

Return of Organization Exempt from Income Tax

2003

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

Open to Public Inspection

A For the 2003 calendar year, or tax year beginning 1/01, 2003, and ending 3/31, 2004

- B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending

Please use IRS label or print or type. See specific instructions. DIRECT RELIEF INTERNATIONAL 27 SOUTH LA PATERA LANE GOLETA, CA 93117

D Employer Identification Number 95-1831116 E Telephone number 805-964-4767 F Accounting method: Cash, Accrual, Other (specify)

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

- H and I are not applicable to section 527 organizations. H(a) Is this a group return for affiliates? H(b) If 'Yes,' enter number of affiliates H(c) Are all affiliates included? H(d) Is this a separate return filed by an organization covered by a group ruling? I Group Exemption Number M Check if the organization is not required to attach Schedule B

G Web site: WWW.DIRECTRELIEF.ORG

J Organization type (check only) 501(c) 3 (insert no.) 4947(a)(1) or 527

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12. 14,230,858.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Instructions)

Table with columns for Revenue, Expenses, and Net Assets. Rows include: 1 Contributions, gifts, grants, and similar amounts received; 2 Program service revenue; 3 Membership dues; 4 Interest on savings; 5 Dividends; 6a Gross rents; 6b Less: rental expenses; 6c Net rental income; 7 Other investment income; 8a Gross amount from sales of assets; 8b Less: cost or other basis; 8c Gain or (loss); 8d Net gain or (loss); 9 Special events and activities; 9a Gross revenue; 9b Less: direct expenses; 9c Net income; 10a Gross sales of inventory; 10b Less: cost of goods sold; 10c Gross profit; 11 Other revenue; 12 Total revenue; 13 Program services; 14 Management and general; 15 Fundraising; 16 Payments to affiliates; 17 Total expenses; 18 Excess or (deficit); 19 Net assets at beginning; 20 Other changes; 21 Net assets at end.

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (att sch) SEE STM 4 (cash \$ 14,568. non-cash \$ 14384467.)	14,399,035.	14,399,035.		
23	Specific assistance to individuals (att sch)				
24	Benefits paid to or for members (att sch)				
25	Compensation of officers, directors, etc.	35,875.	19,731.	5,381.	10,763.
26	Other salaries and wages	312,736.	209,690.	61,133.	41,913.
27	Pension plan contributions	10,529.	6,887.	2,567.	1,075.
28	Other employee benefits	49,529.	38,647.	6,668.	4,214.
29	Payroll taxes	36,248.	23,702.	6,973.	5,573.
30	Professional fundraising fees				
31	Accounting fees	10,068.	737.	9,214.	117.
32	Legal fees				
33	Supplies	45,468.	39,954.	4,173.	1,341.
34	Telephone	3,638.	2,407.	971.	260.
35	Postage and shipping	131,519.	129,897.	649.	973.
36	Occupancy	39,186.	34,950.	1,930.	2,306.
37	Equipment rental and maintenance				
38	Printing and publications	4,147.	2,000.	776.	1,371.
39	Travel	14,837.	14,473.	73.	291.
40	Conferences, conventions, and meetings	17,819.	1,152.	12,565.	4,102.
41	Interest				
42	Depreciation, depletion, etc (attach schedule)	22,998.	20,157.	1,483.	1,358.
43	Other expenses not covered above (itemize):				
a	SEE STATEMENT 5	45,041.	10,196.	30,606.	4,239.
b					
c					
d					
e					
44	Total functional expenses (add lines 22 - 43). Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	15,178,673.	14,953,615.	145,162.	79,896.

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____.

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? SEE STATEMENT 6
 All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) & (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants & allocations to others.)

Program Service Expenses
 (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; but optional for others.)

a	SEE STATEMENT 20	(Grants and allocations \$ 14,399,035.)	14,953,615.
b		(Grants and allocations \$)	
c		(Grants and allocations \$)	
d		(Grants and allocations \$)	
e	Other program services	(Grants and allocations \$)	
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)		14,953,615.

Part IV Balance Sheets (See Instructions)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A)		(B)
		Beginning of year		End of year
ASSETS	45 Cash – non-interest-bearing	600.	45	600.
	46 Savings and temporary cash investments	890,647.	46	634,168.
	47a Accounts receivable			
	b Less: allowance for doubtful accounts		47c	
	48a Pledges receivable	10,625.		
	b Less: allowance for doubtful accounts		48c	10,625.
	49 Grants receivable	275,986.	49	24,783.
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)	60,528.	50	
	51a Other notes & loans receivable (attach sch.)			
	b Less: allowance for doubtful accounts		51c	
	52 Inventories for sale or use	17,157,224.	52	15,590,089.
	53 Prepaid expenses and deferred charges	32,552.	53	39,485.
	54 Investments – securities (attach schedule). SEE ST. 7. <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	4,056,769.	54	4,718,285.
	55a Investments – land, buildings, & equipment: basis			
	b Less: accumulated depreciation (attach schedule)		55c	
	56 Investments – other (attach schedule)	SEE STMT. 8. 530,000.	56	530,000.
	57a Land, buildings, and equipment: basis	57a 3,684,640.		
	b Less: accumulated depreciation (attach schedule)	STATEMENT 9. 610,744.	57c	3,073,896.
	58 Other assets (describe <input type="checkbox"/> SEE STATEMENT 10	163,498.	58	66,499.
59 Total assets (add lines 45 through 58) (must equal line 74)	26,222,104.	59	24,688,430.	
LIABILITIES	60 Accounts payable and accrued expenses	45,570.	60	76,009.
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a Tax-exempt bond liabilities (attach schedule)		64a	
	b Mortgages and other notes payable (attach schedule)	SEE STATEMENT 11. 1,626,469.	64b	1,615,139.
	65 Other liabilities (describe <input type="checkbox"/> SEE STATEMENT 12	209,550.	65	178,103.
66 Total liabilities (add lines 60 through 65)	1,881,589.	66	1,869,251.	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	24,217,294.	67	22,652,640.
	68 Temporarily restricted	123,221.	68	166,539.
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)	24,340,515.	73	22,819,179.	
74 Total liabilities and net assets/fund balances (add lines 66 and 73)	26,222,104.	74	24,688,430.	

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

BAA

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See instructions.)

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total revenue, gains, and other support per audited financial statements.....	a	13,496,593.
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments..... \$		
(2)	Donated services and use of facilities..... \$		
(3)	Recoveries of prior year grants..... \$		
(4)	Other (specify):		
	----- \$		
	Add amounts on lines (1) through (4).....	b	
c	Line a minus line b	c	13,496,593.
d	Amounts included on line 12, Form 990 but not on line a :		
(1)	Investment expenses not included on line 6b, Form 990..... \$		
(2)	Other (specify):		
	----- \$		
	Add amounts on lines (1) and (2)...	d	
e	Total revenue per line 12, Form 990 (line c plus line d).....	e	13,496,593.

a	Total expenses and losses per audited financial statements.....	a	15,178,673.
b	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities..... \$		
(2)	Prior year adjustments reported on line 20, Form 990.... \$		
(3)	Losses reported on line 20, Form 990.... \$		
(4)	Other (specify):		
	----- \$		
	Add amounts on lines (1) through (4).....	b	
c	Line a minus line b	c	15,178,673.
d	Amounts included on line 17, Form 990 but not on line a :		
(1)	Investment expenses not included on line 6b, Form 990..... \$		
(2)	Other (specify):		
	----- \$		
	Add amounts on lines (1) and (2)...	d	
e	Total expenses per line 17, Form 990 (line c plus line d).....	e	15,178,673.

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
SEE STATEMENT 19	60	35,875.	2,195.	0.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? Yes No
 If 'Yes,' attach schedule — see instructions.

Part VII Other Information (See instructions.)

