

[The Mission of Samaritan's Purse]

Samaritan's Purse is a nondenominational evangelical Christian organization providing spiritual and physical aid to hurting people around the world. Since 1970, Samaritan's Purse has helped meet the needs of people who are victims of war, poverty, natural disaster, disease, and famine with the purpose of sharing God's love through His Son, Jesus Christ.

The organization serves the church worldwide to promote the Gospel of the Lord Jesus Christ.



International Headquarters

Samaritan's Purse
P.O. Box 3000
Boone, NC 28607-3000
(828) 262-1980

www.samaritanspurse.org

Canada

The Samaritan's Purse-Canada
20 Hopewell Way NE
Calgary, AB T3J 5H5
(403) 250-6565

Australia

Samaritan's Purse-Australia, Ltd.
P.O. Box 6544
Blacktown Business Centre
NSW 2148
61 2 8811 5544

Germany

Geschenke der Hoffnung e. V.
Haynauer Strasse 72a
D-12249 Berlin
49-30-76 88 33 00

Ireland

Samaritan's Purse-Ireland
42 Heather Road
Sandyford Industrial Estate
Dublin 18
353 1 294 0222

Netherlands

Samaritan's Purse-Netherlands
Schoolpad 1b
3851 JE Ermelo
(31) 341-418061

United Kingdom

Samaritan's Purse International, Ltd.
Victoria House, Victoria Road
Buckhurst Hill, Essex IG9 5EX
(020) 8559 2044

SAMARITAN'S PURSE 2006 Ministry Report



Church Dedication Yei, Sudan

[...that Your ways may be known on earth,
Your salvation among all nations.
PSALM 67:2 NIV]

Dear Friend,

In 2006, God used the efforts of Samaritan's Purse to meet desperate needs and save countless lives all over the globe. As we ministered to the victims of war, poverty, disease, and disaster, our prayer was that our work would magnify the Name of the Lord Jesus Christ and take the Good News of His salvation to the ends of the earth. "May God be gracious to us and bless us and make His face shine upon us, that Your ways may be known on earth, Your salvation among all nations" (Psalm 67:1-2, NIV).

The Lord was gracious to Samaritan's Purse this year as we were able to bring physical and spiritual aid to hundreds of thousands of people in more than 130 countries, including many areas previously unreached by Christians. From remote communities in the northern highlands of Vietnam to the war-torn Middle Eastern country of Lebanon, we had unprecedented opportunities to share the message of Jesus Christ's atoning death and resurrection. Praise God, our teams have seen thousands respond by repenting of their sins and putting their faith in Christ.

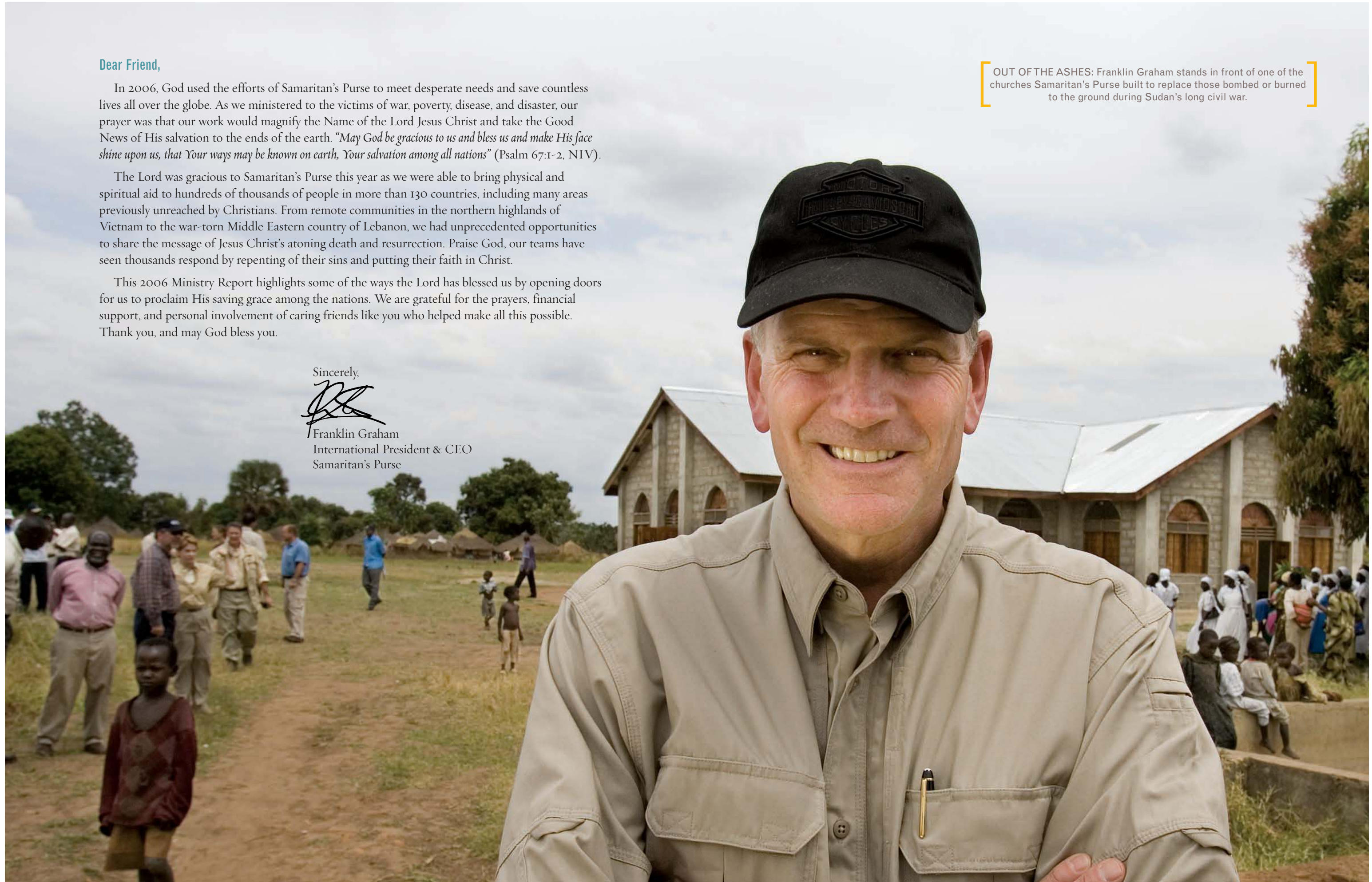
This 2006 Ministry Report highlights some of the ways the Lord has blessed us by opening doors for us to proclaim His saving grace among the nations. We are grateful for the prayers, financial support, and personal involvement of caring friends like you who helped make all this possible. Thank you, and may God bless you.

Sincerely,



Franklin Graham
International President & CEO
Samaritan's Purse

OUT OF THE ASHES: Franklin Graham stands in front of one of the churches Samaritan's Purse built to replace those bombed or burned to the ground during Sudan's long civil war.



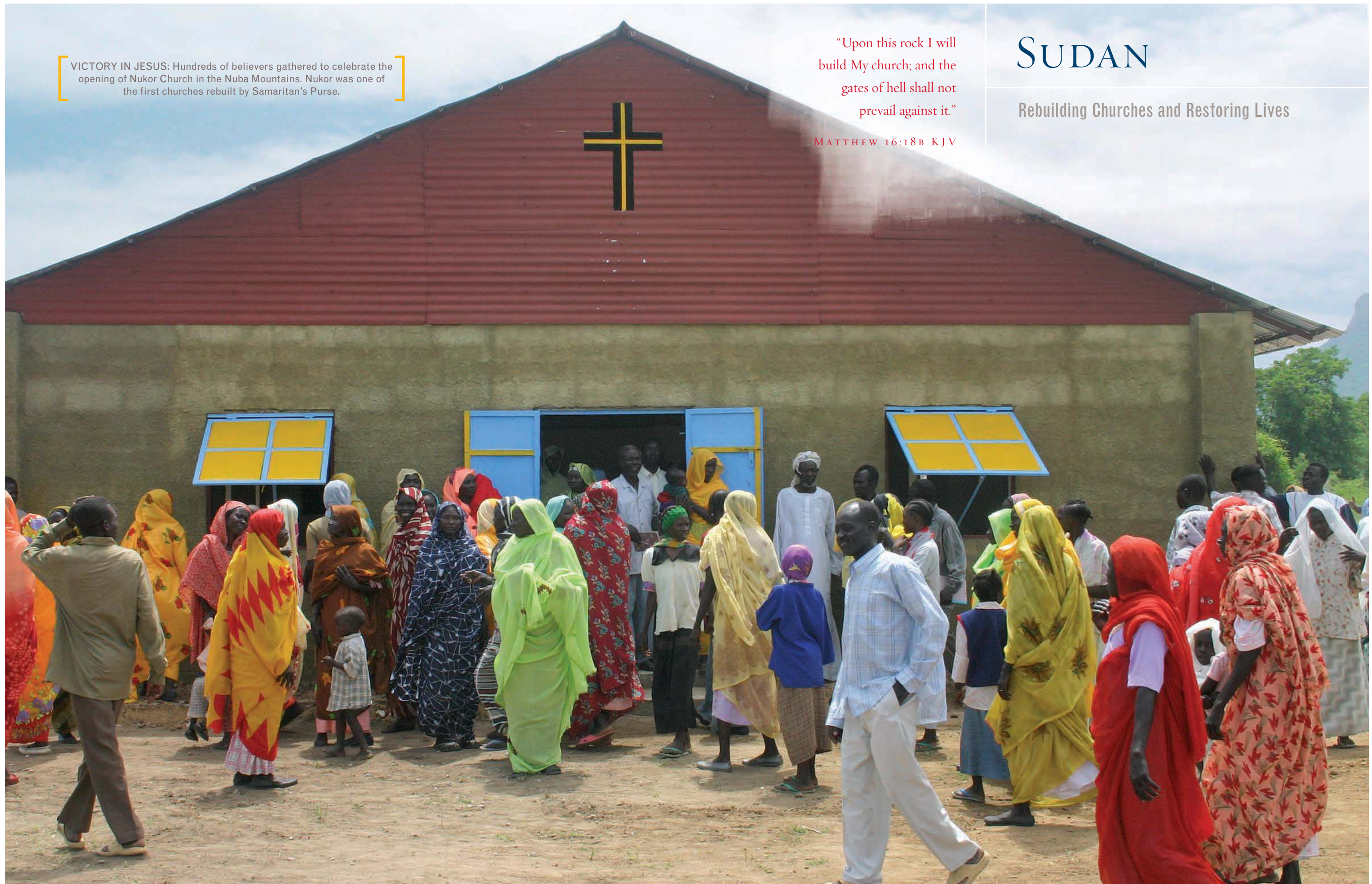
VICTORY IN JESUS: Hundreds of believers gathered to celebrate the opening of Nukor Church in the Nuba Mountains. Nukor was one of the first churches rebuilt by Samaritan's Purse.

