



# Mercy-USA<sup>TM</sup>

Mercy-USA for Aid and Development



# ANNUAL REPORT



## The Who and the How Matter

*Who delivers the help and how it's given is what matters when discussing humanitarian aid. Our Mercy-USA team members are part of the communities they serve, and understand the cultural nuances necessary to make the aid feel like a hand up instead of a hand out.*

## Dear Friends & Supporters,

Greetings and peace be upon you.

During 2014, with your generosity and support, Mercy-USA for Aid and Development's dedicated and hardworking staff brought comfort, aid and hope to over 400,000 persons affected by poverty, war and natural disasters around the world.

We expanded our health services inside Syria and for Syrian refugees in Lebanon with the opening of our Mother and Child Health Clinic in Aleppo, Syria and the provision of health screenings to refugee school children in Lebanon. In Somalia, our health, nutrition, hygiene and safe water programs were able to improve the lives of over 250,000 vulnerable persons throughout the country.

Our vocational training and education programs in Albania, Bosnia, Gaza and Indonesia are providing hope to orphans and other at-risk youth and young adults, enhancing their personal growth and development while broadening their employment opportunities. Your generous support during the year also allowed us to continue our humanitarian relief efforts inside Syria and helped us respond to new emergencies in Gaza and Bosnia.

Mercy-USA's field staff are from the communities they serve, understand the cultural nuances, have an in depth appreciation for the daily and longer term challenges faced, as well as the responses necessary to meet those challenges.

We look forward to your continued support as we work toward addressing those challenges and together building a better world for all.

Sincerely,  
  
 Umar al-Qadi  
 President and CEO



## Table of Contents

Syria . . . . .	4
Lebanon . . . . .	10
Gaza . . . . .	13
Safe Water in Somalia . . . . .	14
Somalia Health Projects . . . . .	16
Kenya . . . . .	18
Bosnia . . . . .	20
Albania . . . . .	22
Indonesia . . . . .	24
Bangladesh . . . . .	25
Seasonal Food Aid . . . . .	26
Expense Ratio Graphs . . . . .	27
Auditor's Report . . . . .	28
Contribution Form . . . . .	42
Board of Directors . . . . .	43
Offices . . . . .	43



# Mercy-USA

Mercy-USA for Aid and Development  
 44450 Pinetree Drive, Suite 201  
 Plymouth, Michigan 48170-3869  
 734-454-0011 • Fax: 734-454-0303  
[mercyusa.org](http://mercyusa.org) • [info@mercyusa.org](mailto:info@mercyusa.org)



## Sometimes it's all that keeps them alive.

The monthly food basket of staples delivered to the most needy residents of Aleppo's poorest neighborhoods can be all that stands between a man's family and starvation. Mercy-USA trucks nutritious food staples from Turkey to the Syrian border where it is offloaded on to a Syrian truck and the goods are delivered to our warehouses in Aleppo for distribution.

## Syria: Caring for the Most Vulnerable



Since October 2012, Mercy-USA for Aid and Development's Syrian relief workers have been providing food aid, winterization and other seasonal aid inside Syria. We also opened a mother and child health clinic in late 2014.

### Monthly Food and Infant Formula Distribution

Monthly food baskets containing staple foods such as rice, wheat, sugar, oil, beans and pasta are distributed to more than a thousand

households. Infant formula for at least a thousand households with infants is also distributed.

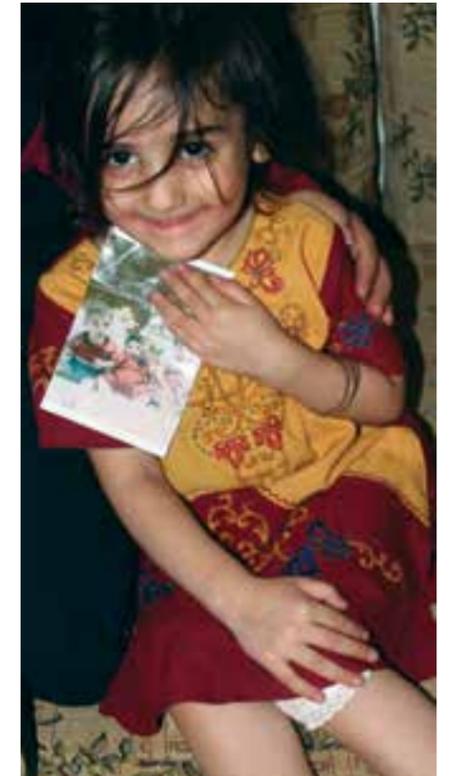
### Emergency Food Rations Stock

Because the security situation in the area around Aleppo is volatile, Mercy-USA has stockpiled emergency food boxes in our Aleppo warehouses to serve internally displaced persons in Syria in the event of an escalated crisis wherein Mercy-USA was unable to truck in the usual food stock into the country from Turkey. This stockpile will serve the immediate needs of individuals who may become displaced due to any sudden crisis within the greater region.

### Seasonal Food Aid

Iftar food baskets were delivered to thousands of needy households at the beginning of Ramadan in Aleppo. These food baskets contained traditional and nutritious food items such as dates, halva and other normally hard-to-source

specialty foods. Additionally, meat from the Muslim observance of Eid Al Adha was distributed by Mercy-USA to more than 4,000 needy households.



*Boushra clutches the photograph of her three brothers who had been killed by a barrel bomb just days before we visited her home to offer her mother the humanitarian aid Mercy-USA provides for families like hers.*



**P**hotos are all she has of three of her children killed just days before our field staff visited this mother in Aleppo. Her heart can never be mended after the attack and to make her plight worse, her husband is gone after being arrested by regime forces and one of her remaining children was disabled from preventable meningitis. In addition to the monthly food aid and warm clothes Mercy-USA will provide this winter for her children, she will now have access to our Mother and Child Health Clinic to keep her babies well.



## Keeping Her Healthy Despite Everything...

*You'd never guess she's growing up in a nightmarish war-zone that is Aleppo today. Love and attention given by her family and well-baby checks given at the Mercy-USA Mother and Child Health Clinic in Aleppo are keeping her safe from preventable diseases by maintaining her vaccination schedule and monitoring her health.*

## Mother and Child Health Clinic in Syria

Daily power outages, shelling and barrel bombs, water shut-offs, and severe food shortages are a fact of life for those left to survive in Aleppo, Syria today. Women are widowed, and children are made orphans, and despite it all, babies are being born every day giving hope to all that some day it will be over.

With 20 years of experience in managing mother and child health clinics in some of the world's most dangerous war-zones, we began operating our most ambitious privately funded mother and child health clinic in Aleppo, where the need is critical.