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity.....		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS?..... If 'Yes,' attach a conformed copy of the changes.		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?.....		X
78b	If 'Yes,' has it filed a tax return on Form 990-T for this year?.....	N/A	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement.....		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc, to any other exempt or nonexempt organization?.....		X
80b	If 'Yes,' enter the name of the organization ▶ <u>N/A</u> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81a	Enter direct and indirect political expenditures. See line 81 instructions.....	81a	0.
81b	Did the organization file Form 1120-POL for this year?.....		X
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?.....	X	
82b	If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.).....	82b	85,943.
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?.....	X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?.....	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?.....		X
84b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?.....	N/A	
85a	501(c)(4), (5), or (6) organizations. Were substantially all dues nondeductible by members?.....	N/A	
85b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?..... If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	N/A	
85c	Dues, assessments, and similar amounts from members.....	N/A	
85d	Section 162(e) lobbying and political expenditures.....	N/A	
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices.....	N/A	
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e).....	N/A	
85g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?.....	N/A	
85h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?.....	N/A	
86a	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12.....	N/A	
86b	Gross receipts, included on line 12, for public use of club facilities.....	N/A	
87a	501(c)(12) organizations. Enter: a Gross income from members or shareholders.....	N/A	
87b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.).....	N/A	
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX.....		X
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ <u>0.</u> ; section 4912 ▶ <u>0.</u> ; section 4955 ▶ <u>0.</u>		
89b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction.....		X
89c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958.....		0.
89d	Enter: Amount of tax on line 89c, above, reimbursed by the organization.....		0.
90a	List the states with which a copy of this return is filed ▶ <u>SEE STATEMENT 13</u>		
90b	Number of employees employed in the pay period that includes March 12, 2003 (See instructions.).....		28
91	The books are in care of ▶ <u>DIRECT RELIEF INTERNATIONAL</u> Telephone number ▶ <u>805-964-4767</u> Located at ▶ <u>27 SOUTH LA PATERA LANE GOLETA, CA</u> ZIP + 4 ▶ <u>93117</u>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here..... N/A ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year..... ▶ <u>92</u>		N/A

Part VII Analysis of Income-Producing Activities (See instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies ...					
94 Membership dues and assessments ..					
95 Interest on savings & temporary cash invmnts. .					
96 Dividends & interest from securities. . .			14	5,559.	
97 Net rental income or (loss) from real estate:					
a debt-financed property			30	11,400.	
b not debt-financed property					
98 Net rental income or (loss) from pers prop. . . .					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					1,313.
101 Net income or (loss) from special events.					-27,480.
102 Gross profit or (loss) from sales of inventory. . . .					
103 Other revenue: a _____					
b OTHER INCOME _____			3	1,876.	
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				18,835.	-26,167.
105 Total (add line 104, columns (B), (D), and (E))					-7,332.

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
101	FUNDRAISING EVENTS EDUCATE THE PUBLIC ON THE ORGANIZATIONS OPERATIONS AND SUPPORT THE SHIPMENT OF MEDICAL SUPPLIES TO MEDICALLY INDIGENT AREAS.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See instructions.)

- a** Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- b** Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions).

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature of officer: THOMAS TIGHE, PRESIDENT & CEO Date: _____

Type or print name and title

Paid Preparer's Use Only

Preparer's signature: _____ Date: _____

Check if self-employed: Preparer's SSN or PTIN (see General Instruction W): N/A

Firm's name (or yours if self-employed): DIRECT RELIEF INTERNATIONAL
 address, and ZIP + 4: 27 S LA PATERA LN SANTA BARBARA, CA 93117

EIN: N/A
 Phone no.: (805) 964-4767

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

**Organization Exempt Under
Section 501(c)(3)**

**(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust**
Supplementary Information — (See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ.**

OMB No. 1545-0047

2003

Name of the organization: **DIRECT RELIEF INTERNATIONAL** Employer identification number: **95-1831116**

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See instructions. List each one. If there are none, enter 'None.')

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
SEE SCHEDULE XX	VARIOUS			
27 SOUTH LA PATERA LANE GOLETA, CA	ALL 40+	79,750.	8,538.	0.
Total number of other employees paid over \$50,000	2			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See instructions. List each one (whether individuals or firms). If there are none, enter 'None.')

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services	0	

Part III Statements About Activities (See instructions.)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>N/A</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)		X
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes,' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.)		
SEE STATEMENT 14		
a Sale, exchange, or leasing of property?		X
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?	X	
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		X
e Transfer of any part of its income or assets?		X
3a Do you make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how you determine that recipients qualify to receive payments.) SEE STATEMENT 15	X	
b Do you have a section 403(b) annuity plan for your employees?	X	
4 Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X

Part IV Reason for Non-Private Foundation Status (See instructions.)

The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5** A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6** A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7** A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8** A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9** A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state ▶** _____
- 10** An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a** An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b** A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12** An organization that normally receives: **(1) more than 33-1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc, functions – subject to certain exceptions, and **(2) no more than 33-1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13** An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: **(1)** lines 5 through 12 above; or **(2)** section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14** An organization organized and operated to test for public safety. Section 509(a)(4). (See instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) *Use cash method of accounting.*

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in).....	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)...	101,228,258.	64,544,695.	75,277,877.	80,132,506.	321,183,336.
16 Membership fees received.....					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc, purpose.....					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975.....	69,667.	121,236.	74,122.	103,156.	368,181.
19 Net income from unrelated business activities not included in line 18.....					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf.....					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.....					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets. <i>SEE STMT. 16</i>	67,772.	64,113.	81,768.	52,616.	266,269.
23 Total of lines 15 through 22....	101,365,697.	64,730,044.	75,433,767.	80,288,278.	321,817,786.
24 Line 23 minus line 17.....	101,365,697.	64,730,044.	75,433,767.	80,288,278.	321,817,786.
25 Enter 1% of line 23.....	1,013,657.	647,300.	754,338.	802,883.	
26 Organizations described on lines 10 or 11:					
a Enter 2% of amount in column (e), line 24.....					26a 6,436,356.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1999 through 2002 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.....					26b 131804567.
c Total support for section 509(a)(1) test: Enter line 24, column (e).....					26c 321817786.
d Add: Amounts from column (e) for lines:	18 368,181.	19			
	22 266,269.	26b 131,804,567.			26d 132439017.
e Public support (line 26c minus line 26d total).....					26e 189378769.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)).....					26f 58.85 %
27 Organizations described on line 12: N/A					
a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' Do not file this list with your return. Enter the sum of such amounts for each year: (2002) _____ (2001) _____ (2000) _____ (1999) _____					
b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2002) _____ (2001) _____ (2000) _____ (1999) _____					
c Add: Amounts from column (e) for lines:	15 _____	16 _____			
	17 _____	20 _____	21 _____		
d Add: Line 27a total.... and line 27b total.....					27c _____
e Public support (line 27c total minus line 27d total).....					27d _____
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) ..					27e _____
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)).....					27f _____
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)).....					27g _____ %
					27h _____ %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1999 through 2002, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See instructions.)
 (To be completed **ONLY** by schools that checked the box on line 6 in Part IV)

		N/A	
		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?		
	If 'Yes,' please describe; if 'No,' please explain. (If you need more space, attach a separate statement.) ----- ----- -----		
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d	Copies of all material used by the organization or on its behalf to solicit contributions?		
	If you answered 'No' to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----		
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?		
b	Admissions policies?		
c	Employment of faculty or administrative staff?		
d	Scholarships or other financial assistance?		
e	Educational policies?		
f	Use of facilities?		
g	Athletic programs?		
h	Other extracurricular activities?		
	If you answered 'Yes' to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----		
34a	Does the organization receive any financial aid or assistance from a governmental agency?		
b	Has the organization's right to such aid ever been revoked or suspended?		
	If you answered 'Yes' to either 34a or b, please explain using an attached statement.		
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev Proc 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If 'No,' attach an explanation.		

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

N/A

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked 'a' and 'limited control' provisions apply.

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term 'expenditures' means amounts paid or incurred.)			
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table –			
If the amount on line 40 is –	The lobbying nontaxable amount is –		
Not over \$500,000	20% of the amount on line 40		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	41	
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000	\$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44		
Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.			

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
 See the instructions for lines 45 through 50.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots non-taxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See instructions.)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

- a** Volunteers
- b** Paid staff or management (Include compensation in expenses reported on lines **c** through **h**.)
- c** Media advertisements
- d** Mailings to members, legislators, or the public
- e** Publications, or published or broadcast statements
- f** Grants to other organizations for lobbying purposes
- g** Direct contact with legislators, their staffs, government officials, or a legislative body
- h** Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i** Total lobbying expenditures (add lines **c** through **h**.)

Yes	No	Amount

If 'Yes' to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

PUBLIC DISCLOSURE COPY
Schedule of Contributors

Supplementary information for
line 1 of Form 990, 990-EZ and 990-PF (see instructions)

OMB No. 1545-0047

2003

Name of organization

DIRECT RELIEF INTERNATIONAL

Employer identification number

95-1831116

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Form 990-PF

Section:

- 501(c)(3) (enter number) organization
- 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
- 527 political organization
- 501(c)(3) exempt private foundation
- 4947(a)(1) nonexempt charitable trust treated as a private foundation
- 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (**Note:** Only a section 501(c)(7), (8), or (10) organization can check box(es) for both the General Rule and a Special Rule – see instructions.)

