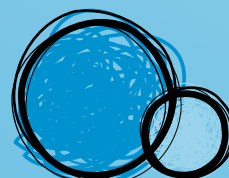


FREE WHEELCHAIR MISSION

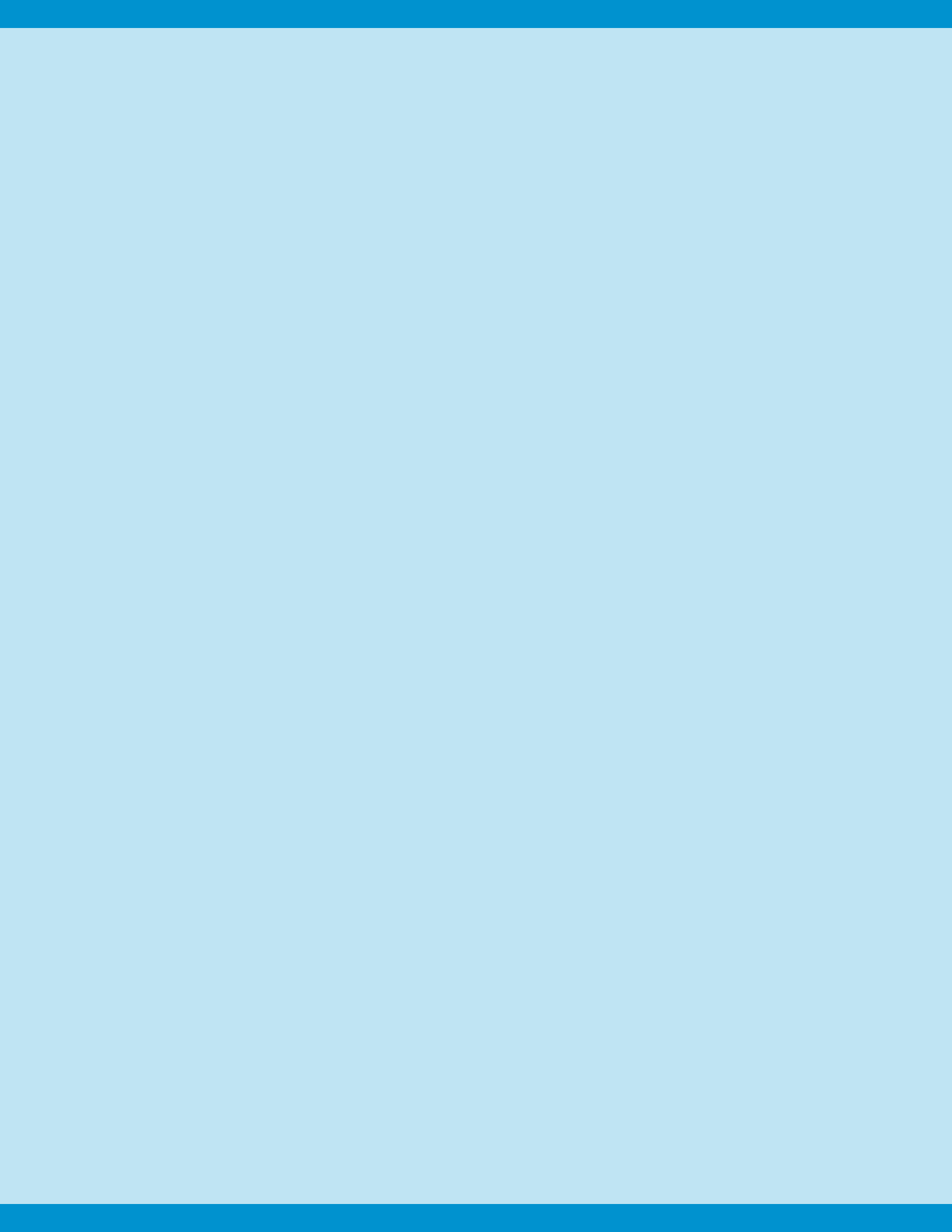
2006

FISCAL YEAR

Annual Report



Free Wheelchair Mission
TRANSFORMING LIVES THROUGH THE GIFT OF MOBILITY



THIS ANNUAL REPORT IS DEDICATED TO THE 100,000,000
PEOPLE WHO AWAIT WHEELCHAIRS IN DEVELOPING
COUNTRIES. OUR MISSION: TO TRANSFORM THEIR LIVES
THROUGH THE GIFT OF DIGNITY AND MOBILITY.