"Upon this rock I will build My church; and the gates of hell shall not prevail against it."

MATTHEW 16:18B KJV

SUDAN

Rebuilding Churches and Restoring Lives



REPORT FROM THE FIELD

Worship Renewed

Pastor Jonas Laila has seen his church destroyed twice, has been imprisoned three times, and is crippled from a near-fatal beating 10 years ago at the hands of government troops. Yet nothing can stop him from preaching the Gospel of Jesus Christ.

In the midst of war, he returned time after time to the bush country of South Sudan to minister to people whose pastors had been killed or driven off. After soldiers put up a mosque in his hometown and forcibly converted many people to Islam, he began preaching boldly under a mango tree—and God brought hundreds to repentance and faith in Christ. The last time he was released from prison—after an all-night prayer vigil by believers—he immediately planted a new church in the town where he had been tortured.

"I didn't want to leave because I was a shepherd and I couldn't leave my sheep," Pastor Jonas said.

Now that a measure of peace has been restored in southern Sudan, the 68-year-old pastor is once again serving in his hometown, where close to 300 people worship each Sunday in a makeshift church with mud walls and a grass roof. He is excited that Samaritan's Purse is going to rebuild his church, and he is determined not to let his age or his injuries diminish his ministry.

"God still wants to use me," he said.



HEARTS OF PRAISE: Worshipers at Mongo Church praise God for His faithfulness in restoring their sanctuary. "During the war our faith was strong," said one parishioner. "This is the reason the Church is still alive in Sudan."

One year into the project, 11 churches were finished, another 31 were underway, and construction facilities were running in five strategic towns. We also refurbished two other churches in Khartoum.

In Darfur, Samaritan's Purse provided over 100,000 displaced people with monthly food distributions, 80,000 with water and sanitary facilities, and 70,000 with farm supplies. Meanwhile, hostilities in the east forced us to suspend a program that provided food and medical care for 60,000 Beja people.

Inside a gleaming new church sanctuary built by Samaritan's Purse in South Sudan, Rev. Michael Toro led hundreds of war-weary worshipers in a dedication service. "There's no more need to be angry," he said. "Just come to the house of the Lord."

Passing by outside the open windows, a young man in a blue polo shirt paused to listen to the Gospel message. Slung over his shoulder was an AK-47 assault rifle, the weapon of choice in Sudan's long and bloody civil war.

The forces of war and peace remain within earshot of each other in Sudan, Africa's largest and most anguished country. In a nation of some 40 million, as many as four million have died as a result of conflicts over the past 25 years.

In the south, there has been little progress beyond the 2005 ceasefire to resolve deeply divisive issues, much less to disarm the former combatants. In the west, Darfur has become a household word synonymous with genocide.

Persecution also continues in eastern Sudan and even around Khartoum, the capital city.

Samaritan's Purse has been working on all these fronts, helping to meet the needs of hundreds of thousands in the Name of Jesus Christ.

Work is well underway in South Sudan to rebuild the hundreds of churches that were destroyed during the civil war.



REBUILDING HOPE: Working hand-in-hand with local believers, Samaritan's Purse rebuilt 11 churches in South Sudan, including this one in Lizira.

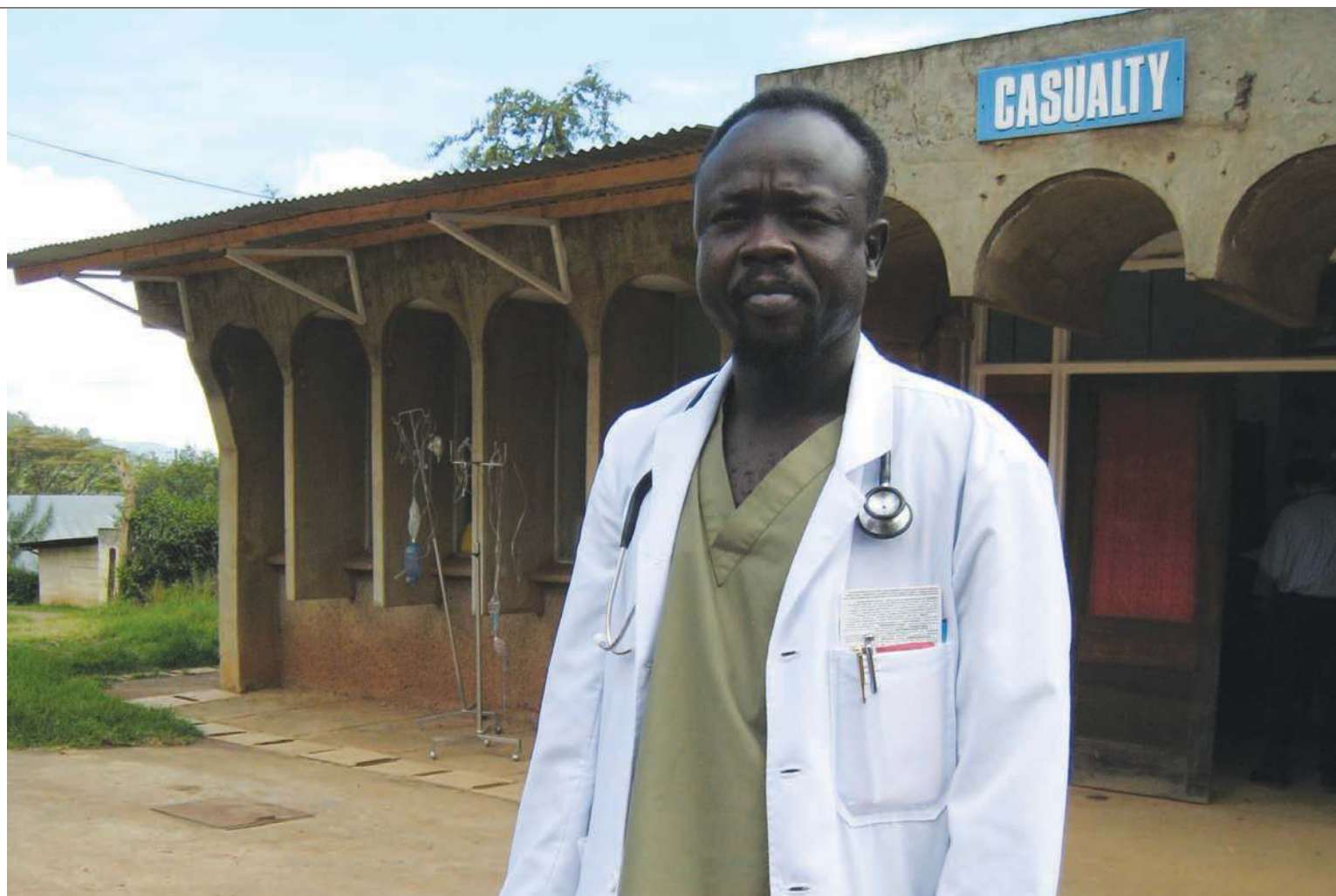
Samaritan's Purse continued to operate mission hospitals at Lui and Kurmuk in South Sudan, providing quality medical care for over 45,000 patients a year. In Khartoum, we upgraded the intensive-care unit at the children's hospital, while renovating a church-run clinic that reaches out to war refugees living in shantytowns that surround the city. Fourteen nurses graduated from the nursing institute at our Lui Hospital.

Churches are not the only institutions we are rebuilding. In the Nuba Mountains, Samaritan's Purse brought in 24 Christian teachers to staff six schools, including two that we built this year. We also enrolled 102 students in our teacher training classes. In Darfur, our team built or renovated 21 schools and provided meals for 15,000

schoolchildren. School supplies were furnished for some 220 orphans from Darfur who are now living in Khartoum.

God has used these school programs to open doors for evangelism. In a predominantly Muslim part of the Nuba Mountains, we held a series of workshops on evangelism that resulted in numerous opportunities to show the *JESUS* film at schools.

Across Sudan, the Lord is using Samaritan's Purse to rebuild lives, churches, and communities on the unfailing foundation of Jesus Christ. As God's Word says, "Those from among you shall build the old waste places; you shall raise up the foundations of many generations; and you shall be called the Repairer of the Breach, the Restorer of Streets to Dwell In" (Isaiah 58:12, NKJV).



MEDICAL CARE: Sudanese physician Dr. Daniel MaditThon Duop is one of 14 doctors completing residencies in Kenyan hospitals before returning to Sudan.

War-torn Sudan may seem like an unlikely place to begin a medical career. But that's exactly where 14 physicians—born in Sudan, trained in Cuba, and now Canadian citizens—are going.

What began as a flight to freedom has turned into an epic mission for physicians who fled war-torn Sudan to Ethiopia in the mid-1980s, while still children.

Along with 600 other Sudanese children living in Ethiopian refugee camps, these 14 were sent to Cuba to complete their secondary and post-secondary education, in hopes they would one day return to Sudan and become community leaders. Unfortunately, the country's ongoing civil war made it impossible for the doctors to return home after their schooling was completed.

During the past few years, the physicians

immigrated to Canada, but were unable to afford the additional training needed to practice medicine in the Canadian system. Samaritan's Purse Canada learned of their plight and desire to return to Sudan as doctors, and has joined them in making their mission a reality—one that will vastly improve the lives of the estimated 10 million people in South Sudan, where there are currently fewer than 30 practicing doctors.

"I know the Lord has been guiding me, illuminating my path, taking care of me," said physician Daniel Thon Duop, who is eager to return to Sudan to provide medical care, education, leadership, and to meet spiritual needs.

Partnering with the University of Calgary Faculty of Medicine, Samaritan's Purse Canada initiated a medical skills assessment, upgrading, and Christian leadership program to further develop

the Sudanese-Canadian physicians' medical training and prepare them to return to their homeland.

The physicians completed their upgrading in Calgary in September 2006 and then traveled to Kenya where they are now engaged in medical residencies at several hospitals. They were scheduled to complete their residencies in the fall of 2007, but the hospitals and Samaritan's Purse have agreed to extend the program for several more months so they can obtain some important additional training and experience before they return to Sudan in 2008.

Once there, they will help rebuild South Sudan's ravaged medical system—bringing physical and spiritual healing to a wounded nation in the Name of the Great Physician, Jesus Christ.

REPORT FROM THE FIELD

Healing Love of Christ

The childhood Daniel Thon Duop knew was one of suffering and violence. Both his mother and infant sister died in childbirth, and like many boys with no alternatives, he "exchanged his toys for weapons" and was entangled in the civil war that gripped South Sudan.