The specialty clinic doors opened in the Omar Ibn Abdel Aziz Hospital in the Al Ma'adi district of Aleppo in November, 2014. Open daily to serve this district and those surrounding it, the clinic is already operating at full capacity in less than a year. The staff, including a female OB/GYN, a pediatrician, and nurses, offer free pre- and postnatal care and birthing services to hundreds of women every month. Our brave female OB/GYN physician is one of the very few women left to provide this vital care in the region.

Mercy-USA's pediatrician and support staff also have an average of 750 newborns, infants and children visits each month, with the clinic offering free pediatric care, monitoring of vaccination schedules and nutrition counseling.



## Holiday Toys and Treats Make a Difference in the Lives of Children Living Under the Constant Threat of Attack

Children in Aleppo have witnessed and experienced more trauma in their short lives than most of us will see in a lifetime. Mercy-USA distributed toys and sweets to over 3,000 children in Aleppo at the end of the Islamic month of Ramadan for Eid al Fitr. Eid celebrations are typically a day of joy for children in particular. Most of the families we serve in this city are barely able to sustain their daily needs, making gifts and special treats out of the question. Mercy-USA wanted to change that with giving gifts of toys that would get the children moving like balls and jump ropes. We distributed new dolls and stuffed animals that would be comforting and be something to hold on to when the nights get cold and frightening.



## Seasonal Food Aid for Ramadan and Eid al Adha

Over 1,000 families in Aleppo were given special food baskets, (photo at right), during Ramadan so that they would be able to fast and feast like other Muslims around the world each year. Our Fitra baskets were filled with nutritious food that is traditionally found in a Syrian home during this important month for Muslims. In addition, 4,200 households received lamb from the feast of the sacrifice, Eid al Adha.



## Bombs and Bullets Aren't the Only Things That Kill in Syria.

Aleppo is one of the oldest cities in the world, and even in good times many dwellings lack central heating. The winter of 2014 was particularly brutal in northern Syria. Mercy-USA distributed more than 10,000 winter gear sets to children between the ages of 3 and 15. Each set included a sweater, winter-weight pants,

parka with hood, hat, scarf, boots, and socks. When a large number of families fled violence for other parts of the sprawling city or even out to muddy tent camps near the Turkish border, Mercy-USA quickly distributed 1,000 mats plus 1,000 mattresses to these households. 10,000 winter-weight blankets were

also distributed to households as means of protection from the cold.

Unclean water and lack of sanitation are huge problems in Aleppo, and while being dirty may not seem like a threat to life, it truly is and causes illness and disease to spread quickly. Simple commodities like soap, bleach and toothpaste have become so expensive that the families we help can't purchase them, so Mercy-USA distributed a three-month supply of hygiene items to help fight off sickness, as well as restore the dignity lost to the war.



**A**leppo winters are hard enough without central heating but for some it's worse. These children live in an abandoned stable. The roof was blown off by a barrel bomb—the same bomb that killed the children's beloved aunt. Mercy-USA outfitted the children with warm coats, boots, hats, mittens plus warm plush blankets for everyone in the household to stave off the cold and damp last winter. We distributed over 10,000 winter gear sets, and 10,000 blankets in Syria last year to children and their families in dire need.



## Syrian Refugees Are Surviving, But Not Thriving in Lebanon...

*Wadi Khalid is an isolated valley in Lebanon where host families are generously helping Syrian Refugee families, but the quality of life isn't good, and medical services are so expensive many families like this one couldn't afford routine care without the Mercy-USA sponsored medical aid.*

## Safe from the War but Still Vulnerable

The impoverished valley of Wadi Khalid is bursting at the seams with Syrian refugees who have no way to earn a living or seek a better situation outside of the country. Mercy-USA is doing as much as possible to help. Routine medical care has become out of reach for Syrian refugees, so Mercy-USA, in partnership with Makassed Philanthropic Association (MPA), supports a mobile medical unit staffed with a physician and



support staff to treat ailments before they become serious or catastrophic. Old and young are seen for free in our mobile clinic that travels around the mountainous valley making regular weekly visits. Mercy-USA also supports a stationary medical clinic in Wadi Khalid where labor and delivery services are offered to mothers and other routine medical care for the rest of the vulnerable population of refugees and their host families. Additionally, Mercy-USA is partnering with MPA to provide health screening to Syrian refugee children attending public schools in Wadi Khalid. Referral services are provided for those children requiring additional medical services.



distributing three months worth of baby diapers to young families with children under two in the Baddawi Camp in Lebanon during 2014.

### Bread Distribution

Mercy-USA distributed fresh bread three times a week in Wadi Khalid and the Baddawi Camp for Palestinian refugees, serving more than 15,000 persons in dire need.



### Diaper Project

Palestinian refugees from Syria fell into a resources gap that Mercy-USA was able to help fill by



### Dates Distribution

Mercy-USA distributed dates to Syrian refugee and Lebanese host families in 2014 as granted by the World Food Program. A total of more than 15,000 Syrian refugees and more than 800 Lebanese received dates, giving a nutrition boost to thousands of households last summer.

# Water and Sanitation in Lebanon for Syrians



Due to a lack of waste collection, Mercy-USA implemented a one-year project during 2014 that included collection of trash, waste management training and waste bin distribution in Wadi Khalid where we serve Syrian refugees. With a grant from the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA), Mercy-USA installed 75 1,000 liter water tanks for Syrian Refugee families in need of water in Lebanon. With in-kind support from UNICEF, Mercy-USA distributed household water filters and rooftop portable water tanks for about 700 Syrian refugee households. Mercy-USA conducted water treatment training, water trucking and other necessary hygiene training designed to prevent waterborne disease among this vulnerable population. In total, these various water and sanitation projects helped provide a safer and healthier environment for approximately 6,000 Syrian refugees and their Lebanese hosts.



# Summer of Sorrow: Emergency Aid for Gaza

In July and early August of 2014, Palestinians in Gaza endured horrific trauma due to air, ground and naval bombardments. UNRWA's schools served as shelters for 53,869 internally displaced persons. Through UNRWA, Mercy-USA provided \$275,000 in emergency relief assistance to Palestinians in Gaza affected by this tragedy. These funds provided 9,000 daily food rations in UNRWA shelters, as well as Family Shelter and Household kits to ensure families who fled their homes with nothing more than their clothes were able to maintain their

basic personal comfort and dignity as they begin to figure out how to rebuild their lives.

## Daily Meals For Gaza Students

Since September 2014, Mercy-USA has been providing students between the ages of 15 and 22 at two UNRWA vocational training centers in Gaza with a daily meal that consists of fresh food, bread and milk to assist them through the school day, which often includes hard labor work. Providing students with a daily meal enhances their

nutritional intake, their cognitive abilities and performance.

