

Mercy Works Inc. Annual Report 2009-2010

DIRECTION 2008-2010

In Australia, Mercy Works Inc. offers community education in world development concerns, provides assistance with refugees, and works in partnership with Indigenous peoples.

Overseas, the primary focus is in the Asia-Pacific region, where, in collaboration with local partners, Mercy Works Inc. directs its efforts towards the education, health care, and social and spiritual well-being of those who are poor or displaced.



As we approach the close of another year of activities within the life of Mercy Works Inc., we give thanks for the many small ways in which we are making a difference, both locally and globally. Whilst the Board continues to be concerned with its inherent timelines, evaluation of programmes, search for donors and consideration of new projects, it is salutary for us all to remember the 'why' of our organisation.

As you read this Annual Report and explore the riches of the stories shared in *The Bilum*, you will see that this agency of the Institute of Sisters of Mercy of Australia exists so that the most vulnerable in our world may not be forgotten. Through the committed service of our workers onshore in Australia and overseas, countless persons in some of the most desperate living conditions in our world are supported to develop skills necessary for their basic living and ongoing sustainability. Guided by the Millennium Development Goals (MDGs), we work with those who are needy and strive to achieve positive change at a structural level, so that the social and economic injustices they face may be alleviated.

In the past year, we have seen expanded activities within Mercy Works Inc. and continuing requests for engagement from other partner organisations. In particular, during this past year, Mercy Works Inc. has expanded its Community Education and Development Programmes quite significantly, in the hope that a wider group of Mercy friends will become more aware of our activities and offer ongoing support wherever possible.

We are grateful to our donors, small and large, for their generous contributions. We have been encouraged by the emerging interest of a small number of corporate bodies who share our concerns for the poverty and needs of our people, particularly in Papua New Guinea, and who are moved to make a meaningful response. Ensuring the financial sustainability of Mercy Works Inc. remains a high priority for our Board.

The process for changing the corporate structure of Mercy Works Inc. is well advanced, and we look forward to the benefits which will flow from this decision. Given current developments within the Institute of Sisters of Mercy of Australia, we anticipate that there could be further changes in the position of our organisation within Mercy ministries. In the spirit of our founder, Catherine McAuley, we will be ready to do whatever is recommended, in the strong hope that the most vulnerable in our society will not be forgotten, but rather that they will be enabled to move from the profound insecurity and poverty which so many now experience to situations which respect and support their basic human rights.

I thank the Institute Leadership Team and our Congregation Leaders for their generous support and encouragement in all our endeavours. The commitment of Board members and the staff of Mercy Works Inc. has been outstanding. I am most grateful to them for their generosity and dedication to our works of Mercy.

Mary Duffy

Mary Duffy RSM
Chair

Peter Casamento

MDGs



Papua New Guinea

PROJECTS SUPPORTED:

- Mercy Works PNG Project, Goroka and Mt Hagen
- Safe Motherhood Project, Kiunga
- Women's Leadership Project, Kiunga
- Emmaus Farm Project, Kiunga
- Education Support for West Papuan Refugees, Kiunga
- Family Life Service, Kiunga
- Matkonnai Adult Literacy, Kiunga

Supporting our nearest neighbour

In Papua New Guinea's Eastern and Western Highlands Provinces, Mercy Works PNG, a community development initiative of the Sisters of Mercy, Papua New Guinea (PNG) and Mercy Works Inc., is highly regarded as an agency that is making a difference.

Launched in 2006, Mercy Works PNG is empowering young women, men and their families to tackle the serious problems of unemployment, domestic violence and HIV-AIDS.

The project provides drop-in and referral centres at Goroka and Mt Hagen which offer skill development workshops, support groups and individual advocacy and referral services. An outreach service is also available to villages beyond these towns. Activities include human rights awareness, health education, violence prevention, parenting skills, and cooking, sewing, budgeting and income-generation activities.

Mercy Works PNG moved into a new phase in 2009-2010 when management of the project was transferred to PNG staff. This development reflects the capacity, growing confidence and commitment of local personnel.

In 2009-2010, Mercy Works Inc. continued to support a number of community development initiatives in the North Fly District of the Western Province in partnership with the Diocese of Daru-Kiunga.

Through our support of the Safe Motherhood Project, Mercy Works Inc. has helped to reduce excessively high maternal and infant mortality rates in remote villages along the Fly River. The project is also at a significant stage in its development. By the

The Mercedes Early Childhood Learning Centre in Datorua is providing learning experiences for pre-school-aged children.