In his early teens Daniel was sent with hundreds of Sudanese children to receive education in Cuba. Daniel went on to medical school, and after immigrating to Canada, was one of 14 Sudanese physicians who partnered with Samaritan's Purse Canada and the University of Calgary for medical skills and Christian leadership training.

"It was a very difficult experience for kids, but God had a plan—to send us to be educated, and be able to go back to Sudan and make a difference," Thon Duop says, reflecting on his life.

Daniel is now back in Africa completing the second phase of training—medical residency in Kenyan hospitals. He is an eager and committed student, and through his medical

training, Daniel diagnosed the preventable condition which caused his mother's death. Now, he is a passionate physician-advocate for expectant mothers.

"God gave me the opportunity to learn and to upgrade my medical skills, and He wants me to help people—to make sure pregnant women are diagnosed properly and complications are prevented," says Thon Duop.

"While I have life and am able to speak, I will use every word I have—every strength God has given to me—to help any suffering human being."



MISSION OF MERCY: Dr. Daniel MaditThon Duop has a heart to care for expectant mothers, his dedication driven by the memory of his own mother's death during childbirth.



“When they heard all He was doing, many people came to Him from Judea, Jerusalem ... and around Tyre and Sidon.”

MARK 3:8 NIV

LEBANON & ISRAEL

Proclaiming the Prince of Peace

HOT MEALS: Samaritan's Purse worked with local Christians in Beirut to feed thousands of Sri Lankans awaiting evacuation from the war zone.



SANCTUARY: These Muslim children found refuge from the bombing at Sidon Church, which reopened its doors four years after an American missionary was murdered there.

When the evangelical church in the Lebanese port city of Sidon closed its doors in November 2002, there was little hope that the Christian community would ever be able to meet there again. The doors had been locked after an Islamic militant brutally murdered an American missionary at the prenatal clinic where she worked as a nurse. Weeds sprung up in the courtyard and the building fell into disrepair, while believers secretly met elsewhere.

The Lord brought new life to Sidon Church, however, during the 34-day conflict between Hezbollah guerrillas and Israeli Defense Forces in the summer of 2006. As bombs shook the south of Lebanon, over 190 Muslims fled their homes and took shelter in the church building.

“What better way to truly demonstrate the love of Jesus Christ and the message of forgiveness to

these people than to open this church—the very church their religion tried to destroy—in order to meet their needs,” said one Lebanese pastor.

The church in Sidon was one of many local Christian partners that worked hand-in-hand with Samaritan’s Purse to help meet the critical needs of the suffering populations on both sides of the border.

During the fighting, we shipped 170 tons of relief supplies from Cyprus to Beirut, providing thousands of displaced families with food, medicine, cooking supplies, blankets, and heavy-duty plastic sheeting for temporary shelters. Seeing Christians willing to show them such unconditional love prompted many Lebanese to request Arabic Bibles.

Our team of local believers also helped thousands of Sri Lankan women who found

themselves stranded in the war-torn country with no way out. The vast majority of these women worked as indentured domestic servants in the south, and their employers refused to allow them to leave. As the families they served fled the bombing, many of the women were locked inside of homes with little to eat. Those who were able to escape made their way, penniless and hungry, to the capital. When they reached the Sri Lankan embassy in Beirut, the women camped on the streets outside, hoping to be evacuated. Our church partners ministered to this overlooked group by serving hot meals to thousands as they stood in long lines.

Once the ceasefire was in place, local Christians were able to move into southern Lebanon to distribute food parcels and medical supplies provided by Samaritan’s Purse. Although local authorities initially resisted the idea of receiving help from evangelical Christians, many residents welcomed the church teams into their homes. When the Christians held programs for children to learn about Jesus, the boys and girls pleaded for the Christians to stay because they wanted to hear more.

While many residents of northern Israel fled south during the conflict, thousands of families took refuge in bomb shelters and underground bunkers. The people who stayed were mostly the poor, the sick, and the elderly.

Samaritan’s Purse worked in three communities that came under heavy attack from Hezbollah rockets: Kiryat Shmona in the northeast, Karmiel in central Galilee, and Nahariya on the Mediterranean. We shared Christ’s love with traumatized families by providing food and other emergency aid to those huddled in stifling hot, cramped shelters.

After the hostilities, we were invited to return to Kiryat Shmona to minister to a community of Christians who had fled southern Lebanon in 2000 to escape Hezbollah reprisals. In early December, we provided 108 impoverished families with Christmas baskets containing a Bible and gift cards to local food stores. The residents were overwhelmed by the gifts and thanked their Christian brothers and sisters for these expressions of love.

HELP FOR THE HOLY LAND: Samaritan’s Purse provided emergency supplies to Israeli families (like the one pictured) in the hard-hit city of Karmiel.



WEATHERING THE STORM: A grateful homeowner gives a volunteer a thank-you hug as the work on her home approaches completion.

U.S. GULF COAST

A Labour of Love for Katrina's Victims

"We continually remember before our God and Father your work produced by faith, your labour prompted by love, and your endurance inspired by hope in our Lord Jesus Christ."

1 THESSALONIANS 1:3
NIV



REPORT FROM THE FIELD

A New Beginning

David and his team had worked for two days clearing mud and debris from Anthony's home in hurricane-ravaged Gretna, Louisiana. During that time, David, a volunteer serving with the Samaritan's Purse Disaster Relief Unit, discovered the two men had a lot of things in common.

But David didn't know if faith was one of them. As the crew finished up at Anthony's home, David prayed that God would give him the right words to say. He found the strength to ask, "Anthony, if you died right now, do you know without a doubt that you would go to heaven?"

Anthony said he wasn't sure. After David spent a few minutes explaining God's plan of salvation, Anthony said, "Let's do this." Overjoyed, David prayed with Anthony to accept the Lord Jesus Christ.

Volunteers working with our Disaster Relief Units communicated Christ's unconditional love by their words and actions to every storm victim they helped in 2006. In many cases, God used them to lead others to salvation or spiritual renewal.

Sometimes the volunteers themselves realize that Christ is missing from their lives. Catherine went with a group of Christian friends to join our team in New Orleans. Seeing the joy in their lives, she wanted that same joy for herself. As her friends shared more about Jesus, the Holy Spirit touched her heart. Dirty and sweaty, they paused from their work so Catherine could pray to receive forgiveness and new life through Christ.



HOME SWEET HOME: One of the homes Samaritan's Purse rebuilt in Mississippi belongs to Harold Daniels, a 74-year-old retired steelworker and his wife, Lorna. She is holding the Bible our team gave them.

Betty Gilland, a 77-year-old widow, was suspicious when a team from Samaritan's Purse pulled into her driveway. Her home in Bay St. Louis, Mississippi had been flooded by Hurricane Katrina and she needed help—but she knew that there were unscrupulous people taking advantage of storm victims and she didn't trust strangers.

"They said, 'We'd like to help you out,'" she recalled. "I said, 'I've only got \$4.80. I can't afford to have someone help me.'"

Her suspicions turned to gratitude when the crew explained that there was no charge—they were there to help in the Name of Jesus Christ. Volunteers working out of our Disaster Relief Unit in Kiln, Mississippi, removed trees that had fallen on the house and in the yard, and patched the roof. They took out all of the wet belongings, removed the mud and muck, and tore down the wet drywall. The house could now dry out and be saved.

"Samaritan's Purse has been very, very good to me," said Miss Betty. "Without them, I could not have survived."



MESSY WORK: Volunteers with our Disaster Relief Unit in the New Orleans area removed mud and muck from more than 1,140 homes, getting them ready for rebuilding.

The best was yet to come. Samaritan's Purse staff and volunteers returned to replace the roof, rewire the house, and install new drywall. Her home was practically new again.

"I know God helped me," she said.

Our team invited Miss Betty to Sunday services at the church that serves as our base camp in Kiln. She hadn't been to church in a long time, but she immediately felt at home. When the pastor talked about the love of God, the words resonated in her heart. Miss Betty rededicated her life to the Lord.

Now she not only attends church regularly, but she often joins our teams for dinner and fellowship. "Every time they introduced me as a guest, I said, 'I'm not a guest, I'm part of the family.'"

In 2006, Samaritan's Purse Disaster Relief Units in Mississippi and Louisiana helped thousands of people like Miss Betty recover from the devastating effects of Hurricane Katrina.

In Kiln and Biloxi, Mississippi, more than 3,000 volunteers replaced roofs, rewired houses, and installed cabinets and appliances in over 2,100 homes. In Louisiana, nearly 4,000 volunteers cleaned and gutted more than 1,140 homes in Gretna and Chalmette.

More than 200 Canadian volunteers contributed 18,000 hours of service working for poor and elderly residents in Mississippi. Samaritan's Purse Canada also partnered with churches in two communities to reach out to those most severely affected by the hurricanes as they began to rebuild their homes and lives.

Wherever they worked, our volunteers presented homeowners with Bibles and shared the hope of the Gospel. Lives were helped for the present and changed for eternity as hundreds of homeowners made decisions for Christ.

CHRISTMAS IN THE ANDES: These girls in the mile-high town of San Jorge, Ecuador, were among 7.6 million children in over 100 countries who had opportunities to experience the love of Jesus Christ through shoe box gifts from Operation Christmas Child.

“Even so it is not the will of your Father who is in heaven that one of these little ones should perish.”

MATTHEW 18:14 NKJV

OPERATION CHRISTMAS CHILD

The Power of a Simple Gift





GOOD NEWS: Cambodian children enjoy reading "The Greatest Gift of All" while lined up to receive their shoe box gifts. The booklets are now available in 72 languages.

When Yvonne Pickens packed a gift-filled shoe box for a teenage boy in December 2004, she could not have imagined how God would use her box to set a miracle in motion that would bless hundreds of lives—including her own.

Seven months later, she received a letter from a Ugandan college student named Lutaaya. The former Muslim had received Jesus Christ in 1999 after joining a Christian boys club called a "brigade." Now he leads a brigade that ministers to about 40 orphans and disadvantaged youth in the slums of Kampala.

One of the boys in his brigade received Yvonne's shoe box and shared the gifts among his friends. "I

thank God that He has blessed us so much through you," Lutaaya wrote. "With the gifts you sent, we have a firm foundation to tell these boys, who think no one cares about them, that God does care about them. I told the boys that it is because of God's love that you sent those gifts."

Deeply moved, Yvonne began a pen-pal exchange, writing letters and developing friendships with Lutaaya and the other boys. She sent them Bibles and other presents, and later paid the boys' school fees with the help of a few friends.

In July 2006, she traveled to Uganda to visit the boys and encourage them in their faith. Out of that trip, her church began sponsoring its own ministries for the children.

"People have been saved, orphans have been rescued from the streets, parents are getting involved with churches, and churches are growing," said Yvonne. "And it all started with a shoe box."

