



ON BOARD WITH THE Board

The 2016 Board at one of their meetings which was held at our Mercy House of Welcome project in Adelaide.

Our Board of Directors and Standing Committee Members bring a wealth of talent and experience as they work together, voluntarily, to govern the organisation.

Mercy Works is fortunate to have nine directors and two standing committee members who are all committed to dedicating their time and expertise to shaping the future of our organisation.

Focused on giving back and strengthening communities, our board and committee members provide the critical intellectual capital and strategic resources to power our success.

Without any remuneration, they devote a considerable amount of time not only to attending 6-8 meetings per year (with many needing to fly interstate) but to reviewing financial statements and meeting materials which can often number hundreds of pages long.

Kathleen Donnellon and Jacqueline Magurren are our longest and newest serving members respectively.



Kathleen Donnellon
Kathleen joined Mercy Works' Board in 2011 and became Deputy Chair in 2014. She is also a member of the Finance, Risk and Audit and Strategic Planning

Oversight Committees. An experienced lawyer and mediator, Kathleen lectured in Dispute Resolution at the University of Melbourne for the past ten years whilst also serving as Chair for Star of the Sea College in Brighton, VIC. Having spent some time in Timor-Leste and with an acute awareness of the needs of the disenfranchised having stemmed from many years' work in community law, Kathleen jumped at the chance to be involved with Mercy Works at Board level.

"As a lawyer, I was involved with helping individuals at a personal level. At Mercy Works, I'm given the opportunity to do something bigger, to provide significant help to a greater number of people on a larger scale" she remarks. "All our projects are incredibly worthwhile, and while I'd love for us to fund even more, the dollars are short. Nonetheless this means that the projects we do take on have been carefully selected and are of equal imperativeness".



Jacqueline Magurren
As Deputy Principal Pastoral Care of Monte Sant' Angelo Mercy College, North Sydney, Jacqueline was well versed in everything Mercy before joining the Mercy

Works Board in November 2016. The school itself, has been a long-time supporter of Mercy Works having donated more than \$23,500 via student fundraisers since 2005 for our projects.

When we spoke to Jacqueline, she confessed to feeling a little tired after a 4.30am start in preparation for Year 12 graduation activities on the previous day which continued with a late-night school board meeting. When we ask her how she manages to fit her board duties in, she replies with gusto, "You find the time and energy for what you're passionate for. Whether it's at school or on the Mercy Works board, I believe in the work I do. 190 Year 12 students just left us this week and it is my dream that each and every one of them has the same passion and gets the same enjoyment from their work as I do. Like Catherine McAuley before them, they are strong and empowered young girls and they've taken a piece of Mercy with them". ■



BERICE LIVERMORE RSM
CHAIR OF THE BOARD

Catherine would be glad that you are connecting with us in such a way as to make a difference in our world.

Chairperson's report

Catherine McAuley, the Founder of the Sisters of Mercy spent considerable time connecting people with people – the rich with the poor, the healthy with the sick, the educated and skilled with unskilled, the influential with those of no consequence and the powerful with the weak. Testament to her approach was the building of the House of Mercy in a well-to-do part of Dublin so that the more wealthy could meet face to face the clients who came to the house on a daily basis. Thus, those who donated to that good cause could see the benefit of their assistance.

Thanks to your generous support Mercy Works continues to provide much needed assistance to many communities across Australia, Papua New Guinea and in Timor Leste. This work is along the lines that Catherine McAuley would be involved with, if she were alive today. Catherine would be glad that you are connecting with us in such a way as to make a difference in our world.

The 360 volunteers across the Mercy Works programs in Australia have the opportunity to see the benefit of their work. They know they are making a difference. Those of you without this direct contact will be most interested as you read the captivating stories in this edition and you can get a glimpse of the effectiveness of our programs.

Do you know that this year, Mercy Works had over 860 financial supporters? You come from many different parts of Australia and from all parts of our society – Sisters of Mercy, school students and their teachers, long term friends, community organisations

and corporate and individual donors. This year, all together your contributions have come to over \$2.5 million. Congratulations and thank you. Without you we would not be able to do such good work.

