







Dear Friend of Mercy Corps,

2014 was a year of great challenges, but because of your support, it was also one of great progress. Again and again, you have helped enable communities to come together in order to recover and rebuild after disasters, both natural and man-made. Your support of Mercy Corps' distinctive approach – of partnering with the people most affected and helping them create lasting change from within – is working around the world. Together, we were able to help more than 42 million people survive crises and improve their lives. I sincerely thank you, one of our most caring and generous supporters, for helping to make that possible. With warm regards,

Neal Keny-Guyer Chief Executive Officer





Realizing a world where people can survive and communities can thrive.

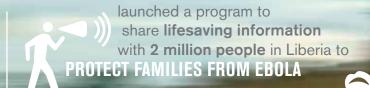
The impact of Mercy Corps' work can be seen when communities are thriving and people are able to face adversity with newfound strength and confidence. In 2014, our staff of nearly 4,000 experienced professionals worked together with our skilled local partners and generous supporters - to achieve incredible impact.

Uganda - Corinna Robbins/Mercy Corps

LAST YEAR WE HELPED MORE THAN 42 MILLION PEOPLE IMPROVE THEIR OWN LIVES.

Here are notable examples of our work:

HELPED low-income PEOPLE SAVE \$189 MILLION through our microfinance institutions



DELIVERED CLEAN WATER to more than 1 million people in Jordan and the Democratic Republic of Congo



Somali **YOUTH** through Mercy Corps programs



97% completed their grade



A STORM LIKE NO OTHER





Building a Stronger Community

By the time it made landfall in the Philippines, Haiyan was the most powerful typhoon ever recorded, with sustained winds of 195 mph. Alex, age 6, and his family were lucky – they made it to safety before the storm hit. But they returned to a scene of utter devastation.

emergency supplies



Philippines - Cassandra Nelson/Mercy Corps; Miguel Samper for Mercy Corps Facing page: Philippines - Cassandra Nelson/Mercy Corps The storm destroyed Alex's town, his home and his father's boat, leaving Alex's parents, Niño and Merley, without means to provide food and shelter for their family.



Emergency supplies were critical for Alex's family, but they didn't address their long-term needs. Without his boat and any resources for repairs, Niño had lost his livelihood and his family had little chance of recovery. Rather than simply providing short-term relief, Mercy Corps worked with local partners to craft a plan that would help families like Niño's come back better and stronger than ever.

Jump-starting the economy was job one. Families need income and communities need vibrant, growing trade to thrive.



Working with our local bank partner and area merchants, we launched an emergency cash assistance program. Instead of lining up for one-size-fits-all packages of food and household goods, families received funds directly through their mobile phones. This allowed each family to determine how to use the funds most effectively. The result was

"I want to thank Mercy Corps for helping us," said Niño, who dreams that one day his son Alex and his other children may become teachers.

"Now I can work – and have hope for their future."

thousands of customized recovery plans that directly addressed each family's needs and skills. Also included in the program was a bank account - an extremely valuable service that few people living on \$2 a day can access. As soon as the funds arrived in their account, Merley and Niño were able to repair their home and get Niño's boat back in the water.

Mercy Corps also worked to offer long-term financial education to first-time account holders like Merley and Niño. They were introduced to financial services, such as insurance and loans, and shown how to navigate these services to safeguard their assets, rebuild their business and face the future with new strength.





Connecting People to the Resources They Need

In the middle of the night, 9-year-old Amani (wearing bow) arrived on foot at a refugee camp in Jordan. She had just walked 47 miles with her mother and four siblings through incredibly dangerous territory to escape the unfathomable violence consuming her Syrian hometown. Like millions of other refugees fleeing the war in Syria, Amani

and her family escaped with little but the clothes on their backs.

Mercy Corps was there to evaluate immediate needs and deliver urgently needed food and supplies to families and individuals. For anyone struggling with the trauma of war, especially children, these needs go far beyond food and shelter. Nightmares hounded Amani and her siblings, who rarely slept the night without crying. They

"Before we fled our town, I saw blood and bombs falling," said Amani. "Now we go to the playground every day.

And our parents know we are safe."

needed a safe place to begin the healing process.

