

Annual Report of Interserve USA

2005 Financial Review

Overall, 2005 was a good year for Interserve USA. Total revenue was down slightly compared to 2004, however, partner support was up for the same period. Expenses were down compared to the prior year. This was mainly in the support services area. We ended the year with a surplus, thanks to an extraordinary gift that is noted below. Our auditors advised noting the larger than usual single gift last year, but we trust God will often bless us in this way through particularly generous supporters!

Receipts for the current fiscal year have been encouraging, especially in light of the Katrina disaster here in the US and the earthquake disaster in Pakistan. We have stayed on budget for receipts while receiving \$25,000 in additional gifts for the Pakistan earthquake relief. Thank you for standing with us as we partner in the Hard Places!

Statement of Financial Activities for the Fiscal Year ending March 31, 2005

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 3/31/05	Total 3/31/04
SUPPORT:					
Partner support	\$3,453,968	\$454,298	\$0	\$3,908,266	\$3,793,899
General Ministries	297,809	-	-	297,809	664,735
Other contributions	110,000	78,285	-	188,285	35,000
CONTRIBUTION SUPPORT TOTAL	3,861,777	532,583	0	4,394,360	4,493,634
REVENUE:					
Investment income	20,248	52,176	162,140	234,564	181,536
Endowment income	-	-	7,340	7,340	25,638
Special projects	-	370,861	-	370,861	372,820
Other income	56,842	1,415	-	58,257	74,569
Funds for other ministries	1,039,845	(861,405)	(178,440)	0	0
Gain/Loss on investments	1,076	185	(16,120)	(14,859)	174,593
Unrealized Gain/Loss on investments	30,462	(628)	289,776	319,610	821,899
REVENUE TOTAL	1,148,473	(437,396)	264,696	975,773	1,651,055
TOTAL SUPPORT AND REVENUE	5,010,250	95,187	264,696	5,370,133	6,144,689
EXPENDITURES:					
Partner support & benefits	2,214,739			2,214,739	2,291,926
Overseas partners on home assignment	740,574			740,574	521,049
Appointee expenses	136,370			136,370	121,569
US Partners, Mobilizers and US Director	252,024			252,024	268,595
Fund raising expense	66,352			66,352	104,243
Support services	994,310			994,310	1,085,681
Payments to other ministries	725,246			725,246	839,953
TOTAL EXPENSES	5,129,615	0	0	5,129,615	5,233,016
Net assets before extraordinary item	(119,365)	95,187	264,696	240,518	0
Extraordinary item	196,066	0	0	196,066	0
Change in net assets	76,701	95,187	264,696	436,584	\$911,673

* Partnerseed Funds distributed this year totaled \$105,591. This is reported under Funds for other Ministries noted above.

The financial information provided was excerpted from our audit report prepared by Holmes, Simmons and Oswald for the year ending March 31, 2005. Interserve follows the standards set by, and is an active member of the Evangelical Council for Financial Accountability (ECFA). We are also one of the founding members (through our former organization, Woman's Union Missionary Society) of the Interdenominational Foreign Mission Association of North America (IFMA).

If you have questions regarding our finances or would like a copy of our audited financial report, please write to:

Mr. Robert Dolan, Finance Director, Interserve, PO Box 418, Upper Darby, PA 19082-0418 or email him at fd@ludlow.net.