The two training centers have a student body of almost 1,500 students, 33% of them being young women. Admission is merit-based, and only available to Palestine refugees. Priority is given to vulnerable students who come from refugee households classified as poor by UNRWA's poverty survey. This implies that the household is living on less than \$3.63 per person, per day.



## The Gift of Life in Every Drop

*We all need water to survive. The elderly, the very young and women are the most vulnerable in Somalia when water is not close by, or safe to drink.*

## In 2014, Mercy-USA Brought Safe Access to Clean Water to Over 78,000 People in Somalia



The lack of nearby access to clean, drinkable water in Somalia results in devastating consequences especially for the two most vulnerable population groups—women and children. According to UNICEF, only 30% of Somalis have safe access to clean water, and in some parts of the country those statistics are as low as 20%. Cholera brought on by contaminated water and lack of sanitation is endemic and claims the lives of hundreds every year. Severe

malnutrition in Somali children is often the result of diarrhea caused by contaminated water. Women and girls face constant threats to their safety while fetching water when the source is far from their home. Whether living in a rural or urban setting, women and girls regularly face threats of violence when forced to travel distances as great as six miles each way for water needed for life-sustaining needs. In addition to the man-made threats, wildlife such as hyenas, lions and snakes are a real danger in rural areas.

A nearby well built for a community in Somalia has meant healthy children, safe families and opportunities to improve the lives of the entire community, especially women and children. As more parts of Somalia are free from conflict, the need to rebuild



crucial infrastructure is greater than ever.

In 2014, Mercy-USA constructed 68 new wells that serve more than 78,000 people in 48 villages. Since 1997, Mercy-USA has dug or rehabilitated about 430 wells across Somalia, providing safe water to communities with over 600,000 in total population.



**K**hadijo and her son Nurdin, 13 years old, in rural Somalia at the new well built by Mercy-USA. Khadijo is a widow and has four children. She said the previous drought and war devastated the family's livestock and left them in severe poverty. Before the well, many children in her village died from diarrhea and other complications associated with contaminated water. Khadijo said that before the new well she walked several kilometers everyday to find water, "It was a very risky situation particularly for women, because of being targeted by sexual predators." Nearby access to clean water can mean the difference between life and death for many in Somalia.



## Smiling Through the “Pain”

*Every parent can relate to this young Somali mother’s expression as her newborn receives a vital disease preventing vaccination. Mercy-USA operates health clinics across Somalia that provide vaccinations to children, nutrition support and other health services.*

## Somalia Health Projects

### Mercy-USA Nutrition Support Centers

In 2014, about 15,000 children under the age of five suffering from moderate acute malnutrition (MAM) and almost 2,000 suffering from severe acute malnutrition (SAM) were admitted into our selective feeding programs in Somalia. We operate sixteen outpatient and two in-patient sites.

Since July of 2011, we’ve treated 20,800 children for MAM, and about 11,300 children for SAM.

Additionally in 2014 alone, we treated over 4,600 pregnant women and nursing mothers in our nutrition program. More than 10,000 women have been treated in our nutrition centers since 2011.

### Mother and Child Health Centers



Mercy-USA operates fourteen Mother and Child Health Centers.

In 2014, we had a total of about 149,000 consultations or visits to our centers where mothers and children are treated in Somalia.

We immunized over 4,000 mothers and children against life-threatening diseases and provided reproductive

health services including pre-natal, delivery and post natal services to about 19,000 women. We also examined and treated almost 3,900 newborns last year.

### Water, Sanitation and Hygiene



In addition to our well construction detailed on page 15, Mercy-USA constructed thirteen medical waste facilities and three communal garbage disposal pits in Somalia. We distributed hygiene kits to families with children suffering from severe acute malnutrition who had been admitted into our nutrition program. Each kit contained two 20-Liter Jerri cans, water purification tablets and hand-washing and bathing soap. Mercy-USA also trained over 150,000 persons during quarterly hygiene, sanitation, health and nutrition training sessions in 2014.

### Tuberculosis and HIV/AIDS Centers

Mercy-USA operates nine TB treatment centers in Somalia, three of which were newly opened at the

end of 2014 and began treating patients in 2015. These new centers are in the town of Hudun in Sool region, Somaliland and in the towns of Iskushuban and Baargaal in Bari region, Puntland.

Four of our centers - in Mogadishu, Las Anod, Bossaso and Buhodle - test patients for HIV and provide counseling for those infected. Our Mogadishu center also provides medical treatment (Anti-retrovirals) for HIV patients; the other three centers refer test-positive patients to other health facilities.

Two of our centers (Las Anod and Mogadishu) also test donated blood for HIV, Hepatitis and STIs (sexually transmitted diseases).

In 2014, we tested and admitted over 1,700 TB patients and about 1,200 patients completed the 6-9 month treatment, with 85% of them cured.

We tested and counseled over 1,800 patients for HIV/AIDS and STIs and treated over 500 patients with HIV/AIDS, STIs and related infections.

These health, nutrition, hygiene and sanitation projects are primarily funded through generous grants from the US Agency for International Development’s Office of Foreign Disaster Assistance (USAID/OFDA), the United Nations Children’s Fund (UNICEF), the World Food Program (WFP) and the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM).



## Staving off Malnutrition in Kenya

*Mercy-USA has been offering nutrition services in Garissa County, Kenya where the malnutrition rates among women and children were deemed serious to critical depending on the time of the year and rain fall.*

## Thousands of Kenyan Children Can Thrive...

With grant funding from UNICEF and the World Food Program, Mercy-USA treated over 2,700 pregnant women, nursing mothers, and children under the age of five suffering from moderate acute malnutrition (MAM). We treated

approximately 1,400 children with severe acute malnutrition (SAM) at our selective feeding sites and centers in Garissa county, Kenya.

In addition to our feeding programs, we provided approximately 100,000

micronutrients, vitamin A, iron, and folic acid supplements. Deworming services were also provided.

Additionally, we trained 300 Community Health Workers in the provision of nutrition services.





## Help Grows in Circles

*Rukija Smailović, 58 yrs old, originally from Srebrenica, mother of five and grandmother of six children. Rukija lives on government assistance of about \$175 a month. The seedlings she receives from our Agriculture Education Center give her access to fresh vegetables and a sense of purpose as she tends her own small garden.*

## Helping in Bosnia for Over Two Decades



### Helping Flood Victims in Bosnia

In May 2014, Bosnia saw the heaviest rain in over a century causing massive mudslides and flooding. Hundreds of thousands were forced from their homes. Mercy-USA mobilized a team of volunteers to help with clean up and relief. We distributed family emergency kits that contained the basics to help families manage until they could get on their feet and return home.

