Chair's Report



Twenty-five years ago, the Sisters of Mercy planted a seed. They created Mercy Works as a practical expression of Catherine McAuley's charism: to walk alongside the poorest and most marginalised and make a real difference in their lives.

In 2025 we celebrated that quarter century. We gave thanks for the Sisters, our partners, donors, staff and volunteers, and the many thousands of lives touched across Australia, Papua New Guinea, Timor-Leste and the Philippines.

But anniversaries are not only for looking back.

On 24 September 2027, the Mercy family around the world will mark 200 years since Catherine McAuley opened the House of Mercy on Baggot Street in Dublin. Two centuries on, her challenge is as urgent as the day she opened that door.

And the need has rarely been greater.

Global uncertainty is touching every household. Conflict, rising costs, climate disasters and shrinking aid budgets dominate the headlines. For most of us, this means tightening our belts. For families living hand to mouth, it means choosing between food and medicine, between school fees and rent. It is a child on the streets of Port Moresby hoping for a meal and a place in a classroom, a young girl selling souvenirs on a Philippine beach when she should be at school, a refugee family in Western Sydney starting again with nothing. Those with the least are always hit first and hardest.

We cannot look away. Nor will we.

As we approach the bicentenary, Mercy Works has set itself an ambitious goal: to connect with every Australian Mercy tradition school and every Mercy institution.

Imagine what is possible. Across the Mercy family are tens of thousands of students, teachers, staff, doctors, nurses, carers and community workers. Each carries Catherine's spirit in their own way. Together, we are a formidable force for good. If we can marshal that collective goodwill, even in small and simple ways, we can change lives here at home and among our neighbours overseas.

Of course, governments must do more. But so too can we. Because if not us, then who?

Let me be clear about how we will meet this challenge. We will not chase size for its own sake. Mercy Works will remain what it has always been: small, nimble and focused. We will stay close to our partners and the communities we serve, supporting practical programs that make a lasting difference. That means livelihoods and clean water in PNG, maternal health and nutrition in Timor-Leste, healing for survivors of violence and trafficking in the Philippines, and walking with First Nations communities and refugees here in Australia.

That is who we are: the Church's quiet achievers, doing good with conviction and tenacity.

I thank the Sisters of Mercy for their enduring trust; our donors, schools, health and community partners for their generosity; our staff and volunteers for their dedication; and my fellow Board members for their wisdom and support.

Our first 25 years were a gift. The next chapter asks more of all of us. We are ready.

"The poor need help today, not next week." – *Catherine McAuley*

Joe Zabar / Board Chair

Key Project Outcomes

Throughout FY2026, Mercy Works worked alongside local partners and communities across Australia, Papua New Guinea, Timor-Leste and the Philippines to expand opportunities in education, healthcare and livelihoods, and improve access to clean water. Here are some of the year's achievements.

Overseas Projects

PAPUA NEW GUINEA

Children and Education – Port Moresby

In the first year of Mercy Works' partnership with the Archdiocese of Port Moresby, 100 children (46 girls and 54 boys) completed the equivalent of a school year through the mission's education program. Many come from families who have migrated to the city in search of a better life but cannot access formal schooling. The program provides meals, care and lessons in literacy, numeracy and English to prepare children for school enrolment. Mercy Works also supported school fees, uniforms and the construction of a toilet block.

Daru-Kiunga Livelihoods Program – Western Province

Following monitoring visits and discussions with the local team, Mercy Works concluded that the project was not achieving its intended outcomes and ended its partnership with the Diocese of Daru-Kiunga. Before the partnership ended, Mercy Works funded 12 rainwater tanks to collect and store water in the Kiunga area.

Kundiawa Partnership – Simbu Province

Mercy Works established a new partnership with the Diocese of Kundiawa, moving from a locally staffed operation to working through the Diocese. Fourteen rural primary schools received rainwater tanks and plumbing, providing access to safer water in communities where contaminated water poses serious health risks. The improvements benefited more than 3,000 children, as well as teachers and surrounding communities. Women in prison also participated in rehabilitation activities, including cooking and sewing.