The slums of Kampala are among thousands of communities around the globe where God has used our Operation Christmas Child project to transform the lives of hurting children and their families. The boxes are packed by compassionate Christians in North America, Europe, Australia, and New Zealand for children who have endured poverty, war, and illness. The total shoe box gifts donated in 2006 topped 7.6 million, including 738,079 from Canada.

Along with the gifts, we provide local ministry partners with Gospel booklets that are now available in 72 languages. Our voluntary follow-up discipleship program enables girls and boys to learn more about Jesus by participating in a 10-lesson Bible study in their local language. Hundreds of thousands of children and family members have made decisions for Christ as a result.

"Before I knew Jesus, I had a miserable life and my family never had peace," said Nom, a Cambodian child who received Christ after completing the Bible lessons. "I asked God to help me, and I prayed for my parents too. I took the lessons home, and my mother read them and asked me about Jesus. I invited her to come to church. She came, and we prayed together for my father. Now I have a wonderful life. I thank God for showing me the right path. I thank Jesus."

REPORT FROM THE FIELD

Christmas Convoy

still remember that first gift I handed out in Cambodia," says Brandt. "It was to a little girl who took the box, opened it, and then quickly closed it. Then she opened it again, because it felt so good the first time."

Country recording artist Paul Brandt sang in support of Operation Christmas Child during a 17-city Canadian tour. Brandt, who traveled with Samaritan's Purse to Cambodia in 2004, has been working with the charity ever since. The Christmas Convoy was the fruit of that relationship as Brandt, with help from Canada Safeway, Paul Brandt Trucking, and Operation Christmas Child, drove across Canada in a gift-wrapped semi-truck. The tour was an opportunity to connect with participants, raise awareness about the children's charity, and collect donated shoe boxes.

The convoy was a success, collecting over 4,000 gift-filled shoe boxes while also generating hundreds of interviews and articles along the way.

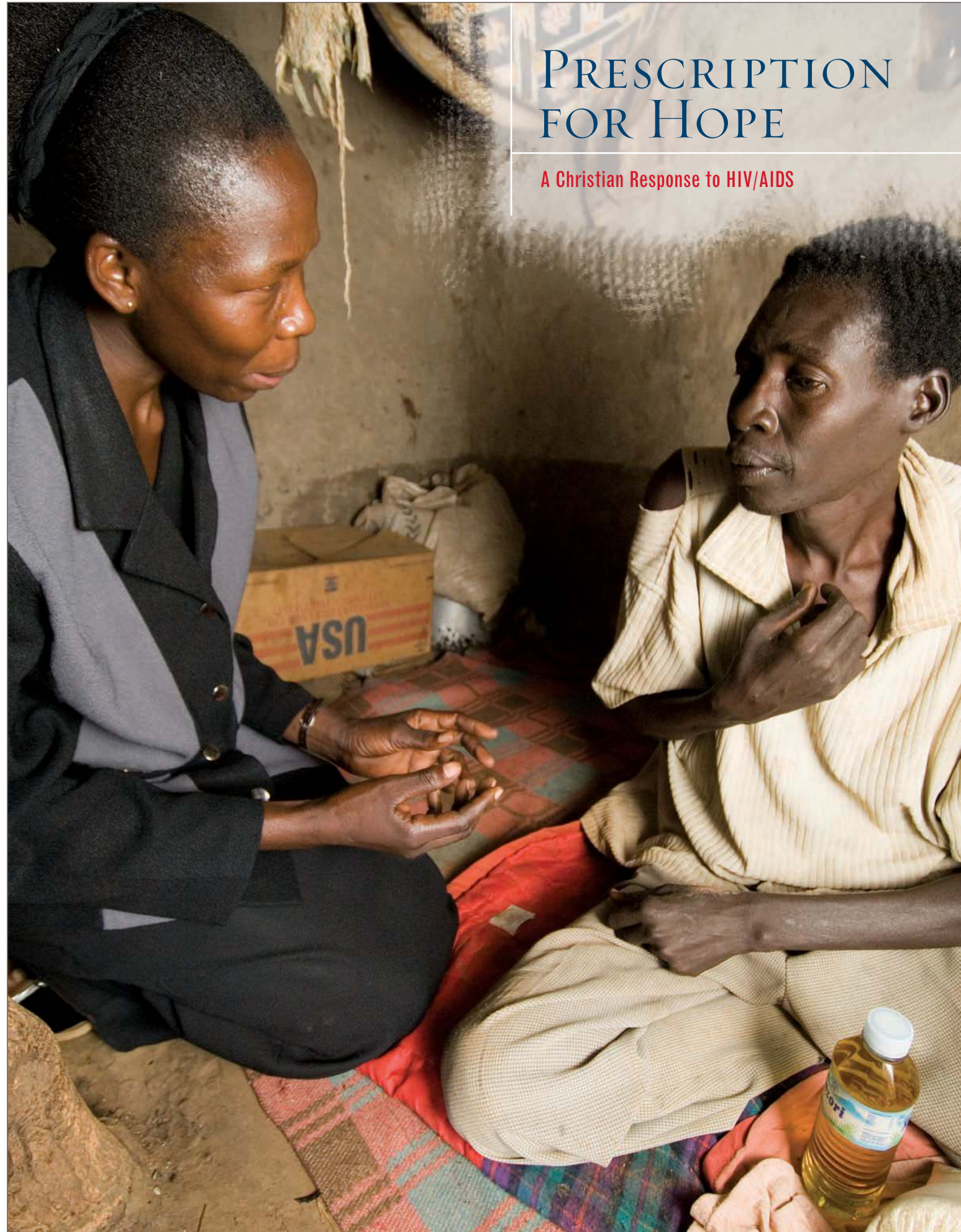
"Each gift that is delivered offers hope," says Brandt. "Imagine what it is like for a child to receive the powerful message of each little box from someone they can only see in their dreams—who loves and cares about them."



GIFTS OF LOVE: In October 2006, country singer Paul Brandt convoyed coast to coast, helping collect over 4,000 shoe box gifts from Canadians.

PRESCRIPTION FOR HOPE

A Christian Response to HIV/AIDS



“Hope in the LORD; for with the LORD there is mercy,
and with Him is abundant redemption.” PSALM 130:7B NKJV

When the Samaritan's Purse staff found Lyna, she was lying outside of a hospital emergency room, her frail, AIDS-stricken body covered with pieces of a flimsy cardboard box. Her neighbours in the village of Somrong, Cambodia, had left her there to die.

Our staff immediately began ministering to the ailing woman by bathing and dressing her. Later, they brought her clothes, a mat for sleeping, a mosquito net, and hygiene items. Finally, they found her a place to stay and arranged for local church members to visit her every day.

One day, Lyna asked one of these Christians, “Why do you hug me and kiss me? No one else has ever done that.” The volunteer replied, “I am not afraid to touch you because Samaritan's Purse taught me how HIV is transmitted and how it is not. I come to visit you every day because I love you as God loves me.” Over the course of many visits, the volunteer shared the Gospel with the sick woman. Lyna prayed to receive Jesus Christ as Saviour the day before she died.

Nearly three million people, including hundreds of thousands of children, died of AIDS-related illness last year. Prescription for Hope, the Samaritan's Purse HIV/AIDS ministry, has been working to bring the Good News of forgiveness and salvation to victims of this dreaded disease by mobilizing and equipping local believers to reach out to their suffering neighbours.

In Cambodia, our staff taught compassionate care skills and Biblically based prevention education to 350 pastors, whose churches then put the lessons into practice, sharing the grace and truth of Jesus Christ with thousands of people in their communities.

In Africa, Samaritan's Purse trained nearly 8,000 church and community leaders in Ethiopia, Kenya, Mozambique, and Uganda, who then reached 169,410 young people with Biblical principles for confronting the AIDS crisis with Christ-like compassion and conviction.

Samaritan's Purse Canada is working with grassroots HIV/AIDS programs around the world, building the capacity of local ministries and strengthening the international Christian response to HIV/AIDS. Working through community-based partners, we are teaching prevention, reducing stigma, offering care, and nurturing orphans. By showing Christ-like compassion, we seek to restore hope and dignity to those overwhelmed by this crisis.



UNCOMPROMISING TRUTH: In Cambodia, Prescription for Hope team members are training pastors to speak to their congregations, especially youth, about Biblically based strategies to prevent HIV infection.

UNCONDITIONAL LOVE: Samaritan's Purse teams brought physical relief and the Gospel message to hundreds of AIDS sufferers in the refugee camps of northern Uganda.

CHILDREN'S HEART PROJECT

Mended Hearts and Transformed Lives



“The LORD is near to those who have a broken heart,
and saves such as have a contrite spirit.” PSALM 34:18 NKJV

Enkhjargal, nicknamed “Harka,” is her family’s little angel. The four-year-old Mongolian girl is a picture of health with her radiant smile and rosy cheeks.

This was not always the case. As a toddler, she was thin and frail. Her parents did not know what was wrong, but they worried that their firstborn child was going to die.

Desperate for help, the family moved from the countryside where Harka’s father was a goat herder. Living in the city was difficult, but at least it gave Harka a chance for medical treatment. Physicians found a hole in her heart and said the condition was so critical that she would need open-heart surgery in the next year—a delicate operation that could not be performed in Mongolia.



A SECOND CHANCE: “Harka” was one of 68 children who received life-saving surgery through our Children’s Heart Project in 2006.

That’s when Samaritan’s Purse stepped in. We arranged for Harka, her grandmother, and an interpreter to come to Minnesota to the Mayo Clinic—one of over 50 hospitals across North America that have donated surgical services through the Children’s Heart Project.

We also found a Christian host family where the Mongolians could live during their two-month stay in Minnesota. The host family offered emotional support, prayed with them and took them to church, and stayed by their side through the stages of surgery and recovery.

Surgery made a dramatic difference in Harka’s health. In a matter of days, she was walking and running without any difficulty breathing. Soon she began to gain weight and took on new life as a playful, happy child.

Even more significant was the change in some of the members of Harka’s family. Her grandmother (who accompanied Harka in the absence of her pregnant mother) was deeply moved by the love that was showered on them and received the Lord Jesus Christ before leaving Minnesota. Since Harka’s return to Mongolia, her father and mother have begun attending church faithfully and telling their neighbours and friends about what Jesus has done for them.

In 2006, our Children’s Heart Project helped 68 boys and girls from four countries receive life-giving surgery. It has had an eternal impact too, as 38 children, parents, and other relatives came to a saving knowledge of Christ during the past year. Since 1997, God has used this unique project to touch the lives of more than 390 heart patients and their families with His love.

PRECIOUS IN GOD’S SIGHT: Dr. Kirk Milhoan, a pediatric cardiac surgeon from San Antonio, Texas, led a Children’s Heart Project team to Mongolia to screen children and identify those who needed to go to North America for heart surgery.

