

"Transforming One Life at a Time"

MEETING HUMANITARIAN NEEDS • DEVELOPING SELF-SUFFICIENCY • PASSING ON THE GIFT



LifeNets

2004 ANNUAL REPORT

LifeNets: What We Do

Our mission is to help people in need, promote self-sufficiency and, where possible, enable the recipients to pass their benefit on to others.

Below are a few of the projects that have met real needs and transformed the lives of people and communities in 2004. Thank you for making a difference through your support.

Cattle in Zambia

In 2002 we provided 22 head of heifers to remote communities in the Mumbwa area of Zambia. The herd has more than doubled through proper care and feeding. These animals provide milk protein and draft power to a community that was without cattle for almost 10 years. In Zambia we have also added a revolving farm credit program to help farmers plant more with better seed and fertilizer.



Developing Nations Scholarship Fund

In its fourth year, this program continues to be one of our better values. It gives more than 50 young people access to higher education. These students would not otherwise have been able to attend universities. Those graduating have been able to get good jobs in the stressed economies of El Salvador and other Latin American countries. We have now expanded our scholarship program now to include some students in Malawi, Africa.

Livelihood Development

We have focused on Malawi, one of the world's poorest countries, to help those who have skills to work, but do not have the tools or means. We have provided sewing machines, welding equipment, carpentry tools and musical instruments to give those capable people the increased opportunity to care for themselves and their families.



LifeNets provided a seed grinder in Guatemala (left). In Malawi, guitars and keyboards are supplied for a music school, welding equipment for making furniture and sewing machines to make clothes.

Wheelchairs

Through our Web site we receive a steady stream of donations of both manual and power wheelchairs. We also receive many requests for wheelchairs. This has become a valuable service to many here in the United States. LifeNets acts as a clearinghouse for these donations and aids in the shipment of wheelchairs to needy recipients. On the right is 8-year-old Mikeala with spina bifida in Ohio who received LifeNets wheelchair through a donor in Indianapolis, Indiana.



Orphans in Malawi and Street Children in Ukraine

We strive with what means we have to not neglect the orphans of Balaka, Malawi, and the street children of Vinogradov, Ukraine. In Malawi we are in the third year of a program managed by our Chizeni Clinic in Balaka that cares for 200 orphans under age 5 in the community. They all come to the clinic once a week for a medical assessment, instruction to their guardians about child care and for food. They are given enough food for three to four days to take back to the neighborhood they live in. This past year the winter was colder than usual, and we provided blankets for the orphans.

In Ukraine we are in the fourth year of caring for about 40 street children in Vinogradov. A marvelous transformation has taken place in the lives of these children who once roamed the streets, but now have a place to go to for meals and a kind, caring and loving environment. This has been an extremely well-managed program and generously supported by LifeNets donors in Southern California.

Chernobyl



LifeNets work began almost 10 years ago by helping three doctors privately start a modest rehabilitation center for 30 children. Now the “*Revival*” *Centre of Medical/Social Rehabilitation for Disabled Children* is reaching capacity with 220 children in treatment at one time and has become a model for others in Ukraine to emulate. In 2004 we sent a 40-foot container from Indianapolis to the center with medical equipment and supplies. We also supplied financing to help in the construction of the last wing of the rehabilitation center.

Other Projects

- Rotary International gave us a grant of nearly \$45,000 to purchase two ambulances, one for each of our two clinics in Lilongwe and Balaka, Malawi.
- LifeNets provided two vans for disabled people. One was for a quadriplegic in South Africa and one for an individual with multiple sclerosis in Minnesota.
- In Estonia we help to fund a newspaper for teenagers called *Ole Kaine*, meaning “be sober,” fighting alcohol abuse.
- LifeNets helped sponsor camp programs for children in Ukraine, the Philippines, Ghana and South Africa.
- In western Ukraine we provided 10 computers for our ongoing program to educate children and adults about computers. Since its beginning in 2000, this program has brought the computer world to hundreds of people who may not otherwise have had that opportunity.

LifeNets: Why We Do It

- To meet humanitarian needs and to relieve suffering.
- To generate hope through opportunities to become self-sufficient.
- To create a circle of ongoing benefits. In many cases recipients are able to pass on aid, training and services to others. This preserves individual dignity and reinforces the practice of giving to others.

LifeNets: We Believe In

- Working on the basis of mutual respect and dignity with recipients and donors.
- Delivering services through local leaders whom we know and trust.
- Being culturally sensitive in the type and amount of aid we deliver.
- Leveraging donations by partnering with organizations who provide us with products for free or at low cost.

LifeNets: What You Can Do

By making LifeNets your charity of choice and encouraging friends or organizations to do the same, you can help those in need and promote self-sufficiency in the lives of those who want to make a difference in their communities. Donate to our general fund or specify one of the needs below. Check out our Web site at www.lifenets.org for additional information.

Can you help with some of these needs?