### Agriculture Education Center

Mercy-USA operates an Agriculture Education Center. The 10,900 square foot greenhouse (seen on

page 20) and one acre farm serve to train agriculture students as well as local farmers in the latest and most efficient farming techniques. Most of the seedling crop is sold to help fund the center's operational costs, while a portion is distributed free of charge to needy households for sustenance farms and gardens. In 2014, over 20,500 vegetable seedlings were distributed to over 1,000 displaced persons living in four collective centers.

### Adult Continuing Education and Training

Since 1998, Mercy-USA for Aid and Development has been offering computer software skills and English training to unemployed or underemployed adults in the Tuzla Canton of Bosnia. Because



unemployment is high in the country, up-to-date computer software skills and business English are essential for gainful employment.

During 2014, Mercy-USA trained about 75 persons in the latest computer office software, and 70 students completed our English course. Just as important, we trained these students in best practices in job search and interviewing skills. To date, approximately 3,000 persons have graduated from our programs and are entering the workplace with marketable skills and the confidence needed to land better paying jobs.

### Computer Training for Orphans and At-Risk Young Adults

Since 2010, Mercy-USA has been providing three-month computer office software training courses to orphans and other at-risk teens and young adults near Tuzla. An important aspect to this training includes the dedicated Mercy-USA mentors who work with the youth to inspire essential life skills, including values that enhance self-esteem and integrity. This character training is vital as a deterrent to a criminal response to the hardships these teens and young adults face. We also offer a nutritious snack or meal at each class session. Fifty orphaned and at-risk youth completed this course in 2014, and to date we've helped approximately 250 young people by offering this valuable training.



## Reading to Succeed in Albania

*Since 2011, Mercy-USA has been providing books to school libraries across Albania. All books are purchased new. During the 2014/2015 school year, we delivered over 4,600 books, including reference materials and non-fiction books, novels, poetry and short stories to 12 different elementary/middle and high schools, serving about 3,300 students.*

*Since we began this project, we've given over 15,500 new books to 30 schools across Albania with more than 13,000 students now able to broaden their horizons through reading.*

## Skills Training for a Better Future in Albania



Mercy-USA offers orphaned students highly valued computer and English skills training after school to increase their higher education and/or career opportunities. Some students arrive at our training center after an hour long bus ride, but tell us, it is a course they could never afford to pay for on their own. Mercy-USA also holds competitions to encourage knowledge retention.



The students are awarded gifts like wrist watches, clothes and shoes and other prizes as motivation. In 2014, we had 120 students complete our programs. To date, we've had 840 students complete our courses and take their skills onward to better opportunities. Additionally, we provide technical support from our agronomist in Albania who works with wheat farmers, their families and

employees. In 2014 the farmers saw a 12% increase in yield over the previous year. A local flour mill, Miell Tirana, provides the seeds, fertilizer, etc., and buys the harvest at market prices from the farmers. Miell Tirana has partnered with us for many years, and they donate wheat flour to each of the 120 students; each student received about 23 pounds of flour to help their household.



**B**ukurie Skenderi was a beloved teacher at our English language training program for many years. Sadly, for our students and us at Mercy-USA, Bukurie passed away in March of 2015 at the age of 72. Mrs. Skenderi taught languages at the Faculty of Foreign languages in Tirana, Albania for forty years, and after retiring she taught English to our students. She was passionate about inspiring the children to be well educated, good citizens, and to feel equal with their peers despite their disadvantaged circumstances. She told them, "Now, we are a democratic country, and many of you will have the chance to meet foreigners or go abroad for different purposes, so this language will help you be successful." She wanted them to be fluent in English so they could access a broader world of literature and scientific research. She is very much missed.

# Aiding Rural Schools in Bangladesh



In 2014, Mercy-USA supported five rural schools in Bangladesh with books, teacher's salaries, uniforms plus a school lunch program.

Mercy-USA also installed safe drinking water stations at three of the five primary schools. Each station included an enclosed structure with a water storage tank, four sinks and a tube well. The schools had been relying on neighboring wells to provide hydration and hygiene. The new water stations allow children to have easy access to clean water, and hand washing—a crucial component to good health and safety for children.



## Learning Skills That Go Places in Indonesia

*Basic computer skills plus proficiency in commonly used office software combined with English are what take young people in Indonesia further in their pursuit of gainful employment and/or higher education. Mercy-USA provides these skills to orphaned students in Indonesia. We trained about thirty students in these six-month courses in 2014.*



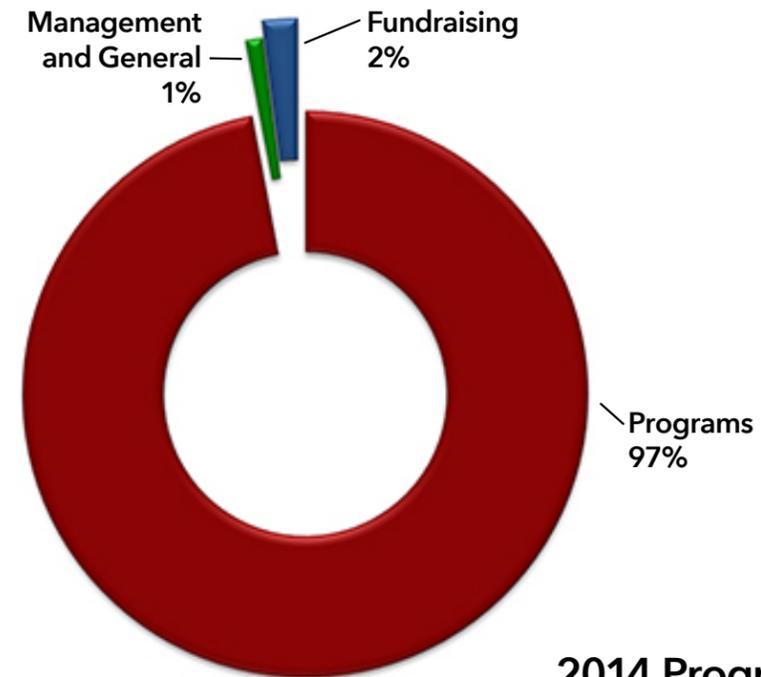
## Seasonal Food Aid

Mercy-USA provides food and other essential items to families in need during Ramadan and Eid ul-Adha. Iftar food packages or Iftar meals were served, as well as food packages (fitra) were distributed to needy families in most of the countries where we operate. Meat was distributed during Eid ul-Adha, known also as the Festival of the Sacrifice.

