



**KATHLEEN DONNELLON**  
CHAIR OF THE BOARD

Thanks to you, our generous supporters, Mercy Works has been able to achieve a modest surplus in the last financial year.

## Chairperson's report

You cannot describe life at Mercy Works as 'boring'. Quite the opposite. Once again, the past year has been filled with changes, challenges and opportunities.

As you may be aware, there has been a change of office space from Lewisham to Parramatta. The new office provides considerably more space than the previous one, and we are grateful to the Sisters of Mercy Parramatta for the opportunity. Taking up the hospitality of the Parramatta sisters is also a practical expression of the collaboration and support for Mercy Works, provided by all of the Mercy Sisters in Australia.

There have also been changes in personnel – Members, Directors and staff. Thankfully, in each case the transitions have been smooth as these new people have taken up the challenge at each level. Each is highly motivated by the desire to work for the good of Mercy Works as it endeavours to fulfil its mission to promote justice through local and overseas development activities. This work would not be possible without the sponsorship of Mercy Works by the Members, and we are most grateful for their ongoing support.

This year a review of our activities in Papua New Guinea was undertaken. Local coordinators were involved in facilitating sessions with local people and stakeholders. It was an affirming process for those involved, confirming that much good work is being done. Of course there is always more that can be done, and some things that can be done better. Some changes in activities will be implemented which, hopefully, will improve the quality of the programs offered. Thanks is due to Director, Sr Maureen Sexton RSM, for coordinating the process.

The Old Dart Foundation continues to be a very generous donor to our work in Papua


New Guinea. We are pleased to report that the building of dormitories, classrooms and teachers' accommodation in many areas have been completed. The occupants of those buildings at Mercy Secondary School Yarapos, Maria Hilf Vocational Training School Kainantu, Fatima Secondary School Banz and remote villages along the Fly River, are all enjoying their new facilities.

Additionally, the Old Dart Foundation is providing scholarships to nearly 80 tertiary students as they study in institutions in Papua New Guinea. Targeted students are those studying for medical and education qualifications, as these skills are sorely needed - particularly in remote areas, where many of these students will return upon graduating.

Our programs in Australia continue to meet vital needs. Our friends in the Aboriginal communities and those in our refugee and asylum seeker programs, continue to gain practical skills and support from their involvement in our works.

Thanks to you, our generous supporters, Mercy Works has been able to achieve a modest surplus in the last financial year. This result bodes well for our future stability. We are grateful for your continuing support and please know that your donations go to a most worthy cause.

Our grateful thanks also to our Directors. This year, as always, there have been many hours of robust discussion and decision making in the process of ensuring that Mercy Works continues on a steady path. Particular thanks too, to our hardworking and dedicated staff, who turn decisions into action.

Finally, may I take this opportunity to wish you all a hope filled time as we journey through Advent to the joy and peace of Christmas. ■ 

# Project review

From providing education opportunities for preschoolers and tertiary students to health and relationship management programs, here is a snapshot of what Mercy Works has achieved in 2017-18.

## OVERSEAS PROJECTS

### EDUCATION

#### Kiunga, Papua New Guinea

- Supporting the Catherine McAuley Child Care Centre with resources.
- Awarding scholarships to students who are currently studying but are struggling financially.
- Senior leader training for skills needed to become head teachers and principals.

#### Goroka and Mt Hagen, Papua New Guinea

- Access to Education (A.T.E.) Scholarship program for tertiary students who are financially underprivileged.
- Completion of construction of a dormitory at Fatima Secondary School, Banz.

#### Wewak, Papua New Guinea

- Increasing support for teachers in the remote areas of Wewak through provision of technology and other resources.
- Completion of refurbishment of a dormitory at Mercy Secondary School Yarapos.

#### Port Moresby, Papua New Guinea

- Scholarships for students studying to become teachers at Sacred Heart Teacher's College who would otherwise be unable to afford the tuition fees.

#### Timor-Leste

- Providing training and skills development to preschool teachers to improve educational opportunities for children in the Maliana Diocese.
- Repairs and renovations of classrooms in 3 schools to provide a safe and modern environment for teaching and learning.

### HEALTH AND NUTRITION

#### Kiunga, Papua New Guinea

- Training in village health practices.



*Clockwise from main: Preschool children in class in Timor-Leste; Students at Mercy Secondary School Yarapos; Refugees at adult literacy classes; Gowola Homework Club activities.*

#### Wewak, Papua New Guinea

- Installation of 10 water tanks in 8 communities enabling 6,200 people to access clean, safe drinking water.

#### Timor-Leste

- Provision of nutritious meals for preschool and secondary school students.