WORLD MEDICAL MISSION

Serving the Great Physician



“Bless the LORD, O my soul, and forget not all His benefits:
who forgives all your iniquities, who heals all your diseases.” PSALM 103:2-3 NKJV

The young mother was advised to let her newborn baby die. He had been born with a cleft palate, which in rural Kenya condemned him to life as an outcast. Many children with such handicaps avoid school because of name calling and teasing. They rarely marry when they grow up and have difficulty finding jobs.

The mother courageously ignored the advice. Her life-affirming decision was rewarded when a team of Christian medical professionals from North America corrected the defect through surgery. The team was led by Dr. Jim Wade, an otolaryngology specialist from Abingdon, Virginia.

“Kids with handicaps are discriminated against in the developing world,” said Dr. Wade. “With this kind of work, you can change a child’s life.”

The boy’s mother, overjoyed at the kindness shown by these Christians, was eager to learn more about the Great Physician they served.

Dr. Wade was in Kenya with World Medical Mission, a ministry of Samaritan’s Purse. Each year, we place hundreds of short-term medical volunteers in evangelical mission hospitals and clinics around the world. By demonstrating the care and compassion of Jesus Christ, they help open doors for the Gospel.

“I wanted to get involved in medical work with a clear spiritual focus,” said Dr. Wade, who has served in Africa more than a dozen times. “That’s what I like about World Medical Mission. The patients are grateful, and that earns a hearing for the Gospel. It’s the highlight of my year to go on these trips. It’s hard work, but it’s very rewarding.”

During 2006, World Medical Mission arranged 347 trips by doctors, dentists, and other medical personnel to 53 hospitals and clinics in 35 countries, including 101 volunteers who were serving with us for the first time. They were accompanied by 200 family members, who help advance the Gospel through Bible classes, service projects, and other evangelistic activities.

World Medical Mission also operates a bio-medical department and warehouse in North Carolina that receives donated equipment and supplies. The equipment is refurbished for use in mission hospitals. Last year, our technicians installed and repaired equipment in seven countries, while the warehouse sent shipments to medical facilities in 57 countries.

The year 2006 marked the passing of Dr. Lowell Furman, co-founder of World Medical Mission. A gifted surgeon, Lowell wasn’t content just to help send Christian doctors into the mission field. He and his wife, Faythe, made dozens of trips to serve in mission hospitals around the world.

“Lowell lived out his faith on a daily basis,” said Franklin Graham. “He was a friend and faithful co-labourer in this ministry, and he will be greatly missed.”



LIFE-CHANGING SURGERY: Dr. Jim Wade, a volunteer doctor who has worked in Africa and the Middle East with World Medical Mission, helps give a child a chance at a normal life through surgery.

MISSIONARY MEDICINE: General surgeon Dr. Lori Fraser, treats a young patient at Tenwek Hospital in Kenya.

WATER

Turning on the Tap



“Everyone who drinks this water will be thirsty again, but whoever drinks the water I give him will never thirst. Indeed, the water I give him will become in him a spring of water welling up to eternal life.” JOHN 4:14 NIV

More than one billion people around the world lack access to a safe supply of drinking water. Because they are forced to use water that is teeming with harmful bacteria and micro-organisms, at least 1.8 million people die each year due to diarrhoeal diseases caused by drinking contaminated water. Ninety per cent of those deaths—amounting to one every 20 seconds—are among children.

For people like Munyoki Mutua, a Kenyan villager, access to safe drinking water is an unimaginable luxury.

Munyoki spends between one and three hours each week retrieving water from a reservoir full of tea-coloured, stagnant water left from the last rains over five months ago. The reservoir water is unsafe to drink—and the cause of much of the sickness and death in her village.

Circumstances changed dramatically for Munyoki when she received a BioSand Water Filter from Samaritan's Purse. “Before the water filter, boiling took so much time and could be dangerous when you have small children around, but now with the filter, we only have to pour the water in the top,” Munyoki said. “But even more importantly, my children no longer complain of stomach pains and they have stopped having diarrhoea. Before the water filter, the health of my family was poor; now my family's health has really improved because of it.”



LIFE-GIVING WATER: Without a filter to remove contaminants, this water could potentially cause life-threatening illness.

For 10 years, Samaritan's Purse has been introducing low-cost, easy-to-build, and easy-to-use BioSand Water Filters to communities in Africa, Asia, and Latin America. Each \$100 filter can benefit a family of 8-10 people. In 2006, working with local partners, Samaritan's Purse built and installed 13,548 of these innovative household filters to provide life-sustaining water for more than 108,000 people.

Throughout the past decade, Samaritan's Purse has built and installed 70,000 filters around the world—benefiting an estimated 560,000 people. The filters have been so effective in improving health and empowering families and communities that, through its new *Turn on the Tap* initiative, Samaritan's Purse Canada intends to build and install another 65,000 filters during the next three years.

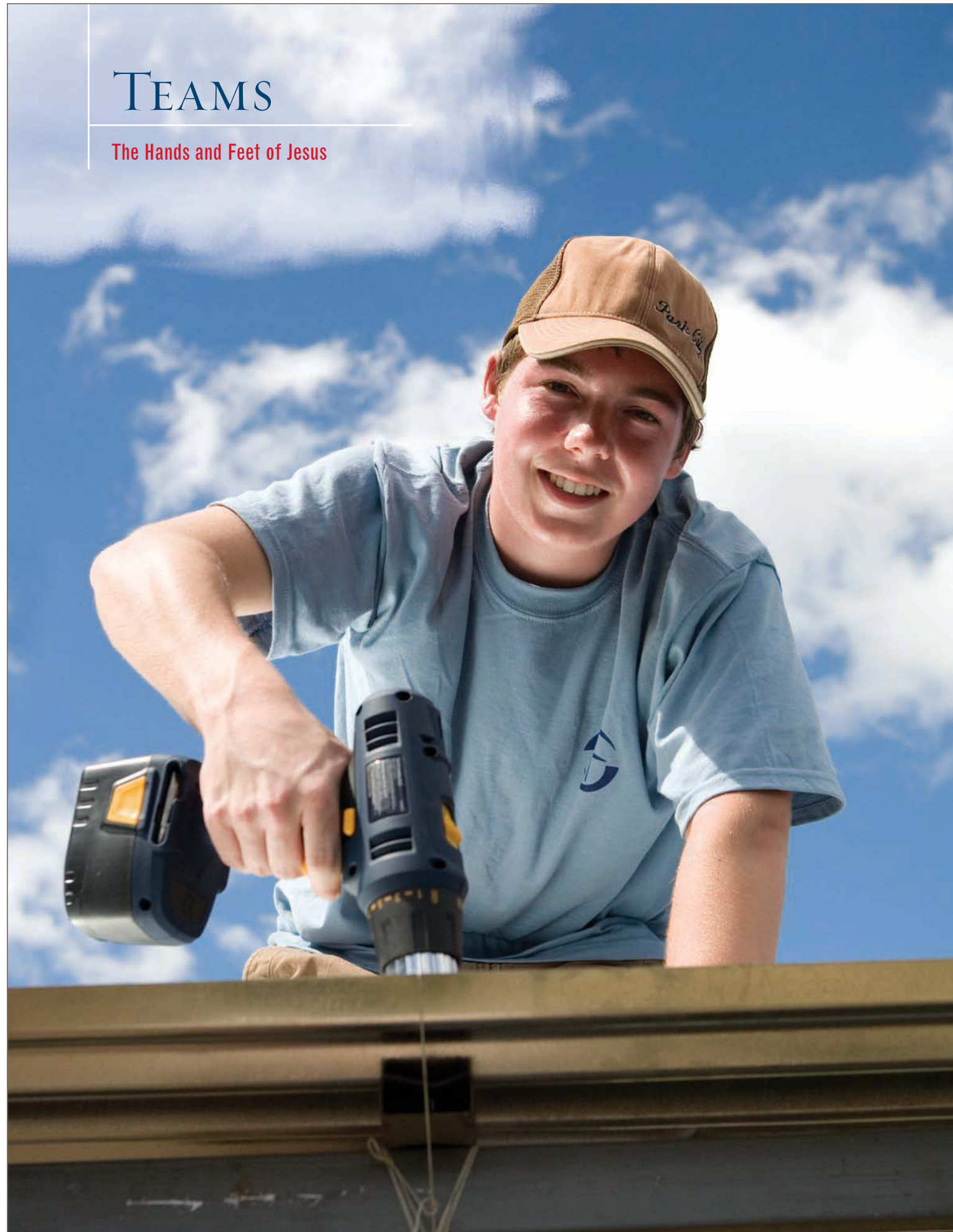
Samaritan's Purse Canada, in conjunction with the Canadian International Development Agency (CIDA), also offers six-month Water for Life internships to post-secondary graduates. These interns train and equip local people to build, install, and maintain BioSand Water Filters. In 2006, the Samaritan's Purse/CIDA interns brought this life-saving technology to communities in Kenya, Malawi, Niger, and Vietnam. Ten more internship positions are planned in 2007.

When Samaritan's Purse provides BioSand Water Filters, we also provide essential sanitation and hygiene training. The introduction of the filters, and the accompanying training, open the doors for Samaritan's Purse to talk with and teach local people about other matters—including the love of Jesus Christ, and the life-saving living water He offers.

SIMPLE, PROVEN, EFFECTIVE TECHNOLOGY: A simple filter, made of concrete, sand, and other readily-available materials transforms contaminated water into clear, safe water for drinking, washing, cooking, and other household tasks.

TEAMS

The Hands and Feet of Jesus



“Carry each other’s burdens, and in this way you will fulfill the law of Christ.”

GALATIANS 6:2 NIV

Last year, more than 550 Canadians volunteered with Samaritan’s Purse Teams to help improve the circumstances of disadvantaged people around the world. Whether it was with our Relief Teams, Mission Teams or Youth Teams, the mission was the same—to make an impact for Christ. From the U.S. Gulf Coast to Costa Rica, Cambodia and Kenya, and several locations in between, Samaritan’s Purse Teams worked with partners in countless communities being the hands and feet of Jesus.

The number of lives that have been transformed—from the people who volunteered to the people they helped—is nothing short of miraculous.

“We have a responsibility to do our part, and when we do our part, God blesses it and makes it work,” said Pam Vokey, who traveled to southern Kenya in July to help build a Christian school in a predominantly Muslim community.

Serving in many different ways, Samaritan’s Purse Teams participants provided physical and spiritual assistance to those in need, just as the Good Samaritan did in Luke 10.