Mercy Works strives to improve our organisation each year. This year, the Directors and staff have engaged in a strategic planning process. I am pleased to report that the latest plan is published in this edition for you to read.

A healthy organisation employs quality people to keep it running smoothly and effectively. Such is the case with Mercy Works. A sincere thank you to our dedicated staff.

Grateful thanks is also due to our Directors, with a special thank you to Mr Chris Townend. As well as serving as Director for 6 years, Chris has ably led the Finance, Risk and Audit Committee. He, along with all our Directors volunteer their time and spend many hours ensuring that our organisation is well governed. Thank you.

Finally, many of our Members are finishing their terms of office and are retiring from the role. Sister Berneice Loch RSM has chaired the Members over the last six years. Along with the other retiring Members, Sisters Annette Schneider, Barbara Bolster, Theresia Tina and Sally Bradley, the mission of Mercy Works has been most ably assisted. To them, and to all our Members, our grateful thanks is due.

May the coming season of Advent fill each of you with hopeful expectation as we journey towards Christmas, and may the blessings of Christmas fill your hearts and homes with all that is meaningful, beautiful and gives you joy. ■

What a year!

From getting more children back to school through our Education Appeal, to installing water tanks where more families were able to access clean water, to ongoing development projects, this is what we've been doing in 2016-2017.

OVERSEAS

EDUCATION

Kiunga, Papua New Guinea

- Providing low cost child care to financially underprivileged families
- Building school dormitories
- Building classrooms and teacher's housing
- Awarding full scholarships for financially underprivileged tertiary students

Goroka and Mt Hagen, Papua New Guinea

- Building two secondary school dormitories
- Awarding full scholarships for financially underprivileged tertiary students

Wewak, Papua New Guinea

- Supporting remote teachers through the use of mobile technology
- Upgrading school dormitory
- Building infrastructure in Parish Centre
- Awarding full scholarships for financially underprivileged tertiary students

Port Moresby, Papua New Guinea

- Providing training for Primary school teachers in remote villages

Timor-Leste

- Upgrading facilities in pre-primary and primary schools

HEALTH & NUTRITION

Kiunga, Papua New Guinea

- Improving access to clean water and safe sanitation
- Promoting village health to reduce maternal and infant mortality
- Running pre-school health and hygiene programs

Wewak, Papua New Guinea

- Installing water tanks for access to clean drinking water



Clockwise from main image: Pre-school students in Timor-Leste; Mercy Access, Shepparton; Mercy House of Welcome, Adelaide; Maternal health program in Kiunga, Papua New Guinea



Timor-Leste

- Providing nutritional meals and supplements to pre-school and secondary school students

WORK & LIFE SKILLS

Kiunga, Papua New Guinea

- Running skills training programs to help women run their own small market
- Addressing sex and gender based violence through workshops
- Supporting a sustainable Eaglewood plantation

Goroka & Mt Hagen

- Operating drop-in centres for information, referrals and support
- Helping to rehabilitate prisoners
- Presenting radio broadcasts to highlight human rights and social issues
- Running workshops on the prevention of domestic violence, health and anger management, sewing, food processing



and preservation.

Port Moresby, Papua New Guinea

- Supporting a Street Children's Program to help prepare them for a brighter future
- Running basic skills development and training programs for young adults