To our Supporters



This past fiscal year Free Wheelchair Mission has more than doubled its donations, and distributed over 68,000 wheelchairs to the disabled poor around the world. We are amazed and grateful for our growth, but not surprised. If we thought these accomplishments were through our efforts alone we might be surprised, but we know better. We believe that God is involved in our mission, and so we are not surprised by the great things He has done through all of our donors, volunteers and FWM partners. We are challenged, but excited to keep our faith in what God will continue to accomplish through Free Wheelchair Mission.

In January, I had a life-challenging experience regarding faith. I was in a small village in India, interviewing a group of wheelchair recipients. I asked if they ever expected to have a wheelchair of their own. One person after another answered, "Yes," I thought our translator had made a mistake. When I asked for clarification, it was explained how each recipient had prayed daily for a wheelchair. One man had prayed for thirteen years! So, when we arrived, we were literally answered prayers.

That is the essence of what your support for Free Wheelchair Mission did this year – answered prayers and changed lives. Whether you attended our Magic of Mobility fundraiser in July, ran in our Run for Mobility marathon, participated in a golf tournament or Radiothon, gave your time as a volunteer or faithfully supported us month after month with your generous donations – **you participated in our mission: to physically and spiritually transform lives by lifting people off the ground and into wheelchairs.** You gave the gift of mobility and hope to over 68,000 people.

Friends, having distributed more than 130,000 wheelchairs worldwide, I can only begin to imagine what our colossal goal of 20,000,000 wheelchairs by 2010 will look like. We plan and work hard, but we cannot see it yet. Similarly, the recipients in India did not know how they would get wheelchairs, but trusted that they would. Their faith was certain, and they believed in what they could not see. Like them, we are grateful for what God has done and eager for what He will continue to do. May the Lord give us their faith, so that we will not be surprised when the 20 millionth wheelchair changes the 20 millionth life, forever.

A handwritten signature in black ink that reads "Don Schoendorf".

Don Schoendorf
President and Founder
Free Wheelchair Mission





A Brief History of Free Wheelchair Mission

Twenty-seven years ago, the sight of a crippled Moroccan woman crawling across the dirt so moved Don Schoendorfer, founder of Free Wheelchair Mission, that he dedicated his M.I.T. Ph.D. in Mechanical Engineering to create a simple, rugged and inexpensive wheelchair. This one woman's anguish and loss of dignity haunted him for years until, in 1999, he took action with the hope of ending this global problem with some simple mechanics.



The first step: Develop the least expensive wheelchair to satisfy the greatest range of needs. Second: dispense the wheelchairs at no cost to the physically disabled poor in developing countries on a non-discriminatory basis. The wheelchair uses simple and common parts, is easily assembled with little instruction, and the components efficiently nest together to ensure modest shipping costs. **The average cost in 2006 to manufacture and ship a wheelchair is \$44.40.** It's an extraordinarily modest investment to provide mobility, restore dignity, and to give someone – along with their family – a chance for a better life.

In wealthy countries, a disabled person will most likely have a wheelchair. However, **there are over 100,000,000 disabled adults and children for whom the dream of a wheelchair is far beyond their expectations.** These people are reduced to crawling through life, or must wait for a loved one to carry them. Both the disabled and their families lead severely restricted lives. Only a small fraction of these disabled are served by charitable organizations which ship re-conditioned or conventionally-designed wheelchairs to poor countries – a very costly and inefficient process.

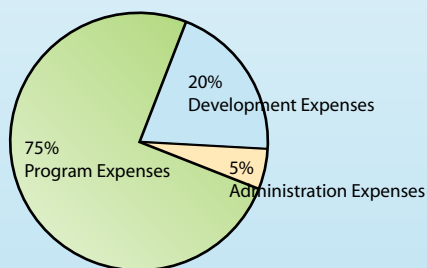
We've implemented our vision by contracting with manufacturers in China and over 130,000 **wheelchairs have been delivered in 57 countries.** We've developed distribution partnerships with worldwide charitable organizations so that wheelchairs are given free of charge. **Our vision: To deliver 20 million wheelchairs by 2010.**

MISSION STATEMENT:
TO PROVIDE THE TRANSFORMING
GIFT OF MOBILITY TO
THE PHYSICALLY DISABLED POOR
IN DEVELOPING COUNTRIES.

