

# Mercy Works Inc. Annual Report 2008-2009

## 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.



Although she was the foundress of the Sisters of Mercy, Catherine McAuley was never required to prepare an annual report on the activities and development of the Institute. However, on one occasion, she was asked to describe the origins and growth of the early Mercy foundations, and it was here that she acknowledged that “there has been a most marked Providential Guidance” in all the business of their lives.

Such has been the experience of Mercy Works Inc. in the past year, when we have been challenged yet again to strengthen the structure of the organisation and to extend its support to an ever-increasing number of needy situations in our world. The clarity of our Direction Statement continues to determine our response, even as we have taken on responsibility for new and urgent development projects both in Australia and overseas.

This growth has been made possible through a significant increase in the membership of Mercy Works Inc. and the generosity of donors throughout the country. In particular, I thank the members of the Institute Plenary Council for their generous and practical support. A wider distribution of our magazine, *The Bilum*, together with our community education programme, continues to inform people of the purpose and activities of Mercy Works Inc. and engages their practical support in our endeavours. Details of our finances and projects for this past year are available in this annual report.

Whilst I gratefully acknowledge the commitment and expertise of the Board of Mercy Works Inc., I particularly wish to thank our Executive Officer, Sister Rosemary Carroll RSM, staff and volunteers for their valued service. The Board has delighted in the new staff appointments during the past year, and we have already noted many benefits from their professional and generous contributions.

It is only through such collaborative partnerships within and without Mercy Works Inc. that we are able to continue our efforts to foster the Millennium Development Goals to free people from the shackles of extreme poverty and disease.

Mercy Works Inc. reflected on the challenge of these goals at its Annual General Meeting two years ago, and it is quite salutary to review our progress in this regard, through the annual report at this time of an unfavourable economic climate.

Whilst we have made some small progress in many of our projects, there is much more to achieve. Through our wider Mercy network, nationally and internationally, we must strengthen global co-operation and solidarity with the poor.

I trust that the opportunity to share the stories of the development projects which are presented in this report will inspire many sisters, colleagues and Mercy friends to reach out with great generosity of heart and to engage more fully with the activities of Mercy Works Inc.

*Mary Duffy*

Mary Duffy RSM  
Chair

Peter Casamento

## MILLENNIUM DEVELOPMENT GOALS



# How we are tackling global poverty

In 2000, 189 countries, including Australia, signed the Millennium Declaration which aimed to halve world poverty by 2015. This Declaration was translated into a roadmap setting out eight time-bound and measurable goals, known as the Millennium Development Goals (MDGs).

Mercy Works Inc. is committed to achieving the MDGs. This year's annual report demonstrates how the agency is tackling the MDGs through support of long-term development projects in poverty-stricken communities overseas and in Australia.



## Mercy Works PNG Project, Goroka and Mt Hagen

About 40 per cent of people in PNG live in poverty on less than \$1 a day. Life expectancy and literacy rates are low, while maternal and infant mortality rates are excessively

high. In large towns like Goroka and Mt Hagen, rapid urbanisation has contributed to an increase in unemployment, overcrowding, violence and crime.

A community development initiative of the Sisters of Mercy PNG and Mercy Works Inc., the Mercy Works PNG Project is empowering young people and their families in the Eastern and Western Highlands Provinces to address the serious problems of poverty, unemployment, domestic violence and HIV-AIDS.

Mercy Works' drop-in and referral centres at Goroka and Mt Hagen offer skill development workshops, support groups and individual advocacy and referral services. An outreach service is also available to villages outside these towns. Areas covered include human rights awareness, health education, violence prevention, parenting skills, cooking and sewing, budgeting and income-generation.



## Baldia Schools, Karachi & Mughalabad Project, Rawalpindi, Pakistan

For many children in Pakistan, their education suffers from poverty, discrimination, political instability and violence. At Baldia Town near

Karachi, a group of Hindu peasants live in slum communities or *bastis*. Here children are not accepted in government schools, but with support from Mercy Works Inc., two primary schools have been operating in the *bastis* over the last decade.

Similarly, on the outskirts of Rawalpindi, Mughalabad is a slum settlement of mostly Christian families. While St Joseph's Primary School is located nearby, many of the settlement children do not attend; helping at home or going to work takes priority. But with support from Mercy Works Inc., enrolments and attendance rates of children from Mughalabad have increased.

## Women's Leadership Project, Kiunga, PNG



For most people in PNG, opportunities for education and skill development are limited, but in PNG's very male-dominated culture, women are most affected. This

situation is exacerbated in the remote Western Province because of poor infrastructure and lack of community services.



For many children in Pakistan, their education suffers from poverty, discrimination, political instability and violence.

Stephanie Thomas/ Anila Isaac RSM



About 40 per cent of people in PNG live in poverty on less than \$1 a day.



