalia, covers various transactions for the period July 1, 2022, through January 1, 2025.

The investigation has revealed weaknesses in prior vendor prequalification and payment verification processes, including the use of mobile wallet payments and insufficient vendor documentation. Mercy-USA has since implemented extensive control reforms, including a new e-procurement system, bank account–based payments, enhanced HQ oversight, and independent compliance monitoring.

All affected donors including WFP, OCHA, UNFPA, UNICEF, World Vision International, and PAH have been notified, and no donor has requested repayment, imposed sanctions, or raised objections. As of the date of these financial statements, the investigation is ongoing, and no financial losses have been identified or recorded. Management does not believe the matter will have a material adverse effect on the organization's financial position or results of operations.

16) **SUBSEQUENT EVENTS**

The Organization has evaluated events through October 28, 2025, 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 except as noted in Note 15 above.

The Organization closed its offices at Albania and Bosnia in September 2025.

## Supplemental Statement of Revenues and Program Expenses
### Year Ended December 31, 2024
### (With Combined Comparative Totals for 2023)

| | ALBANIA | BOSNIA | INDONESIA | LEBANON[1] | SOMALIA, KENYA & ETHIOPIA | SYRIA | USA | GAZA | BANGLADESH & ROHINGYA REFUGEES | PAKISTAN | YEMEN | NOT DESIGNATED | TOTAL 2024 | TOTAL 2023 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **REVENUES** | | | | | | | | | | | | | | |
| Contributions from Public: | | | | | | | | | | | | | | |
| General | $ 6,016 | $ 10,507 | $ 1,825 | $ 86,915 | $ 109,327 | $ 219,463 | $ 11,900 | $ 1,941,995 | $ 49,998 | $ 12,792 | $ 330,145 | $ 1,562,377 | $ 4,343,260 | $ 3,900,540 |
| Food Aid | 17,500 | 17,500 | 7,000 | 54,000 | 114,699 | 125,000 | 15,000 | - | 20,583 | - | - | - | 371,282 | 450,604 |
| Orphan Fund | 2,000 | 1,117 | - | - | 4,000 | - | - | - | - | - | - | - | 7,117 | 8,030 |
| Education | 2,000 | 10,568 | - | - | - | - | - | - | - | - | - | - | 12,568 | 14,340 |
| Zakat | 10,000 | 15,000 | - | 970,000 | 300,000 | 358,390 | - | - | - | - | - | - | 1,653,390 | 2,232,001 |
| COVID-19 | - | - | - | - | - | - | - | - | - | - | - | - | - | 50 |
| Health and Nutrition | - | - | - | - | 9,000 | 3,804 | - | - | - | - | - | - | 12,804 | 10,237 |
| Earthquake | - | - | - | - | - | 8,585 | - | - | - | - | - | - | 8,585 | 1,614,913 |
| US Government Grants | | | | | | | | | | | | | | |
| US Agency for International Development (USAID) | - | - | - | - | - | - | - | - | - | - | - | - | - | 6,475,630 |
| United Nations (UN) Grants | - | - | - | 597,616 | 4,463,331 | 6,568,677 | - | - | - | - | - | - | 11,629,624 | 19,310,870 |
| Global Fund to Fight AIDS, Tuberculosis & Malaria (GFATM) Grants | - | - | - | - | 284,229 | - | - | - | - | - | - | - | 284,229 | 335,550 |
| Gifts In Kind - UN Agencies | - | - | - | - | 976,161 | 15,241,928 | - | - | - | - | - | - | 16,218,089 | 19,342,151 |
| Rental Income | - | - | - | - | - | - | - | - | - | - | - | 95,700 | 95,700 | 95,700 |
| Dividend Income | - | - | - | - | - | - | - | - | - | - | - | 32,512 | 32,512 | 52,765 |
| Gain/Loss on Foreign Currency Fluctuation | - | - | - | - | - | - | - | - | - | - | - | 49,818 | 49,818 | 203,295 |
| Reversal of Previously Accrued Grant (Note 14) | - | - | - | - | - | - | - | 180,000 | - | - | - | - | 180,000 | - |
| Realized Gain/Loss | - | - | - | - | - | - | - | - | - | - | - | - | - | 7,050 |
| Gain/Loss on Sale of Equipment | - | - | - | - | - | - | - | - | - | - | - | 23,529 | 23,529 | 14,097 |
| **Total Revenues** | $ 37,516 | $ 54,692 | $ 8,825 | $ 1,708,531 | $ 6,260,747 | $ 22,525,847 | $ 26,900 | $ 2,121,995 | $ 70,581 | $ 12,792 | $ 330,145 | $ 1,763,936 | $ 34,922,507 | $ 54,067,823 |
| **EXPENDITURES** | | | | | | | | | | | | | | |
| **Program Services:** | | | | | | | | | | | | | | |
| Food, Shelter & Orphan Assistance | $ 15,652 | $ 18,842 | $ 12,041 | $ 1,335,571 | $ 5,610,371 | $ 4,093,310 | $ 102,366 | $ 489,465 | $ 203,557 | $ 38,762 | $ 204,754 | $ - | $ 12,124,691 | $ 44,053,572 |
| Economic Vitalization | 2,069 | - | - | - | - | - | - | - | - | - | - | - | 2,069 | 30,491 |
| Health | - | - | - | 419,130 | 2,655,490 | 20,431,295 | 21,450 | - | - | - | - | - | 23,527,365 | 9,564,300 |
| Education | 95,137 | 105,627 | - | - | - | - | - | - | - | - | - | - | 200,764 | 280,777 |
| **Total Program Services** | $ 112,858 | $ 124,469 | $ 12,041 | $ 1,754,701 | $ 8,265,861 | $ 24,524,605 | $ 123,816 | $ 489,465 | $ 203,557 | $ 38,762 | $ 204,754 | $ - | $ 35,854,889 | $ 53,929,140 |

[1] Includes Palestinian refugees in Lebanon.

## Mercy-USA for Aid and Development

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e-mail: info@mercyusa.org • website: mercyusa.org

## Other Mercy-USA Offices

Tirana, Albania
Nairobi, Kenya
Mogadishu, Somalia
Tuzla, Bosnia
Tripoli, Lebanon
Antakya, Turkey

## About Mercy-USA

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.

- Special Consultative Status with the United Nations
- Member of InterAction

## Join Mercy-USA in Our Work in "Helping People Help Themselves"

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 form on page 43 and mail it along with a voided check.

### Employee Matching Program

Encourage your employer to match your donation.

### Stocks and Mutual Funds

Mercy-USA accepts stocks and mutual funds as a charitable contributions.

### 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 whom 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.





# Contribution/Pledge Form

Mercy-USA
Mercy-USA for Aid and Development

*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

☐ VISA ☐ MasterCard ☐ DISCOVER ☐ American Express

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

9 Digit Bank Routing Number (ABA) ______ 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

**IN CANADA: Mercy-USA for Aid and Development (Canada), Canadian Charity Business # 89458–5553–RR0001**
PO Box 99055, RPO Heritage Green • Stoney Creek, ON L8J 2P7

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