In 2014, Mercy-USA's donors provided over 95,000 people with this vital food aid. Persons helped included orphans, the elderly, persons with disabilities, refugees and those living in poverty in Albania, Bangladesh, Bosnia, India, Indonesia, Kenya, Lebanon, Somalia, Syria, the United States and for Palestinian Refugees in Lebanon. In addition, we also held Eid parties with gifts and treats for children in Syria and for Palestinian Refugee children in Lebanon.

## 2014 Functional Expenses

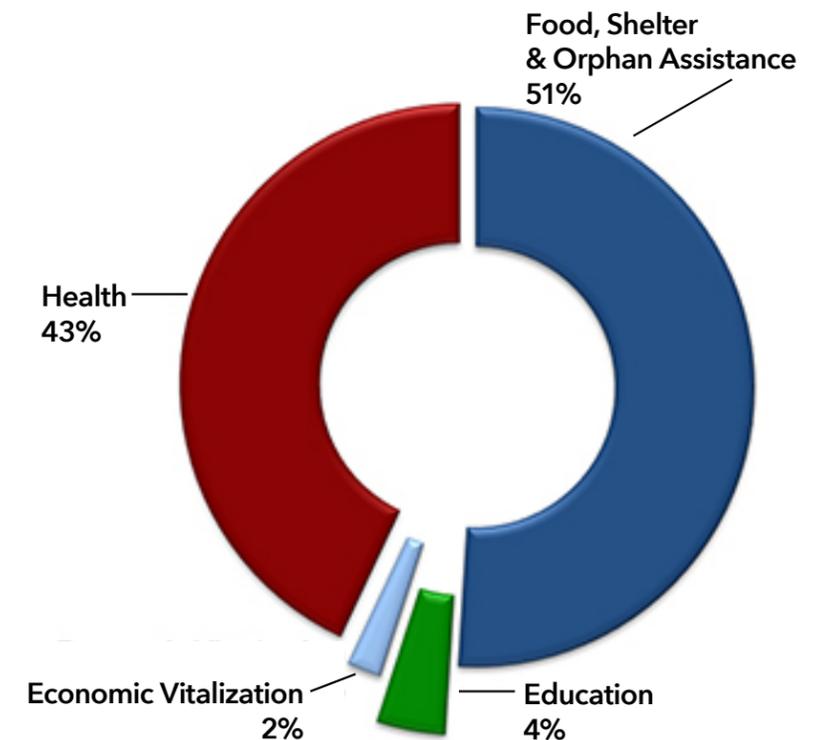
January 1 to December 31, 2014



## 2014 Program Expenses

(By Service Category)

January 1 to December 31, 2014





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

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

7310 Woodward Ave, Suite 740  
Detroit, MI 48202

(313) 873-7500 (Tel.)  
(313) 873-7502 (Fax)  
[www.alancyoung.com](http://www.alancyoung.com)

### INDEPENDENT AUDITOR'S 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. (a nonprofit organization) (the Organization) and its overseas operations, which comprise the consolidated statements of financial position as of December 31, 2014 and 2013, 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.

### Independent Auditor's Report (Continued)

#### 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, 2014 and 2013, 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 August 21, 2015 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  
August 21, 2015

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

### Consolidated Statements of Financial Position December 31, 2014 and 2013

	2014	2013
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and Cash Equivalents	\$ 2,464,313	\$ 2,703,731
Pledges & Accounts Receivable	341,193	713,218
Notes Receivable - Micro-lending/SED	12,000	-
Prepaid Insurance & Expenses	19,238	11,263
<b>Total Current Assets</b>	<b>2,836,744</b>	<b>3,428,212</b>
<b>Fixed Assets:</b>		
Building, Vehicles, Furniture & Equipment	1,140,589	1,105,972
Less: Accumulated Depreciation	(278,161)	(247,631)
<b>Total Fixed Assets</b>	<b>862,428</b>	<b>858,341</b>
<b>Other Assets:</b>		
Security Deposits	6,676	500
<b>Total Other Assets</b>	<b>6,676</b>	<b>500</b>
<b>Total Assets</b>	<b>\$ 3,705,848</b>	<b>\$ 4,287,053</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities:</b>		
Accounts Payable	\$ 462,251	\$ 718,244
Deferred Revenue	86,064	80,743
Tenant Security Deposit	7,719	6,625
Accrued Payroll & Taxes	1,003	2,576
Advance Rent	2,819	-
<b>Total Current Liabilities</b>	<b>559,856</b>	<b>808,188</b>
<b>Net Assets:</b>		
Unrestricted	1,482,523	1,351,708
Temporarily Restricted	1,663,469	2,127,157
<b>Total Net Assets</b>	<b>3,145,992</b>	<b>3,478,865</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 3,705,848</b>	<b>\$ 4,287,053</b>

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

### Consolidated Statements of Activities Years Ended December 31, 2014 and 2013

	2014			2013		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>SUPPORT AND REVENUE</b>						
Contributions From Public	\$ 431,681	\$ 3,370,323	\$ 3,802,004	\$ 333,307	\$ 2,315,893	\$ 2,649,200
US Agency for International Development (USAID)	-	1,928,119	1,928,119	-	2,953,498	2,953,498
United Nation (UN) Grants	-	1,762,309	1,762,309	-	1,217,897	1,217,897
Global Fund to Fight AIDS, Tuberculosis & Malaria (GFATM) Grants	-	248,529	248,529	-	277,727	277,727
Contribution In-Kind - UN agencies	-	2,892,946	2,892,946	-	1,792,170	1,792,170
Rental Income	68,396	-	68,396	72,600	-	72,600
Dividend Income	8,124	-	8,124	3,543	-	3,543
Gain/Loss on Foreign Currency Fluctuation	11,485	-	11,485	6,146	-	6,146
Gain/Loss on Sale of Equipment	9,443	-	9,443	-	-	-
Program Fees	-	-	-	500	-	500
<b>Net Assets Released From Restrictions:</b>						
Satisfaction of Service Restrictions	10,665,914	(10,665,914)	-	8,599,980	(8,599,980)	-
<b>Total Support and Revenue</b>	<b>11,195,043</b>	<b>(463,688)</b>	<b>10,731,355</b>	<b>9,016,076</b>	<b>(42,795)</b>	<b>8,973,281</b>
<b>EXPENSES</b>						
<b>Program Services:</b>						
Food, Shelter and Orphan Assistance	5,503,620	-	5,503,620	2,797,042	-	2,797,042
Economic Vitalization	160,774	-	160,774	217,707	-	217,707
Health	4,631,844	-	4,631,844	5,354,849	-	5,354,849
Education	403,274	-	403,274	365,620	-	365,620
<b>Total Program Services</b>	<b>10,699,512</b>	<b>-</b>	<b>10,699,512</b>	<b>8,735,218</b>	<b>-</b>	<b>8,735,218</b>
<b>Supporting Services:</b>						
Management and General	171,523	-	171,523	247,146	-	247,146
Fund Raising	193,193	-	193,193	217,804	-	217,804
<b>Total Supporting Expenses</b>	<b>364,716</b>	<b>-</b>	<b>364,716</b>	<b>464,950</b>	<b>-</b>	<b>464,950</b>
<b>Total Expenses</b>	<b>11,064,228</b>	<b>-</b>	<b>11,064,228</b>	<b>9,200,168</b>	<b>-</b>	<b>9,200,168</b>
Change In Net Assets	130,815	(463,688)	(332,873)	(184,092)	(42,795)	(226,887)
Net Assets - Beginning of Year	1,351,708	2,127,157	3,478,865	1,535,800	2,169,952	3,705,752
<b>Net Assets - End of Year</b>	<b>\$ 1,482,523</b>	<b>\$ 1,663,469</b>	<b>\$ 3,145,992</b>	<b>\$ 1,351,708</b>	<b>\$ 2,127,157</b>	<b>\$ 3,478,865</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, 2014 and 2013