### WORK AND LIFE SKILLS

#### Kiunga, Papua New Guinea

- Sexual and gender based violence training in villages along the Fly River
- The Family Peace Project working towards reducing violence and abuse against women and children, and building improved family relationships.
- Supporting a sustainable Eaglewood Plantation

#### Goroka and Mt Hagen, Papua New Guinea

- Training in a number of different skills for adults and youths.
- Skills training for prisoners to create better avenues for financial stability through

running of businesses and creation of sellable goods.

- Radio Programs communicating the presence of skills training support and highlighting the importance of human rights and social issues.
- Drop in and referral centres for youths to provide information and support.

#### Port Moresby, Papua New Guinea

- Supporting the Street Children's program to improve the life of children and young people who are living on the streets.

## DOMESTIC PROJECTS

### REFUGEE AND ASLYUM SEEKER SUPPORT

- Mercy Connect Volunteers mentoring programs for refugee students in primary and secondary schools in Sydney, Melbourne, Perth and Ballarat.
- Mercy House of Welcome in Adelaide provides Adult Literacy Classes, social services and pro bono legal services to

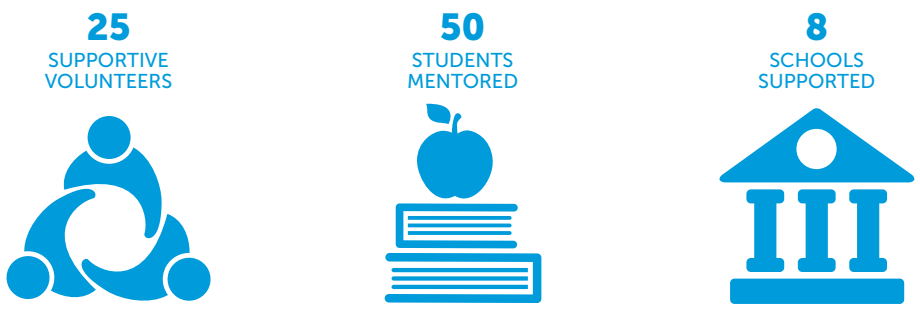


## MERCY CONNECT VOLUNTEERS\*

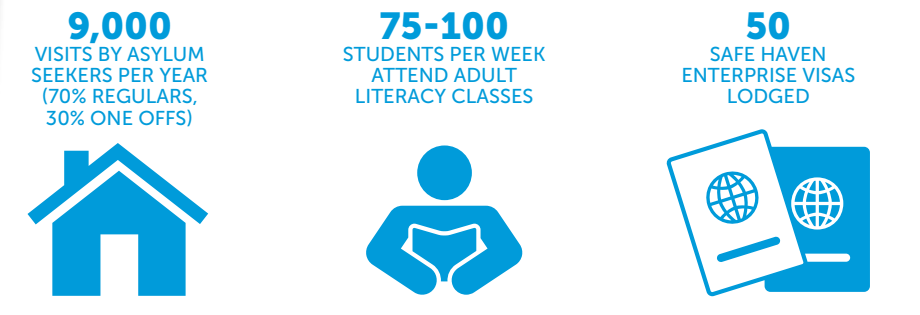


\*FIGURES REFLECT THE 2018 SCHOOL YEAR FOR ALL LOCATIONS SYDNEY, MELBOURNE, BALLARAT AND PERTH

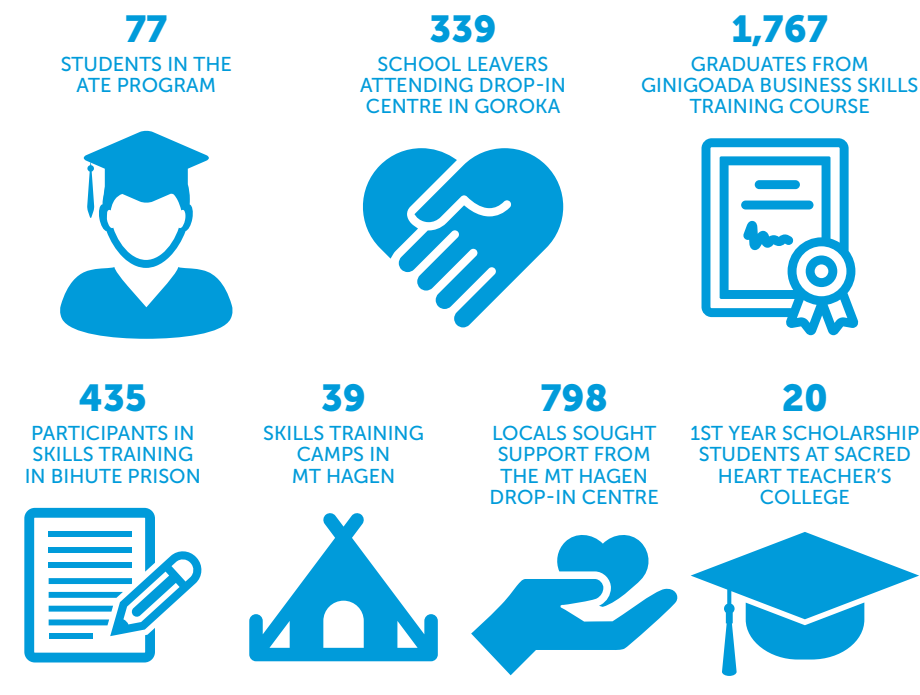
## MERCY ACCESS – GOWOLA HOMEWORK CLUB



## MERCY HOUSE OF WELCOME – ASYLUM SEEKER SUPPORT



## PAPUA NEW GUINEA



refugees and asylum seekers.

- The Dignity and TRAMS Projects in Toowoomba provides refugee and asylum seekers with assistance for issues related to visas and access to services in the community as well as adult literacy courses

### INDIGENOUS SUPPORT

- Mercy Access program in Shepparton, Victoria for literacy and numeracy of primary and secondary students through volunteer mentoring
- Gowola Homework Club is helping boost numbers of Indigenous students participating in school.
- Honey Ants Children's Club in Davenport, South Australia providing a learning environment to enable students to improve performance at school.
- Providing educational facilities for preschool students on Bathurst Island. ■



# Financial Statements

## INCOME STATEMENT

For year ended 30 June 2018	2018	2017
<b>Revenue</b>	\$	\$
Donations and Gifts		
Monetary	2,177,082	2,123,048
Non Monetary	-	-
Grants - Other Australian	147,261	149,077
Grants - Other International	66,936	332,448
Bequests	153,945	-
Investment Income	102,066	80,875
Other Income	837	14,331
<b>Total Revenue</b>	<b>2,648,127</b>	<b>2,699,779</b>
