



LifeNets

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



"Transforming One Life at a Time"



ANNUAL

2005

REPORT

LifeNets: 2005 at a Glance....

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

Highlighted below are a few of the projects that have met real needs and transformed the lives of people and communities in 2005. Thank you for helping us make this difference!

Wheelchairs

In 2005 we delivered more than 100 manual, power and pediatric wheelchairs to those who could not have otherwise afforded them. We thank our donors who have provided us with wheelchairs through www.lifenets.org/wheelchair.



Developing Nations Scholarship Fund

We now give scholarship support to more than 60 young people going to University or for finishing high school. We consider this our best value program as the return on this investment in education produces lifetime dividends. The program has been in existence for almost five years and we are seeing graduates become architects, engineers, accountants and other professions. In addition to our providing scholarship aid to Mexico, Guatemala, El Salvador, Peru in Latin America, we have also provided aid to students in Malawi and Zimbabwe in Africa.

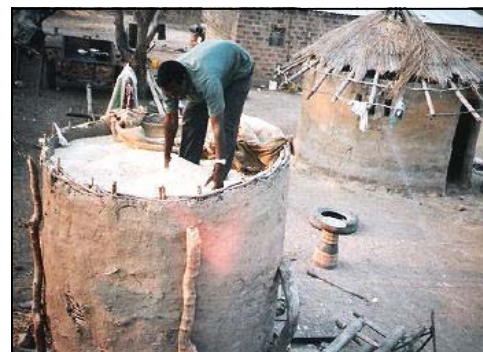
Livelihood Development

In Guatemala, Peru, Sri Lanka and Malawi we have helped the unemployed with grants to start small businesses that have helped them to become self-supporting.



Left: Small business through which a Peruvian family of ten becomes self-supporting by cooking seeds that are used for making popular local beverage.

Storage bins holding maize waiting for higher market prices in rural Zambia.



Cattle and Farming in Zambia

In 2002 we provided 22 head of heifers to remote communities in the Mumbwa area of Zambia. By the end of 2005 the herd increased to 56. These animals continue to provide milk protein and draft power to a community that had been without cattle for almost 10 years. Our revolving farm credit has helped farmers come out of subsistence survival by loaning them money for better seed and fertilizer. As part of our program the grain is stored and later sold when prices are higher with the benefit going to the families who raised the crop.



Medicine

We provide over \$100,000 wholesale value annually of essential medicine to three clinics in Malawi and a rural community in Zambia. In rural Zambia the community regularly experienced the death of children to Malaria every rainy season. Since providing antibiotics and anti-malaria medication to our communities in Mumbwa, not one child has died.

Orphans in Malawi

Each week 200 orphans under age five are cared for by the Chizeni Clinic in Balaka, Malawi. Guardians bring the children to the clinic that provides food, a medical assessment and education for those who care for the children. We have operated this program for four years at an annual cost of \$5000. Orphans under age five are most vulnerable and we help them until they can start school.

Street Children of Vinogradov, Ukraine

In five years this program has saved the lives of children who live in dysfunctional homes or literally on the streets. Vasyl and Irina Polichko who have no children of their own devote their lives to caring for, feeding, encouraging and teaching the three dozen children every day of the year. Now these children have love and hope as they face the challenges of life and become responsible citizens. The children are given three meals a day in the summer months and two meals a day during the school year.

Chernobyl

LifeNets work here began in 1996 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 any one time. In 2005 we sent another 40-foot container from Indianapolis to the center with medical equipment and supplies. We also continued to finance some of the operation of the center. This year the Rotary Foundation supported LifeNets with a \$12,216 grant for equipment and medicine for the Center.



Helping Sri Lanka Tsunami Victims with Homes and Livelihood

LifeNets sponsored a construction project headed by Kevin and Sonali Fiske of Aliso Viejo, California. They built eight dwellings (such as the one pictured on the left) for the displaced families and provided livelihood support for five more families. Total cost of the project was nearly \$61,000.



Helping Katrina Victims

More than \$25,000 was provided directly by our volunteers for Katrina victims who evacuated to Houston, Texas and to others in the New Orleans area.

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. Ninety five percent of your contribution goes directly to intended recipients. Check out our Web site at www.lifenets.org for additional information.

Can you help with some of these current ongoing 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 or part of 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.
- \$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.
- Please ask about other LifeNets programs that you can help sponsor.

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LifeNets International, Inc.

Statement of Activities

	Year Ended December 31, 2005		
	Unrestricted	Temporarily Restricted	Total All Funds
Revenue, Gains and Other Support			
Contributions	\$ 152,074	\$ 154,403	\$ 306,477
Noncash contributions	189,814	119,793	309,607
Special events	1,069		1,069
	342,957	274,196	617,153
Net assets released from restrictions	283,528	(283,528)	0
Total Revenue, Gains and other Support	626,485	(9,332)	617,153
Expenses			
Scholarships and education	38,019		38,019
Philanthropy (Note 1)	582,648		582,648
	620,667	0	620,667
Management and general	43,779		43,779
Total Expenses	664,446	0	664,446
Change in Net Assets	(37,961)	(9,332)	(47,293)
Net Assets, Beginning	95,333	40,348	135,681
Net Assets, Ending	57,372	31,016	88,388

Note 1 *Philanthropy consists of livelihood development, medical clinic funding, medicine, wheelchair distribution, and orphan and street children programs. These activities take place in over twenty countries including Malawi, Zambia, Ukraine, South Africa, Latin America and the United States.*

Note 2 *The financial statements for the year ended December 31, 2005 were audited by Ness & Co.,LLP. The statements were found to be fairly stated in all material respects and in accordance with accounting principles generally accepted in the United States. A copy of those statements along with the notes are available upon request or on our website.*

LifeNets is a 501(c) (3) corporation. Contributions to LifeNets are tax-deductible as allowed by law.