



KATHLEEN DONNELLON
CHAIR OF THE BOARD

Chair's report

Mercy Works Ltd celebrated its 20th birthday in April this year. The organisation as we know it today, came into being as a result of many years of extraordinary dedication and hard work undertaken by the Sisters of Mercy on behalf of the most marginalised and vulnerable. From providing education in remote Indigenous communities to prison visitation in PNG to education in Pakistan, the Mercy Sisters were renowned for living amongst and walking beside the people whose lives they sought to improve.

Today, each of the four congregations of the Sisters of Mercy in Australia are active and generous members of the company. Current directors of Mercy Works are a mix of lay and religious, men and women, Catholic and non-Catholic. What ties all of these individuals and groups to their Mercy predecessors, is their united dedication to the mission of Mercy. That mission, founded by Catherine McAuley in Dublin, continues.

There were no celebrations for our birthday. The COVID-19 pandemic has impacted all facets of life. Forced isolation has been a challenge for everyone, with some suffering significant mental health challenges as a result. Technology has been a saving grace. It has provided a form of connection that our predecessors could never have dreamed of. We've found ourselves surprised at how much can be achieved via electronic platforms, and I hope that the best of those possibilities will be embraced as we slowly work our way beyond the pandemic. It remains true however, that there are circumstances and times (both professional and personal) when there is simply no replacement for people being fully engaged with each other in the same room.

Of course, Mercy Works projects have also been affected. While the needs of the vulnerable and disenfranchised have not diminished, the ability to achieve change has been more challenging than ever. There has also been an impact on donations, as some of our major donors (including schools and individuals) have been unable to provide their usual level of support. Other donors have provided extra support, in the awareness that our programs might be suffering from the economic slowdown.


With school closures, Mercy Connect volunteers have been unable to continue their work in schools. Instead, our co-ordinators gathered by Zoom and planned for future projects. In Papua New Guinea, life and skills training was able to continue. Women in Goroka learned how to create products to take to market, helping them find both confidence and financial security. Fifty-five women and men have graduated from small to medium enterprise (SME) training in Mt. Hagen, which assists them in learning how to transfer their existing skills into successful small businesses.

In the remote region of Maucatar in Timor-Leste, Mercy Works is supporting a nutrition project, working to improve the protein levels of pregnant women and their children. Of the many challenges Timor-Leste faces, the education and health of its children is among the most important.

We said hello to the *Mini Bilum* online in April this year, so that even in the midst of a pandemic, we could still communicate the stories of the people involved in our projects. We hope you have enjoyed the shorter and more frequent 'bite sized' stories. The *Mini Bilum* followed our projects from lockdown to restart, and enabled us to share our response to events much closer to real time, such as the West Papuan Refugee emergency in Kiunga, PNG. These are the same stories of change we have provided in *The Bilum*, just in a different way. We look forward to sharing the *Mini Bilum* with you again next year.

To the dedicated volunteers who have remained connected and committed to our domestic projects throughout the pandemic, thank you. To my fellow directors, my sincere thanks to all of you for your unswerving generosity of expertise and time. To our amazing staff, who have managed to keep our programs running, even in spite of a global pandemic, my deep thanks.

To our wonderful supporters, whether you've been supporting Mercy Works for twenty years or whether you have only recently found us, thank you. It goes without saying that we could not walk with the marginalised without you.

At the end of a difficult year for all, I hope you are filled with the peace and wonder of the Christmas season and the hope of a better year to come. ■ 

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Project review

Mercy Works supported numerous projects across three countries in 2019-2020. Some of our development activities focusing on health, education and skills training are highlighted below.

OVERSEAS PROJECTS

EDUCATION AND SKILLS TRAINING

Papua New Guinea

- Access to Education Scholarship program for tertiary students at 10 Institutions who are financially underprivileged and from remote areas.
- Supporting the Catherine McAuley Child Care Centre, Kiunga with teaching resources.
- Senior Teachers Academy, Kiunga to upskill teachers to become principals.
- Scholarships for students studying to become teachers at Sacred Heart Teacher's College, Port Moresby who would otherwise be unable to afford the tuition fees.
- Radio Programs informing the Goroka and Mt. Hagen communities and surrounding areas of available skills training and highlighting current social justice issues.
- Raising awareness of the importance of human rights and social issues.
- Training in prevention of sexual and gender based violence in villages along the Fly River.
- Training in income-producing skills for male and female adults and youth in sewing, floriculture, food preservation and farming.
- Training in establishing small business enterprises and ongoing support (SME).
- Drop-in and referral centres in Goroka and Mt. Hagen providing information and support for youth.