General Rule –

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules –

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33-1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc, purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc, purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc, contributions of \$5,000 or more during the year.) ▶ \$ _____

Caution: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF) but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 1 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

BAA For Paperwork Reduction Act Notice, see the instructions for Form 990 and Form 990-EZ.

Schedule B (Form 990, 990-EZ, or 990-PF) (2003)

Name of organization

Employer identification number

DIRECT RELIEF INTERNATIONAL

95-1831116

Part I Contributors (See Specific Instructions.)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	----- ----- -----	\$ 961,705.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	----- ----- -----	\$ 3,327,781.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	----- ----- -----	\$ 601,296.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	----- ----- -----	\$ 2,521,163.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	----- ----- -----	\$ 630,613.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6	----- ----- -----	\$ 974,740.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

DIRECT RELIEF INTERNATIONAL

95-1831116

Part I Contributors (See Specific Instructions.)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	----- ----- ----- -----	\$ 1,199,556.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

DIRECT RELIEF INTERNATIONAL

Employer identification number

95-1831116

Part II Noncash Property (See Specific Instructions.)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	PHARMACEUTICALS & MEDICAL SUPPLIES ----- ----- -----	\$ 961,705.	-----
2	PHARMACEUTICALS & MEDICAL SUPPLIES ----- ----- -----	\$ 3,327,781.	-----
3	PHARMACEUTICALS & MEDICAL SUPPLIES ----- ----- -----	\$ 601,296.	-----
4	PHARMACEUTICALS & MEDICAL SUPPLIES ----- ----- -----	\$ 2,521,163.	-----
5	PHARMACEUTICALS & MEDICAL SUPPLIES ----- ----- -----	\$ 630,613.	-----
6	PHARMACEUTICALS & MEDICAL SUPPLIES ----- ----- -----	\$ 974,740.	-----

BAA

Schedule B (Form 990, 990-EZ, or 990-PF) (2003)

Name of organization

DIRECT RELIEF INTERNATIONAL

Employer identification number

95-1831116

Part II Noncash Property (See Specific Instructions.)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
7	PHARMACEUTICALS & MEDICAL SUPPLIES	\$ 1,199,556.	
---	-----	\$ -----	-----
---	-----	\$ -----	-----
---	-----	\$ -----	-----
---	-----	\$ -----	-----
---	-----	\$ -----	-----

Name of organization

DIRECT RELIEF INTERNATIONAL

Employer identification number

95-1831116

Part III Exclusively religious, charitable, etc, individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year (Complete cols (a) through (e) and the following line entry.)

For organizations completing Part III, enter total of exclusively religious, charitable, etc, contributions of \$1,000 or less for the year. (Enter this information once - see instructions.) \$ N/A

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

DIRECT RELIEF INTERNATIONAL

95-1831116

STATEMENT 1
FORM 990, PART I, LINE 8
NET GAIN (LOSS) FROM NONINVENTORY SALES

PUBLICLY TRADED SECURITIES

GROSS SALES PRICE: 703,038.
 COST OR OTHER BASIS: 701,725.

TOTAL GAIN (LOSS) PUBLICLY TRADED SECURITIES \$ 1,313.

TOTAL NET GAIN (LOSS) FROM NONINVENTORY SALES \$ 1,313.

STATEMENT 2
FORM 990, PART I, LINE 9
NET INCOME (LOSS) FROM SPECIAL EVENTS

<u>SPECIAL EVENTS</u>	<u>GROSS RECEIPTS</u>	<u>LESS CONTRI- BUTIONS</u>	<u>GROSS REVENUE</u>	<u>LESS DIRECT EXPENSES</u>	<u>NET INCOME (LOSS)</u>
SEE SCHEDULE XX	317,610.	312,550.	5,060.	32,540.	-27,480.
TOTAL	\$ <u>317,610.</u>	\$ <u>312,550.</u>	\$ <u>5,060.</u>	\$ <u>32,540.</u>	\$ <u>-27,480.</u>

STATEMENT 3
FORM 990, PART I, LINE 20
OTHER CHANGES IN NET ASSETS OR FUND BALANCES

UNREALIZED GAIN ON INVESTMENTS..... \$ 160,744.
 TOTAL \$ 160,744.

STATEMENT 4
FORM 990, PART II, LINE 22
GRANTS AND ALLOCATIONS

CASH GRANTS AND ALLOCATIONS

CLASS OF ACTIVITY:	SUPPORT RURAL HEALTHCARE	
DONEE'S NAME:	PROYECTO DE SALUD DEL RIO BENI	
DONEE'S ADDRESS:	RURRENEBAQUE PROVINCE BENI DEPARTMENT, BOLIVIA	
RELATIONSHIP OF DONEE:	OVERSEAS PARTNER	
AMOUNT GIVEN:		\$ 12,168.
DONEE'S NAME:	AFGHAN HUMANITARIAN GOALS ASSO	
AMOUNT GIVEN:		2,400.
TOTAL CASH GRANTS AND ALLOCATIONS		\$ <u>14,568.</u>

DIRECT RELIEF INTERNATIONAL

95-1831116

STATEMENT 4 (CONTINUED)
FORM 990, PART II, LINE 22
GRANTS AND ALLOCATIONS

NONCASH GRANTS AND ALLOCATIONS

DONEE'S NAME:	SEE ATTACHED SCHEDULE	
DESCRIPTION OF PROPERTY:	PHARMACEUTICALS, MEDICAL	
DATE OF GIFT:	VARIOUS	
BOOK VALUE:	14,384,467.	
METHOD USED TO DETERMINE BV:	SEE ATTACHED SCHEDULE	
FAIR MARKET VALUE:		\$ 14,384,467.
METHOD USED TO DETERMINE FMV:	SEE ATTACHED SCHEDULE	

TOTAL NONCASH GRANTS AND ALLOCATIONS \$ 14,384,467.

TOTAL GRANTS AND ALLOCATIONS \$ 14,399,035.

STATEMENT 5
FORM 990, PART II, LINE 43
OTHER EXPENSES

	(A)	(B)	(C)	(D)
	TOTAL	PROGRAM SERVICES	MANAGEMENT & GENERAL	FUNDRAISING
ADVERTISING	11,397.		10,050.	1,347.
BANK/BROKERAGE FEES	2,623.	30.	2,593.	
COMMUNICATIONS	12,125.		12,125.	
DUES & MEMBERSHIPS	4,894.	4,049.	505.	340.
HOSPITALITY	2,433.	690.	1,743.	
LIABILITY INSURANCE	3,083.	2,967.	64.	52.
PROFESSIONAL SERVICES	6,086.	2,064.	1,522.	2,500.
TAX, LICENSE & FEES	2,400.	396.	2,004.	
TOTAL	<u>\$ 45,041.</u>	<u>\$ 10,196.</u>	<u>\$ 30,606.</u>	<u>\$ 4,239.</u>

STATEMENT 6
FORM 990, PART III
ORGANIZATION'S PRIMARY EXEMPT PURPOSE

THE MISSION OF DIRECT RELIEF INTERNATIONAL IS TO PROVIDE APPROPRIATE ASSISTANCE TO HEALTH INSTITUTIONS AND PROJECTS WHICH SERVE THE POOR AND VICTIMS OF NATURAL AND CIVIL DISASTERS WITHOUT REGARD TO POLITICAL AFFILIATIONS, RELIGIOUS BELIEFS, ETHNIC IDENTITY OR ABILITY TO PAY.