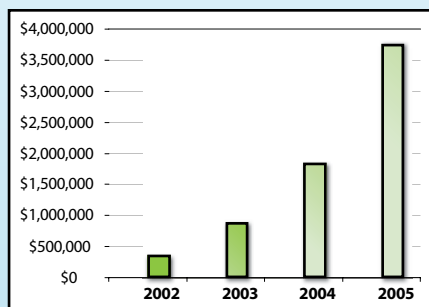


Financial Overview

Free Wheelchair Mission has maintained its annual goal to at least double every year in order to reach our 20-million-by-2010 vision. In 2005, we raised more money than the last three years combined! We have maintained a program to overhead ratio within the indicated range from Charity Navigator, a watchdog group plotting the financial trends of non profit organizations.



EXPENSE RATIO MARCH 2006



DONATIONS BY YEAR: 2002-2005

Privacy & Accountability

Free Wheelchair Mission is committed to using your contributions faithfully and wisely to effect physical and spiritual change in peoples' lives. We respect your privacy and promise to keep personal information about you strictly between us. We will not collect, use or disclose your personal information without your consent, except where required or permitted by law. Internal and external audits and evaluations are conducted regularly to ensure efficient and effective use of resources. Our audited statements are available to anyone and can be requested by contacting the FWM office.



NOT ALONE ANYMORE

A story from Malawi

Martha has always wanted to have a husband and children. She wished the people in the village would pay more attention to her. But it had not happened, and it seemed there was no chance that it would ever happen. Then one day in spite of the odds it did happen. They came. And they brought hope for Martha.

Like many Africans Martha Mpandula doesn't know her birthday. She is sure she was introduced into this world some 35 years ago. She has never walked before. She was born like this, and

she grew up in a small village called Chimbayo Village. It is in the area of Traditional Authority Chief Chakhaza, and is about 25 kilometers east of the Madisi Trading Centre, 80 Kilometers north of Lilongwe, the capital city of Malawi.

She is single and does not have any children or a husband. She would love to have a husband, but said men did not like her because she could not do anything. Martha felt abandoned by the people in her village.

Then the wheelchair came. This is what Martha asked that you be told,

"I am very happy today for this wheelchair you have sent for me. I did not realize that in this world there are people who can care about me. In my village people abandoned me, and I was lonely. Today I have realized that people do care for me. I thought I had no relatives, but you are my relatives, my parents and my caretaker. I will be able to go to work and produce food and support for myself."





Wheelchair Distribution

TOTAL WHEELCHAIRS WORLDWIDE SINCE 2000:

OVER 130,000



Year in Review

APRIL 2005 - MARCH 2006

APRIL

Easter event at Mariner's Church



MAY

Free Wheelchair Mission receives Salvation Army award

Fundraiser in Boston



KKLA radiothon in Los Angeles: 1,214 wheelchairs are raised!



JUNE

FWM members take a tour of Long Beach Port



JULY

Iraq Received first container of wheelchairs



Free Wheelchair Mission article is published in Reader's Digest and generates 3,157 wheelchairs in donations



WYLL radiothon in Chicago: 364 wheelchairs are raised!



JULY & AUGUST

Don meets President Bush at the White House!



A SURPRISE FOR THE NEIGHBORHOOD

A story from Vietnam



In Danang, Vietnam, we met Duong in her little bed. She is 75, and 13 years ago she had an hypertensive stroke. She has not left that bed for 13 years.

It was a beautiful sunny morning, and we asked her if she would like to go for a stroll in her new wheelchair. Her extended family followed us as we led her down the narrow path between very tiny homes. We were mostly in the shade, but whenever we entered sunshine Duong would smile and close her eyes, and soak up the radiance. We realized how she missed feeling the sun on her face.

As we got further away from her home, she asked us not to bring her on to the street. We asked why, and this is what she said: "Next week is our Lunar New Year celebration. People living on my street have not seen me for 13 years. I want to surprise them when they have their parade."

The 2nd Annual Magic of Mobility Event at Turnip Rose in Costa Mesa: 12,144 wheelchairs are raised!