Clean-up work along the hurricane-ravaged U.S. Gulf Coast continued this year—enabling Samaritan’s Purse to bring hope to 566 families whose homes had been destroyed and whose lives were left in tatters. In Nicaragua, Teams participants built a Sunday school facility so children in Bluefields would have a safe and fun place to learn about Jesus. In Kenya, Vokey and other Teams participants constructed a Christian school to provide children of a poor area an education and give them the resources for a brighter future. Samaritan’s Purse Teams also operated free medical, dental, and eye clinics in various communities and, most importantly, participated in evangelistic outreaches with our partners to share God’s love and the Good News of Jesus Christ.

More Teams trips are planned for 2007 and 2008.



REACHING ACROSS BORDERS: Canadians connect with needy communities around the globe through Samaritan’s Purse Teams.

HELPING HANDS: Whether a Youth Team responding to poverty in El Salvador, or a Relief Team offering help to those hurt by disaster in North America, Teams offer a helping, loving hand to those in need.

AVIATION

Missions of Mercy



“He makes the clouds His chariot and rides on the wings of the wind.”

PSALM 104:3B NIV

Alaska is far and away the biggest state in the United States. But the biggest state has the fewest roads. There is a highway connecting Anchorage and Fairbanks, another one from Anchorage to the Kenai Peninsula, and precious few others.

The lack of a good road system is a challenge to Samaritan's Purse staff in Soldotna, Alaska, whose mission is to reach out with the love of Jesus Christ to indigenous people in far-flung villages in the state and beyond. Our solution to the problem—aviation.

In 2006, our relief and rebuilding project after a large fire in Hooper Bay would not have been possible without Samaritan's Purse aircraft. We initially took building materials by barges, but pack ice on the frigid Bering Sea stopped all access to Hooper Bay except by air during the winter months. Pilots working with Samaritan's Purse made about 40 flights to take in volunteer workers and supplies.

Our planes in Alaska also were used in transporting young people from remote villages to a Christian camp we help support, as well as reaching isolated areas of Far East Russia. We were able to take snow machines and other equipment to places like Pevek, the northern-most city in Russia. Christian workers use these tools to bring the Gospel message to villages along the Arctic Ocean coast.

Samaritan's Purse aircraft strategically located elsewhere around the globe give us access to other crisis areas that are off the beaten path.

We have three planes based in Kenya that enable us to transport food, supplies, and medicine to hundreds of thousands of suffering people. These planes provide a lifeline for emergency relief in countries such as Tanzania, Ethiopia, Sudan, Mozambique, and the Democratic Republic of the Congo.

Our aircraft also served the cause of Christ in Indonesia last year. A helicopter and cargo plane enabled us to carry supplies and relief workers into areas where we are building houses for tsunami-ravaged communities on the island of Sumatra, as well as to deliver emergency relief to survivors of a massive earthquake and victims of major flooding on the island of Java.



NO OTHER WAY: Our Alaska planes delivered construction materials that crews needed to finish houses in Hooper Bay.

AFRICAN HIGHWAY: South Sudan has virtually no paved roads, much less runways. So Samaritan's Purse depends on rugged planes like this DC-3 to land on remote dirt strips, bringing vital supplies to our hospitals and other projects.

GRATEFUL STUDENTS: This new school in Indonesia is just one way Samaritan's Purse has helped thousands of children around the globe gain access to a quality education.

“And this gospel of the kingdom will be preached in all the world as a witness to all the nations, and then the end will come.”

MATTHEW 24:14 NKJV

MINISTRY AROUND THE WORLD

Taking the Good News to the Ends of the Earth



ASIA

On a sunny day in July 2006, hundreds of people gathered to celebrate the opening of a new school complex in the Panga province of Indonesia. Over 300 children had been meeting in a ragged tent since the tsunami destroyed the area's four schools in December 2004.

"Today, we thank Samaritan's Purse for helping our children by providing this facility," said one of the community leaders. "We will never forget you."

In the more than two years since the giant waves swept over Indonesia and Sri Lanka, Samaritan's Purse teams have worked hand-in-hand with the people of these nations, assisting with rebuilding efforts and establishing relationships in non-Christian communities long closed to the Gospel. In the hardest hit areas, we have constructed more than 2,500 new houses for families left destitute by the tsunami and supplied over 400 boats to put fishermen back to work.

Dozens of women are attending English classes at two community centres we constructed in Indonesia. These facilities also host child development programs that each month help 375 young people recover from the traumatic psychological effects of the tsunami. In Sri Lanka, our agricultural projects have furnished hundreds of families with seeds and tools, and our vocational training is giving many widows the opportunity to earn a living.

In Cambodia, Samaritan's Purse launched programs called SALT (Sports and Leadership Training) and LIGHT (Livelihood and Income Generation for High-risk Teens) to help hundreds of young people find alternatives to the brutal exploitation rampant along the Thai border. The LIGHT classes, which include banking and business skills, are being taught in a school built by Samaritan's Purse. Teams have also provided goats, fishponds, and fruit trees to help Cambodian families feed themselves.

When Typhoon Xangsane struck Vietnam in late September, we responded with emergency relief for 1,000 families whose homes were washed away by the storm. Our ongoing work in the country included a milk distribution for 110 orphans and educational scholarships for 825 under-privileged children.

In northern Pakistan, hundreds of thousands of people in the Kashmir region are still struggling to recover from a massive earthquake in October 2005.

In villages around Muzaffarabad, Samaritan's Purse reconstructed 10 schools that had been flattened and restored critical infrastructure such as roads and retaining walls. Other projects included health and hygiene education and latrine building to protect the water supply. This has provided many families with clean water and sanitation for the first time ever and improved health throughout these communities.

In late 2006, we launched a project to rebuild up to 500 houses in Balakot, one of the most devastated towns in the earthquake zone. By the end of the year, a model home had been built and 20 concrete foundations completed.

Across the border in Afghanistan, Samaritan's Purse is working to restore dignity to the Afghan people and help them learn their value in God's eyes. In 2006, Samaritan's Purse Canada supported the construction of a women's and family park that will be a place of healing for traumatized women, children, and families in the area, and will provide desperately needed skills training in agriculture, hospitality, and tourism. In another region of the country, we constructed a kindergarten that will serve as a safe environment for up to 140 pre-school children to receive a quality education.

God is working in the hearts of the people of Asia through these and many other programs sponsored by Samaritan's Purse. In far-off lands where overt evangelism is prohibited or restricted, our ministry of compassion is pointing others to "God our Saviour, the hope of all the ends of the earth" (Psalm 65:5, NIV).

NORTH AMERICA

When significant flooding in New York State affected residents in some 27 communities in the region, Samaritan's Purse Canada responded by sending our Disaster Relief Unit to provide assistance to those most severely affected. Flood waters, winds, and rains devastated neighbourhoods, and many of those affected by the flooding have no insurance available to them.

Samaritan's Purse Relief Teams worked in the area, clearing away debris and contaminated materials. We also removed dangerous mould from



THE WATER OF LIFE: Last year, Samaritan's Purse built and installed 13,548 innovative household filters to provide life-sustaining water for more than 108,000 people around the world, through our *Turn on the Tap* program.

homes to facilitate the process of rebuilding.

Local church communities rallied around our volunteers, and many people provided donations of all descriptions in support of our work. One local church provided a truck load of bottled water, while three young girls donated the proceeds from a lemonade stand they held.

Over an eight-week period, our staff coordinated nearly 800 volunteers as they helped around 450 families in Jesus' Name.

LATIN AMERICA

When the giant Tungurahua volcano erupted in Ecuador in August, ash up to three feet thick covered 50,000 acres. Despair descended on the people whose livelihood comes from the land.

"The ash destroyed all of our crops, our animals, and our houses," said a farmer named Miguel. "My wife, children, and I all became sick."

Samaritan's Purse quickly responded. We sent teams of Christian doctors into villages to treat critical medical needs, provided feed for livestock, distributed farming tools, and supplied goggles to protect eyes from the dangerous dust. Then we launched a project to build at least 100 permanent homes.

As we worked, teams communicated God's great love in word and deed, and many people received something even greater than feed and tools. "The most important thing for me is to know Jesus as my Lord," Miguel said.

Throughout Latin America, Samaritan's Purse programs opened doors for the Gospel to be proclaimed.

In El Salvador, livestock projects provided nutrition as well as a means of income for 908 families. We also furnished evangelism training



BRIGHTER FUTURE: Livestock and agricultural programs in El Salvador and around the world provide nutritious food and a means of income, as well as opening doors for the Gospel message.

for more than 1,000 participants in 23 churches, sponsored soccer clinics for nearly 2,600 at-risk young people, supplied school uniforms for over 750 children, and supported a ministry to help young men get out of gangs. Through these programs, over 2,700 people made decisions for Jesus Christ.

In Honduras, we served daily meals to 21,000 school children to fight the malnutrition that contributes to poor attendance and poor academic performance. Food and Bible lessons were provided to nine orphanages. A new voluntary counseling and testing centre was opened in Tegucigalpa to minister to people infected with HIV. These programs enabled us to reach more than 19,500 people with the Gospel, and over 1,400 people came to faith in Jesus.

Other programs in Latin America included emergency relief for villages cut off by extensive

flooding in Panama, medical brigades for impoverished people in remote areas of Ecuador, and a poultry project to help meet the needs of over 100 volunteer church planters and evangelists working in the Amazon basin of Brazil.

EASTERN EUROPE & RUSSIA

In Kosovo, Kids Klubs and a women's centre sponsored by Samaritan's Purse have restored hope to families who endured great suffering during the ethnic conflict in the 1990s. Dozens of people have committed or rededicated their lives to Jesus Christ through these two programs.

One of the Kids Klubs is held at the home of the Sejfic family, whose young daughter Edina underwent successful cardiac surgery through our Children's Heart Project. The children study the Bible, pray, sing, play games, and make crafts. By God's grace, two different ethnic groups that

typically do not mingle are worshiping together at these weekly gatherings. Of the 13 children who attend, 10 have made decisions to follow Jesus.

"The things that they have learned are changing them as individuals," said local Kids Klub director Nora Kaja. "The Holy Spirit in them will make them victorious and will help them to affect positive change in Kosovo."

In nearby Serbia, we continue to support a local church as it reaches out to refugees and hurting people with the message of Christ's love. Through the distribution of aid packages, tutoring for children and teens, and a vibrant Alpha program, many doors have been opened to establish friendships and share the Good News.

Samaritan's Purse also continued relief and evangelism programs on opposite ends of Russia.

In the western part of the country, we partnered with other Christian organizations to construct a large playground for hurting children in Beslan, where more than 340 people lost their lives in a hostage siege at a school in 2004. Our support also enabled 9,000 needy boys and girls to attend evangelistic summer camps in the northern Caucasus region, where counselors shared the

Gospel and encouraged the children to put their trust in Jesus.

Meanwhile, we continued to support ministries in Far East Russia through flights from our Alaska base. Our teams provided vehicles for churches in three cities, arranged a series of evangelistic concerts, and delivered Operation Christmas Child shoe box gifts 200 miles north of the Arctic Circle.

