

Mercy Projects
Financial Statements
December 31, 2015

Mercy Projects

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To the Board of Directors
Mercy Projects
41660 Ivy Street, Suite D
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The accompanying financial statements of Mercy Projects, Inc. as of and for the year ended December 31, 2015, were not subjected to an audit, review, or compilation engagement by me and, accordingly, I do not express an opinion, a conclusion, nor provide any assurance on them.



William C. Johnson, CPA

Sun City, CA
May 15, 2016

Mercy Projects
Statement of Assets, Liabilities and Net Assets
For the year ended December 31, 2015

ASSETS

Cash and cash equivalents	\$ 111,946
Prepaid expenses	2,778
Building	786,174
Equipment	17,157
Furniture	46,458
Accumulated depreciation	<u>(231,864)</u>
Total Assets	<u><u>\$ 732,649</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities:	
Accounts Payable	\$ 5,420
Accrued Liabilities and Credit Card	<u>19,336</u>
Total Current Liabilities	\$ 24,756
Net Assets:	
Unrestricted	\$ 671,560
Temporarily restricted	<u>36,333</u>
Total Net Assets	<u><u>\$ 707,893</u></u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 732,649</u></u>

See Accountant's Disclaimer Report.

Substantially all disclosures required by accounting principles generally
accepted in the United States are not included.

Mercy Projects
Statement of Activities
For the year ended December 31, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUES:			
Contributions	\$ 736,656	\$ 34,882	\$ 771,537
Rental Income	16,903		16,903
Interest and Dividend Income	90		90
	<u> </u>	<u> </u>	<u> </u>
TOTAL SUPPORT AND REVENUES	\$ 753,649	\$ 34,882	\$ 788,530
 EXPENSES:			
Program services	537,907	36,087	573,994
General and administrative	62,401		62,401
Fundraising	43,558		43,558
	<u> </u>	<u> </u>	<u> </u>
Current Liabilities:			
TOTAL EXPENSES	\$ 643,865	\$ 36,087	\$ 679,952
	<u> </u>	<u> </u>	<u> </u>
CHANGE IN NET ASSETS	\$ 109,783	\$ (1,205)	\$ 108,578
 NET ASSETS AT BEGINNING OF YEAR	 <u>561,777</u>	 <u>37,538</u>	 <u>599,315</u>
 NET ASSETS AT END OF YEAR	 <u><u>\$ 671,560</u></u>	 <u><u>\$ 36,333</u></u>	 <u><u>\$ 707,893</u></u>

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Mercy Projects
Statement of Cash Flows
For the year ended December 31, 2015

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 108,578	
Adjustments to reconcile change in net assets to cash provided by operating activities:		
Depreciation	20,486	
Changes in:		
Prepaid expenses	(1,067)	
Accounts Payable	(1,239)	
Accrued Liabilities and Credit Card	<u>(6,175)</u>	
Net cash flows provided by operating activities		\$ 120,583

CASH FLOWS FROM INVESTING ACTIVITIES

Cash used in acquisition and retirement of fixed assets	<u>\$ 12,500</u>	
Net cash flows used in investing activities		(12,500)

CASH FLOWS FROM FINANCING ACTIVITIES

Decrease in long term debt		<u>(129,602)</u>
Net increase in cash and cash equivalents		\$ (21,518)
Cash and cash equivalents at beginning of year		<u>\$ 133,464</u>
Cash and cash equivalents at end of year		<u><u>\$ 111,946</u></u>

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Mercy Projects
Statement of Functional Expenses
For the year ended December 31, 2015

	Program	Gen. and Admin.	Fund Raising	Total Expenses
Compensation of officers, directors, etc.	60,301	16,943	11,827	89,071
Other salaries and wages	74,158	20,837	14,545	109,539
Other employee benefits	19,458	5,467	3,816	28,741
Payroll taxes	8,963	2,518	1,758	13,239
Legal & Accounting fees	64	18	13	95
Occupancy	13,459	3,782	2,640	19,881
Travel	2,661	748	522	3,931
Conferences, conventions, and meetings	264	74	52	391
Depreciation, depletion, etc	13,869	3,897	2,720	20,486
Insurance	2,370	666	465	3,501
Program Services	351,909			351,909
Printing and publications	9,212	2,588	1,807	13,608
Bank/Finance Charges/Membership				
Dues/Subscriptions/Reference	5,322	1,495	1,044	7,861
Computer/Web exp	1,860	523	365	2,748
Staff Development	1,402	394	275	2,072
Supplies	1,934	544	379	2,857
Telephone/Internet	1,736	488	341	2,565
Equipment rental and maintenance, no vehicle	1,583	445	311	2,339
Postage and shipping , including mailing services	2,466	693	484	3,642
Payroll Service	429	121	84	634
Public Relations	511	144	100	755
Other Expenses	61	17	12	90
Total Expenses	573,994	62,401	43,558	679,952