PHILIPPINES

Emergency Response – Tropical Cyclones, Philippines

Following Tropical Cyclones Kalmaegi (Tino) and Fung-wong (Uwan), Mercy Works worked with the Good Shepherd Sisters to support families in Cebu and on Panay Island, Catanduanes. Emergency relief reached 533 families (1,940 people). Housing assistance reached 29 families, including 10 in Cebu and 19 on Panay Island.

Healing and Empowerment of Women and Children – Legazpi City

Through SMEIDFI and Good Shepherd Home, Legazpi, 45 women and girls affected by gender-based violence received support, including eight in residential care and 17 living with family or guardians. Eight new livelihood groups brought together 50 participants across five communities, while 35 fisherfolk received equipment, including nets and boats. Financial management and leadership training supported 40 participants. Gender-based violence awareness activities reached 700 people, and 22 community advocates received training.

PROTECT Project – Moalboal, Cebu

Launched in FY2026 by SMEIDFI through VMGSSI, PROTECT supports vulnerable children selling souvenirs in Moalboal's nightlife area, helping them and their families understand the risks and explore alternative ways to earn an income. The project reached 694 people with information about human trafficking and prostitution, 260 on gender-based violence, and 49 on children's rights and child labour. Sixteen families were identified for further assistance.

TIMOR-LESTE

Emergency Response – Ila Village, Maucatar

Landslides on 31 May and 1 June 2026 damaged 55 homes and destroyed another 21 in the Maucatar area. Responding to a request from the Hospitaller Sisters of Mercy, Mercy Works provided emergency funding to assist 43 of the worst-affected families with food, shelter materials and cooking supplies.

Health, Livelihoods and Women's Empowerment – Maucatar

More than 9,000 people benefited from health, education and livelihoods activities delivered with the Hospitaller Sisters of Mercy. Mobile clinics visited 22 remote villages, and health education was delivered in 14 schools. Two schools serving 1,499 children received water tanks. Three new savings and loans groups involved approximately 30 women, while 534 people received training in IT, catering and English.

Australian Projects

FIRST NATIONS COMMUNITIES

Baabayn Aboriginal Corporation, Mt Druitt, NSW

The Mums and Bubs program supported 81 mothers and children, providing a welcoming space for women to connect, share experiences and strengthen family and cultural ties. Activities included weaving, art and cultural activities for children, alongside woodworking classes that led to TAFE Statements of Attainment. Guest speakers also provided information on domestic violence and community services.

Kura Yerlo – Youth Connection to Country Camp, SA

Eight young people participated in a culturally safe On Country camp in March, strengthening their connections to culture, Country and community.

Nallei Jerring Leadership Program – Western Victoria

The program, delivered with the Western Bulldogs Community Foundation, supported 98 Aboriginal and Torres Strait Islander students from 15 secondary schools to strengthen their cultural identity, leadership and community connections. Six workshops were held across Ballarat and Melbourne's Inner West. All participants reported greater confidence in connecting with their community and stronger cultural knowledge.

Remote Laundries – Gunbalanya, NT

Supported in partnership with Aboriginal Investment Group, the Gunbalanya laundry completed 3,096 washing cycles in FY2026, providing free laundry facilities to help reduce the spread of scabies through clothing and bedding. The project has employed 10 local staff, with two employees completing more than 18 months of employment and maintaining 100% attendance.

Tjungu Wattyjarra (Family Together) – Adelaide, SA

The program, delivered with Aboriginal Berean Community Church Inc., supported 53 participants, providing advocacy and practical assistance to Aboriginal women in prison and following release, helping them reconnect with family, community and culture. A resource booklet was also developed to support Aboriginal families at risk of child protection intervention and children being placed with non-Aboriginal families.

