



2012

ANNUAL REPORT



MercyCorps

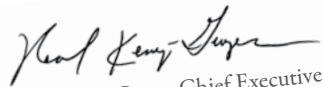


Dear Friend of Mercy Corps,

Thank you for your support in 2012. Your compassion and commitment are making life better for people who live in the world's toughest places.

I am often asked how we are able to confront daunting global issues to make a better life possible for the people we serve. We have a talented team, most of whom are from the countries where they work. We have 34 years of practical know-how, learned on the ground and backed by the technical skills of our specialists in agriculture, engineering, economics and public health. We listen closely to understand the needs of each community. Then we partner with them to design and apply breakthrough solutions that achieve lasting benefits.

This is the work you make possible. By joining with thousands of other Mercy Corps supporters, you are saving and changing lives in 42 countries and providing vital assistance to communities in crisis around the world. On behalf of the millions of people whose lives today are more secure, productive and just — because of your action — you have my sincere gratitude.



Neal Keny-Guyer, Chief Executive Officer

EMERGENCY RESPONSE

When natural disaster strikes without warning, when conflict drives families from their homes, there's no time to waste. Mercy Corps delivers lifesaving aid to help hard-hit communities survive, recover and rebuild.

READ THE LATEST STORIES:
[mercycorps.org/
emergency-response](https://mercycorps.org/emergency-response)



SYRIA

Among the refugees fleeing violence in Syria were tens of thousands of children. In the Jordan camps where they took shelter, we built safe places for kids to play. We delivered books and school supplies so they could continue their education. We provided water to 400,000 refugees and their host families. We also brought our psychosocial program, developed by experts, to help young Syrian refugees in Lebanon heal from the trauma. We used art, sports and games to provide emotional support while teaching cooperation, self-expression, empathy and leadership to young people and their families.



D. R. CONGO

Soon after rebels captured eastern Congo's largest city, Goma, banks and stores shut down. The result: food shortages. We distributed emergency rations of flour, oil and fortified grains to 11,000 urban families that were displaced by the fighting. Our team also rerouted food to camps on the outskirts of the city, where families fleeing the conflict took shelter. We provided temporary shelter for 3,000 orphans. And we helped meet urgent needs for clean water and sanitation facilities in camps where the risk of cholera is high.

FIGHTING HUNGER

Too many people around the world go to bed hungry and wake up not knowing when – or whether – they will eat. Malnourished children are vulnerable to lifelong physical and mental challenges. In dozens of countries, Mercy Corps provides emergency supplies to help people survive immediate hunger crises and works with communities to grow more food.

READ THE LATEST STORIES:

mercycorps.org/agriculture-food



NIGER

As drought and hunger ravaged Niger, Mercy Corps screened children for malnutrition and provided nutrient-rich food to help them regain their strength. We provided emergency cash to enable mothers and fathers to buy food. And we paid laborers to dig water storage trenches. Workers earned much-needed income to purchase essential supplies, keeping local merchants in business, while the trenches will allow communities to capture the next rainfall for their livestock and crops.

MALI

Chronic drought and violence caused food shortages and a severe hunger crisis for 300,000 displaced people in Mali. We helped vulnerable families obtain essential foods like rice and cooking oil to survive the immediate crisis. We also helped pastoralists keep cows, goats and camels — their most precious assets — healthy.



IMPROVING ECONOMIES

In the chaos of a disaster or conflict, daily trade is disrupted and hardworking people cannot provide for their families. Mercy Corps helps restore normal commerce by providing financing, catastrophe insurance, training, equipment and technical support so that people can start and expand businesses, purchase tools, improve productivity, protect resources and reopen markets.

READ THE LATEST STORIES:
[mercycorps.org/
economic-opportunity](https://mercycorps.org/economic-opportunity)





HAITI

Hurricane Sandy damaged or destroyed 20,000 homes — Haiti's largest disaster since the massive 2010 earthquake. Mercy Corps and our partners provided insurance payouts to help 12,000 women entrepreneurs who lost their homes or merchandise rebuild their lives and livelihoods.

INDONESIA

Child malnutrition is rampant in the urban slums of Indonesia, where most families don't have kitchens and the only option is poor-quality prepared food. Mercy Corps designed child-friendly food carts that serve healthy menus and then trained entrepreneurs to start and run these sustainable small businesses.

BREAKTHROUGH SOLUTIONS

Where conditions are the worst, conventional answers aren't enough. Mercy Corps believes the toughest places demand the boldest ideas. That's why we strive to design breakthrough solutions that advance the skills of local people and will continue to work without outside support.