DOMESTIC

REFUGEE & ASYLUM SEEKER SUPPORT

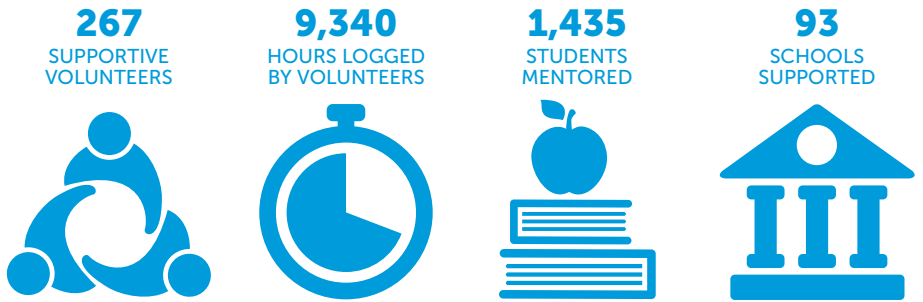
- Providing literacy and numeracy support to students from a refugee background through the Mercy Connect mentoring programs in Ballarat, Melbourne, Perth and Sydney
- Offering Adult English Classes through the Mercy Connect Melbourne Program
- Establishing a Parent Club for the parents of refugee students supported through the Mercy Connect Perth project
- Operating the Mercy House of Welcome for Asylum Seekers in Adelaide for general settlement and VISA support services



EXPENDITURE 2016-17

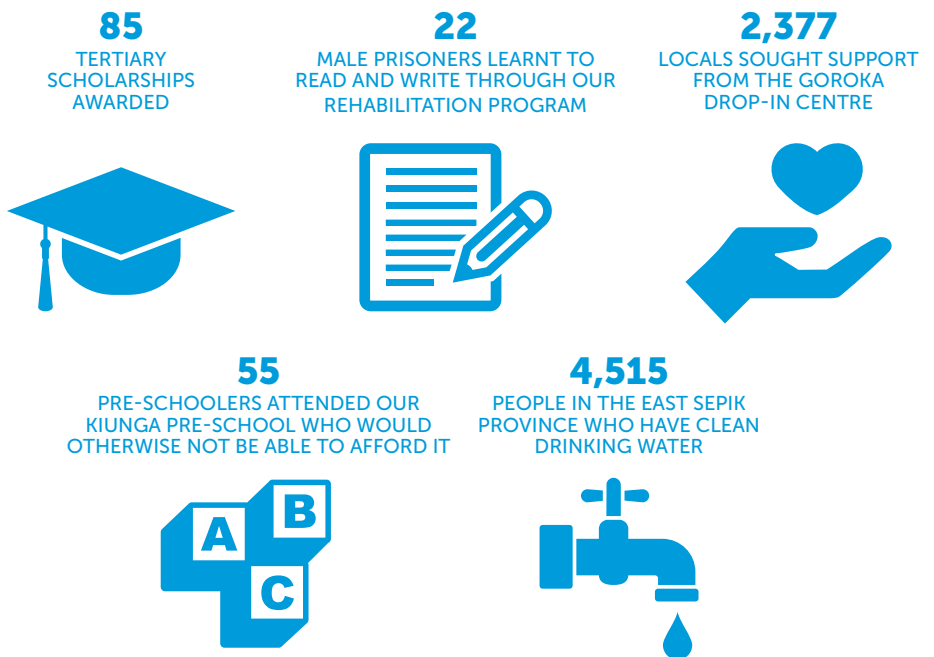


MERCY CONNECT VOLUNTEERS*



*FIGURES REFLECT THE 2017 SCHOOL YEAR

PAPUA NEW GUINEA

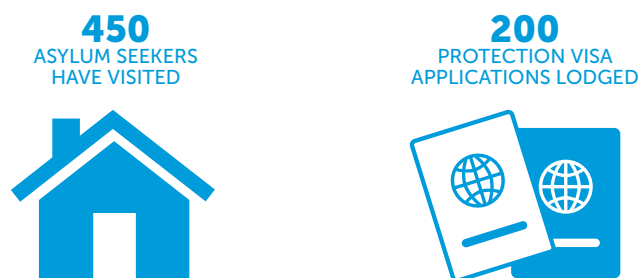


- Supporting weekly English classes for women from Asylum Seeker and Refugee backgrounds through the TRAMS project in Toowoomba

INDIGENOUS SUPPORT

- Providing literacy, numeracy and general homework support to Indigenous students through the volunteer mentoring program, Mercy Access in Shepparton, Victoria.
- Funding a gathering space and accommodation to help Indigenous women return to the community after prison in New South Wales
- Purchasing resources for the Honey Ants Education program for Indigenous students in Davenport, South Australia
- Supporting staff and Indigenous pre-schoolers at two early childhood centres in Bathurst Island and Alice Springs. ■

MERCY HOUSE OF WELCOME – ASYLUM SEEKER SUPPORT



Strategic framework 2018

The strategic plan is designed to help Mercy Works fulfil its mission and take the necessary steps to achieve our vision.



