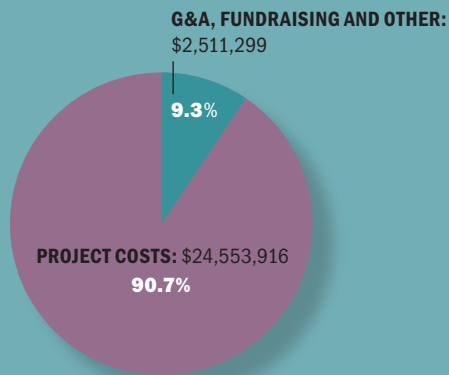
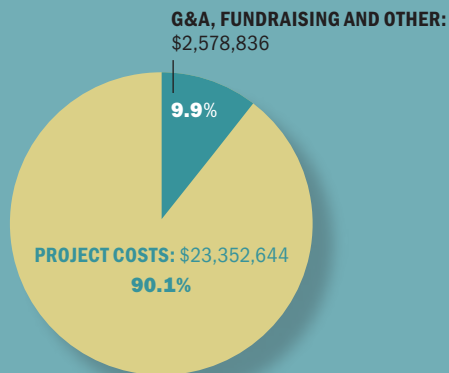


2006**TOTAL COSTS:** \$27,065,215**2005****TOTAL COSTS:** \$25,931,480

In 2006 and 2005, Internews Network spent less than 10% of total costs on General & Administrative (G&A), fundraising and other expenses. Project costs include allocated expenses incurred both overseas and in the US.

STATEMENTS OF FINANCIAL POSITION*As of December 31*

	2006 <i>unaudited</i>	2005
ASSETS		
Cash and investments	734,057	589,123
Project and other receivables, net	1,961,380	3,059,678
Fixed assets, net	308,658	407,890
Prepaid and other assets	64,677	102,887
Total assets	3,068,772	4,159,578
LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	1,014,160	1,616,837
Refundable Advances	1,336,188	1,594,786
	2,350,348	3,211,623
Unrestricted net assets	249,246	626,641
Temporarily restricted net assets	469,177	357,314
Total liabilities and net assets	3,068,771	4,195,578

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS*Years ended December 31*

	2006 <i>unaudited</i>	2005
REVENUE AND OTHER SUPPORT		
Grants and contributions	26,799,682	25,959,111
Total revenue and other support	26,799,682	25,959,111
EXPENSES		
Labor and program expenses	22,171,679	20,769,244
Project support	2,382,237	2,583,400
Fundraising	40,101	27,259
Other expenses	40,778	258,644
General and administrative	2,430,420	2,292,933
Total expenses	27,065,215	25,931,480
Change in net assets	(265,533)	27,631

The financial records of Internews Network are audited annually by an independent firm of certified public accountants. The financial records for 2005 were audited by Gelman, Rosenberg & Freedman. A complete set of financial statements is available on request from Internews Network at PO Box 4448, Arcata, CA 95518 USA.