LET ME BE AN EXAMPLE

A story from Malawi



The local police, fearing for his safety, told Joshua that it is too dangerous for him to crawl to work in the busy highway traffic, and he must find another way to get around. But if he stops crawling to work he will lose his job and his business. If he loses his business, then who will feed his wife and three young children?

There has been little hope for his future.

Then on December 21 the people from Blessings Hospital in Lumbadzi came to his home with a wheelchair donated by Free Wheelchair Mission in America. "When we gave it to him we could see the tears running down his face."

With a giant smile of appreciation young Joshua replies, "Your gift has made it possible for me to care for myself and my family, plus being able to help my brothers and sisters. We will be able to support ourselves, and not have to be given a hand out by others. Your example of helping me has given me the opportunity to tell everyone they must work hard to succeed, as I am doing. Let me be the example for all of them."

SEPTEMBER

Christmas campaign launch:
Our theme is "Do you remember what you got for Christmas last year?" - our goal is to raise 36,434 wheelchairs

Free Wheelchair Mission is nominated for the Dayle Macintosh Center Apple of the Eye Award



OCTOBER

Free Wheelchair Mission receives award from e-town, an exciting weekly radio broadcast heard from coast to coast on NPR, public and commercial stations

NOVEMBER

Second Annual Golf Tournament at Shady Canyon - 2234 wheelchairs raised



WAVA Radiothon in Washington D.C.: 412 wheelchairs are raised!

DECEMBER

We hit our Christmas campaign goal of 36,434 wheelchairs!



KFSH Radio-thon in Los Angeles: 777 wheelchairs raised!



JANUARY

Reader's Digest nominates Don Schoendorfer as a "2005 Hero of the Year Award" finalist!

FEBRUARY

Run for Mobility Marathon and dinner: fundraisers raised 3,157 wheelchairs for the event.



KFIA Radiothon in Sacramento:
316 wheelchairs are raised!



MARCH

New logo and branding campaign launched

Colonel Randy Hart -- FWM distribution partner in Iraq -- visits Free Wheelchair Mission



Free Wheelchair Mission
TRANSFORMING LIVES THROUGH THE GIFT OF MOBILITY



KPDQ Radiothon
in Portland: 267
wheelchairs raised!

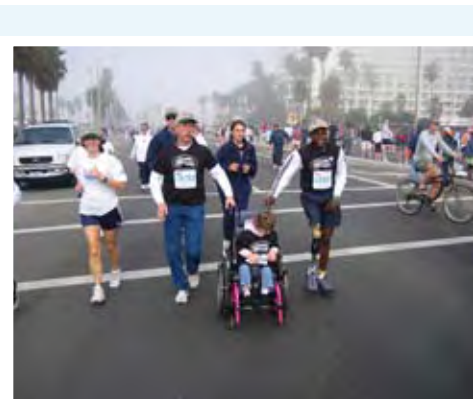
A PARALYZED DOCTOR

A story from China

Li Liang-min, age 37, is a village doctor. He became paralyzed from a car accident 10 years ago. He cannot walk. After that accident he became depressed and lost the hope for life. Then with the encouragement from his family, Liang-min started learning how to face the fact of losing his legs, and how to live with it. Liang-min's father is the doctor in the township's hospital. He managed to encourage his son to learn to be a doctor.

But how useful can a doctor who is paralyzed be? Liang-min had no wheelchair, but now he does!

Now Liang-min serves his neighbors in their own homes. He likes the wheelchair donated by us and the Free Wheelchair Mission very much. It's light and convenient. It is just like it was designed especially for him. Our staff especially mentioned that the wheelchair was donated by foreign Christians, and they were inspired by God's love to help people in need. Liang-min was touched deeply by this message.



Winds of Change



FREE WHEELCHAIR MISSION DISTRIBUTES WHEELCHAIRS IN IRAQ



The first container of wheelchairs were shipped to Iraq in Summer of 2004. Free Wheelchair Mission has shipped more than 5,000 wheelchairs to Iraq since the summer of 2005. The wheelchairs make a huge difference in the daily lives of Iraqis, transforming lives and lifting people off the ground.