Our people

Everyone involved in delivering Mercy Works' programs shares an enduring commitment to strengthening communities and delivering positive change for people in need.

OUR BOARD



Sr Berice Livermore
Board Chair / Finance, Risk & Audit Committee Member



Kathleen Donnellon
Board Deputy Chair / Finance, Risk & Audit Committee Member / Strategic Planning Oversight Committee Member



Sr Mary Densley
Board Member / Program Committee Chair / Finance, Risk & Audit Committee Member



Chris Townend
Board Member / Finance, Risk & Audit Committee Chair



Sr Sharon Price
Board Member / Strategic Planning Oversight Committee Member



Sr Maureen Sexton
from November 2016
Board Member / Program Committee Member



Jacqueline Magurren
from November 2016
Board Member



Sheena Barber
Board Member / Program Committee Member / Strategic Planning Oversight Committee Member



Gregory Smith
Board Member / Finance, Risk & Audit Committee Member

Christine Carolan
to November 2016
Board Member / Program Committee Member

Margery Jackman
to November 2016
Board Member / Program Committee Member

STANDING COMMITTEE MEMBERS

Michael Elphick
Program Committee Member

Paul Lentern
Program Committee Member

OUR COMPANY

Barbara Bolster RSM
Institute Councillor

Berneice Loch RSM
Institute Leader

Annette Schneider RSM
Institute Vicar

Sally Bradley RSM
Institute Councillor

Theresia Tina RSM
Institute Councillor

Loreto Conroy RSM
Leader, Sisters of Mercy North Sydney

Catherine Ryan RSM
to December 2016
Leader, Sisters of Mercy Parramatta

Mary-Louise Petro RSM
from December 2016

Leader, Sisters of Mercy Parramatta

Catherine Reuter RSM
Leader, Sisters of Mercy Brisbane

OUR STAFF 1 JULY 2016 TO 30 JUNE 2017

Ailsa Mackinnon RSM
Executive Director

Anne Foale RSM
Coordinator Overseas and Indigenous Projects

Lorraine Phelan RSM
to March 2017
Manager Domestic Projects – Asylum Seekers and Refugees

Jennifer Ryan RSM
from January 2017
Manager Domestic Projects – Asylum Seekers and Refugees

Linda Sassine
Finance Manager

Elizabeth Grady
Development and Donor Relations Officer

Maria Rallis
Communications and Executive Support Officer

Gwenda Livermore RSM
Finance Officer

Vanessa Yu
Administrative Assistant

Judith Cahill
to June 2017
Mercy Connect Sydney Coordinator

Mary Lewis RSM
Mercy Connect Melbourne Coordinator

Thathathai Singa
Mercy Connect Melbourne Administrative Assistant

Paulene Barton
Mercy Connect Ballarat Coordinator

Jennifer Davies
Mercy Connect Perth Coordinator

Agnes Murphy RSM
Mercy Access Coordinator

Adam Kabriel
Bus Monitor, Mercy Access

Meredyth Taylor
Mercy House of Welcome Coordinator

Emma Yengi
Mercy House of Welcome Assistant Coordinator

Antonio Favorito
Cleaner, Mercy House of Welcome

Financial Statements

INCOME STATEMENT

For year ended 30 June 2017	2017	2016
	\$	\$
Revenue		
Donations and Gifts		
▪ Monetary	1,729,148	4,705,872
▪ Non Monetary	-	-
Grants – Other Australian	149,077	73,115
Grants – Other International	332,448	27,500
Bequests	-	-
Investment Income	80,875	49,189
Other Income	408,231	411,328
Total Revenue	2,699,779	5,267,004
Expenditure		
International Aid and Development Programs Expenditure		
International Programs		
▪ Funds to International Programs	834,986	4,000,415
▪ Program Support Costs	62,796	83,729
▪ Community Education	24,168	20,208
Fundraising Costs		
▪ Public	95,988	100,764
▪ Government, multilateral and private		
▪ Accountability and Administration	212,840	237,614
Total International Aid and Development Programs Expenditure	1,230,778	4,442,729
Domestic Program Expenditure (incl Monetary and Non Monetary)	713,993	765,791
Total Expenditure	1,944,770	5,208,520
Excess/(Shortfall) of Revenue Over Expenditure	755,008	58,484