**STATEMENT 7
FORM 990, PART IV, LINE 54
INVESTMENTS - SECURITIES**

<u>OTHER PUBLICLY TRADED SECURITIES</u>	<u>VALUATION METHOD</u>	<u>AMOUNT</u>
MARKETABLE SECURITIES	MARKET VALUE	\$ 4,718,285.
	TOTAL	\$ 4,718,285.
TOTAL INVESTMENTS - SECURITIES		<u>\$ 4,718,285.</u>

**STATEMENT 8
FORM 990, PART IV, LINE 56
INVESTMENTS - OTHER**

<u>DESCRIPTION OF INVESTMENT</u>	<u>VALUATION METHOD</u>	<u>BOOK VALUE</u>
INVESTMENT IN REAL ESTATE	COST	\$ 530,000.
	TOTAL	<u>\$ 530,000.</u>

**STATEMENT 9
FORM 990, PART IV, LINE 57
LAND, BUILDINGS, AND EQUIPMENT**

<u>CATEGORY</u>	<u>BASIS</u>	<u>ACCUM. DEPREC.</u>	<u>BOOK VALUE</u>
AUTOMOBILES / TRANSPORTATION EQUIPMENT	\$ 61,653.	\$ 19,872.	\$ 41,781.
FURNITURE AND FIXTURES	65,164.	60,289.	4,875.
MACHINERY AND EQUIPMENT	309,389.	185,436.	123,953.
BUILDINGS	1,538,072.	253,142.	1,284,930.
IMPROVEMENTS	289,117.	59,642.	229,475.
LAND	1,363,950.		1,363,950.
MISCELLANEOUS	57,295.	32,363.	24,932.
TOTAL	<u>\$ 3,684,640.</u>	<u>\$ 610,744.</u>	<u>\$ 3,073,896.</u>

**STATEMENT 10
FORM 990, PART IV, LINE 58
OTHER ASSETS**

CONTRIBUTIONS RECEIVABLE.....	\$ 100.
OTHER ASSETS.....	18,260.
OTHER RECEIVABLES.....	6,966.
REMAINDER INTERESTS RECEIVABLE.....	41,173.
TOTAL	<u>\$ 66,499.</u>

DIRECT RELIEF INTERNATIONAL

95-1831116

STATEMENT 11
FORM 990, PART IV, LINE 64B
MORTGAGES AND OTHER NOTES PAYABLE

<u>MORTGAGES PAYABLE</u>	<u>BALANCE DUE</u>
SANTA BARBARA BANK & TRUST	\$ 1,151,443.
HUTTON FOUNDATION	463,696.
TOTAL	\$ <u>1,615,139.</u>

STATEMENT 12
FORM 990, PART IV, LINE 65
OTHER LIABILITIES

DISTRIBUTION PAYABLE-ANNUITIES.....	\$ 33,546.
OTHER CURRENT LIABILITIES.....	144,557.
TOTAL	\$ <u>178,103.</u>

STATEMENT 13
FORM 990, PART VI, LINE 90A
LIST OF STATES WHICH THIS RETURN IS FILED

DIRECT RELIEF INTERNATIONAL WILL FILE COPIES OF FORM 990 IN THE FOLLOWING STATES:

AL, AK, AR, AZ, CA, CT, FL, GA, IL, KS, KY, MD, MA, ME, MI, MN, MS, NH, NJ, NM,
 NY, NC, ND, OH, OK, OR, PA, RI, SC, TN, UT, VA, WA, WV, WI

STATEMENT 14
SCHEDULE A, PART III, LINE 2
TRANSACTIONS WITH TRUSTEES, DIRECTORS, ETC.

THOMAS TIGHE, DIRECT RELIEF INTERNATIONAL'S CEO/PRESIDENT, WAS HIRED IN 2000. TO MITIGATE THE IMPACT OF THE HIGH COST OF LIVING IN SANTA BARBARA, DIRECT RELIEF JOINTLY PURCHASED A RESIDENCE WITH MR. TIGHE. THE RESIDENCE WAS PURCHASED AT FAIR MARKET VALUE FROM A PARTY UNRELATED TO EITHER MR. TIGHE OR DIRECT RELIEF INTERNATIONAL. DIRECT RELIEF INTERNATIONAL PURCHASED ITS 50% INTEREST OUTRIGHT. MR. TIGHE FINANCED HIS INTEREST THROUGH A DOWN PAYMENT AND A MORTGAGE ON THE BALANCE. MR. TIGHE'S TAXABLE WAGES ARE ADJUSTED ANNUALLY TO REFLECT THE FAIR MARKET VALUE OF LODGING PROVIDED BY DIRECT RELIEF INTERNATIONAL'S 50% INTEREST IN THE RESIDENCE. THIS ARRANGEMENT WAS TERMINATED IN JULY 2004 WHEN MR. TIGHE PURCHASED DIRECT RELIEF'S INTEREST AT THE CURRENT FAIR MARKET VALUE.

STATEMENT 15
SCHEDULE A, PART III, LINE 3
QUALIFICATIONS OF RECIPIENTS RECEIVING GRANTS OR LOANS

DIRECT RELIEF AWARDS GRANTS TO OTHER ORGANIZATIONS ON A DISCRETIONARY BASIS. THE MOST SIGNIFICANT CRITERIA USED TO DETERMINE AN AWARD IS WHETHER THE AWARD WILL FURTHER THE MISSION OF DIRECT RELIEF INTERNATIONAL AS FOLLOWS:

THE MISSION OF DIRECT RELIEF INTERNATIONAL IS TO PROVIDE APPROPRIATE ASSISTANCE TO

STATEMENT 15 (CONTINUED)
SCHEDULE A, PART III, LINE 3
QUALIFICATIONS OF RECIPIENTS RECEIVING GRANTS OR LOANS

HEALTH INSTITUTIONS AND PROJECTS WHICH SERVE THE POOR AND VICTIMS OF NATURAL AND CIVIL DISASTERS WITHOUT REGARD TO POLITICAL AFFILIATIONS, RELIGIOUS BELIEFS, ETHNIC IDENTITY OR ABILITY TO PAY.

STATEMENT 16
SCHEDULE A, PART IV-A, LINE 22
OTHER INCOME

<u>DESCRIPTION</u>	<u>(A) 2002</u>	<u>(B) 2001</u>	<u>(C) 2000</u>	<u>(D) 1999</u>	<u>(E) TOTAL</u>
MISCELLANEOUS OPERATING INCOME					
	\$ 67,772.	\$ 64,113.	\$ 81,768.	\$ 52,616.	\$ 266,269.
TOTAL	<u>\$ 67,772.</u>	<u>\$ 64,113.</u>	<u>\$ 81,768.</u>	<u>\$ 52,616.</u>	<u>\$ 266,269.</u>

Direct Relief International
 For the short fiscal year January 1, 2004 - March 31, 2004
 Statement 19
 Form 990, Part V - List of Officers, Directors, Trustees and Key Employees

FEIN: 95-1831116

(A) Name and Address	(B) Title and Time devoted to position (per week)	(C) Compensation	(D) Contributions to Employee Benefit Plans	(E) Expense Acct. & Other Allowances
Carolyn Amory 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Bruce Anticouni 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Gilbert Ashor, M.D. 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Philip M. Battaglia 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Frederick P. Burrows 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
William Burtness 27 So. La Patera Lane Santa Barbara, CA 93117	Treasurer 5	-	-	-
Morgan Clendenen 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Killick S. Datta 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Thomas H. Dittmer 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Wilton A. Doane, M.D. 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Ernest Drew 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Catherine B. Firestone 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Louise Gaylord 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-

Direct Relief International
 For the short fiscal year January 1, 2004 - March 31, 2004
 Statement 19
Form 990, Part V - List of Officers, Directors, Trustees and Key Employees

FEIN: 95-1831116

(A)	(B)	(C)	(D)	(E)
Name and Address	Title and Time devoted to position (per week)	Compensation	Contributions to Employee Benefit Plans	Expense Acct. & Other Allowances
Richard D. Godfrey 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Bert Green, M.D. 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Stanley C. Hatch 27 So. La Patera Lane Santa Barbara, CA 93117	Secretary 5	-	-	-
Melville Haskell, M.D. 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Peter O. Johnson, Sr. 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Richard Johnson 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Lawrence Koppelman 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Nancy M. Lessner 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Don Lewis, M.D. 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Alix G. Mattingly 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
William Morton-Smith, M.D. 27 So. La Patera Lane Santa Barbara, CA 93117	(3) Chief Medical Officer	11,250	-	-
Robert C. Nakasone 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Denis Sanan 27 So. La Patera Lane Santa Barbara, CA 93117	Vice Chair 10	-	-	-
Nancy Schlosser 27 So. La Patera Lane Santa Barbara, CA 93117	Chair 10	-	-	-
Jim Shattuck 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-

Direct Relief International
 For the short fiscal year January 1, 2004 - March 31, 2004
 Statement 19
 Form 990, Part V - List of Officers, Directors, Trustees and Key Employees

FEIN: 95-1831116

(A)	(B)	(C)	(D)	(E)
Name and Address	Title and Time devoted to position (per week)	Compensation	Contributions to Employee Benefit Plans	Expense Acct. & Other Allowances
Thomas E. Tighe 27 So. La Patera Lane Santa Barbara, CA 93117	(1) CEO/President 60+	\$ 35,875	\$ 2,195	\$ 2,700
Paul H. Turpin 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
Sherry Villanueva 27 So. La Patera Lane Santa Barbara, CA 93117	Director 5	-	-	-
		<u>\$ 47,125</u>	<u>\$ 2,195</u>	<u>\$ 2,700</u>