Both the Iraq and Kuwait governments waive import fees for humanitarian aid involving the Humanitarian Operations Center (HOC). Our wheelchairs convoy from Kuwait to military bases in Iraq, and are then picked-up by civilian contractors who transport the wheelchairs to their final destinations throughout five geographic areas in Iraq. Wheelchairs are distributed to camps, hospitals, clinics and orphanages throughout the country.

Free Wheelchair Mission currently works with Col. Randy Hart and his 322 Civil Affairs Brigade unit to distribute these much-needed chairs. The unit's mission in Iraq is to identify community needs, and carry out U.S. and Coalition Partner's goals of reconstruction and rehabilitation of the Iraqi people.

Employees, Iraqi volunteers and Coalition Military personnel assemble the wheelchairs and make the amazing distribution efforts come to life. Free Wheelchair Mission will continue distributing wheelchairs to help the injured and disabled Iraqi people in this significant and transitional era.





FINDING LIFE'S HEROES

A story from Fiji

Prasheeltha is an 8 year old bundle of joy. She scooted up to the door and had a smile that wouldn't stop. Well, it stopped us cold! She was so excited to see us and had such enthusiasm in her expressions and stories about her friends at school, etc., that it was difficult to think that she need anyone's help.

She was born premature at 32 weeks with a birth weight of 1 kg. She has Cerebral Palsy and Hydrocephalus (water on the brain). Her parents told us that if she didn't receive a simple operation to release the water, she would go blind and eventually die. They have no doctors in Fiji who can perform it. She must be sent to New Zealand for proper care.



Her parents looked at me with such desperation - knowing that there was help for their little girl, but, also knowing they didn't have the means to save her. I can't imagine the horror in her parent's hearts. Yes, we brought her a miracle, a wheelchair, but, we didn't bring her the miracle of her sight and her life.

After leaving her home, we realized that when we choose to walk into the life of the needy, it is OUR responsibility to do what little we can to try to make a difference. No, we cannot save the world, but, we can do our best to help.

A month later, one of us met with a client and he heard our story of this little angel. He committed himself to pay for the expenses and save Prasheeltha's life.

The moral to this story is this: our efforts open doors of hope, sometimes little doors and sometimes huge doors. Yet often our stories help others realize their ability to become life's heroes.



Free Wheelchair Mission

Staff and Board Members:

Staff

Don Schoendorfer, Ph.D.
President & Founder

Jonathan Abramson
Marketing Manager

Kelley McGregor
Vice President of Development

Tom Bagwell
National Development Director

Angela Gomez
Development Manager

Ngoc Nguyen
Operations Director

Vanessa Garcia
Shipping Coordinator

Lenni Luchau
Accountant

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Board Members

Karen Wilson
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CFO

Deborah Anderson

Mike Bayer, M.D.

Jim Edwards

Jim Franklin

Don Schoendorfer, Ph.D.

Laurie Schoendorfer

John Sexton

Karen Taulien

Glenn Warner

I FELT WORTHLESS

A Story from Peru



I have a total of thirteen siblings. My father deserted us, so I took on the role as the bread winner in the family. I worked many jobs, until an accident happened, and my life was turned

upside down. I broke my spine and I will never walk again.

Life after the accident was miserable. I had no way to get around and felt frustrated because I was incapable of supporting my family. I couldn't even meet my personal needs. Most of my days were spent inside my house. I felt worthless.

When I heard that wheelchairs would be donated in our city, I almost didn't want to hope. Pushing past my doubts, I signed up. When the day came, my heart pounded, I wanted it so badly. When they said my name, a feeling of hope washed over me - a hope that I hadn't felt since the accident.

Your wheelchair gave me a sense of liberty. I realized there are opportunities for individuals with a handicap. For example, I can play sports like basketball. I compete in several different wheelchair races. I have made many friends and I am able to help other handicapped individuals. I am so thankful to God for blessing me, and for the Free Wheelchair Mission for giving a gift that has truly changed my life, forever.



From the Factory to the Field

THE DISTRIBUTION CYCLE OF A WHEELCHAIR

The reinforced high impact resin chairs and metal hardware are manufactured in China. The chairs are stacked and the hardware is packed in boxes.



Chairs and hardware are loaded into shipping containers. There are 550 chairs in each container.



Containers are taken from the factory to an ocean port in China.

The container is transported by ship to the port that is most accessible from the intended destination.