That's why we set up children's centers in Amani's camp and others like it, so kids can spend time with trained and trusted adults dedicated to providing gentle, nurturing care. To help children understand their fears and cope with their memories, we offer art and

emotional and psychological support is helping 39,800 CHILDREN and adolescents GROWING UP AMID WAR



storytelling activities. And, because kids need to be kids, our playgrounds and sports fields invite children to run and jump, make friends and laugh again.



provided FOOD,
WATER, SHELTER
& CLOTHING
to 2.5 million people
affected by the war in Syria

The war in Syria has forced millions of people just like those in Amani's family to leave their homes to seek refuge in neighboring countries. And as the war wears on, these neighbors view the influx of refugees in their country as competition for already-scarce resources. Tensions often run high as both groups struggle with the difficult situation.

This spread: Jordan - Sumaya Agha for Mercy Corps

Mercy Corps brought together Syrian refugees and members of their host communities to learn conflict resolution skills side by side and discuss concerns face to face. And by working together, they found new ways to communicate – making them better equipped to handle future challenges.

Mercy Corps' **conflict resolution** work in the Middle East is



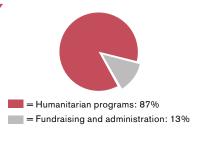
BENEFITING more than 140,000 PEOPLE



USING YOUR GIFTS WISELY

Efficient and Accountable

Over the past five years, we have used 87 percent of our resources for programs that help people in need around the world.



Charity Navigator

Charity Navigator gives Mercy Corps four stars for transparency and accountability.

Better Business Bureau

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





HOW YOU CAN SAVE AND IMPROVE LIVES

Your support makes a life-changing difference to families in need. Please call us at 888.842.0842, or visit mercycorps.org to learn how you can advance our work through your financial support or by including Mercy Corps in your will.





2014 FINANCIAL STATEMENT SUMMARY You can find our complete financial statement at mercycorps.org/financials

TOTAL 308,867 (1,134)

(3,275)

GLOBAL 277,884 194,885

61,666 21,333 82,999 277,884

Audited U.S. Financial Summary

Mercy Corps Consolidated U.S. Operations: Condensed Summary of Support, Revenue and Expenses (in thousands of U.S. dollars) for the year ending June 30, 2014.

	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL		UNRESTRICTED	TEMPORARILY RESTRICTED	
Support and Revenue				Total Expenditures	308,867	_	
Public Support and Revenue	194,928	_	194,928				
Private Support and Revenue	70,380	13,347	83,727	Nonoperating Loss	(1,134)	-	
Other Revenue	28,071	_	28,071	Change in Net Assets	(4,040)	765	
Released From Restriction	12,582	(12,582)	_	Gridingo in Not Associa	(1,010)	700	
Total Support and Revenue	305,961	765	306,726				
EXPENDITURES				Condensed Statement	of Financial Po	sition	
Program Services				JUNE 30, 2014		U.S.	
Humanitarian Assistance - Relief	86,172	_	86,172	00112 00, 2014		0.0.	
Humanitarian Assistance - Recovery	15,677	-	15,677	Total Assets		253,294	
Livelihood/Economic Development	79,585	_	79,585	Tablication		470.004	
Civil Society	46,056	_	46,056	Total Liabilities		179,264	
Health	33,475	-	33,475	Net Assets			
Subtotal: Program Services	260,965	_	260,965	Unrestricted		53,030	
Support Services				Temporarily Restricted		21,000	
General and Administration	33,411	_	33,411	Total Net Assets		74,030	
Resource Development	14,491	_	14,491	Total Liabilities and Net Asse	ets	253,294	
Subtotal: Support Services	47,902	_	47,902				

Global Financial Summary

Mercy Corps U.S. and Global Partners: Support, Revenue and Expenses (in thousands of U.S. dollars) for the year ending June 30, 2014.

	·	-	-
	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
Support and Revenue			
Mercy Corps Scotland	5,660	70,261	75,921
Mercy Corps U.S.	280,973	13,347	294,320
Mercy Corps U.S. Material Aid	12,406	_	12,406
Released From Restriction	12,590	(12,590)	_
Total Support and Revenue	311,629	71,018	382,647
EXPENDITURES			
Program Services			
Mercy Corps Scotland	2,578	70,250	72,828
Mercy Corps U.S.	260,965	_	260,965
Total Program Services	263,543	70,250	333,793
SUPPORT SERVICES			
General and Administration	33,674	_	33,674
Resource Development	14,954	32	14,986
Total Support Services	48,628	32	48,660
Total Expenditures	312,171	70,282	382,453
Nonoperating Gain	142	34	176
Net Gain (Loss)	(400)	770	370

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