REFUGEE AND ASYLUM SEEKER COMMUNITIES

Gateways to Employment – Romero Centre, Brisbane, QLD

The program supported 398 people seeking asylum through employment training and confidence-building activities, with 56 securing jobs. Fourteen employment readiness workshops recorded 159 attendances, while 48 participants attended 159 English classes. Training covered financial and digital literacy, workplace rights and job preparation. Four worksite visits and employer engagement activities also helped four people secure employment.

Know Your Rights – Sydney, NSW

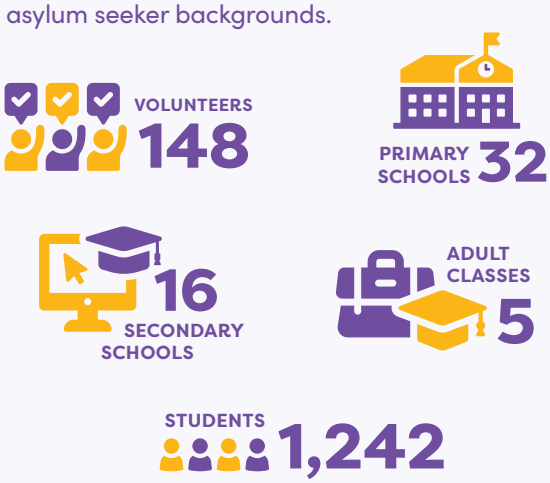
In partnership with global law firm DLA Piper, the program delivered four legal education workshops for newly arrived refugees. Thirty-eight people registered, with an average of 24 attending each session. Covering tenancy rights, Australia's legal system, starting a business and human rights, the workshops helped participants better understand their rights and responsibilities and build confidence to advocate for themselves.

My Mother and I – Afghan Women on the Move, NSW

The documentary *My Mother and I: The Untold Stories of Afghan Women,* sharing the voices and experiences of Afghan mothers and daughters living in Australia, was launched at NSW Parliament House in March 2026. A companion booklet captured additional personal stories and reflections. Together with community screenings, including an event in Blacktown attended by more than 100 people, the initiative reached 360 people.

Mercy Works Connect – NSW, VIC and WA

Provides tailored learning and mentoring support for school students and adults from refugee and asylum seeker backgrounds.



In NSW, our **MPower mentoring program** supports 15 first-year tertiary students across six educational campuses.

Reading Angels continues at St Agnes Catholic College, with 30 student volunteers helping younger students develop their literacy skills.

Financial Statements

INCOME STATEMENT

For year ended 30 June 2026

Revenue	2026 $	2025 $
Monetary Donations and Gifts		
- From Members	480,000	463,647
- From Other Parties	1,590,474	1,251,827
Grants - Other Australian	79,000	110,490
Grants - Other International	26,787	26,787
Bequests	7,000	7,995
Other Income		
Interest Received	80,642	143,505
Distribution Received from Investments	272,533	106,446
Gain on Revaluation of Investments	-	33,501
Total Revenue	**2,536,436**	**2,144,198**

Expenditure	$	$
International Aid & Development Programs Expenditure		
International Programs		
- Funds to International Programs	596,864	516,103
- Program Support Costs	139,834	91,211
Community Education	61,080	55,368
Public Fundraising Costs	103,584	80,316
Accountability and Administration	200,084	255,436
Total International Aid and Development Programs Expenditure	1,101,446	998,434
Domestic Program Expenditure (incl Monetary and Non Monetary)	834,950	749,220
Loss on Revaluation of Investments	138,321	-
Total Expenditure	2,074,717	1,747,654
Excess of Revenue Over Expenditure	461,719	396,544

STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

Assets	2026 $	2025 $
Current Assets		
- Cash and Cash Equivalent	502,839	523,714
- Trade and Other Receivables	16,051	5,919
- Financial Assets	530,898	3,114,701
- Other Assets	33,510	19,592
Total Current Assets	1,083,298	3,663,927
Non Current Assets		
- Financial Assets	4,695,881	1,699,743
- Property, Plant and Equipment	21,745	14,327
Total Non Current Assets	4,717,626	1,714,069
Total Assets	5,800,924	5,377,996