One of our partners works to get the shipment cleared through customs, and then proceeds to deliver the chairs to the distribution site.

Local transportation is arranged by our partner in the area and the chairs are on their way.



Once delivered, the chairs are assembled by local volunteers.

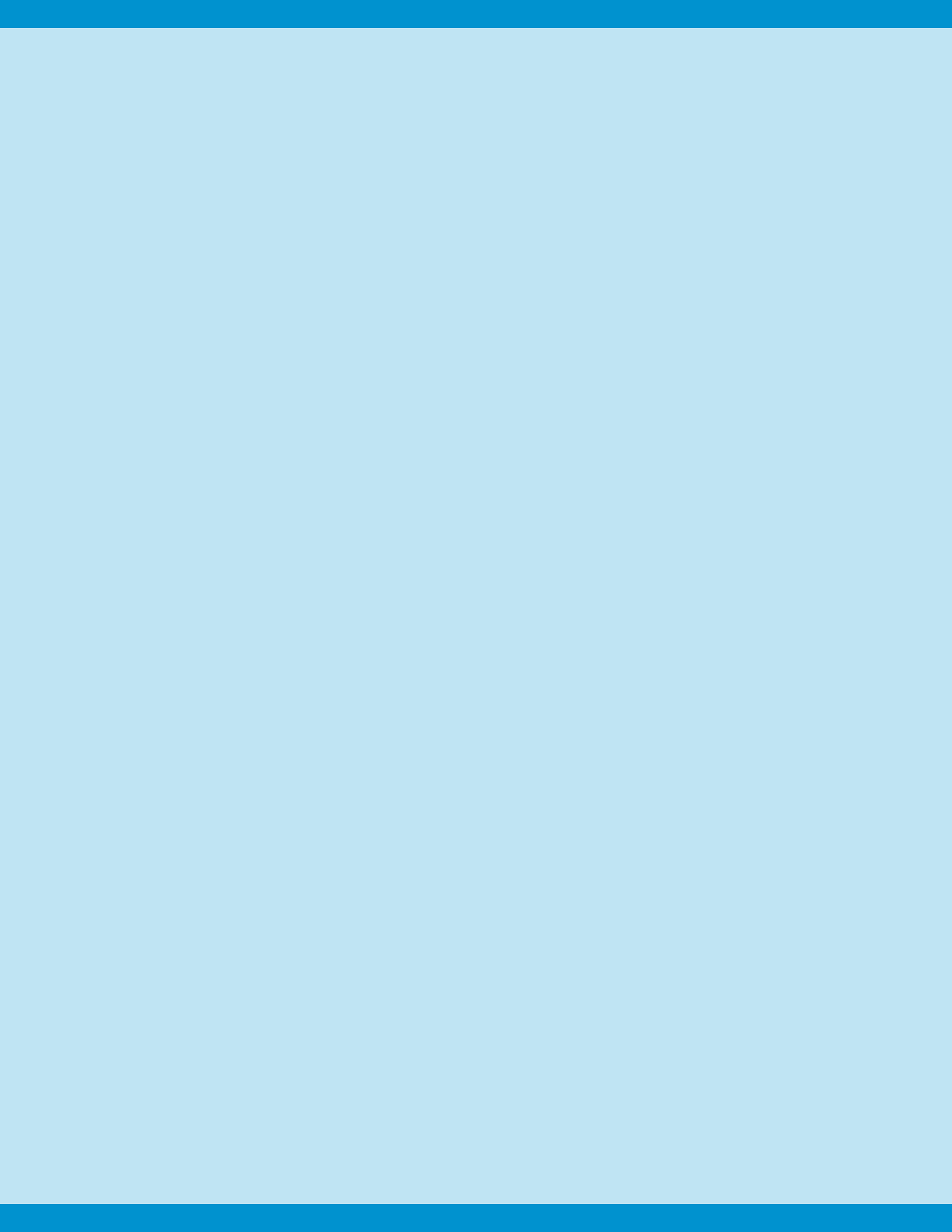
Next, the assembled wheelchairs are ready for distribution.

The chairs are distributed at a ceremony, if possible. Other times, they may be individually delivered as needed.



**TOTAL COST OF ONE
WHEELCHAIR FROM THE
FACTORY TO THE FIELD:**

\$44.40





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