STATEMENT OF CHANGES IN EQUITY

For year ended 30 June 2017	Retained Earnings	Reserves	Other	Total
Balance as 1 July 2016	1,415,103	-	-	1,415,103
Excess of Revenue over Expenses	755,008	-	-	755,008
Balance as 30 June 2017	2,170,111	-	-	2,170,111

TABLE OF CASH MOVEMENTS

For year ended 30 June 2017	Cash available at beginning of the year	Cash raised during the year	Cash disbursed during the year	Cash available at end of the year
Designated Purposes				
Papua New Guinea	510,775	1,451,189	1,116,895	845,068
Timor-Leste	-	58,634	58,634	-
Domestic Projects	850	775,187	693,680	82,357
Other Non Designated Purposes	349,959	833,805	600,041	583,724
Total	861,584	3,118,815	2,469,250	1,511,149

The income for our programmes comes from a wide variety of donors, including the Sisters of Mercy, associated ministries and other members of the public.

During the year, specified donations have been received for Papua New Guinea, Timor-Leste, Mercy Connect and other domestic projects.

Income for FY17 is closer to trend following significant one-off capital grants in FY16 directed to projects in

Papua New Guinea; FY17 income also included a large donation flowing through the P&L and directed towards the administration reserve established to assist with the operating costs of Mercy Works and its Trusts. Actual administration costs year on year have reduced slightly due to insourcing some key communication activities. Obligations for projects carried forward to FY18 are adequately covered by cash held in short term deposits.

STATEMENT OF FINANCIAL POSITION

For year ended 30 June 2017	2017	2016
	\$	\$
Assets		
Current Assets		
▪ Cash and Cash Equivalent	1,511,149	861,584
▪ Trade and Other Receivables	120,341	37,157
▪ Investments	1,650,270	1,126,980
Total Current Assets	3,281,760	2,025,720
Non Current Assets		
▪ Property, Plant and Equipment	6,912	9,219
Total Non Current Assets	6,912	9,219
Total Assets	3,288,672	2,034,940
Liabilities		
Current Liabilities		
▪ Trade and Other Payables	1,083,342	583,082
▪ Employee Benefits	30,025	36,755
Total Current Liabilities	1,113,367	619,837
Non Current Liabilities		
▪ Employee Benefits	5,194	-
Total Non Current Liabilities	5,194	-
Total Liabilities	1,118,561	619,837
Net Assets	2,170,111	1,415,103
Equity		
Retained Surplus/(Deficit)	2,170,111	1,415,103
Total Equity	2,170,111	1,415,103

INDEPENDENT AUDITOR'S REPORT

Report of the Independent Auditor on the Summary Financial Statements

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 30 June 2017, the summary income statement, summary statement of changes in equity and summary cash flow statement for the year then ended, and related notes, are derived from the audited financial report of Mercy Works Limited for the year ended 30 June 2017.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial report, and are in accordance with the Australian Council for International Development (ACFID) Code of Conduct.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial report and the auditor's report thereon. The summary financial statements and the audited financial report do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial report.

The Audited Financial Report and Our Report Thereon

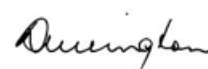
We expressed an unmodified audit opinion on the audited financial report in our report dated 25 October 2017.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with the ACFID Code of Conduct.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial report based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 Engagements to Report on Summary Financial Statements.



Carl Millington
Pitcher Partners
Partner

Sydney | 25 October 2017