Mercy Works PNG is empowering young women, men and their families to tackle poverty.



Over 55 village birth attendants have been trained to work in remote villages of the North Fly District, PNG.



**Timor Leste
PROJECTS SUPPORTED:**

- Early Childhood Learning Centre, Datorua
- Education Support, Fohorem
- Women's Basic Christian Community Centre, Aileu
- Youth Support, Aileu

end of 2010, management of the project will be handed over to the diocese's health agency.

Our support of the Women's Development Centre at St Gerard's Parish is providing women in Kiunga with skill development opportunities that many would otherwise not have. The increase in numbers of women attending the Centre's activities is wonderful, but they are also bringing along their pre-school-aged children which creates a further need. The possibility of establishing a childcare centre is being explored so that the women can focus on their classes.

Despite the huge logistical difficulties of transporting materials and equipment to a remote area, the Emmaus Farm Project is developing rapidly and offering valuable training and work experiences for at-risk young men in sustainable agricultural practices and small business enterprises. News of the farm is spreading beyond Kiunga and demand for places in the project is high.

In 2010, Mercy Works Inc. supported two new projects for women and families. A group of women at St John's Parish, Matkomnai, began a literacy programme in their local language, Aekyom.

The Diocese of Daru-Kiunga's Family Life Service also commenced a programme for men and women which fosters 'right relations' in the family. This preventative programme aims to combat the high rates of domestic violence in PNG by providing opportunities for men and women to talk about issues affecting the family and learn positive communication skills.

Timor Leste

Providing opportunities for women, children and youth

In recent years, Mercy Works Inc.'s support of education and community development initiatives in Timor Leste has focused on Fohorem, a remote community in the country's south-west. While support for Fohorem continues – particularly through the professional development of local teachers – in 2009-2010 the agency began work on a new education project for pre-school-aged children in the nearby village of Datorua.

The Mercedes Early Childhood Learning Centre opened this year and is providing creative learning experiences and a nutrition programme for over 20 pre-school-aged children. The centre is not only preparing the children for primary school, but also improving their health outcomes.

In 2010, Mercy Works Inc. also supported two new projects for women and young people in the district of Aileu, near Dili. Working in partnership with ISMAIK, a basic Christian community, we are helping to build a community centre for women so they can participate in literacy, numeracy and sewing classes. This meeting space will also be a forum for women to share their cultural and spiritual heritage and learn about traditional cooking and medicinal practices.

Like the rest of Timor Leste, a high proportion of young people live in Aileu. Many have left school with few employment prospects and minimal skills. There is a concern in the community that the infamous gangs of disaffected youth, mostly found in Dili and other major centres, may become prevalent in the normally peaceful Aileu town and district.

To combat this potential problem, Mercy Works Inc. is supporting the local community to establish youth groups in 26 villages of the parish. Through these groups, young people are being offered support and a range of activities, including sport and music, educational and discussion forums, and personal and spiritual development sessions.



In Timor Leste, about 60% of the population are under 18 years of age.



SUPPORTING VULNERABLE CHILDREN IN KENYA

Mercy Works Inc. supported a home-based care project in Lodwar, that provides nutrition, education and health support for at-risk children up to the age of five. A large number of these children have been orphaned as a result of the HIV-AIDS epidemic and are now cared for by a grandparent, relative or friend. Some of the children are also HIV positive.





Refugee families are cultivating vegetable and fruit gardens at Mamre's property in Sydney.

Australia PROJECTS SUPPORTED:

Indigenous

- Kapululangu Women's Association, Balgo, WA
- Fraynetwork Indigital Centre, Melbourne, VIC
- Rehabilitation of Traumatized Young Women and the Care of Street Kids, Kempsey, NSW
- 3rd Space Mob, Kempsey, NSW
- Dental Health Services, Gibb River, WA

Refugee Support

- Classroom Connect, Sydney, NSW
- Mamre African Refugee Farm Project, Sydney, NSW
- Asylum Seeker Support, Christmas Island

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Pakistan

PROJECTS SUPPORTED:

- Notre Dame Institute of Education, Karachi
- Baldia Schools Project, Karachi
- Mughalabad Project, Rawalpindi

Educating some of the most disadvantaged

Despite political instability and violence in Pakistan, the education and community development projects supported by Mercy Works Inc. continue to operate, providing communities with some stability and opportunities to break free from poverty and discrimination.

Each project aims to give some of the most disadvantaged members of Pakistan society – women, children and those from minority ethnic and religious groups – the key to their own independence through education and training initiatives.