For most people in PNG, opportunities for education and skill development are limited, but in PNG's very male-dominated culture, women are most affected.

## PROJECTS SUPPORTED BY MERCY WORKS INC. IN 2008-2009

### PACIFIC – Papua New Guinea

- Mercy Works PNG Project, Goroka and Mt Hagen



- Safe Motherhood Project, Kiunga



- Women's Leadership Project, Kiunga



- Emmaus Farm Project, Kiunga



- Education Support Project, Kiunga



- Mercy Education Project, Wewak



- HIV-AIDS Care and Counselling Project, Wewak



### SOUTH EAST ASIA – Timor Leste

- Fohorem Water Project



- Fohorem Maternal and Child Health Centre



- Feto Fitun Fohorem



- Education Support Project, Fohorem



### SOUTH ASIA – Pakistan

- Notre Dame Institute of Education, Karachi



- Baldia Schools Project, Karachi



- Mughalabad Project, Rawalpindi



### LATIN AMERICA – Peru

- Children's Dental Care & Health Education Programme, Cerro Candela, Peru



### AUSTRALIA

- Fraynetwork Indigital Music Programme, Victoria

- Classroom Connect Project, Sydney

- African Refugee Farming Project, Sydney

- Community Education (Australia-wide)

Mercy Works Inc. is partnering with the Diocese of Daru-Kiunga to implement leadership and skills training programmes for women managing the Women's Development Centre in St Gerard's Parish, Kiunga. The project is building the skills and confidence of the leaders at the centre so that they will empower other women to become leaders within their local communities.



4

REDUCE  
CHILD MORTALITY

### Maternal and Child Health Centre, Fohorem, Timor Leste

Maternal and infant mortality rates in Timor Leste remain among the highest in the Asia-Pacific region, but they are even higher in remote communities like Fohorem.

During the violence that followed the country's 1999 Independence referendum, Fohorem's hospital was extensively damaged. Now women give birth at home, sometimes with the help of a midwife, but frequently alone. Unassisted deliveries can heighten the health risks for mothers and infants.

In 2008, Mercy Works Inc. formed a new partnership with the Fohorem Health Commission, Rotary Mosman, and Mercy Health and Aged Care Central Queensland, to renovate the existing damaged hospital structure and to establish a new maternal and child health centre. This centre will provide pre and post-natal care services, thereby reducing the health risks and death rates for mothers and babies.



In PNG's Western Province, Mercy Works Inc. is helping to reduce high maternal and infant mortality rates by supporting a training programme for village birth attendants. Miriam has participated in the training programme.

AR

## REFUGEES, INDIGENOUS PEOPLES AND THE MDGs?



The Classroom Connect Project is empowering refugee students.

The MDGs do not explicitly refer to the needs of refugees, asylum seekers and Indigenous Peoples, but these groups are often particularly affected by poverty. Mercy Works Inc. believes that the interests of these groups are at the heart of each of the MDGs. In 2008-2009, Mercy Works Inc. continued its support of refugees and Indigenous communities in Australia through the Classroom Connect Project, the African Refugee Farming Project, and the Fraynetwork Indigital Music Programme.



5

### Safe Motherhood Project, Kiunga, PNG

IMPROVE MATERNAL HEALTH

In partnership with the Diocese of Daru-Kiunga, Mercy Works Inc. is helping to reduce alarmingly high maternal and infant mortality rates in the remote North Fly District

of Papua New Guinea's Western Province. Health and other community services here are very poor, but through the Safe Motherhood Project, PNG Nationals and West Papuan refugees are being trained to support women and babies within their communities.

As village birth attendants, they learn to assist in village deliveries, and, perhaps more importantly, to promote healthy pregnancies: to identify high-risk mothers and encourage them to attend clinics for antenatal screening; and to work with village leaders and husbands to refer women to the nearest health clinic or hospital if they are at risk of complicated deliveries.

Village birth attendants also provide ongoing postnatal care and support to mothers and their babies.

Stephanie Thomas/ Kitty Bealey/ Helen Nolen RSM/ Cathy Solano RSM

The Fohorem water project has improved health and living conditions significantly.



HIV-AIDS affects over 2% of PNG's population. Moanjo, with one of her three children, lives with the burden of HIV.



6

**COMBAT HIV/AIDS, MALARIA AND OTHER DISEASES**

### Mercy Works PNG Project, Goroka and Mt Hagen

PNG has the highest incidence of HIV-AIDS in the Pacific region, while malaria and tuberculosis remain the major causes of illness and death across all age groups. The Mercy

Works PNG Project, through its drop-in and referral centres and outreach programmes, provides education workshops, individual counselling and advocacy services for people living with HIV-AIDS and other diseases. Referrals are made to other health and support agencies as appropriate. A support group for people living with HIV – called MINIVAVA (which means 'hope') – operates at the Mercy Works' Goroka drop-in centre each month. Mercy Works PNG also educates the broader community about a range of health issues through a regular radio programme.