1. The amounts disclosed in columns C and D were paid during the short fiscal year. The amount in column E represents the fair market value of lodging provided by Direct Relief International to the CEO for the short fiscal year. The lodging adjustment arises from Direct Relief International's 50% interest in a residence co-owned and occupied by the CEO. The adjustment constitutes taxable income to the CEO and is reported to the IRS on the CEO's annual Form W-2. See Statement 16 for further details.
2. The CEO's annual compensation in effect as of March 31, 2004 was \$143,500. The salary was authorized by the Executive Committee of the Board of Directors after an extensive review of local, regional and national positions of similar scope and responsibility. Local cost of living factors for the Santa Barbara Metropolitan Area were considered as well.
3. In March 1, 2004, Direct Relief International established the position of Chief Medical Officer (CMO). The addition of this senior level position was, in part, a response to the substantial increase in pharmaceutical and medical supply donations in recent years. Historically, the organization has always had access to a substantial group of medical professionals - currently, five M.D.s are on the Board; on staff - a licensed Pharmacist, registered nurse, certified biomedical engineer and two other staff with para-medical training; numerous other MD's, R.N.s and other medical professionals volunteering or sitting on advisory committees. The presence of a CMO allows the organization to respond more effectively to potential product donations and adds an additional level of review to the appropriateness of product placement with the organizations partners. The position is budgeted at \$150,000 per year.

Direct Relief International
 For the short fiscal year January 1, 2004 - March 31, 2004
 Statement 22
 Schedule of Special Events

FEIN: 95-1831116

	2004 S.B. County Vintners Auction	2nd Annual Shareholders Meeting	Winemaker Dinner Series	Total
Gross Receipts	\$ 301,000	\$ 12,440	\$ 4,170	317,610
Less: Contributions	300,000	9,500	3,050	312,550
Gross Revenues	1,000	2,940	1,120	5,060
Less: Direct expenses	11,753	20,429	358	32,540
Net Income (Loss)	\$ (10,753)	\$ (17,489)	\$ 762	\$ (27,480)

On February 7, 2004, the Santa Barbara County Vintners Foundation, a 501(c) 3 exempt organization, sponsored a dinner and auction for the benefit of local charitable organizations. Direct Relief International (DRI) was one of the beneficiaries of the event. The event was planned, produced and paid for by the Foundation – DRI provided staff and logistics support. To encourage and thank auction attendees, DRI hosted an event the evening before the auction. This event generated \$11,753 in direct expenses. The Foundation donated \$300,000 of the net proceeds of the auction to DRI.

On March 3, 2004, DRI hosted its Second Annual Shareholder meeting. The organization views anyone donating their time, money or products as a shareholder of the organization. DRI felt an obligation to report back to the shareholders on how their donations were used. DRI invited representatives of partner facilities in Afghanistan, Cameroon and El Salvador to address the shareholders. Pharmaceutical industry representatives, attending a quarterly “Partnership for Quality Medical Donations” conference hosted by DRI, delivered presentations as well.

The Shareholder meeting was never intended to be a fundraising event. The only fees charged were for an optional lunch available at the Shareholder meeting facility. However, two corporate supporters underwrote a portion of the event’s expenses which led to the classification of the Shareholder meeting as a special event.

Direct Relief International FEIN: 95-1831116

Short fiscal year ending March 31, 2004

Statement 20

Statement of Program Service Accomplishments

Form 990, Part III

Program Service Accomplishments:

Direct Relief's mission is to improve the health of people living in developing countries and those who are victims of natural disasters, war, and civil unrest. We work to strengthen indigenous health efforts of our international partners by providing essential material resources – medicines, supplies and equipment.

People served is calculated based on the courses of treatment provided in an assistance shipment to a partner organization. A course of treatment is the recommended regimen by a manufacturer, for medicines treating a chronic condition or for an ongoing therapy (such as birth control), a one year supply is considered one course of treatment.

Grants and Allocations - By region:

	Weight (lbs)	Value (\$)	People Served
Africa	22,420	1,610,981	308,486
Americas & the Caribbean	84,260	9,847,520	2,682,483
Asia	29,493	1,707,976	2,040,120
Other	5,710	1,191,056	59,435
Total Grants and Allocations	141,873	\$ 14,357,532	5,090,524

Cash Grants - see separate schedule 14,568

Other Program Expenses \$ 26,935

Total Program Service Expense **\$ 14,372,100**

Shipment Number	Receiving Partner Organization	Country	Region	Weight (lbs)	Value (\$)	People Served
3758	Fraternity Medical Center	Cameroon	Africa	45	\$ 16,544	14,957
3614	Boma Ophthalmic Hospital	Congo, D.R.	Africa	48	\$ 7,777	148
3704	Jehovah Rapha Health Care Foundation	Ghana	Africa	5,000	\$ 7,742	-
3586	ELWA Hospital	Liberia	Africa	5,966	\$ 608,195	61,471
3746	Antof Rural Resource Center	Nigeria	Africa	294	\$ 152,227	10,872
3570	Sumbawanga Regional Hospital	Tanzania	Africa	4,282	\$ 288,111	68,070
3697	Baptist Hospital of Togo	Togo	Africa	5	\$ 1,664	1,054
3739	J.F. Kapnek Charitable Trust	Zimbabwe	Africa	6,780	\$ 528,720	151,914
	Subtotal - Africa			22,420	\$ 1,610,981	308,486
3693	Proyecto de Salud del Rio Beni	Bolivia	Americas & the Caribbean	3,264	\$ 327,944	53,553
3126	Club Rotario de Medellin	Colombia	Americas & the Caribbean	11,668	\$ 52,638	19,960
3696	Martin Luther King Center	Cuba	Americas & the Caribbean	32	\$ 3,515	576
3741	Health Care Education Partnership	Dominican Republic	Americas & the Caribbean	633	\$ 66,860	14,980
	Shipment					

