

Annual Report of Interserve USA

2006 Financial Review

2006 was a positive, encouraging year for Interserve USA. Total revenue exceeded last year (as did expenses), primarily because we again had a net gain in partners on the field. You will note much of our investment income is "restricted", that is designated for specific purposes by donors. Nevertheless, our small year end surplus was due to excellent performance by our modest unrestricted investments. This is nice, but encouragement to work harder next year at increasing contributions to our General Fund.

Thank you for your interest and support of Interserve Partners as they serve in the Hard Places!

Statement of Financial Activities for the Fiscal Year ending March 31, 2006

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 3/31/06	Total 3/31/05
SUPPORT:					
Partner support	\$3,661,058	\$507,317	\$0	\$4,168,375	\$3,908,266
General Ministries	356,466	-	-	356,466	297,809
Other contributions	160,000	23,228	-	183,228	188,285
CONTRIBUTION SUPPORT TOTAL	4,177,524	530,545	0	4,708,069	4,394,360
REVENUE:					
Investment income	25,056	17,483	146,392	188,931	234,564
Endowment income	-	-	31,585	31,585	7,340
Special projects	-	522,737	-	522,737	370,861
Other income	57,485	18,181	1,926	77,592	58,257
Funds for other ministries	1,300,304	(1,016,874)	(283,430)	0	0
Gain/Loss on investments	(14,068)	(768)	795	(14,041)	(14,859)
Unrealized Gain/Loss on investments	126,105	5,283	649,941	781,329	319,610
REVENUE TOTAL	1,494,882	(453,958)	547,209	1,588,133	975,773
TOTAL SUPPORT AND REVENUE	5,672,406	76,587	547,209	6,296,202	5,370,133
EXPENDITURES:					
Partner support & benefits	2,444,317			2,444,317	2,291,926
Overseas partners on home assignment	654,364			654,364	521,049
Appointee expenses	107,260			107,260	121,569
US Partners, Mobilizers and US Director	237,956			237,956	268,595
Fund raising expense	204,032			204,032	104,243
Support services	1,083,312			1,083,312	1,085,681
Payments to other ministries	938,049			938,049	839,953
TOTAL EXPENSES	5,669,290	0	0	5,669,290	5,233,016
Net assets before extraordinary item	3,116	76,587	547,209	626,912	0
Extraordinary item	-	0	0	0	196,066
Change in net assets	3,116	76,587	547,209	626,912	\$137,117

* Partnerseed Funds distributed this year totaled \$118,110. 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, 2006. 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.