HEALTH

Papua New Guinea

- Training village health volunteers in remote regions around Kiunga to promote healthier communities, with particular focus on pregnancies.
- Women's Wellness Program to raise awareness of causes and treatment of HPV Cervical Cancer in Wewak.
- The Family Peace Project building improved family relationships and working towards reducing violence and abuse against women and children.
- Supplying a nutritious meal for students at the Catherine McAuley Child Care Centre, Kiunga.

Timor-Leste

- Improving protein intake for pregnant mothers at the Teresa Orsini Maternity Clinic in Maucatar through the provision of eggs.

DOMESTIC PROJECTS

REFUGEE AND ASYLUM SEEKER SUPPORT

- Mercy Connect volunteer mentoring for refugee and asylum seeker students in primary and secondary schools in Sydney, Melbourne, Perth and Ballarat/Bendigo.
- Mercy House of Welcome in Adelaide provides Adult Literacy Classes and pro bono legal services to asylum seekers.

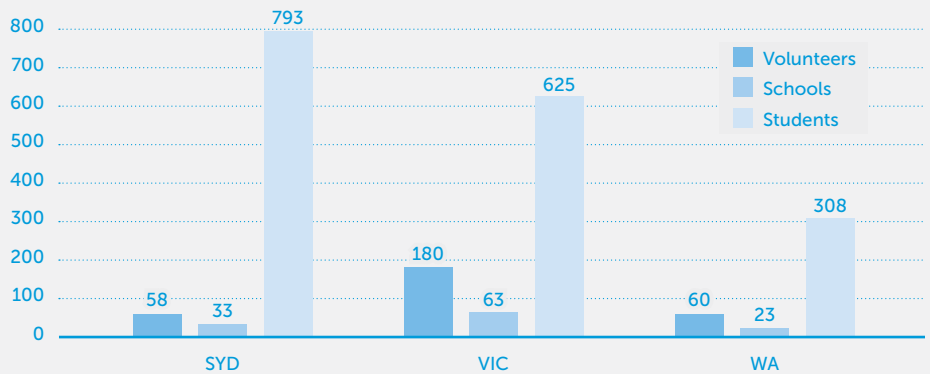


Clockwise from left: Mother carrying her child in a Bilum, Kiunga; Children enjoying a nutritious meal as a part of the battle against malnutrition at the Teresa Orisini Maternity Clinic, Maucatar; Mercy Connect Perth Pre-Covid Adult English Class.

INDIGENOUS SUPPORT

- Mercy Access volunteer mentoring program to increase secondary education completion rates for students in Shepparton schools.
- Gowola Homework Club in Shepparton helps students improve academic performance, especially in literacy and numeracy.
- In partnership with the Baabayan Aboriginal Corporation to support young aboriginal mothers improve their connection to culture through art classes. Also, provides early childhood education to their children who would otherwise not have access to this. ■

MERCY CONNECT* SYD | MEL | PER | BAL | BEN



*FIGURES REFLECT THE BEGINNING OF THE 2020 SCHOOL YEAR FOR ALL MERCY CONNECT PROGRAMS BY STATE.