	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (332,873)	\$ (226,887)
Adjustments to reconcile Change in Net Asset to Cash Used in Operations:		
Loss (Gain) on Disposal of Assets, net	(9,081)	-
Depreciation	65,758	57,432
Uncollectable Accounts Receivable	-	164,162
<b>Change in:</b>		
Repayments from/(Payments for) Notes Receivable	-	6,000
Prepaid Insurance and Expenses	(7,975)	(886)
Pledges and Accounts Receivable	372,025	(146,392)
Notes Receivable - Micro-lending/SED	(12,000)	-
Other Assets	(6,176)	-
Accounts Payable	(255,993)	(112,700)
Deferred Revenue	5,321	(276,118)
Accrued Payroll and Taxes	(1,573)	2,223
Other Liabilities	3,913	(1,283)
<b>Net Cash Used in Operating Activities</b>	<u>(178,654)</u>	<u>(534,449)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Equipment/Building	(70,207)	(53,189)
Proceeds from Sale of Assets	9,443	-
<b>Net Cash Used in Investing Activities</b>	<u>(60,764)</u>	<u>(53,189)</u>
Net Decrease in Cash	(239,418)	(587,638)
Cash and Cash Equivalents - Beginning of Year	<u>2,703,731</u>	<u>3,291,369</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$ 2,464,313</u>	<u>\$ 2,703,731</u>

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

### Notes to Financial Statements December 31, 2014 and 2013

#### 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 vitalization, health care, food and shelter and education mainly in Kenya, Somalia, Bosnia, Indonesia, Syria, 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 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. Consolidated branches include:

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

##### 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:

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

Notes to Financial Statements (Continued)  
December 31, 2014 and 2013

### 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's Board.

#### 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, 2014 and 2013

### 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 \$ 1,000 and over are capitalized.

#### Advertising:

The Organization expenses advertising costs as incurred. Advertising expense was \$108,086 and \$162,632 for the years ending December 31, 2014 and 2013, 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.

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

Notes to Financial Statements (Continued)  
December 31, 2014 and 2013

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

#### Revenue Reorganization

Funds provided under grant or contract, which are not considered contributions, are deemed to be earned and reported as revenue when the Organization has either incurred expenditures or completed the deliverables in compliance with the specific terms and conditions of the grant or contract. Grants or contract funds received for which no corresponding expenditures or performance has yet been made are accounted for as deferred revenue. Expenditures and performance made in advance of funds received are recorded as grants or accounts receivables.

Commodities are received and reported at fair value and recognized as revenue as the commodities are distributed for program purposes.

Contributions, including unconditional promises to give, are recognized initially at fair value as revenue in the period received at net realizable value.

### 2) CASH AND CASH EQUIVALENTS

The total cash held by the Organization at December 31, 2014, includes \$1,754,799 not covered by insurance provided by the Federal Deposit Insurance Corporation. As of December 31, 2013 the uninsured amount was \$1,313,049.

### 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.

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

Notes to Financial Statements (Continued)  
December 31, 2014 and 2013

### 3) PROGRAM AND SUPPORTING SERVICES (Continued)

#### 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.

### 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 \$2,892,946 and \$1,792,170 in fiscal years 2014 and 2013, 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, 2014 and 2013 are as follows:

	<u>2014</u>	<u>2013</u>
Grants Receivable	\$ 320,633	\$ 696,540
Pledges Receivable	20,560	16,678
	<u>\$ 341,193</u>	<u>\$ 713,218</u>

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

Notes to Financial Statements (Continued)  
December 31, 2014 and 2013

### 6) FIXED ASSETS

Fixed assets are comprised of the following:

	Balance January 1, 2014	Additions	Deletions	Balance December 31, 2014
<b>Fixed Assets:</b>				
Building	\$ 820,000	\$ -	\$ -	\$ 820,000
Office Equipment	157,125	8,670	(1,966)	163,829
Office Furniture	16,159	-	-	16,159
Audio Visual Equipment	8,464	-	-	8,464
Automobiles	93,629	61,537	(33,624)	121,542
Others	10,595	-	-	10,595
<b>TOTAL</b>	<b>1,105,972</b>	<b>70,207</b>	<b>(35,590)</b>	<b>1,140,589</b>
Less Accumulated Depreciation	(247,631)	(65,758)	35,228	(278,161)
<b>NET FIXED ASSETS</b>	<b>\$ 858,341</b>	<b>\$ 4,449</b>	<b>\$ (362)</b>	<b>\$ 862,428</b>

	Balance January 1, 2013	Additions	Deletions	Balance December 31, 2013
<b>Fixed Assets:</b>				
Building	\$ 820,000	\$ -	\$ -	\$ 820,000
Office Equipment	131,107	31,475	(5,457)	157,125
Office Furniture	13,650	2,509	-	16,159
Audio Visual Equipment	8,464	-	-	8,464
Automobiles	75,129	18,500	-	93,629
Others	9,890	705	-	10,595
<b>TOTAL</b>	<b>1,058,240</b>	<b>53,189</b>	<b>(5,457)</b>	<b>1,105,972</b>
Less Accumulated Depreciation	(195,656)	(57,432)	5,427	(247,631)
<b>NET FIXED ASSETS</b>	<b>\$ 862,584</b>	<b>\$ (4,243)</b>	<b>\$ -</b>	<b>\$ 858,341</b>

### 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 \$10,362 and \$10,183 in fiscal years 2014 and 2013, respectively, to the plan.