<b>Expenditure</b>		
International Aid and Development Programs Expenditure		
International Programs		
▪ Funds to International Programs	1,176,888	834,986
▪ Program Support Costs	61,584	62,796
Community Education	50,544	24,168
Fundraising Costs		
▪ Public	60,216	95,988
▪ Government, multilateral and private		
Accountability and Administration	202,080	212,840
Total International Aid and Development Programs Expenditure	1,551,312	1,230,778
Domestic Program Expenditure (incl Monetary and Non Monetary)	764,062	713,993
<b>Total Expenditure</b>	<b>2,315,374</b>	<b>1,944,771</b>
<b>Excess/(Shortfall) of Revenue Over Expenditure</b>	<b>332,753</b>	<b>755,008</b>

## STATEMENT OF FINANCIAL POSITION

As at 30 June 2018	2018	2017
<b>Assets</b>	\$	\$
Current Assets		
▪ Cash and Cash Equivalent	1,261,922	1,511,149
▪ Trade and Other Receivables	295,002	120,341
▪ Investments	2,128,296	1,650,270
Total Current Assets	3,685,220	3,281,760
Non Current Assets		
▪ Property, Plant and Equipment	13,388	6,912
Total Non Current Assets	13,388	6,912
<b>Total Assets</b>	<b>3,698,608</b>	<b>3,288,672</b>
<b>Liabilities</b>	\$	\$
Current Liabilities		
▪ Trade and Other Payables	1,157,216	1,083,342
▪ Employee Benefits	28,549	30,025
Total Current Liabilities	1,185,765	1,113,367
Non Current Liabilities		
▪ Employee Benefits	9,979	5,194
Total Non Current Liabilities	9,979	5,194
Total Liabilities	1,195,744	1,118,561
Net Assets	2,502,864	2,170,111
<b>Equity</b>	\$	\$
Retained Surplus/(Deficit)	2,502,864	2,170,111
<b>Total Equity</b>	<b>2,502,864</b>	<b>2,170,111</b>

## STATEMENT OF CHANGES IN EQUITY

For year ended 30 June 2018	-	-	-	-
	Retained Earnings	Reserves	Other	Total
Balance as 1 July 2017	2,170,111	-	-	2,170,111
Adjustment or Changes in Equity	-	-	-	-
Items of Other Comprehensive Income	-	-	-	-
Excess of Revenue over Expenses	332,753	-	-	332,753
Other Amounts Transferred (to)/from Reserves	-	-	-	-
<b>Balance as 30 June 2018</b>	<b>2,502,864</b>	<b>-</b>	<b>-</b>	<b>2,502,864</b>

## TABLE OF CASH MOVEMENTS

For year ended 30 June 2018	Cash available at beginning of the year	Cash raised during the year	Cash disbursed during the year	Cash available at end of the year
<b>Designated Purposes</b>				
Papua New Guinea	845,068	1,215,849	1,398,944	661,973
East Timor	-	36,680	31,014	5,666
Philippines	-	-	-	-
Domestic Projects	82,357	832,985	695,857	219,485
Other Non Designated Purposes	583,724	347,476	556,402	374,798
<b>Total</b>	<b>1,511,149</b>	<b>2,432,990</b>	<b>2,682,217</b>	<b>1,261,922</b>

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

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

The FY18 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 staffing variations.