TIMOR-LESTE MAUCATAR NUTRITION PROJECT 2019/2020



204
MOTHERS WERE ASSESSED AND TREATED



63%
WERE MALNOURISHED



13%
WERE TREATED SUCCESSFULLY



1,143
CHILDREN AGED 5 OR UNDER WERE ASSESSED AND TREATED

PAPUA NEW GUINEA

94

TERTIARY STUDENTS SUPPORTED VIA ACCESS TO EDUCATION SCHOLARSHIPS



323

PEOPLE ATTENDED TRAINING SESSIONS FOCUSED ON LIFE SKILLS, AWARENESS RAISING & BUSINESS PLANNING



55

PARTICIPANTS GRADUATED FROM THE SMALL TO MEDIUM BUSINESS TRAINING COURSE IN GOROKA



600,000

REGULAR LISTENERS TO OUR MERCY WORKS RADIO PROGRAM



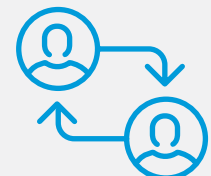
6,050

FACE MASKS HAVE BEEN SEWN FOR 10 SCHOOLS IN THE GOROKA/ MT. HAGEN REGION



990

PEOPLE VISITED DROP IN & REFERRAL CENTRE'S IN GOROKA & MT. HAGEN



Financial Statements

INCOME STATEMENT

For year ended 30 June 2020	2020	2019
	\$	\$
Revenue		
Monetary Donations and Gifts		
▪ From Members	425,886	406,203
▪ From Other Parties	1,711,551	1,736,335
Grants - Other Australian	202,281	146,271
Grants - Other International	-	-
Bequests	20,000	145,174
Investment Income	105,724	107,395
Other Income	-	11,173
Total Revenue	2,465,441	2,552,551
Expenditure		
International Aid and Development Programs Expenditure		
International Programs		
▪ Funds to International Programs	1,182,110	1,118,904
▪ Program Support Costs	95,651	158,581
Community Education	73,224	59,191
Public Fundraising Costs	76,848	56,271
Accountability and Administration	242,408	221,658
Other Expenditure	10,362	4,678
Total International Aid and Development Programs Expenditure	1,680,603	1,619,283
Domestic Program Expenditure (incl Monetary and Non Monetary)	588,379	766,417
Total Expenditure	2,268,983	2,385,700
Excess of Revenue Over Expenditure	196,459	166,851

STATEMENT OF FINANCIAL POSITION

As at 30 June 2020	2020	2019
	\$	\$
Assets		
Current Assets		
▪ Cash and Cash Equivalent	1,035,201	1,106,589
▪ Trade and Other Receivables	101,964	271,501
▪ Other Assets	29,551	32,445
Investments	2,305,249	2,265,392
Total Current Assets	3,471,965	3,675,927
Non Current Assets		
▪ Property, Plant and Equipment	4,790	9,567
▪ Right-of-use Assets	58,794	-
Total Non Current Assets	63,584	9,567
Total Assets	3,535,549	3,685,494
Liabilities		
Current Liabilities		
▪ Trade and Other Payables	84,546	158,145
▪ Other Liabilities	201,656	525,423
▪ Employee Benefits	38,188	44,200
▪ Lease Liability	4,511	-
Total Current Liabilities	328,901	727,768
Non Current Liabilities		
▪ Employee Benefits	9,199	12,001
▪ Lease Liability	55,265	-
Total Non Current Liabilities	64,464	12,001
Total Liabilities	393,365	739,769
Net Assets	3,142,184	2,945,725
Equity		
Retained Surplus	3,142,184	2,945,725
Total Equity	3,142,184	2,945,725

STATEMENT OF CHANGES IN EQUITY

For year ended 30 June 2020	Retained Earnings	Reserves	Other
Balance as 1 July 2019	2,945,725	-	-
Adjustment or Changes in Equity	-	-	-
Items of Other Comprehensive Income	-	-	-
Excess of Revenue over Expenses	196,459	-	-
Other Amounts Transferred (to)/from Reserves	-	-	-
Balance as 30 June 2020	3,142,184	-	-

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

Obligations for projects carried forward to FY20 are adequately covered by cash held in short term deposits.

The ACFID-Code-compliant financial statements comply with the presentation and disclosure requirements of the ACFID Code of Conduct. Refer to the ACFID Code of Conduct website for further information.

acfid.asn.au/code-of-conduct

The financial statements are prepared in accordance with relevant legislation, accounting standards, provide a true and fair view of their financial position and performance, and that the organisation can pay its debts as and when they become due. These financial statements have been reviewed and approved by the Board.