The Notre Dame Institute of Education in Karachi continues to be a highly respected teacher-training facility. For many of the students, who come from all over Pakistan, they are the first in their families to be educated. Once they graduate, these students have the potential to make a significant difference within their school communities.

Mercy Works Inc. is also helping to build the capacity of leaders in local communities so that they can manage their projects independently. Already, the Mughalabad Project, an education and community development project targeting children and their families in a slum settlement on the outskirts of Rawalpindi, is operating under local management and progressing well.



For many students at Notre Dame Institute of Education, they are the first in their families to be educated.

Australia

Empowering remote and regional Indigenous communities

Despite decades of policy interventions by Australian governments, Indigenous Australians continue to suffer extreme disadvantage and poverty. Disturbed by this reality, Mercy Works Inc. is committed to improving the well-being of Indigenous communities, particularly through education and health initiatives. In 2009-2010, we supported a number of projects in regional and remote Australia.

In the remote Indigenous community of Balgo, near Halls Creek, Western Australia, where health outcomes are very poor, Mercy Works Inc. supported an inter-generational cultural education and healing programme run by the Kapululangu Aboriginal Women's Association.

The Kapululangu women elders believe that maintaining and



Left: In 2010, 31 Classroom Connect volunteers supported 170 young refugees across nine Sydney schools. **Right:** Casey Atkinson (right), with Indigenous AFL player Nathan Lovett-Murray, is one of many young Indigenous people in Victoria to have benefited from the Indigital Centre.

revitalising their culture is a vital factor in overcoming the social and health problems in their community. As such, the programme aims to improve the spiritual, emotional, psychological and physical well-being of women, particularly at-risk young women and girls, through traditional healing ceremonies and trips to traditional lands to gather healthy bush foods and medicines.

Mercy Works Inc. also supported the Indigital Centre, an innovative project that operates in regional and metropolitan Victoria. The project uses multimedia and the arts to give Indigenous young people skill development opportunities and a voice in the community. It also addresses suicide, disadvantage and disengagement among Indigenous young people.

Supporting refugees as they re-settle in Australia

Mercy Works Inc. has a proven track record working with refugees overseas and in Australia. In recent years we have focused our efforts by supporting newly arrived refugee families in Australia.

In 2009-2010, we continued to work directly with young refugees by providing individual support and mentoring, helping them to develop confidence and skills at a critical time in their settlement in Australia. Classroom Connect, as the project is known, facilitates this in a professional and resourceful way by connecting the young refugees in their school environment with the extensive educational experience of trained volunteers.

Classroom Connect expanded in 2010 to include 31 volunteers supporting 170 young refugees across nine Sydney schools: six schools from the Catholic Archdiocese of Sydney and three from the NSW Department of Education and Training.

In 2009-2010, Mercy Works Inc. also supported the Mamre African Refugee Farm Project which is helping African refugee families as they make the often-difficult transition into Australian life. The families are cultivating vegetable and fruit gardens at Mamre's 200-acre

property in western Sydney. The project is giving the refugee families access to fresh garden foods and developing their skills so they can earn an income and be more self-sufficient.

Community Education

Encouraging solidarity with those in need

Engaging the Australian community through education and awareness-raising activities is a crucial part of Mercy Works Inc.'s activities. In 2009-2010, our Community Education Officer visited many schools, parishes and community groups across Australia, encouraging audiences to be more aware of poverty and human rights issues, the Millennium Development Goals and the projects of Mercy Works Inc.

In the last year, a large number of schools have been interested in learning about and providing financial support for individual Mercy Works Inc. projects. Thirty-six schools raised an impressive \$62,478.49.

We salute the many students and staff of primary and secondary schools throughout the country, who, through countless fundraising and awareness-raising activities, have participated actively in bringing mercy and compassion to those in need. ■



Left: Engaging the Australian community through education and awareness-raising activities is a crucial part of Mercy Works Inc.'s activities. **Right:** Siobhan Moroney, Claire Ng and Luella Melloy from Monte Sant' Angelo Mercy College North Sydney at the 'Mercy 5' day.

Our Board

Sr Mary Duffy RSM (Chair)

Mary was elected to the Board in November 2006 and is a member of the Sisters of Mercy, Melbourne. She has a background in education and extensive experience as a Board member of various community organisations. Mary is currently Vice-Postulator in the Oceania region for Catherine McAuley's canonisation cause.

Mrs Mary Ellen Bland

Mary Ellen joined the Board in November 2009. She is a Graduate of the Australian Institute of Company Directors and is currently a Director of the Campbelltown Catholic Club and the Wollongong Diocesan Catholic Development Fund. She also serves as Chair of the Board of St Patrick's College Campbelltown.