Direct Relief International						FEIN: 95-1831116	
Short fiscal year ending March 31, 2004							
Statement 20							
Statement of Program Service Accomplishments							
Form 990, Part III							
Number	Receiving Partner Organization	Country	Region	Weight (lbs)	Value (\$)	People Served	
3745	BRA DOMINICANA	Dominican Republic	Americas & the Caribbean	4,914	\$ 165,286	46,111	
3703	Fundacion Nuevos Horizontes Para Los Pobres	El Salvador	Americas & the Caribbean	10,196	\$ 1,412,584	52,553	
3666	Secretaria Nacional de la Familia / FUDEM	El Salvador	Americas & the Caribbean	8,372	\$ 319,760	10,857	
3706	Santa Rosa Medical Clinic	Guatemala	Americas & the Caribbean	773	\$ 89,453	25,685	
3740	Adonal International Ministries	Guatemala	Americas & the Caribbean	341	\$ 7,663	273	
3744	DOCARE International Mission	Guatemala	Americas & the Caribbean	53	\$ 10,081	1,237	
3672	Davis Memorial Hospital	Guyana	Americas & the Caribbean	668	\$ 39,785	12,396	
3673	St. Joseph's Mercy Hospital	Guyana	Americas & the Caribbean	637	\$ 56,559	12,826	
3674	Mahaicony District Hospital	Guyana	Americas & the Caribbean	667	\$ 81,077	19,850	
3675	Linden Hospital	Guyana	Americas & the Caribbean	705	\$ 126,504	15,655	
3676	Baritica Hospital	Guyana	Americas & the Caribbean	720	\$ 75,649	7,253	
3677	New Amsterdam Hospital	Guyana	Americas & the Caribbean	1,630	\$ 251,532	57,422	
3678	Port Mourant Hospital	Guyana	Americas & the Caribbean	1,304	\$ 440,404	108,023	
3705	New Hope Ministries	Haiti	Americas & the Caribbean	424	\$ 48,678	4,034	
3728	St. Ignatius Medical Mission	Haiti	Americas & the Caribbean	72	\$ 2,711	750	
3729	Project Haiti	Haiti	Americas & the Caribbean	474	\$ 59,828	6,418	
3748	Food for the Poor, Inc.	Haiti	Americas & the Caribbean	2,369	\$ 331,186	18,915	
3754	Hacienda Cristo Salva	Honduras	Americas & the Caribbean	198	\$ 1,685	156	
3763	Brigada de Salud / Honduras Relief Effort	Honduras	Americas & the Caribbean	306	\$ 24,404	3,344	
3671	Food for the Poor, Jamaica	Jamaica	Americas & the Caribbean	5,842	\$ 1,229,252	41,332	
3698	Falmouth Hospital	Jamaica	Americas & the Caribbean	38	\$ 21,501	753	
3724	Food for the Poor, Jamaica	Jamaica	Americas & the Caribbean	7,234	\$ 1,470,893	52,598	
3755	Missionaries of the Poor	Jamaica	Americas & the Caribbean	91	\$ 14,503	1,115	
3679	Potter's Clay	Mexico	Americas & the Caribbean	815	\$ 67,541	7,214	
3700	Centro de Salud Todos Santos	Mexico	Americas & the Caribbean	192	\$ 4,306	2,229	
3702	Aeromedicos of Santa Barbara	Mexico	Americas & the Caribbean	72	\$ 596	120	
3707	Nicaraguan Children's Fund	Nicaragua	Americas & the Caribbean	88	\$ 13,184	1,762	
3757	Nicaraguan Children's Fund	Nicaragua	Americas & the Caribbean	117	\$ 12,966	1,278	
3765	American Nicaraguan Foundation	Nicaragua	Americas & the Caribbean	8,954	\$ 2,333,812	53,211	
3641	Hospital Regional de Ayacucho	Peru	Americas & the Caribbean	5,563	\$ 202,961	314,529	
3711	Los Angeles Mission Community Clinic	USA	Americas & the Caribbean	14	\$ 5,587	72	
3712	Venice Family Free Clinic	USA	Americas & the Caribbean	14	\$ 5,587	72	
3713	South Central Family Health Center	USA	Americas & the Caribbean	26	\$ 9,673	192	
3714	Cleaver Family Wellness Clinic	USA	Americas & the Caribbean	18	\$ 6,813	108	
3717	Santa Barbara-Ventura Counties Dental Society	USA	Americas & the Caribbean	1,145	\$ 9,059	298,835	
3719	Santa Barbara Food Bank	USA	Americas & the Caribbean	966	\$ 7,124	34,500	
3720	United Way-Santa Barbara	USA	Americas & the Caribbean	42	\$ 310	1,500	
3725	Westside Family Health Center	USA	Americas & the Caribbean	26	\$ 9,673	192	
3726	American Indian Healing Center	USA	Americas & the Caribbean	16	\$ 5,996	84	
3727	Arroyo Vista Family Health Center	USA	Americas & the Caribbean	145	\$ 56,281	732	
3730	Community Health Centers of the Central Coast	USA	Americas & the Caribbean	216	\$ 83,808	1,080	
3731	Wilmingdon Community Clinic	USA	Americas & the Caribbean	92	\$ 35,566	492	
3732	Tarzana Treatment Centers	USA	Americas & the Caribbean	19	\$ 7,222	120	
3737	Asian Pacific Health Care Venture, Inc.	USA	Americas & the Caribbean	82	\$ 30,521	528	
3738	Chinatown Service Center Family Health	USA	Americas & the Caribbean	6	\$ 2,043	60	
3743	The Children's Clinic	USA	Americas & the Caribbean	67	\$ 25,618	384	
3749	North County Health Services	USA	Americas & the Caribbean	109	\$ 41,971	588	

Direct Relief International										FEIN: 95-1831116
Short fiscal year ending March 31, 2004										
Statement 20										
Statement of Program Service Accomplishments										
Form 990, Part III										
3751	Comprehensive Health Centers	USA	Americas & the Caribbean	31	\$	11,992	168			
Shipment										
Number	Receiving Partner Organization	Country	Region	Weight (lbs)	Value (\$)	People Served				
3760	Mid-City Community Clinic	USA	Americas & the Caribbean	11	\$	4,019	72			
3761	Neighborhood Healthcare	USA	Americas & the Caribbean	95	\$	36,383	516			
3786	Community Health Centers of the Central Coast	USA	Americas & the Caribbean	1,068	\$	19,016	1,017,500			
3787	Clinica de Tolosa	USA	Americas & the Caribbean	310	\$	7,344	193,000			
3788	Community Health Centers of the Central Coast	USA	Americas & the Caribbean	162	\$	2,741	162,000			
3709	Los Angeles Free Clinic	USA	Americas & the Caribbean	144	\$	55,872	720			
Subtotal - America										
				84,250	\$	9,847,520	2,682,483			
3660	Macroyan Medical Clinic	Afghanistan	Asia	2,333	\$	377,190	40,298			
3733	Jamaludin Wardak Clinic	Afghanistan	Asia	1,868	\$	171,759	21,305			
3759	Afghan Institute for Learning	Afghanistan	Asia	4	\$	3,793	1,000			
3715	Sihanouk Hospital Center	Cambodia	Asia	15	\$	1,511	450			
3683	Tibetan Healing Fund	China	Asia	49	\$	2,633	19,250			
3544	Society For Service To Voluntary Agencies	India	Asia	9,754	\$	346,611	1,462,349			
3699	Wanless Hospital	India	Asia	67	\$	2,595	2,713			
3514	Hobawawi Medical Clinic	Indonesia	Asia	2,903	\$	197,406	36,293			
3691	Rumath Sakti Morjba, RSD and Kantas Hospitals	Indonesia	Asia	2,555	\$	37,333	175,414			
3669	Dr. Seyed Samad Aghamiri, Director	Iran	Asia	6,288	\$	333,793	31,344			
3684	Dr. Seyed Samad Aghamiri, Director	Iran	Asia	1,234	\$	62,854	10,466			
3742	Dr. Seyed Samad Aghamiri, Director	Iran	Asia	3	\$	3,453	30,093			
3734	Army / AF Medics	Iraq	Asia	24	\$	158	24			
3442	Mahosot Hospital	Laos	Asia	33	\$	646	-			
3567	Mitaphab Hospital	Laos	Asia	34	\$	5,299	99,110			
3766	Indigenous Development Coordinators	Philippines	Asia	71	\$	2,354	70,600			
3694	West Bank & Gaza Health Facilities	West Bank/Gaza	Asia	759	\$	20,817	11,437			
3667	St. John Eye Hospital	West Bank/Gaza	Asia	1,499	\$	137,771	27,974			
Subtotal - Asia										
				29,493	\$	1,707,976	2,040,120			
3710	Health Ministry of Armenia	Armenia	Other	783	\$	301,768	4,388			
3762	Angloneurology Clinic & Research Center	Armenia	Other	50	\$	138,030	5,000			
3722	Christian Aid Ministries Romania	Romania	Other	1,736	\$	602,227	33,917			
3773	Christian Aid Ministries Romania	Romania	Other	3,142	\$	149,031	16,130			
Subtotal - Other										
				5,710	\$	1,191,056	59,435			
Total										
				141,873	\$	14,357,532	5,090,524			

Direct Relief International
 For the short fiscal year January 1, 2004 - March 31, 2004
 Statement 21
 Form 990, Schedule A, Part I - Compensation of the Five Highest Paid Employees

FEIN: 95-1831116

(A) Name and Address	(B) Title and Time devoted to position (per week)	(C) Compensation Current period 2004 total	(D) Contributions to Employee Benefit Plans	(E) Expense Acct. & Other Allowances
Christian White 27 So. La Patera Lane Santa Barbara, CA 93117	Controller 50+	\$ 18,638 \$ 72,681	\$ 1,635	-
Anthoula Randopoulos 27 So. La Patera Lane Santa Barbara, CA 93117	Director, Philanthropic Investment 50+	\$ 17,325 \$ 68,026	\$ 1,918	-
Susan Fowler 27 So. La Patera Lane Santa Barbara, CA 93117	Director, Programs 40+	\$ 16,013 \$ 55,428	\$ 1,501	-
Dan Smith 27 So. La Patera Lane Santa Barbara, CA 93117	Program Officer 40+	\$ 13,863 \$ 52,331	\$ 1,741	-
Rick Snekvik 27 So. La Patera Lane Santa Barbara, CA 93117	Director, Operations 40+	\$ 13,241 \$ 52,747	\$ 1,709	-
For the short year ending March 31, 2004		79,079		
For Calendar Year 2004		301,213		

Note: The employees listed on this schedule were selected because their total compensation, exceeded \$50,000 for calendar year 2004. The larger amount for each employee in column C represents their actual wages for 2004.

Direct Relief International's compensation policy is to a) pay a base salary comparable to similar positions throughout the Southern & Central California non-profit sector and b) award individual merit through a bonus system. Base salaries for those positions commonly found at non-profit organizations (Administrative, Development) are derived from the annual "Compensation and Benefits Survey for the Southern and Central California Nonprofit Community", a project of the Center for Nonprofit Management.