## COMMUNITY EDUCATION

Mercy Works Inc. believes that education has the potential to transform individuals and communities. The agency aims to integrate the MDGs throughout all community education endeavours. In early 2009, a full-time Community Education Officer was employed to promote the activities of Mercy Works Inc., and to facilitate awareness of global poverty and community development issues in schools, parishes and community groups.

Community education also occurs through our magazine *The Bilum*, our website [www.mercyworks.org.au](http://www.mercyworks.org.au) and other promotional materials.



Education can transform individuals and communities.



7

**ENSURE ENVIRONMENTAL SUSTAINABILITY**

### Fohorem Water Project, Timor Leste

Mercy Works Inc., in partnership with the Fohorem Water Commission and Rotary Mosman, has helped to establish a permanent and safe drinking water system in

Fohorem, a remote and mountainous area in Timor Leste's south-west. This recently completed water project is significantly improving living conditions for many villages in the area.

The health benefits are obvious, but in the process of the system being built, many people have gained skills, regular work and an income to support their families. The time women and children once spent collecting water is now being used more productively, tending to their gardens and going to school.



8

**A GLOBAL PARTNERSHIP FOR DEVELOPMENT**

### Partnerships Central to Mercy Works Inc.

By partnering with local groups, Mercy Works Inc. is able to listen to local communities and collaborate with them to create sustainable solutions to poverty and injustice.

In 2008-2009, Mercy Works Inc. formed or continued significant partnerships with Rotary Mosman and Crows Nest, NSW; Rotary Dili, Timor Leste; Fohorem Water and Health Commissions; Mercy Health and Aged Care Central Queensland; Australian Volunteers International; Caritas New Zealand; Caritas Australia; Diocese of Daru-Kiunga, PNG; Diocese of Goroka, PNG; Archdiocese of Mt Hagen, PNG; Catholic Education Office, Archdiocese of Sydney; Mamre Plains Ltd.; and Fraynetwork Indigital Centre, Melbourne.

Mercy Works Inc. extends this principle of partnership to individuals and organisations in the Australian community and beyond through its community education and fundraising activities.



## 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 the Vice-Postulator in the Oceania region for Catherine McAuley's canonisation cause.

### Sr Mary Densley RSM

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

### 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 in Brisbane, before taking up her present position as Principal of Catherine McAuley, Westmead in 2005.

### Mr Brendan Joyce

Brendan joined the board in November 2007. He is Assistant Director of PALMS Australia, an independent Catholic volunteering agency. In 2003 and 2004, Brendan worked in Bougainville at St Joseph's College, a school for ex-combatants. Since then he has travelled to Papua New Guinea and Sudan, evaluating and supporting a number of projects. Brendan has served on the NSW Ecumenical Council Partnership for Development Commission and is completing a Masters Degree in International Social Development.

### Mr Paul Lentern

Paul joined the Board in April 2005 and is currently Dean of Mission at Mount St Benedict College, Pennant Hills. Paul has worked as Director of Mission at Our Lady of Mercy College Parramatta and Religious Education Co-ordinator at St Augustine's College Brookvale. He has also held positions with Catholic Mission, the Catholic Diocese of Tonga and PALMS Australia. Paul holds a Masters Degree in Theology and a Graduate Diploma of Education.

### 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 in the administration of not-for-profit organisations. Berice now assists various religious congregations with the administration of their internal affairs and ministries.

### Sr Leonie O'Brien RSM

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. In 2000, she was invited by the Catholic Education Office of WA to work with schools to help rebuild Timor Leste's education system. Over the past 10 years, 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 currently the Executive Director of the NSW Conference of Leaders of Religious Institutes. She has served as a Board member and Chair of Mercy Family Centre and the Mercy Foundation, and as a Board member of Monte Sant' Angelo College, North Sydney.

### Mr Alan Schofield (Treasurer)

Alan joined the Board in August 2006 and is currently the 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 Degree.

The contribution of [Sr Caroline Ryan RSM](#) (from the Institute Leadership Team) and [Mr Terry Sayer](#) (retired member of the Finance Committee) is acknowledged with gratitude.

## Our Staff

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

[Ms Bridie Rothwell](#) (until January 2009) and [Ms Rhonda Nelson](#) (from March 2009) Office Administration Assistant

[Sr Cathy Solano RSM](#), Community Education Officer (from February 2009)

[Mrs Margaret Coulter](#), Development Officer (part-time from June 2009)

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

[Ms Sally Macfarlane](#) and [Mr David Hardie](#), Classroom Connect Project Co-ordinators (both part-time)

The assistance of [Mrs Kathy Fuller](#) (Institute Secretary) is greatly appreciated.