- \$750 on average pays for one year’s tuition for a student in our *Developing Nations Scholarship Fund*. Can you help us with one of these scholarships? This program is one of our best values as it gives a lifetime benefit to a young person in a poor country. We wish to expand our program by adding 10 students this coming year.
- Upgrading the dental clinic we started in El Salvador in 2001. We need a new x-ray machine, autoclave and dental tools. Our goal is to raise \$9,000 in the coming year for this project.
- \$600 funds one month’s supply of medicine to three clinics in Malawi and to remote communities in the Mumbwa region of Zambia.
- \$25 per month supports one child in our orphanage and street children programs.
- Start a LifeNets chapter in your community or church area to fund a project of your choice.
- Please ask about other LifeNets programs that you can help sponsor.

Phone: 317 216-0802 or 888 821-0095

www.lifenets.org

FAX: 317 536-3388

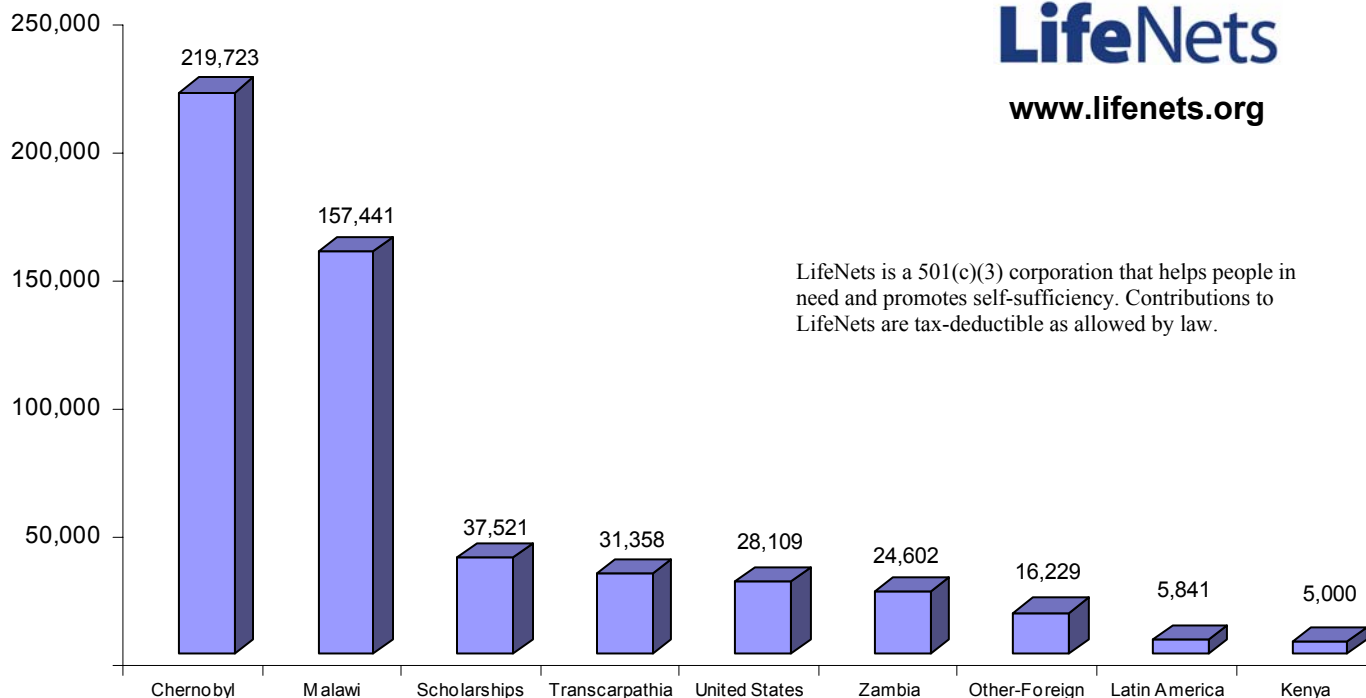
3707 Turfway Court

Indianapolis, Indiana 46228-2095

2004 Program Expenses by Region



LifeNets is a 501(c)(3) corporation that helps people in need and promotes self-sufficiency. Contributions to LifeNets are tax-deductible as allowed by law.



LifeNets International, Inc. 2004 Financial Summary

CASH REVENUES:

Individuals	\$186,965
Civic Organizations	44,894
Churches & Groups	11,071
Corporate	10,343
Foundations & Trusts	900
Other Revenue	364
Total Cash Revenues	<u>\$254,537</u>

Total Gifts-In-Kind 212,163

TOTAL REVENUES \$466,700

EXPENSES:

International Relief and Development	\$497,715
Domestic Projects	28,109
General and Administrative	<u>43,296</u>
TOTAL EXPENSES	<u>\$569,120</u>

EXCESS OF EXPENSES OVER REVENUE \$(102,420)

Notes to the LifeNets financials for 2004:

- Gifts-in-kind include donations of medical/dental equipment and supplies, pharmaceuticals, donated services and other miscellaneous items.
- 2004 expenses include a \$172,509 shipment of medical and therapeutic supplies to the rehabilitation clinic in Chernobyl. Donations of these supplies were included in gifts-in-kind in 2003. Without this expense, 2004 revenue would have exceeded expenses by \$70,089. Complete financial statements available on request.