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

Notes to Financial Statements (Continued)  
December 31, 2014 and 2013

### 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, 2014 and 2013 the Organization, collected \$43,537 and \$40,024 respectively, on behalf of Mercy-USA for Aid & Development, (Canada) and received \$117,399 and \$58,343, respectively, from Mercy-USA for Aid & Development, (Canada). As at December 31, 2014, an amount of \$ 2,000 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:

	2014	2013
Albania Programs	\$ 102,397	\$ 87,058
Bosnia Programs	129,991	89,014
Indonesia Programs	71,917	51,245
Lebanon Programs	121,277	165,669
Somalia & Kenya Programs	7,116,471	6,697,866
Syria Programs	2,566,832	1,285,137
Gaza Programs	434,314	122,181
Bangladesh Programs	86,380	62,492
United States Programs	16,901	15,000
India Programs	19,434	22,764
Other Programs	-	1,554
<b>Total Restrictions Released</b>	<b>\$ 10,665,914</b>	<b>\$ 8,599,980</b>

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

	12/31/2014	12/31/2013
Albania	\$ 3,543	\$ -
Lebanon	77,688	116,444
Bosnia	19,488	-
Somalia and Kenya	280,396	611,555
India	476	308
Syria	478,877	895,176
Bangladesh	-	14,503
Gaza	346,019	42,188
USA	3,599	-
Others	453,383	446,983
<b>Total</b>	<b>\$1,663,469</b>	<b>\$2,127,157</b>

## OTHER SUPPLEMENTAL INFORMATION

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

#### Statement of Functional Expenses Year Ended December 31, 2014 (With Combined Comparative Totals for 2013)

Expenditures	Food, Shelter & Orphan Assistance	Health	Economic Vitalization	Education	Total Program Services	Management & General	Fund Raising	Total Expenditures	2013 Total Expenditures
Grants	\$ 260,731	\$ -	\$ -	\$ 215,431	\$ 476,162	\$ -	\$ -	\$ 476,162	\$ 204,879
Salaries & Wages	450,542	1,792,443	66,997	50,006	2,359,988	48,706	23,233	2,431,927	2,273,804
Employee Benefits	17,010	135,950	13,999	-	166,959	27,264	-	194,223	186,920
Advertising & Promotion	-	-	-	-	-	-	108,086	108,086	162,632
Transportation Expenses	50,664	574,676	14,916	6,687	646,943	1,395	-	648,338	827,205
Commercial Insurance	574	-	-	-	574	1,932	-	2,506	992
Conference, Meeting & Seminars	846	6,772	-	-	7,618	2,454	6,070	16,142	5,542
Consultants & Other Professional Services	24,200	7,475	1,316	10,473	43,464	923	6,000	50,387	40,212
Dues, Subscriptions, Fees, etc.	2,139	3,191	-	60	5,390	4,825	-	10,215	1,345
Legal	4,804	310	177	1,319	6,610	805	-	7,415	8,616
Accounting	3,751	25,257	-	716	29,724	3,141	-	32,865	26,756
Occupancy & Warehousing	30,285	126,213	6,352	9,109	171,959	12,069	-	184,028	165,115
Postage & Shipping, etc.	4,733	787	508	324	6,352	6,603	15,417	28,372	17,558
Printing & Copying	2,466	1,488	43	148	4,145	4,264	14,708	23,117	12,318
Program Materials	4,324,169	1,243,664	8,103	29,069	5,605,005	-	-	5,605,005	3,938,947
Telephone	10,433	41,048	2,718	1,380	55,579	2,921	-	58,500	72,548
Travel	65,777	126,997	8,700	1,265	202,739	8,980	543	212,262	267,844
Bank Charges/Currency Adjustment	22,056	62,841	10,387	10,218	105,502	1,374	19,136	126,012	96,589
Office Supplies and Equipment	27,042	107,666	2,370	2,259	139,337	4,214	-	143,551	147,285
Payroll Taxes	-	2,169	-	-	2,169	5,656	-	7,825	3,596
Loss on Sale of Assets	-	-	-	-	-	362	-	362	-
Uncollectible Accounts Receivables	-	-	-	-	-	-	-	-	164,162
Indirect cost	195,586	354,347	19,525	61,712	631,170	-	-	631,170	517,871
Depreciation	5,812	18,550	4,663	3,098	32,123	33,635	-	65,758	57,432
<b>Total</b>	<b>\$ 5,603,620</b>	<b>\$ 4,631,844</b>	<b>\$ 160,774</b>	<b>\$ 403,274</b>	<b>\$ 10,699,512</b>	<b>\$ 171,523</b>	<b>\$ 193,193</b>	<b>\$ 11,064,228</b>	<b>\$ 9,200,168</b>

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

#### Indirect Cost Allocation Year Ended December 31, 2014

Expenditures	Total Cost	Allowable Indirect	Unallowable Indirect	Fund Raising Cost	Program Cost	Excluded Program Cost*	Total Direct Cost
Grants	\$ 476,162	\$ -	\$ -	\$ -	\$ 476,162	\$ -	\$ 476,162
Salaries & Wages	2,431,927	48,706	-	23,233	2,359,988	-	2,383,221
Employee Benefits	194,223	27,264	-	-	166,959	-	166,959
Advertising & Promotion	108,086	-	-	108,086	-	-	108,086
Transportation Expenses	648,338	1,395	-	-	646,943	-	646,943
Commercial Insurance	2,506	1,932	-	-	574	-	574
Conference, Meetings & Seminars	16,142	2,454	-	6,070	7,618	-	13,688
Consultants & Other Professional Services	50,387	923	-	6,000	43,464	-	49,464
Dues, Subscription, Fees etc.	10,215	4,825	-	-	5,390	-	5,390
Legal	7,415	805	-	-	6,610	-	6,610
Accounting	32,865	3,141	-	-	29,724	-	29,724
Occupancy & Warehousing	184,028	12,069	-	-	171,959	-	171,959
Postage & Shipping	28,372	6,603	-	15,417	6,352	-	21,769
Printing & Copying	23,117	4,264	-	14,708	4,145	-	18,853
Program Materials	5,605,005	-	-	-	5,605,005	2,892,946	2,712,059
Telephone	58,500	2,921	-	-	55,579	-	55,579
Travel	212,262	8,980	-	543	202,739	-	203,282
Bank Charges/Currency Adjustment	126,012	1,374	-	19,136	105,502	-	124,638
Office Supplies & Equipment	143,551	4,214	-	-	139,337	-	139,337
Payroll Taxes	7,825	5,656	-	-	2,169	-	2,169
Loss on Sale of Assets	362	-	362	-	-	-	-
Indirect Cost	631,170	-	-	-	631,170	-	631,170
Depreciation	65,758	33,635	-	-	32,123	-	32,123
<b>Total</b>	<b>11,064,228</b>	<b>171,161</b>	<b>362</b>	<b>193,193</b>	<b>10,699,512</b>	<b>2,892,946</b>	<b>7,999,759</b>
Reclassify Overhead Charged to Program Costs	-	631,170	-	-	-	-	(631,170)
<b>Total</b>	<b>\$ 11,064,228</b>	<b>\$ 802,331</b>	<b>\$ 362</b>	<b>\$ 193,193</b>	<b>\$ 10,699,512</b>	<b>\$ 2,892,946</b>	<b>\$ 7,368,589</b>

Base = Total Direct Cost

Pool Cost \$802,331

Base Cost \$7,368,589

Indirect Rate 10.89%

\* Excluded program costs include in-kind program material expenses and administrative costs included in the indirect cost.