Ms Christine Carolan

Christine was elected to the Board in November 2009. She is the Programmes Manager for Australian Catholic Religious Against Trafficking in Humans. From 2001 to 2009 she was Executive Officer of the Good Shepherd Social Justice Network. Christine has also held teaching positions that address social disadvantage.

Sr Mary Densley RSM (Deputy Chair)

Mary was elected to the Board in June 2003, is a member of the Sisters of Mercy, Adelaide and holds a Master of Arts in International and Community Development. She was Co-ordinator of Mercy Refugee Service from 1985 to 1991 and has been involved in teaching, administration and governance in Catholic schools.

Ms Margery Jackman

Margery was elected to the Board in November 2008 and is an Associate of the Sisters of Mercy, Brisbane. Margery has had wide-ranging experience in Catholic education in Australia, the United Kingdom and Canada. She was Deputy Principal Mission at All Hallows' School, Brisbane before taking up her present position as Principal of Catherine McAuley, Westmead.

Mr Brendan Joyce (term finished November 2009)

Brendan joined the board in November 2007. He is Assistant Director of PALMS Australia, an independent Catholic volunteering agency. Brendan has served on the NSW Ecumenical Council Partnership for Development Commission. He is completing a Masters Degree in International Social Development.

Mr Paul Lentern

Paul joined the Board in April 2005. He is Assistant Principal – Dean of Mission at Mount St Benedict College, Pennant Hills. Paul was Director of Mission at Our Lady of Mercy College, Parramatta and Religious Education Co-ordinator at St Augustine's College, Brookvale. He has also worked with Catholic Mission, the Catholic Diocese of Tonga and PALMS Australia.

Sr Berice Livermore RSM

Berice was elected to the Board in November 2007 and is a member of the Sisters of Mercy, Singleton. She holds a Bachelor of Health Administration and has extensive experience administering non-profit organisations. Berice assists religious congregations with the administration of their internal affairs and ministries.

Sr Leonie O'Brien RSM (term finished November 2009)

Leonie was elected to the Board in November 2007 and is a member of the Sisters of Mercy, Perth. She has wide-ranging experience as an educator having served in teaching, leadership and administration roles. Leonie has been a member of the Board of Governors at Notre Dame University, WA.

Sr Sharon Price RSM (Secretary)

Sharon was appointed to the Board in August 2006 and is a member of the Sisters of Mercy, North Sydney. Sharon is Executive Director of the NSW Conference of Leaders of Religious Institutes. She has served on the Boards of Mercy Family Centre, the Mercy Foundation and Monte Sant' Angelo College North Sydney.

Mr Alan Schofield (Treasurer)

Alan joined the Board in August 2006 and is Bursar for the Sisters of Mercy, Grafton. He was previously Administrator of Mercy Aged Care Services Incorporated (Casino and Grafton), and has held various public hospital accounting and administrative positions. Alan holds a Masters Degree in Health Planning and a Bachelor of Commerce.

The contribution of [Sr Caroline Ryan RSM](#) (Institute Leadership Team) is acknowledged with gratitude.

Our Staff

[Sr Rosemary Carroll RSM](#), Executive Officer

[Mrs Margaret Coulter](#), Development Officer

[Sr Gaye Lennon RSM](#), Co-ordinator Offshore and Indigenous Projects (from February 2010)

[Ms Sally Macfarlane](#), Classroom Connect Co-ordinator,

[Mr David Hardie](#), Classroom Connect Co-ordinator (until January 2010), [Ms Jenny Pinson](#), Classroom Connect Co-ordinator (from January 2010)

(from January 2010)

[Ms Rhonda Nelson](#), Office Administration Assistant

[Sr Lorraine Phelan RSM](#), Classroom Connect Manager

[Sr Cathy Solano RSM](#), Community Education Officer

The assistance of [Mrs Kathy Fuller](#) (Institute Secretary),

[Ms Kay Hotschilt](#) (Volunteer Clerical Assistant) and

[Mrs Carolyn Thornber](#) (Finance Officer) is greatly appreciated.



