

Financial Report

7/31/09

This past year was a very difficult year for many non-profit organizations. Revenues from donations and grants were down significantly as donors and corporations adjusted and reacted to the world wide economic recession. Fortunately, the Mercy Center Foundation (MCF) had sufficient liquidity to withstand the effects of lower contributions.

Revenues declined by 28% but still totaled more than \$120,000. We were fortunate again to receive a significant \$18,000 contribution from *Newman's Own Foundation*, which covered most of the remaining costs to finish construction of the staff housing. Overall expenses increased 39%, all attributable to supporting, through grants to Mercy Center Lare (MCL), the on-going programs and building projects in Lare. Because expenses exceeded contributions, the cash position decreased \$29,000 after increasing by \$57,000 the prior year.

Total cash at year-end was \$94,000 of which \$14,000 was restricted.

The financial statements of the Mercy Center Foundation USA, Inc., for the fiscal year ended 7/31/09, were reviewed by Gold, Leins & Adoff, LLP. The financial statements of Mercy Center Lare (an independent organization which receives all of its grants from MCF), for the year ended 7/31/09, received an unqualified opinion from Intercapital Managers and Consultants in Nakuru, Kenya.

The reviewed financial statements and Form 990 are available on the web site.