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

#### Supplemental Statement of Revenue and Program Expenses Year Ended December 31, 2014 (With Combined Comparative Totals for 2013)

	ALBANIA	LEBANON*	BOSNIA	INDONESIA	SOMALIA & KENYA	SYRIA	BANGLADESH	GAZA	INDIA	USA	OTHERS	NOT DESIGNATED	TOTAL	TOTAL 2013
<b>REVENUES</b>														
Contributions from Public:														
General	\$ 8,940	\$ 5,521	\$ 84,313	\$ 3,917	\$ 163,958	\$ 915,430	\$ 8,678	\$ 698,145	\$ 2,602	\$ -	\$ 6,400	\$ 431,681	\$ 2,329,585	\$ 1,350,308
Food Aid	13,000	37,000	19,000	14,000	71,223	126,232	12,531	-	11,000	15,500	-	-	319,486	273,775
Orphan Fund	35,000	-	12,166	35,000	-	-	-	-	-	-	-	-	82,166	19,826
Education	4,000	-	4,000	4,000	-	-	5,522	-	-	-	-	-	17,522	-
Zakat	45,000	40,000	30,000	15,000	46,701	780,398	45,146	40,000	6,000	5,000	-	-	1,053,245	1,005,291
US Government Grants	-	-	-	-	1,928,119	-	-	-	-	-	-	-	1,928,119	2,953,498
United Nations (UN) Grants	-	-	-	-	1,677,852	84,457	-	-	-	-	-	-	1,762,309	1,217,897
Global Fund to Fight AIDS, Tuberculosis & Malaria (GFATM) Grant	-	-	-	-	248,529	-	-	-	-	-	-	-	248,529	277,727
Gifts in Kind - UN Agencies	-	-	-	-	2,648,930	244,016	-	-	-	-	-	-	2,892,946	1,792,170
Rental Income	-	-	-	-	-	-	-	-	-	-	-	68,396	68,396	72,600
Dividend Income	-	-	-	-	-	-	-	-	-	-	-	8,124	8,124	3,543
Gain/Loss on Foreign Currency Fluctuation	-	-	-	-	-	-	-	-	-	-	-	11,485	11,485	6,146
Gain/Loss on Sale of Equipment	-	-	-	-	-	-	-	-	-	-	-	9,443	9,443	-
Program Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	500
<b>Total Revenues</b>	<b>\$ 105,940</b>	<b>\$ 82,521</b>	<b>\$ 149,479</b>	<b>\$ 71,917</b>	<b>\$ 6,785,312</b>	<b>\$ 2,150,533</b>	<b>\$ 71,877</b>	<b>\$ 738,145</b>	<b>\$ 19,602</b>	<b>\$ 20,500</b>	<b>\$ 6,400</b>	<b>\$ 529,129</b>	<b>\$ 10,731,355</b>	<b>\$ 8,973,281</b>
<b>EXPENDITURES</b>														
Program Services:														
Food, Shelter & Orphan Assistance	\$ 19,969	\$ 88,574	\$ 33,200	\$ 15,937	\$ 2,697,729	\$ 2,362,381	\$ 12,531	\$ 236,964	\$ 19,434	\$ 16,901	\$ -	\$ -	\$ 5,503,620	\$ 2,797,042
Economic Vitalization	7,744	-	76,277	76,753	-	-	-	-	-	-	-	-	160,774	217,707
Health	-	8,651	-	-	4,418,742	204,451	-	-	-	-	-	-	4,631,844	5,354,949
Education	74,684	24,052	20,514	12,825	-	-	73,849	197,350	-	-	-	-	403,274	365,620
<b>Total Program Services</b>	<b>\$ 102,397</b>	<b>\$ 121,277</b>	<b>\$ 129,991</b>	<b>\$ 105,515</b>	<b>\$ 7,116,471</b>	<b>\$ 2,566,832</b>	<b>\$ 86,380</b>	<b>\$ 434,314</b>	<b>\$ 19,434</b>	<b>\$ 16,901</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,699,512</b>	<b>\$ 8,735,218</b>

\* Includes Palestinian refugees in Lebanon.

# 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

\_\_\_\_\_  
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**

Fiesta RPO P.O. Box 56102, 102 Hwy. #8, Stoney Creek, ON L8G 5C9 Canada

**734-454-0011 • 1-800-55-MERCY (1-800-556-3729) • FAX: 734-454-0303**

e-mail: [info@mercyusa.org](mailto:info@mercyusa.org) • website: [mercyusa.org](http://mercyusa.org)

## Mercy-USA for Aid and Development

44450 Pinetree Drive, Suite 201 • Plymouth, Michigan 48170-3869

Telephone: 734-454-0011 • 1-800-55-MERCY (1-800-556-3729)

FAX: 734-454-0303

e-mail: [info@mercyusa.org](mailto:info@mercyusa.org) • website: [mercyusa.org](http://mercyusa.org)

### Other Mercy-USA Offices

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

## 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.

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

## Mercy-USA Board of Directors\*

### Chairperson

Ms. Iman Elkadi

### Vice-Chairperson

Dr. Ali El-Menshawi

### Treasurer

Mr. Melvin Bilal

### Members

Mr. Hassan Amin

Ms. Rasha Ghobashy

Dr. Magdy M. Hussein

*\*All members of the Board of Directors serve as volunteers.*

Mr. Umar al-Qadi,  
President & CEO

Mr. Anas Alhaidar, CFO

## Join Mercy-USA in Our Work in "Helping People Help Themselves"<sup>SM</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 form on page 42 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 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.



# Mercy-USA™

Mercy-USA for Aid and Development

Donate Online: [www.mercyusa.org](http://www.mercyusa.org)

Call Toll-Free: 800-55-MERCY (800-556-3729)