Consolidated Income Statement			Table of Cash Movements for Designated Purposes				
<i>For the year ended 30th June 2010</i>			<i>For the year ended 30th June 2010</i>				
	2010	2009		Cash available at beginning of the year	Cash raised during the year	Cash disbursed during the year	Cash available at end of the year
	\$	\$					
Revenue							
Donations and gifts - Monetary & Non	540,753	393,131					
Bequests and Legacies - Grants							
▪ AusAID	0	0					
▪ Other Australian	0	41,127					
▪ Other Overseas	0	0					
Investment Income	24,228	40,260					
Other Income	68,098	100,857					
Total Revenue	633,079	575,375					
Expenditure							
Overseas Projects Expenditure							
▪ Funds to Overseas Projects	262,380	278,686					
▪ Other Project Costs	29,299	154,579					
Domestic Projects	136,909	(67,350)					
Community Education	57,587	53,015					
Fundraising Costs							
▪ Public	0	0					
▪ Government, multilateral, private	87,180	3,492					
Accountability and Administration	163,600	239,034					
Total Expenditure	736,955	661,457					
Excess/(Shortfall) of Revenue Over Expenditure	(103,876)	(86,081)					
No Revenue or Expenses for International Political or Religious Proselytisation Programmes were received or paid during the year. There was no non-monetary expenditure during the year.							
Balance Sheet							
<i>As at 30th June 2010</i>	2010	2009					
	\$	\$					
Assets							
Current Assets							
Cash and cash equivalents	223,642	205,753					
Trade and other receivables	4,090	1,055					
Other Financial Assets	450,000	575,000					
Total Current Assets	677,732	781,808					
Non-current Assets							
Property, plant & equipment	6,198	2,814					
Total Noncurrent Assets	6,198	2,814					
Total Assets	683,930	784,622					
Liabilities							
Current Liabilities							
Trade and other payables	18,914	15,730					
Total Current Liabilities	18,914	15,730					
Total Liabilities	18,914	15,730					
Net Assets	665,016	768,892					
Equity							
Reserves	712,243	712,243					
Retained Surplus/(Deficit)	(47,227)	56,649					
Total Equity	665,016	768,892					
No Inventories, Assets held for Sale, Investment property, Intangibles, Other non-current assets, Borrowings, Tax Liabilities, Other financial liabilities, Provisions, or Non-Current liabilities.							
Statement of Changes in Equity							
<i>For the year ended 30th June 2010</i>	Retained Surplus/(Deficit)	Reserves	Total				
Balance as at 1 July 2009	56,649	712,243	768,892				
Excess of revenue over expenses	(103,876)	0	(103,876)				
Balance as at 30 June 2010	(47,227)	712,243	665,016				
There were no other adjustments or changes in equity.							

Table of Cash Movements for Designated Purposes

	Cash available at beginning of the year	Cash raised during the year	Cash disbursed during the year	Cash available at end of the year
Papua New Guinea	80,743	99,772	126,221	54,294
Pakistan	3,582	20,359	23,942	0
Timor Leste	106,692	141,380	79,293	168,780
Kenya	3,640	25,900	29,540	0
Peru	3,439	0	0	3,439
Sudan	10,538	211	3,385	7,365
Domestic Projects	12,698	126,961	139,659	0
Total for other non-designated purposes	(15,580)	331,685	326,340	(10,235)
Total	205,753	746,268	728,379	223,642

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. Specified donations have been received for Papua New Guinea, Pakistan, Timor Leste, Kenya, Sudan and Classroom Connect.

A full copy of the audited report is tabled for the Annual General Meeting and is available to any member on request.

Mercy Works Inc. is a signatory to the Australian Council for International Development (ACFID) Code of Conduct, which defines minimum standards of governance, management, and accountability for non-government development organisations. Adherence to the Code is monitored by an independent Code of Conduct Committee elected from the NGO community. Our voluntary adherence to the Code of Conduct demonstrates our commitment to ethical practice and public accountability.

More information about the ACFID Code of Conduct can be obtained from:

ACFID, Private Bag 3,
Deakin ACT 2600
Tel (02) 6285 1816
Fax (02) 6285 1720
www.acfid.asn.au



Independent Audit Report

To the members of Mercy Works Incorporated

Scope

We have audited the summarised consolidated financial report of Mercy Works Incorporated for the twelve months ended 30 June 2010 in accordance with Australian Auditing Standards.

Audit Opinion

In our opinion, the information reported in the summarised consolidated financial report is consistent with the statutory financial reports from which it is derived and upon which we expressed an unqualified audit opinion in our report to the members which was presented to the board dated 6th day of October 2010. For a better understanding of the scope of our audit this report should be read in conjunction with our audit report on the annual statutory financial report.

Harveys Chartered Accountants

Level 3, 2 Bulletin Place
Sydney, NSW, 2000

D P Robinson
Dated 6th October 2010