Consolidated Income Statement			Table of Cash Movements for Designated Purposes					
<i>For the year ended 30th June 2009</i>			<i>For the year ended 30th June 2009</i>					
	<b>2009</b>	<b>2008</b>		<b>Cash available at beginning of year</b>	<b>Cash raised during year</b>	<b>Cash disbursed during year</b>	<b>Cash available at end of year</b>	
<b>Revenue</b>	<b>\$</b>	<b>\$</b>						
Legacies & Bequests	0	0	Papua New Guinea	110,644	33,814	63,715	80,743	
<u>Grants</u>			Pakistan	13,297	25,346	35,060	3,582	
*AusAID	0	0	East Timor	91,757	133,851	118,916	106,692	
*Other Australian	41,127	140,454	Kenya	452	3,333	146	3,640	
*Other Overseas	0	0	Peru	900	2,648	109	3,439	
Donations & Gifts-Monetary & Non	393,131	365,308	Sudan	0	10,538	0	10,538	
Investment Income	40,260	51,110	Community Links	2,818	0	2,818	0	
Other Income	100,857	61,816	Mercy Refugee Service	13,470	0	13,470	0	
<b>Total revenue</b>	<b>575,375</b>	<b>618,688</b>	Domestic Projects	76,460	47,925	111,687	12,698	
<b>Expenses</b>			Total for other Purposes	(45,219)	285,985	256,346	(15,580)	
Overseas Projects			<b>Total</b>	<b>264,579</b>	<b>543,441</b>	<b>602,266</b>	<b>205,753</b>	
Funds to overseas Projects	278,686	251,026	The income for our programs comes from a wide variety of donors, including the Sisters of Mercy, associated ministries and Comic Relief (Classroom Connect) and other members of the public.					
Other Project Costs	154,579	41,977	Specified donations have been received for Papua New Guinea, Pakistan, East Timor, Kenya, Peru, Sudan and Classroom Connect.					
Domestic Projects	(67,350)	191,880	<b>A full copy of the audited report is tabled for the Annual General Meeting and is available to any member on request.</b>					
Community Education	53,015	44,236	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.					
<u>Fundraising Costs</u>			More information about the ACFID Code of Conduct can be obtained from Mercy Works Inc and from ACFID at:					
*Government and multilaterals	0	0	ACFID, Private Bag 3, Deakin ACT 2600 Tel (02) 6285 1816 Fax (02) 6285 1720 www.acfid.asn.au					
*Public	3,492	9,399						
Administration	239,034	88,740						
<b>Total expenses</b>	<b>661,457</b>	<b>627,258</b>						
Excess of revenue over expenses (Shortfall) from continuing operations.	(86,081)	(8,570)						
Consolidated Balance Sheet			Independent Audit Report					
<i>As at 30th June 2009</i>			<i>To the members of Mercy Works Incorporated</i>					
	<b>2009</b>	<b>2008</b>	<b>Scope</b>					
<b>Assets</b>	<b>\$</b>	<b>\$</b>	We have audited the summarised consolidated financial report of Mercy Works Incorporated for the twelve months ended 30 June 2009 in accordance with Australian Auditing Standards.					
<u>Current Assets</u>			<b>Audit Opinion</b>					
Cash and Cash Equivalents	205,753	264,579	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 9th day of September 2009. 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.					
Financial Assets	576,055	650,000	<b>HARVEYS</b>					
<u>Non current Assets</u>			<b>Chartered Accountants</b>					
Property, plant & equipment	2,814	2,202	Level 3, 2 Bulletin Place, Sydney, NSW, 2000					
Other	0	185						
<b>Total assets</b>	<b>784,622</b>	<b>916,966</b>	<b>D P Robinson</b>					
<b>Liabilities</b>			Dated this 10th day of September 2009					
<u>Current liabilities</u>								
Trade and other payables	15,730	29,509						
Provisions	0	754,253						
<u>Non current Liabilities</u>								
*Payables	0	0						
*Other	0	0						
<b>Total Liabilities</b>	<b>15,730</b>	<b>783,762</b>						
<b>Net assets</b>	<b>768,892</b>	<b>133,203</b>						
<b>Equity</b>								
Reserves	721,770	0						
Funds available for future use	47,122	133,203						
<b>Total Equity</b>	<b>768,892</b>	<b>133,203</b>						
Statement of Changes in Equity								
<i>For the year ended 30th June 2009</i>	<b>Retained Earnings</b>	<b>Reserves</b>	<b>Total</b>					
<b>Balance as at 1 July 2008</b>	133,203	0	133,203					
Excess of revenue over expenses	(86,081)	0	(86,081)					
Amount transferred (to)/from reserves	0	721,770	721,770					
<b>Balance as at 30 June 2009</b>	<b>47,122</b>	<b>721,770</b>	<b>768,892</b>					