Program service salaries are derived from a variety sources including The Personnel Co-op's annual salary and benefits survey of not-for-profit organizations involved in international development, and comparable public health positions with the Counties of Santa Barbara and Ventura.

Salary base information for other positions (Logistics, Warehousing) comes from the Bureau of Labor Statistics survey of the Santa Barbara and Ventura Metropolitan areas.

Direct Relief International							
Depreciation Schedule							
For the short fiscal year ending March 31, 2004							
	Date		Depreciable	Accumulated			Current
Description	Acquired	Cost	Basis	Depreciation	Method	Life	Year
							Deprec.
Biomed Equipment							
LAB STOOLS	12/15/1993	275	275	275	S/L	10	0
WORKBENCHES	6/15/1994	700	700	665	S/L	10	18
BIOMED/EXP	3/1/1995	24,167	24,167	24,167	S/L	5	0
BIOMED/EXP	3/1/1995	2,000	2,000	2,000	S/L	5	0
BIOMED/EXP	3/1/1995	3,750	3,750	3,750	S/L	5	0
CLASS EQUIP	3/1/1995	2,995	2,995	2,995	S/L	5	0
CABLE METER/TESTER	3/27/2000	595	595	225	S/L	10	15
TEST EQUIPMENT	3/9/2000	7,711	7,711	2,956	S/L	10	193
SANDBLASTER	3/16/2000	815	815	307	S/L	10	21
Totals		43,008	43,008	37,340			247
Building Improvements							
PLUMBING	12/1/1991	163	163	97	S/L	20	2
ALARM SYSTEM	12/1/1991	2,765	2,765	1,668	S/L	20	35
LEASEHOLD IMPROVEMENTS	10/1/1991	645	645	393	S/L	20	8
CARPETING	10/1/1991	7,644	7,644	4,680	S/L	20	96
TELEPHONE WIRING	11/1/1991	2,000	2,000	1,217	S/L	20	25
PLUMBING	10/1/1991	200	200	123	S/L	20	3
PLUMBING	12/1/1991	200	200	120	S/L	20	3
WINDOWS	12/1/1991	240	240	145	S/L	20	3
FIRE ALARM	12/1/1991	178	178	108	S/L	20	2
TEMPERATURE SENSOR	12/1/1991	506	506	303	S/L	20	6
LEASEHOLD IMPROVEMENTS	12/1/1991	1,786	1,786	1,076	S/L	20	22
SLIDINGS - LHI	2/15/1994	6,030	6,030	2,969	S/L	20	76
CONSULTING FEES - LHI	12/15/1994	7,115	7,115	3,233	S/L	20	89
BUILDING PERMIT - LHI	12/15/1994	1,230	1,230	563	S/L	20	16
BIOMED EXP	2/1/1995	49,661	49,661	21,105	S/L	20	621
BIOMED INKIND	2/1/1995	2,705	2,705	1,147	S/L	20	34
HEATING UNIT	12/31/1997	31,699	31,699	4,752	S/L	40	198
BUILDING IMPROVEMENTS	4/1/1998	88,430	88,430	12,713	S/L	40	553
LHI - LIGHTING	8/1/2000	5,190	5,190	444	S/L	40	33
SERVER CLOSET	5/1/2003	4,964	4,964	165	S/L	20	41
WAREHOUSE OFFICES	5/1/2003	12,813	12,813	214	S/L	40	54
WAREHOUSE LIGHTING	9/1/2003	33,394	33,394	278	S/L	40	70
RELOCATE/UPGRADE HVAC	3/25/2004	29,559	29,559	0	S/L	40	139
Totals		289,117	289,117	57,513			2,129
Building							
BUILDING	9/1/1997	1,538,072	1,538,072	243,529	S/L	40	9,613
Totals		1,538,072	1,538,072	243,529			9,613

Direct Relief International							
Depreciation Schedule							
For the short fiscal year ending March 31, 2004							
	Date		Depreciable	Accumulated			Current
Description	Acquired	Cost	Basis	Depreciation	Method	Life	Year
							Deprec.
Computer Equipment							
HARD DRIVE	3/15/1994	1,374	1,374	1,374	S/L	5	0
COMPAQ DESKPRO	1/15/1994	2,442	2,442	2,442	S/L	5	0
COMPAQ CONTURA POR	6/15/1994	2,181	2,181	2,181	S/L	5	0
IBM UP DESKTOP	7/15/1994	2,217	2,217	2,217	S/L	5	0
EPSON PRINTER	11/15/1994	300	300	300	S/L	5	0
TAPE BACKUP	8/1/1996	1,270	1,270	1,270	S/L	5	0
LAPTOP COMPUTER	2/1/1997	2,104	2,104	2,104	S/L	5	0
SEANIX CS PRICE233	5/1/1998	1,259	1,259	1,259	S/L	5	0
SAG SERVER	5/1/1998	3,983	3,983	3,983	S/L	5	0
SURGE PROTECTORS	5/1/1998	607	607	607	S/L	5	0
MISC COMPUTER PARTS	5/1/1998	336	336	336	S/L	5	0
12 COMPUTERS	5/1/1998	14,082	14,082	14,082	S/L	5	0
MISC COMPUTER PARTS	6/1/1998	179	179	179	S/L	5	0
UPS BATTERIES	6/1/1998	180	180	180	S/L	5	0
MEMORY MODULE	7/1/1998	88	88	88	S/L	5	0
HP SCANJET 6250CSE	2/1/1999	536	536	526	S/L	5	10
HP DESK JET 895CSE	2/1/1999	429	429	423	S/L	5	6
CLIENTPRO 333 MINI	5/1/1999	1,328	1,328	1,241	S/L	5	67
CLIENTPRO 333 MINI	5/1/1999	1,328	1,328	1,241	S/L	5	67
CLIENTPRO 333 MINI	5/1/1999	1,328	1,328	1,241	S/L	5	67
CLIENTPRO 333 MINI	5/1/1999	1,328	1,328	1,241	S/L	5	67
12 32MB SDRAM DIMM	5/1/1999	916	916	854	S/L	5	46
2 32MB EDO DIMM	6/1/1999	135	135	124	S/L	5	7
SEAGATE BARR 7200	6/1/1999	209	209	192	S/L	5	11
POWERMAC G3-300	6/1/1999	1,508	1,508	1,384	S/L	5	76
PANASONIC WC7502	6/1/1999	213	213	197	S/L	5	11
17IN/16V DISPLAY	6/1/1999	535	535	490	S/L	5	27
MISC COMPUTER PARTS	6/1/1999	269	269	247	S/L	5	14
SUPRAEXPRESS 56K U	7/1/1999	169	169	153	S/L	5	9
SOLO 2500 LS	10/1/1999	2,303	2,303	1,959	S/L	5	115
DIRECTPC DISH, MOD	10/1/1999	293	293	251	S/L	5	15
MICRON PENTIUM	6/1/1999	250	250	229	S/L	5	13
ETHERNET CONVERTER	6/1/2000	1,703	1,703	1,222	S/L	5	85
CISCO ROUTER	2/28/2001	800	800	453	S/L	5	40
INSTALL CTS-CISCO	2/27/2001	330	330	187	S/L	5	17
30 MICRON PC'S	12/31/2001	9,600	9,600	3,680	S/L	5	480
2 DELL SERVERS	11/1/2001	5,000	5,000	1,167	S/L	5	250
5 HP JETDIRECT PRI	2/18/2002	1,112	1,112	426	S/L	5	56
POWERMAC DUAL 1GHZ	2/21/2002	3,768	3,768	1,445	S/L	5	189
2 HP VECTRA 500	4/1/2002	800	800	280	S/L	5	40
DELL INSPIRON LAP	5/31/2002	450	450	150	S/L	5	23
1 300MHZ LAPTOP	7/22/2002	360	360	108	S/L	5	18
9 366-400 MHZ LAPTOP	7/22/2002	3,953	3,953	1,186	S/L	5	198
1 LASERJET III SI	7/22/2002	200	200	60	S/L	5	10
17 17 MONITORS"	7/22/2002	1,105	1,105	332	S/L	5	55
6 21 MONITORS"	7/22/2002	1,200	1,200	360	S/L	5	60
HP SURESTORE TAPED	8/1/2002	1,765	1,765	500	S/L	5	88
12 HP DATA CARTRIDGE	8/1/2002	944	944	268	S/L	5	47
PALM M500 PDA	8/11/2002	214	214	61	S/L	5	11
1 GB RAM-DELL	8/19/2002	603	603	171	S/L	5	30
3 36GB RAID DRIVES	8/19/2002	1,649	1,649	467	S/L	5	83
HP LASERJET 4+	9/15/2002	200	200	53	S/L	5	10
BLACKBERRY PDA	11/22/2003	484	484	8	S/L	5	2