Obligations for projects carried forward to FY19 are adequately covered by cash held in short term deposits.

## 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 2018, 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 2018.

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

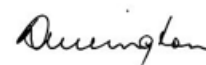
We expressed an unmodified audit opinion on the audited financial report in our report dated 22 October 2018.

#### 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 | 22 October 2018

# 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 RSM**  
To November 2017  
Board Chair  
From November 2017  
Board Member / Finance, Risk & Audit Committee Member



**Kathleen Donnellon**  
To November 2017  
Deputy Board Chair  
From November 2017  
Board Chair/ Finance, Risk & Audit Committee Member / Strategic Planning Oversight Committee Member



**Sheena Barber**  
To November 2017  
Board Member  
From November 2017  
Deputy Board Chair / Program Committee Member / Strategic Planning Oversight Committee Member



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



**Jacqueline Magurren**  
Board Member



**Sr Maureen Sexton RSM**  
Board Member / Program Committee Member



**Gregory Smith**  
To February 2018  
Board Member  
From February 2018  
Board Member / Finance, Risk & Audit Committee Member Chair

**Chris Townend**  
To November 2017  
Board Member / Finance, Risk & Audit Committee Chair

**Sr Sharon Price RSM**  
To February 18  
Board Member / Strategic Planning Oversight Committee Member

## STANDING COMMITTEE MEMBERS

**Michael Elphick**  
Program Committee Member

**Paul Lentern**  
Program Committee Member

## OUR COMPANY

### Institute Leader

**Berneice Loch RSM**  
To November 2017

**Eveline Crotty RSM**  
From November 2017

### Institute Vicar

**Annette Schneider RSM**  
To November 2017

**Caroline Ryan RSM**  
From November 2017

### Institute Councillors

**Barbara Bolster RSM**  
To November 2017

**Sally Bradley RSM**  
To November 2017

**Theresia Tina RSM**  
To November 2017

**Elizabeth Moloney RSM**  
From November 2017

**Gaye Lennon RSM**  
From November 2017

**Marie Duffy RSM**  
From November 2017

### Leader, Sisters of Mercy North Sydney

**Loreto Conroy RSM**

### Leader, Sisters of Mercy Parramatta

**Mary-Louise Petro RSM**

### Leader, Sisters of Mercy Brisbane

**Catherine Reuter RSM**

## OUR STAFF 1 JULY 2017 TO 30 JUNE 2018

**Ailsa Mackinnon RSM**  
Executive Director

**Anne Foale RSM**  
Coordinator Overseas and Indigenous Projects

**Jennifer Ryan RSM**  
Manager Domestic Projects – Asylum Seekers and Refugees

**Linda Sassine**  
To August 2017  
Finance Manager

**Alana Scadden**  
From September 2017  
Finance Manager

**Elizabeth Grady**  
To November 2017  
Development and Donor Relations Officer

**Maria Rallis**  
To March 2018  
Communications and Executive Support Officer

**Gwenda Livermore RSM**  
To April 2018  
Finance Officer

**Sandra Marrerios**  
From April 2018  
Finance Officer

**Vanessa Yu**  
Administrative Assistant

**Paul Taylor**  
From February 2018  
Mercy Connect Sydney Coordinator

**Mary Lewis RSM**  
Mercy Connect Melbourne Coordinator

**Thathathai Singa**  
Mercy Connect Melbourne Administrative Assistant

**Paulene Barton**  
To December 2017  
Mercy Connect Ballarat Coordinator

**Donna Stewart**  
From December 2017  
Mercy Connect Ballarat Coordinator

**Jennifer Davies**  
Mercy Connect Perth Coordinator

**Agnes Murphy RSM**  
Mercy Access Coordinator

**Adam Kabriel**  
To November 2017  
Bus Monitor, Mercy Access

**Megan O'Brien**  
From February 2018  
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

**Michelle Blake**  
From November 2017  
Childcare Aid

**Denise McKay RSJ**  
From January 2018  
Community Support Worker