The full statutory financial statements separately from the Annual Report is available on:

mercyworks.org.au/financial-statements-and-annual-reports/

INDEPENDENT AUDITOR'S REPORT

On the Summary Financial Report for Mercy Works Limited

The accompanying summary financial statements, which comprises the statement of financial position as at 30 June 2020, and the statement of profit or loss and other comprehensive income for the year then ended, are derived from the audited financial report of Mercy Works Limited for the year ended 30 June 2020. We expressed an unmodified audit opinion on that financial report in our report dated 4 November 2020. That financial report, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on that financial report.

The summary financial statements do not contain all the disclosures required by the Australian Charities and Not-for-profits Commission Act 2012, or the Australian Accounting Standards – Reduced Disclosure Requirements. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial report of Mercy Works Limited.

The Responsibility of the Board Members for the Summary Financial Report

The Board Members of the entity are responsible for the preparation of a summary of the audited financial report.

Auditor's Responsibilities for the Audit of the Financial Report

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

Opinion

In our opinion, the summary financial statements derived from the audited financial report of Mercy Works Limited for the year ended 30 June 2020 are consistent, in all material respects, with that audited financial report.

NOT FOR PROFIT ACCOUNTING SPECIALISTS

KESWICK SA 5035



Nicholas Matsis CPA
Registered Company Auditor No 77466

Dated: 4 November 2020



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



Kathleen Donnellon
Board Chair/ Finance, Risk & Audit Committee Member



Sheena Barber
Deputy Board Chair / Program Committee Chair



Travis Bowman
Board Member / Finance, Audit & Risk Committee Chair



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



Frank Elvey
From March 2020
Board Member / Program Committee Chair



Megan Giles
Board Member / Finance, Risk & Audit Committee Member



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



Jacqueline Magurren
To December 2019
Board Member

OUR COMPANY

Institute Leader
Eveline Crotty RSM

Institute Vicar
Caroline Ryan RSM

Institute Councillors
Elizabeth Moloney RSM
Gaye Lennon RSM
Maureen Sexton RSM

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

STANDING COMMITTEE MEMBERS

Michael Elphick
Program Committee Member

Caroline Fowler
Finance, Risk & Audit Committee Member

Paul Lentern
Program Committee Member

Mark Sleight
From February 2020
Finance, Audit & Risk Committee Member

OUR STAFF 1 JULY 2019 TO 30 JUNE 2020

Sally Bradley RSM
Executive Director / Manager Domestic Projects

Anne Foale RSM
Coordinator Overseas Projects

Jennifer Ryan RSM
To April 2020
Manager Domestic Projects

Martin Binoj
Finance Manager

Kingsley Edwards
Donor Development Manager

Lauren Stariha
Communications Officer

Sandra Marrerios
Finance Officer

Vanessa Yu
To September 2019
Administrative Assistant

Vanessa Burke
From November 2019
Administrative Assistant

Paul Taylor
Mercy Connect Sydney Coordinator

Mary Lewis RSM
Mercy Connect Melbourne Coordinator

Thathathai Singa
Mercy Connect Melbourne Coordinator Assistant

Donna Stewart
To June 2020
Mercy Connect Ballarat/ Bendigo Coordinator

Jennifer Davies
Mercy Connect Perth Coordinator

Agnes Murphy RSM
To January 2020
Mercy Access Coordinator

Megan O'Brien
To January 2020
Bus Monitor, Mercy Access

Meredyith Taylor
To June 2020
Mercy House of Welcome Coordinator

Emma Yengi
To June 2020
Mercy House of Welcome Assistant Coordinator

Antonio Favorito
To June 2020
Cleaner, Mercy House of Welcome

Michelle Blake
To June 2020
Childcare Worker

Denise McKay RSM
To June 2020
Community Support Worker

MWL PNG STAFF
Maryanne Kolkia RSM
Mercy Works PNG, In-Country Coordinator

Stephen Dude
Mercy Works Coordinator Kiunga

Mariska Kua RSM
Mercy Works Coordinator Mt. Hagen

Leo Tomoyega
Senior Project Officer Mt. Hagen

Dorothy Nige
Officer Manager Goroka

Janet Andrew RSM
Mercy Works Admin & Finance Support Goroka

Teresia Boyek RSM
Finance & Team Support, Mt. Hagen