READ THE LATEST STORIES:
mercycorps.org/innovations



ETHIOPIA

Farmers work hard to boost their crop yields for food, income and seed. But sometimes their efforts are futile because surplus grain rots before it can be eaten, sold or planted. Mercy Corps worked with area businesses to develop and distribute a low-cost, locally manufactured grain storage bag that protects the harvest from mold and vermin. Profits remain in the community, and growers can now count on their entire harvest being usable.

UGANDA

Where electricity is unavailable, many people resort to dirty and dangerous kerosene lamps. Mercy Corps connected existing solar companies to new customers in remote rural areas. Now families can use clean solar-powered lanterns, greatly lowering their household fuel expenses and the risk of burns and fires — while bringing new business opportunities to local entrepreneurs.



Opposite page: Ethiopia – Joni Kabana for Mercy Corps. This page: Uganda – Jenny Bussey Vaughan/Mercy Corps



MercyCorps FINANCIAL STATEMENT

You can find our complete financial statement at mercy Corps.org/financials

Audited U.S. Financial Summary

Mercy Corps Consolidated U.S. Operations: Condensed Summary of Support, Revenue and Expenses (in U.S. dollars) for the year ending June 30, 2012

	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
Support and Revenue			
Public Support and Revenue	172,201,908	–	172,201,908
Private Support and Revenue	54,650,021	8,016,270	62,666,291
Other Revenue	33,544,383	60,218	33,604,601
Released from Restriction	16,684,031	(16,684,031)	–
Total Support and Revenue	277,080,343	(8,607,543)	268,472,800

EXPENDITURES

Program Services

Humanitarian Assistance - Relief	45,029,058	–	45,029,058
Humanitarian Assistance - Recovery	36,873,517	–	36,873,517
Livelihood/Economic Development	83,937,028	–	83,937,028
Civil Society	44,672,365	–	44,672,365
Health	22,229,720	–	22,229,720
Subtotal: Program Services	232,741,688	–	232,741,688

Support Services

General and Administration	30,357,153	–	30,357,153
Resource Development	11,179,247	–	11,179,247
Subtotal: Support Services	41,536,400	–	41,536,400

	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
Total Expenditures	274,278,088	–	274,278,088
Non-Operating Gain	1,764,464	–	1,764,464
Change in Net Assets	4,566,719	(8,607,543)	(4,040,824)*

Condensed Statement of Financial Position

JUNE 30, 2012	U.S.	GLOBAL
Total Assets	227,271,854	241,466,910
Total Liabilities	144,862,046	154,671,879
Net Assets		
Unrestricted	57,500,027	61,052,535
Temporarily Restricted	24,889,781	25,722,496
Permanently Restricted	20,000	20,000
Total Net Assets	82,409,808	86,795,031
Total Liabilities & Net Assets	227,271,854	241,466,910

Global Financial Summary

Mercy Corps U.S. and Global Partners: Support, Revenue and Expenses (in U.S. dollars) for the year ending June 30, 2012

	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
Support and Revenue			
Mercy Corps Scotland	3,306,117	40,231,514	43,537,631
Mercy Corps U.S.	253,240,586	8,076,488	261,317,074
Mercy Corps U.S. Material Aid	7,155,726	—	7,155,726
Released from Restriction	16,292,294	(16,292,294)	—
Total Support and Revenue	279,994,723	32,015,708	312,010,431
EXPENDITURES			
Program Services			
Mercy Corps Scotland	2,143,400	41,036,394	43,179,794
Mercy Corps U.S.	232,741,688	—	232,741,688
Total Program Services	234,885,088	41,036,394	275,921,482
SUPPORT SERVICES			
General and Administration	30,562,471	—	30,562,471
Resource Development	11,496,368	148,918	11,645,286
Total Support Services	42,058,839	148,918	42,207,757
Total Expenditures	276,943,927	41,185,312	318,129,239
Non-Operating Gain (Loss)	3,214,862	(37,613)	3,177,249
Net	6,265,658	(9,207,217)	(2,941,559)*

*Mercy Corps did not incur a loss. This number reflects current-year expenses on revenue received in a prior year.

BOARD OF DIRECTORS

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David Mahoney

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USING YOUR GIFTS WISELY

Efficient and Accountable

Over the last five years, we have used 88 percent of our resources for programs that help people in need around the world.



Charity Navigator

Mercy Corps received four out of four stars from Charity Navigator, the premier American charity evaluator, for our responsible stewardship of donor funds.

Better Business Bureau

Mercy Corps meets all 20 of the Better Business Bureau Wise Giving Alliance standards for charity accountability.



-  = Humanitarian programs: 88%
-  = Fundraising and administration: 12%



bbb.org/charity



OUR MISSION

Mercy Corps exists to alleviate suffering, poverty and oppression by helping people build secure, productive and just communities.



CONTACT US

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