MIDDLE EAST

In the embattled Gaza Strip between Israel and Egypt, 85 percent of the residents live in poverty. Many Palestinian families have empty refrigerators, because there is no money for food or electricity.

Working through a local Christian group, Samaritan's Purse is assisting the people of Gaza and the West Bank by providing food parcels containing lentils, olive oil, sugar, tea, and other items to 100 families. Some also received sheep and fishing boats to help them establish their own livelihoods.

Through this work, we have seen Palestinian hearts soften to the Good News, and local believers no longer fear openly sharing their faith with the Muslim community. Many residents have requested Bibles and asked to know more about the One called *Isa al Masih* (Jesus Christ).

In Lebanon, our support of an evangelical Bible training school in the heart of Beirut is enabling students from nearby countries in the Middle East and Africa to receive training that will help them become effective ministers of the Gospel in this region.

In Jordan, our longtime work with Annoor Sanatorium in Mafraq continued in 2006. We supported major renovations at the hospital, including new heating and plumbing systems, the replacement of windows, new lighting, new ceiling and floor tiles, and a new roof. Funds were also provided to supply milking goats to Bedouin widows and furnish clothing and shoes to destitute Bedouin children.

Through the years, many Bedouins have come to a saving knowledge of Jesus Christ through the work in Jordan. We pray that the Lord will continue to use this outpost in the desert for His glory.



SMILING AGAIN: Russian children traumatized by acts of terrorism and ethnic conflicts attended evangelistic camps supported by Samaritan's Purse last summer.



FEEDING THE HUNGRY: Our therapeutic feeding program in Kenya's Turkana area serves thousands of children under the age of five who suffer from malnourishment or near starvation.

AFRICA

Men in Liberia have a life expectancy of only 38 years. That makes 95-year-old Benwa Vennice a remarkable exception. He still tends to two small farms in the village where he has lived most of his life.

Benwa has survived two civil wars and several coups, but if you ask him how life in Liberia has changed over the decades, he'll tell you: "There's been no change. Samaritan's Purse is the first change we've ever seen."

In villages such as Benwa's across Liberia, Samaritan's Purse installed over 2,500 BioSand Water Filters and 200 community latrines during 2006, saving lives and alleviating suffering while strengthening the witness of local churches.

The fighting in Liberia devastated the churches. Samaritan's Purse has helped restore dozens of them by providing tin roofs, wooden pews, and evangelistic training and literature. A video team showed the *JESUS* film to over 14,000 people in remote villages during 2006, and hundreds prayed to accept Christ as their Saviour.

Our teams in Liberia also taught Bible lessons through literacy and vocational classes, helped rehabilitate 50 young women who are former

combatants, put hundreds of farmers back in business, and helped build a dorm, school, and self-supporting farms for a Christian orphanage.

Across sub-Saharan Africa, similar projects are making a difference in the lives of many thousands of people. In drought-stricken Niger, we operated feeding centres for malnourished children, which enabled us to introduce the message of Christ's love in villages that have no churches. In malaria-prone Angola, we helped expand medical facilities and also worked through churches to distribute mosquito nets to 7,500 families.

In East Africa, in addition to large-scale medical and HIV/AIDS ministries, Samaritan's Purse met other physical and spiritual needs. In Ethiopia, a significant three-year project in partnership with the Canadian International Development Agency concluded after having installed more than 7,600 BioSand Water Filters through our *Turn on the Tap* program. These simple filters are now providing life-sustaining water to an estimated 61,000 people. Our teams fed 45,000 people and trained 500 pastors in Mozambique, and provided food and agricultural assistance to over 10,000 people in Kenya.

[2006]

FINANCIAL STATEMENTS
and SUPPLEMENTAL SCHEDULES
for SAMARITAN'S PURSE CANADA



2006 Independent Auditors' Report

To the Members of The Samaritan's Purse Canada

We have audited the statement of financial position of The Samaritan's Purse - Canada as at December 31, 2006 and the statements of operations, changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of management. Our responsibility is to express an audit opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of The Samaritan's Purse - Canada as at December 31, 2006 and the results of its operations, changes in fund balances and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Comparative figures for 2005 were reported on by other auditors.

Calgary, Alberta
March 27, 2007

Werner Haag

Chartered Accountants

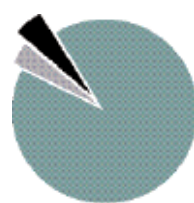
2006 Revenues

- 38% Contributions—Cash
- 61% Contributions—Commodities
- 1% Other



2006 Expenditures

- 92% Ministry
- 5% General/Administrative
- 3% Donor Education/Fund Raising



Statement of Financial Position

DECEMBER 31, 2006

	Notes	2006	2005
ASSETS			
CURRENT			
Cash		\$ 5,099,851	\$ 3,179,253
Short-term investments, fair market value \$7,667,333; (2005 - \$8,588,900)		7,569,715	8,615,789
Accounts receivable	3	248,398	203,724
Prepaid expenses		312,923	206,302
		<u>13,230,887</u>	<u>12,205,068</u>
PROPERTY AND EQUIPMENT	4	<u>6,159,719</u>	<u>5,741,006</u>
		<u>\$ 19,390,606</u>	<u>\$ 17,946,074</u>
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities	3	\$ 783,980	\$ 397,400
LONG-TERM LIABILITY	5	30,000	30,000
PAYABLE TO RELATED ENTITY	3	<u>2,000,000</u>	<u>2,250,000</u>
		<u>2,813,980</u>	<u>2,677,400</u>
FUND BALANCES			
Unrestricted funds		2,846,984	1,819,122
Invested in property and equipment		4,159,719	3,491,005
Restricted	7	<u>9,569,923</u>	<u>9,958,547</u>
		<u>16,576,626</u>	<u>15,268,674</u>
		<u>\$19,390,606</u>	<u>\$ 17,946,074</u>

(The accompanying notes are an integral part of these financial statements.)

Statement of Operations

YEAR ENDED DECEMBER 31, 2006

	2006				2005 Total
	Unrestricted	Property and Equipment	Restricted	Total	
REVENUES					
Contributions					
Cash	\$ 4,306,507	\$ -	\$ 12,372,377	\$ 16,678,884	\$ 18,789,957
Commodities	8,282	-	26,382,218	26,390,500	23,780,130
Investment income	314,825	-	1,451	316,276	225,836
Gain on disposal of property and equipment	-	-	-	-	4,636
	<u>4,629,614</u>	<u>-</u>	<u>38,756,046</u>	<u>43,385,660</u>	<u>42,800,559</u>
EXPENDITURES					
Ministry expenses, (Schedules 1 and 2)	78,490	-	34,722,153	34,800,643	32,063,161
Other missionary projects and supporting services	<u>1,107,768</u>	<u>197,438</u>	<u>2,541,350</u>	<u>3,846,556</u>	<u>3,302,781</u>
	1,186,258	197,438	37,263,503	38,647,199	35,365,942
Donor education	365,896	-	476,413	842,309	1,131,734
Fund raising	78,038	-	213,741	291,779	179,306
General and administrative Support for ministries	<u>1,439,311</u>	<u>197,438</u>	<u>659,672</u>	<u>2,296,421</u>	<u>1,970,839</u>
	3,069,503	394,876	38,613,329	42,077,708	38,647,821
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 1,560,111</u>	<u>\$ (394,876)</u>	<u>\$ 142,717</u>	<u>\$ 1,307,952</u>	<u>\$ 4,152,738</u>

(The accompanying notes are an integral part of these financial statements.)

Statement of Changes in Fund Balances

YEAR ENDED DECEMBER 31, 2006

	2006				2005 Total
	Unrestricted	Property and Equipment	Restricted	Total	
Balance At Beginning Of Year	\$ 1,819,122	\$ 3,491,005	\$ 9,958,547	\$ 15,268,674	\$ 11,115,936
Excess (deficiency) of revenues over expenditures	1,560,111	(394,876)	142,717	1,307,952	4,152,738
Fund transfers for property and equipment	(282,249)	813,590	(531,341)	-	-
Related entity loans	(250,000)	250,000	-	-	-
BALANCE AT END OF YEAR	<u>\$ 2,846,984</u>	<u>\$ 4,159,719</u>	<u>\$ 9,569,923</u>	<u>\$ 16,576,626</u>	<u>\$ 15,268,674</u>

(The accompanying notes are an integral part of these financial statements.)

Statement of Cash Flows

YEAR ENDED DECEMBER 31, 2006

	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenditures	\$ 1,307,952	\$ 4,152,738
Adjustments for		
Gain on disposal of property and equipment	-	(4,636)
Forgiven debt	-	(650,000)
Amortization	<u>394,877</u>	<u>344,222</u>
	<u>1,702,829</u>	<u>3,842,324</u>
Changes in non-cash working capital		
Accounts receivable	(44,674)	27,559
Prepaid expenses	(106,621)	16,107
Short-term investments	1,046,074	(2,453,968)
Accounts payable	<u>386,580</u>	<u>(110,212)</u>
	<u>1,281,359</u>	<u>(2,520,514)</u>
	<u>2,984,188</u>	<u>1,321,810</u>
CASH FLOWS FROM FINANCING AND INVESTING ACTIVITIES		
Cash repaid to related entities	(250,000)	(900,000)
Purchase of property and equipment	(860,090)	(444,648)
Proceeds on disposal of property and equipment	<u>46,500</u>	<u>6,386</u>
	<u>(1,063,590)</u>	<u>(1,338,262)</u>
INCREASE (DECREASE) IN CASH	1,920,598	(16,452)
Cash At Beginning Of Year	<u>3,179,253</u>	<u>3,195,705</u>
CASH AT END OF YEAR	<u>\$ 5,099,851</u>	<u>\$ 3,179,253</u>

Notes to the Financial Statements

DECEMBER 31, 2006

1. NATURE OF THE ORGANIZATION

The Samaritan's Purse - Canada ("the Organization"), incorporated under Part II of the Canada Business Corporations Act, is a non-profit Christian relief organization that specializes in meeting the physical needs of victims of war, poverty, natural disasters, and disease, with the aim of sharing God's love through Jesus Christ. The Organization distributes contributed commodities such as medical supplies and equipment in countries where there is need. The Organization is a registered charity under the Income Tax Act and accordingly is exempt from income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

The Organization follows the restricted fund method of accounting for contributions. Fund balances consist of:

Unrestricted funds

Represent amounts which are fully available, at the discretion of management and the Board of Directors, to the Organization to utilize in any of its projects or supporting services.

Property and Equipment

Represents the assets, liabilities and expenses related to the Organization's property and equipment.

Restricted funds

Comprised of the funds described in Note 7. Contributions are restricted either by location or by program. The largest program, Operation Christmas Child, is a program that distributes gift boxes from contributors across Canada to children living in poverty in other countries.