Direct Relief International								
Depreciation Schedule								
For the short fiscal year ending March 31, 2004								
		Date		Depreciable	Accumulated			Current
	Description	Acquired	Cost	Basis	Depreciation	Method	Life	Year
								Deprec.
	5 DELL OPTIPLEX PCS	10/1/2003	4,690	4,690	235	S/L	5	59
	MITSUBISHI VIDEO PROJECT.	1/29/2003	3,339	3,339	612	S/L	5	153
	SONY 17 LCD MONITOR "	10/20/2003	593	593	20	S/L	5	5
	RAM UPGRADES-MICRON PCS	6/18/2003	721	721	72	S/L	5	18
	Totals		91,262	91,262	58,118			2,655
Delivery Equipment								
	CHEVY VAN	7/1/1991	18,435	18,435	18,435	S/L	5	0
	1991 FORD EXPLORER	10/7/2002	1,925	1,925	481	S/L	5	96
	2004 GMC VAN 20'	12/9/2003	41,293	41,293	688	S/L	5	172
	Totals		61,653	61,653	19,604			268
Furniture & Fixtures								
	DONATED FURNITURE	10/1/1991	40,000	40,000	40,000	S/L	10	0
	DONATED FURNITURE	11/1/1991	3,500	3,500	3,500	S/L	10	0
	DONATED FURNITURE	11/1/1991	3,000	3,000	3,000	S/L	10	0
	FURNITURE	11/1/1991	500	500	500	S/L	10	0
	FURNITURE	10/1/1991	531	531	531	S/L	10	0
	FURNITURE	11/1/1991	128	128	128	S/L	10	0
	FURNITURE	12/1/1991	321	321	321	S/L	10	0
	OFFICE FURNITURE	12/1/1991	1,592	1,592	1,592	S/L	10	0
	DESKS/CHAIRS/SOFA	4/15/1993	2,100	2,100	2,083	S/L	10	13
	DESKS/CHAIRS/FILE CABINET	9/15/1993	400	400	400	S/L	10	0
	CHAIRS	8/15/1994	1,638	1,638	1,531	S/L	10	41
	REFRIGERATOR	8/15/1994	3,800	3,800	3,547	S/L	10	95
	FOLDING CHAIRS (GR	2/1/1999	246	246	123	S/L	10	6
	FOLDING CHAIRS (GR	3/1/1999	368	368	179	S/L	10	9
	12 PCS FURN/18 CHA	8/1/1999	3,500	3,500	1,546	S/L	10	88
	CHAIR - SUE FOWLER	4/10/2001	740	740	197	S/L	10	19
	CHAIRS - 8	3/30/2001	2,800	2,800	770	S/L	10	70
	Totals		65,164	65,164	59,948			341
Land								
	LAND	9/1/1997	1,363,950	1,363,950	0			0
	Totals		1,363,950	1,363,950	-			-
Machinery & Equipment								
	TELEPHONE	3/1/1992	12,000	12,000	12,000	S/L	10	0
	RADIO/SCANNER	12/1/1995	450	450	450	S/L	5	0
	ECTO A PROJECTOR	6/1/1998	533	533	525	S/L	5	8
	SONNY DCR-PC-1	2/1/1999	1,857	1,857	914	S/L	10	47
	VCR JVC HRVP6730	4/1/1999	164	164	76	S/L	10	4
	VIDEO PROJ SYSTEM	6/1/1999	10,000	10,000	4,583	S/L	10	250
	RICOH MULT COPIER	6/1/1999	750	750	344	S/L	10	19
	USED MITA DC-6090	8/1/1999	1,000	1,000	442	S/L	10	25
	RCA TV	1/1/2000	539	539	216	S/L	10	14
	KYOCERA FAX	6/1/2000	557	557	398	S/L	5	28

Direct Relief International								
Depreciation Schedule								
For the short fiscal year ending March 31, 2004								
		Date	Depreciable	Accumulated			Current	
	Description	Acquired	Cost	Basis	Depreciation	Method	Life	Year
								Deprec.
	PHONE SYSTEM	7/1/2000	37,400	37,400	13,090	S/L	10	935
	DIGITAL CAMERA	1/31/2001	709	709	207	S/L	10	18
	CONFERENCE CALL UPGRADE	3/1/2004	5750	5750	0	S/L	10	120
	POPOP DISPLAY UNIT	1/27/2004	1652	1652	0	S/L	10	76
	Totals		73,361	73,361	33,245			1,544
Software								
	FAXWARE	9/1/1995	936	936	936	S/L	5	0
	OFFICE 97 LICENCES	5/1/1998	1,140	1,140	1,140	S/L	5	0
	GROUPWISE UPGRADE	5/1/1998	3,549	3,549	3,549	S/L	5	0
	MS OFFICE 97	3/1/1999	290	290	280	S/L	5	10
	INTRANETWARE LICENSE	6/1/1999	1,432	1,432	1,311	S/L	5	72
	VIRTUAL PC WIN 95	6/1/1999	149	149	137	S/L	5	8
	NOVELL OP SYS/GROUPWISE	12/31/2001	13,676	13,676	5,470	S/L	5	684
	MS OFFICE FOR MAC	1/28/2002	429	429	286	S/L	3	36
	QUICKBOOKS 2002	2/18/2002	1,632	1,632	1,043	S/L	3	136
	MS OFFICE PROF/DEV	7/18/2002	2,683	2,683	1,341	S/L	3	224
	MS SMALL BSNS SERV	7/26/2002	1,897	1,897	948	S/L	3	158
	NORTON ANTIVIRUS	8/19/2002	1,770	1,770	1,770	S/L	1	0
	RAISER'S EDGE V7.0	8/29/2002	20,703	20,703	9,776	S/L	3	1,725
	BACKUP EXEC TAPE	9/9/2002	479	479	213	S/L	3	40
	TIME ATTENDANT SYS	11/18/2002	656	656	255	S/L	3	55
	PEOPLE TRAK HR SOFTWARE	12/18/2002	1,061	1,061	383	S/L	3	89
	MS PORTAL SERVER 50 CALS	6/25/2003	301	301	30	S/L	5	8
	ADOBE CS	10/30/2003	592	592	20	S/L	5	5
	DOMAIN NAME PURCHASE	6/12/2003	688	688	0			0
	RAISER'S EDGE MODULE	2/16/2004	3232	3232	0	S/L	5	225
	Totals		57,295	57,295	28,888			3,475
Warehouse Equipment								
	SHELVES	10/1/1991	2,726	2,726	2,726	S/L	10	0
	SHELVING	10/1/1991	3,028	3,028	3,028	S/L	10	0
	PHARMACY SHELVING	1/1/1992	984	984	984	S/L	10	0
	STEEL CONTAINER	8/1/1995	2,832	2,832	2,406	S/L	10	71
	PALLET RACKS	2/1/1995	2,300	2,300	2,300	S/L	5	0
	GENERATOR	12/1/1995	2,500	2,500	2,500	S/L	5	0
	FORKLIFT	4/1/1997	22,485	22,485	15,743	S/L	10	562
	FLOOR SCALE 48X48	1/1/1999	2,144	2,144	1,070	S/L	10	54
	27' VAN TRAILER BR	6/1/1999	1,575	1,575	724	S/L	10	40
	27' VAN TRAILER FR	6/1/1999	1,575	1,575	724	S/L	10	40
	45 FT STOR TRAILER	6/1/1999	2,500	2,500	1,146	S/L	10	63
	3-12X8 STEEL STRUC	11/1/1999	1,500	1,500	625	S/L	10	38
	MIG WELDER	11/1/1999	650	650	271	S/L	10	16
	PALLET JACK	10/1/1999	500	500	213	S/L	10	13
	STEAM CLEANER	11/1/1999	2,200	2,200	917	S/L	10	55
	DOCK LEVELER W/INS	11/1/1999	10,690	10,690	4,454	S/L	10	267
	2 LEVEL RACK SYS	1/17/2001	30,000	30,000	8,750	S/L	10	750
	ELECTRIC FORKLIFT	1/17/2001	1,000	1,000	292	S/L	10	25
	FREIGHT TRAILER	9/10/2001	4,500	4,500	1,013	S/L	10	113
	FREIGHT TRAILER	4/7/2003	2,250	2,250	169	S/L	10	42
	PRESSURE WASHER	11/12/2003	1,944	1,944	32	S/L	10	8

