

## MERCY CORPS — ADDENDUM TO THE 2006 ANNUAL REPORT

The resources of Mercy Corps' global operations totaled nearly \$220 million — a record — in fiscal year 2006. Material aid, government grants and private fundraising enabled us to provide significant relief and development assistance. Some 89 percent of our resources were directed to programs.

Ensuring that resources are wisely spent is the cornerstone of our values, vision and strategy for growth in the future.

### Global Financial Summary

Support, Revenue and Expenditures of Mercy Corps and Worldwide Partners

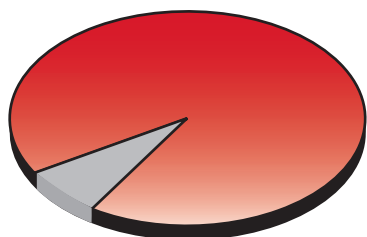
	FY 2006	FY 2005
<b>Support &amp; Revenue</b>		
<i>Proyecto Aldea Global</i>	\$ 2,152,496	\$ 2,149,724
<i>Mercy Corps Scotland</i>	19,625,527	14,052,950
<i>Mercy Corps US</i>	140,088,995	116,288,446
<b>Subtotal: Cash Revenue</b>	<b>\$ 161,867,018</b>	<b>\$ 132,491,120</b>
<b>Material Aid (In Kind)</b>	<b>57,272,392</b>	<b>52,187,890</b>
<b>TOTAL SUPPORT AND REVENUE</b>	<b>\$ 219,139,410</b>	<b>\$ 184,679,010</b>
<b>Expenditures</b>		
<b>Program:</b>		
<i>Proyecto Aldea Global</i>	\$ 1,797,585	\$ 1,719,023
<i>Mercy Corps Scotland</i>	17,266,538	11,965,978
<i>Mercy Corps US</i>	111,483,360	95,325,071
<b>Subtotal: Cash Expenditures</b>	<b>\$ 130,547,483</b>	<b>\$ 109,010,072</b>
<b>Material Aid (In Kind)</b>	<b>57,272,392</b>	<b>52,187,890</b>
<b>Total Program</b>	<b>\$ 187,819,875</b>	<b>\$ 161,197,962</b>
<b>Support Services:</b>		
General & Administration	\$ 15,441,694	\$ 12,300,542
Resource Development	9,272,695	8,883,230
<b>Total Support Services</b>	<b>\$ 24,714,389</b>	<b>\$ 21,183,772</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 212,534,264</b>	<b>\$ 182,381,734</b>
<b>NET</b>	<b>\$ 6,605,146</b>	<b>\$ 2,297,276</b>

### Audited Financial Summary

Condensed Summary of Support, Revenue and Expenditures for Mercy Corps Global Operations

	FY 2006	FY 2005
<b>Support &amp; Revenue</b>		
<b>Government and Organizational Support:</b>		
Government Grants	\$ 85,297,654	\$ 77,125,488
International Organization Grants	3,095,440	2,848,233
Material Aid		
<i>(Government Commodities)</i>	23,956,285	21,682,209
<b>Subtotal: Government &amp; Organizational Support</b>	<b>\$ 112,349,379</b>	<b>\$ 101,655,930</b>
<b>Private Support:</b>		
Contributions	\$ 37,828,132	\$ 22,189,581
Grants	9,801,193	10,926,806
Gifts in Kind	33,316,107	30,505,681
Other Revenue	4,066,576	3,198,338
<b>Subtotal: Private Support</b>	<b>\$ 85,012,008</b>	<b>\$ 66,820,406</b>
<b>TOTAL SUPPORT AND REVENUE</b>	<b>\$ 197,361,387</b>	<b>\$ 168,476,336</b>
<b>Expenditures</b>		
<b>Program Services</b>		
Humanitarian assistance - relief	\$ 87,593,672	\$ 74,874,151
Humanitarian assistance - recovery	29,727,835	26,920,138
Livelihood/economic development	27,415,281	21,743,865
Civil society	15,961,030	16,883,194
Health	8,057,934	7,091,613
<b>Subtotal: Program Services</b>	<b>\$ 168,755,752</b>	<b>\$ 147,512,961</b>
<b>Support Services</b>		
General & Administration	\$ 13,852,281	\$ 11,093,797
Resource Development	8,860,273	7,250,100
<b>Subtotal: Support Services</b>	<b>\$ 22,712,554</b>	<b>\$ 18,343,897</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 191,468,306</b>	<b>\$ 165,856,858</b>
<b>NET</b>	<b>\$ 5,893,081</b>	<b>\$ 2,619,478</b>

### How Our Resources Were Spent in Fiscal Year 2006



- = Total Global Programs: 89%
- = Administrative Support: 11%

Over the past five years, more than 90% of our aggregate resources were directed to programs.

### Balance Sheet

	FY 2006	FY 2005
<b>Assets</b>		
Cash	\$ 51,960,780	\$ 47,494,057
Receivables	31,927,648	23,462,818
Inventories	9,099,943	12,059,877
Property and Equipment (Net)	3,425,499	2,784,912
Other	2,236,303	2,122,538
<b>Total Assets</b>	<b>\$ 98,650,173</b>	<b>\$ 87,924,202</b>
<b>Liabilities</b>		
Payables & Accrued Liabilities	\$ 31,247,238	\$ 26,774,282
Deferred Revenue	22,917,154	30,721,052
<b>Total Liabilities</b>	<b>\$ 54,164,392</b>	<b>\$ 57,495,334</b>
<b>Net Assets</b>		
Unrestricted	\$ 15,835,144	\$ 9,942,063
Temporarily Restricted	28,650,637	20,486,805
<b>Total Net Assets</b>	<b>\$ 44,485,781</b>	<b>\$ 30,428,868</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 98,650,173</b>	<b>\$ 87,924,202</b>