Notes to the Financial Statements—Continued

DECEMBER 31, 2006

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**Revenue Recognition**

Contributions of cash and commodities are recognized as revenue in the year they are received. Personal services contributed to the Organization are not recorded in the financial statements.

Foreign Currency Translation

Current assets and liabilities denominated in foreign currencies are translated at exchange rates at the end of the year. Transactions during the year are translated at exchange rates in effect at the date of the transaction. Exchange gains and losses occurring from the date of the transaction to the date of payment are reflected in the statement of operations.

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. These estimates and assumptions are the responsibility of management. These estimates and assumptions are subject to measurement uncertainty, and actual results and financial position may differ from those reported in these financial statements.

Notes to the Financial Statements—Continued

DECEMBER 31, 2006

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**Property and Equipment**

Property and equipment are recorded at cost. Contributed property and equipment are recorded at fair value at the date of contribution. Amortization of property and equipment is recorded using the straight line method over the following terms:

Building	40 years
Computer equipment and software	3 to 5 years
Office equipment	3 years
Office furniture	5 years
Automobile	5 years
Project equipment	3 to 5 years

3. RELATED PARTY TRANSACTIONS

The Samaritan's Purse – Canada, Samaritan's Purse, Inc., and Billy Graham Evangelistic Association of Canada ("BGEA – Canada") are considered to be related parties. Each of these organizations share common directors, common joint project activities and a close working relationship.

During 2006, a principal payment of \$250,000 (2005 - \$250,000) and interest of \$51,314 (2005 - \$57,038) was paid to BGEA – Canada. The promissory note of \$2,000,000 (2005 - \$2,250,000) payable to BGEA – Canada, due April 2013, is secured by a carried interest in the land and building and is repayable in annual instalments commencing December 31, 2004 including interest at the Royal Bank of Canada one year GIC rate plus 1%.

Included in accounts receivable, as at December 31, 2006, is an amount receivable from BGEA – Canada of \$17,368 (2005 - \$32,310). Included in the accounts payable, as at December 31, 2006, is an amount payable to Samaritan's Purse, Inc. of \$11,725 (2005 - \$21,573). These operating amounts are subject to normal trade terms and are included in the respective accounts receivable and accounts payable balances.

Notes to the Financial Statements—Continued

DECEMBER 31, 2006

4. PROPERTY AND EQUIPMENT

	2006		2005	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 1,491,237	\$ -	\$ 1,491,237	\$ 1,491,237
Building	4,408,225	289,862	4,118,363	3,584,667
Computer equipment and software	844,982	478,473	366,509	178,369
Office furniture and equipment	688,950	656,089	32,861	222,713
Automobiles	69,418	24,932	44,486	58,369
Project equipment	218,565	112,302	106,263	205,651
	<u>\$ 7,721,377</u>	<u>\$ 1,561,658</u>	<u>\$ 6,159,719</u>	<u>\$ 5,741,006</u>

During the year, amortization in the amount of \$394,877 (2005 - \$344,222) was charged to operations.

5. LONG-TERM LIABILITY

The promissory note payable, due March 1, 2009, is unsecured, non-interest bearing and is due at maturity.

6. RETIREMENT PLAN

Contributions by The Samaritan's Purse – Canada toward employee registered retirement savings plans vary from 7% to 8.75% of eligible gross salaries depending on employee eligibility and participation in the plan.

Notes to the Financial Statements—Continued

DECEMBER 31, 2006

7. RESTRICTED FUND BALANCE

The restricted fund balance consists of the following restricted contributions:

	2006	2005
Operation Christmas Child Relief and Development	\$ 4,757,792	\$ 3,916,283
South Asia Tsunami Relief	949,140	968,148
Children - food, medicine and blankets	760,000	1,251,801
Angola	470,948	442,650
Sudan	324,280	341,371
Asia	314,967	647,100
Middle East	249,090	115,493
Mexico	243,288	36,794
Nicaragua	207,687	172,361
North America	215,165	240,192
Central and South America	181,569	553,506
Cambodia	164,353	177,332
Africa	145,424	181,431
Egypt	128,031	159,724
Uganda	120,401	140,036
SP Canada Building Fund	91,423	192,195
Iran	52,625	46,175
India	46,736	46,421
World Medical Mission	32,048	24,497
Ethiopia	28,570	14,827
Iraq	26,241	107,078
Russia	19,307	4,416
Pakistan	13,207	25,869
Europe	11,360	107,028
Afghanistan	9,724	8,665
	<u>6,547</u>	<u>37,154</u>
	<u>\$ 9,569,923</u>	<u>\$ 9,958,547</u>

Notes to the Financial Statements—Continued

DECEMBER 31, 2006

8. GOVERNMENT CONTRIBUTIONS

Restricted contributions include federal government contributions of \$401,781, (2005 - \$562,332) from the Canadian International Development Agency.

9. FINANCIAL INSTRUMENTS

Financial instruments include cash, short-term investments, accounts receivable, accounts payable, long-term liability, and amounts payable to related parties. The fair value of financial assets and liabilities approximate their carrying value.

Management is of the opinion that the Organization is not exposed to significant interest rate or credit risk.

Schedule I—Ministry Expenses by Type of Activity

YEAR ENDED DECEMBER 31, 2006

	<u>2006</u>	<u>2005</u>
Emergency relief	\$ 896,767	\$ 1,364,479
Training	207,942	256,197
Church facilities	131,080	83,261
Christian literature	1,100	13,495
Medical assistance	868,485	635,370
Missionary/personnel assistance	4,765	40,863
Children's aid	1,291,754	1,443,384
Water development	775,577	704,346
Community development	643,229	620,226
Agriculture	341,469	61,673
Evangelism/discipleship	172,294	160,232
Mission projects	1,294,011	1,351,467
Other	<u>4,312</u>	<u>8,462</u>
	6,632,785	6,743,455
World Medical Mission	71,137	46,909
Operation Christmas Child	<u>28,096,721</u>	<u>25,272,797</u>
	<u>\$ 34,800,643</u>	<u>\$ 32,063,161</u>

Schedule 2—Ministry Expenses by Location

YEAR ENDED DECEMBER 31, 2006

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2006 Total</u>	<u>2005 Total</u>
Afghanistan	\$ -	\$ 197,275	\$ 197,275	\$ 68,797
Africa	-	97,453	97,453	87,537
Angola	-	123,533	123,533	189,839
Argentina	-	35,572	35,572	29,317
Asia	-	36,062	36,062	24,662
Balkans	-	73,932	73,932	80,956
Belize	-	6,046	6,046	203,672
Brazil	-	68,643	68,643	124,542
Cambodia	-	507,885	507,885	739,172
Costa Rica	640	215,548	216,188	159,034
Cuba	-	4,449	4,449	7,510
Egypt	-	261,531	261,531	82,500
El Salvador	4,400	255,871	260,271	96,014
Ethiopia	-	238,219	238,219	252,330
General	-	81,922	81,922	137,800
Guinea	-	9,232	9,232	12,374
Haiti	-	1,742	1,742	90,837
India	5,076	64,073	69,149	52,450
Indonesia	-	521,201	521,201	712,262
Iran/Iraq	-	48,426	48,426	33,414
Ivory Coast	-	14,192	14,192	6,468
Jordan	17,040	-	17,040	22,119
Kenya	-	241,121	241,121	280,873
Laos	-	72,794	72,794	73,833
Latin America	-	144,934	144,934	163,349
Lebanon	-	67,850	67,850	42,865
Liberia	-	48,429	48,429	51,118
Malawi	-	45,747	45,747	97,306
Mexico	2,000	409,183	411,183	431,371
Mozambique	-	15,535	15,535	29,857
Namibia	-	23,200	23,200	20,260
Nepal	-	68,451	68,451	50,981
Nicaragua	2,650	403,159	405,809	329,054
Niger	-	84,027	84,027	38,828
North America	76	564,127	564,203	341,011
Pakistan	-	133,066	133,066	135,753
Papua New Guinea	5,445	11,023	16,468	80,169
Philippines	2,833	53,173	56,006	3,410
Russia	-	33,154	33,154	8,615
Sierra Leone	-	-	-	110,438
South Africa	-	84,479	84,479	55,980
Sri Lanka	-	21,936	21,936	353,697
Sudan	-	710,898	710,898	319,047
Thailand	27,191	45,130	72,321	192,778
Uganda	-	134,756	134,756	244,516
Vietnam	11,139	275,316	286,455	74,740
	78,490	6,554,295	6,632,785	6,743,455
World Medical Mission	-	71,137	71,137	46,909
Operation Christmas Child	-	28,096,721	28,096,721	25,272,797
TOTAL	\$ 78,490	\$ 34,722,153	\$ 34,800,643	\$ 32,063,161

BOARD OF DIRECTORS



DENNIS GLUBISH ▲
MD, CCFP, FCFP
St. Albert, AB
Elected 1998



FRANKLIN GRAHAM ▲
President and CEO
Samaritan's Purse and
Billy Graham Evangelistic
Association
Boone, NC
Elected 1979



DAVID C. KAISER
President
Kokanee Food Services Inc.
Cranbrook, BC
Elected 1996
Served until November 2006



GEOFF MOORE ●
President
Geoffrey L. Moore & Associates Ltd.
Thornhill, ON
Elected 2004



DON NEUFELD ●
President
J&H Builder's Warehouse
Saskatoon, SK
Elected 1998



JACK NEUFELD
President and CEO
WORX Environmental
Products Inc.
Calgary, AB
Elected 2000



BRIAN PAULS ●
President
Pauls Properties Corporation
Aurora, Colorado
Elected 2002



BARRY SMITH ●
CA
Marketing Consultant
MacDon Industries, Ltd.
Winnipeg, MB
Elected 2006



ERNEST WIGMORE
MD
General Practitioner
Associate Medical Clinic
Cranbrook, BC
Elected 1990
Served until November 2006

▲ Executive Committee
● Audit Review Committee

Officers

Franklin Graham, Chairman
Dennis Glubish, Vice Chairman
Geoff Moore, Secretary
Don Neufeld, Treasurer

Directors Emeriti

HAROLD NEUFELD
Saskatoon, SK
Elected 1993
Emeritus 1998

ROBERT FOSTER, MD
Greensboro, NC
Elected 1990
Emeritus 2003

JOHN WESLEY WHITE
Willowdale, ON
Elected 1981
Emeritus 2003



IN MEMORIAM
Dr. Lowell Furman
1932-2006

Dr. Lowell Furman served faithfully for many years on the Board of Directors of Samaritan's Purse. Lowell and his brother, Dr. Richard Furman, founded World Medical Mission in 1978, and he devoted his career to following in the footsteps of the Great Physician, ministering to the sick and lifting up the Name of Jesus Christ.