Liabilities	$	$
Current Liabilities		
- Trade and Other Payables	36,984	61,242
- Employee Benefits	64,821	74,010
- Other Liabilities	44,114	59,301
Total Current Liabilities	145,919	194,554
Non Current Liabilities		
Employee Benefits	35,901	26,057
Total Non Current Liabilities	35,901	26,057
Total Liabilities	181,820	220,611
Net Assets	5,619,104	5,157,385

Equity	$	$
Retained Surplus	5,619,104	5,157,385
Total Equity	5,619,104	5,157,385

STATEMENT OF CHANGES IN EQUITY

For year ended 30 June 2026

	Retained Earnings	Reserves	Other
Balance as 1 July 2025	5,157,385	-	-
Excess of Revenue over Expenses	461,719	-	-
Balance as 30 June 2026	**5,619,104**	**-**	**-**

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, Philippines, Mercy Works Connect and other domestic projects.

Obligations for projects carried forward to FY27 are adequately covered by cash and cash equivalents. These funds have been directed towards the retained earnings and will be used to fund future projects.

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. https://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: https://mercyworks.org.au/who-we-are/annual-reports-financial-statements/

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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 2026, 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 2026.

We expressed an unmodified audit opinion on that special purpose financial report in our report dated 5 November 2026. 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 relevant Australian Accounting Standards. 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 2026 are consistent, in all material respects, with that audited financial report.

NOT FOR PROFIT ACCOUNTING SPECIALISTS
KESWICK SA 5035

Ian Mostert CPA
Registered Company Auditor No 539768

Dated: 10 November 2026

CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

Liability limited by a scheme approved under Professional Standards Legislation.

Who We Are

Thank you to our Members, Board, standing committee members and staff for the time, care and expertise they bring to Mercy Works. Each contributes to our work alongside communities in Australia and the Asia-Pacific region.

OUR BOARD



Joseph Zabar
Board Chair /
Finance, Risk and Audit Committee Member



Michael Cuzic
Board Member /
Finance, Risk and Audit Committee Chair



Francis Elvey
Board Member /
Program Committee Chair



Andrew Burke
Board Member /
Finance, Risk and Audit Committee Member



Steven Collins
Board Member /
Program Committee Member



Catherine Glenister
Board Member /
Program Committee Member



Jenny Howard
Board Member /
Finance, Risk and Audit Committee Member



Berneice Loch rsm
Board Member



Fiona McKenzie
Board Member /
Finance, Risk and Audit Committee Member



Margaret Scroope rsm
Board Member



Kerrie Walshaw
Board Member /
Program Committee Member

OUR MEMBERS

Karon Donnellon rsm
Leader, ISMAPNG

Elizabeth Moloney rsm
Institute Vicar, ISMAPNG

Duyen Thi My Nguyen rsm
Institute Councillor, ISMAPNG

Theresia Tina rsm
Institute Councillor, ISMAPNG

Margaret Madden rsm
Institute Councillor, ISMAPNG

Peta Goldburg rsm
Leader, Sisters of Mercy Brisbane

Margaret Jones rsm
Leader, Sisters of Mercy Parramatta

OUR STANDING COMMITTEE MEMBERS

Board Directors' committee roles are listed under Our Board.

Finance, Risk and Audit Committee

Chris Bisset
Peter Brown
John McIntosh
Patricia Monemvasitis

Program Committee

Rebecca Bromhead
Bernard Dobson
Jim Hanna
Renae Lowry

OUR STAFF

Sally Bradley rsm
Executive Director

Martin Binoj
Company Secretary / Finance Manager

Katherine Cooney
Mercy Works Connect Coordinator – VIC

Danielle Hayes
Fundraising and Marketing Manager

Nancy Hourani
Mercy Works Connect Coordinator – WA

Kim Lee
Project Manager

Andrew Lowry
Head of Programs

Sandra Marreiros
Finance and Administration Officer

Katrina Richardson
Grants Coordinator

Paul Taylor
Mercy Works Connect Coordinator – NSW