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MERCY WORKS LIMITED
ABN 37 147 042 466

FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED
30 JUNE 2026

The following financial statements have been prepared in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012, and the presentation and disclosure requirements set out in the ACFID Code of Conduct. For further information on the Code please refer to the ACFID website, www.acfid.asn.au.

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MERCY WORKS LIMITED
FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

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General information

The consolidated financial report covers Mercy Works Limited (Company), two trust funds, The Sisters of Mercy Overseas Aid Fund and The Australian Mercy Works Charitable Trust, and MWLPNG Limited. The financial report is presented in Australian dollars, the functional and presentation currency of the Company.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

The Company is a not-for-profit unlisted public company limited by guarantee. It is a registered charity with the Australian Charities and Not-for-Profits Commission, incorporated and domiciled in Australia. Its registered office and principal place of business are located at:

6 Victoria Road
PARRAMATTA NSW 2150

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MERCY WORKS LIMITED
DIRECTORS' REPORT

The Directors present their report together with the consolidated financial statements of the Group, comprising of Mercy Works Limited (Company), two Trust Funds, The Sisters of Mercy Overseas Aid Fund and The Australian Mercy Works Charitable Trust, and MWLPNG Limited, for the year ended 30 June 2026.

DIRECTORS

The following persons were Directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Name	Appointment/ Resignation
Mr. Joseph Zabar	
Mr. Francis Elvey	
Mr. Steven Collins	
Ms. Catherine Glenister	
Ms. Kerrie Walshaw	
Mr. Michael Cuzic	
Mr. Andrew Burke	
Sr. Berneice Loch RSM	
Sr. Margaret Scroope RSM	
Ms. Jenny Howard	Appointed on 26 November 2025
Ms. Fiona McKenzie	Appointed on 26 November 2025

PRINCIPAL ACTIVITY

The principal activity of the Group during the year were to support local relief and development activities that are part of the vision and mission of the Sisters of Mercy across Australia, Papua New Guinea, Philippines and Timor Leste.

The programs engage partnerships with communities to promote justice, self-reliance and to support displaced people and communities who are denied access to basic resources such as education, health care and social welfare.

These programs strongly endorse the principles of freedom, mutual respect, participation and protection of the rights and responsibilities of all. No significant changes in the nature of these activities occurred during the year.

SHORT-TERM AND LONG-TERM OBJECTIVES AND STRATEGIES

The Group’s objective and purpose is to work in partnership with local community organisations to support the most vulnerable, both within Australia and elsewhere in the Asia Pacific region, with a particular focus on women and children. The programs and partnerships strive to build capacity and self-reliance and to foster environmental sustainability which emphasises the values of Mutuality, Integrity, Compassion and Justice.

The Group operates at all times as part of the mission of the Catholic Church in conformity with canon law and in strict conformity with the ethical framework of the members as determined, in fidelity to the teachings and example of Christ and the teachings of the Catholic Church, from time to time by the members.

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INFORMATION ON DIRECTORS

Mr. Joseph Zabar	Board Chair and Nomination Committee Member
Experience	Joe is Principal of his consulting business specialising in charity regulation, social and economic policy and governance. He has some three decades of experience across the not for profit, public and international development sector. Joe brings a depth of knowledge and understanding of the role faith-based charities play in delivering services to the poor and vulnerable both in Australia and overseas as well as their value in advocating for social justice.
Ms. Jenny Howard	Board Member (appointed on 26 November 2025), Finance, Risk & Audit Committee Member
Experience	Jenny has a varied career over 30 years in education, government social reform and community service with extensive experience in leadership roles driving change, social justice advocacy, program reform, community engagement and policy work involving multi-million dollar government investment. A key strength she brings to all aspects of her work is leveraging her deep network in government, multicultural and Aboriginal communities locally and across NSW.
Mr. Francis Elvey	Board Member, Program Committee Chair, Nominations Committee Member
Experience	Frank has many years of community development experience, primarily in Asia and the Pacific, including eight years living and working in Timor-Leste and four years based in Hong Kong, as well as earlier work with refugees in Australia and overseas. He has held senior regional management roles with both Caritas and Oxfam. Frank also has a background in theology and philosophy, including a focus on social justice and Catholic Social Teaching.
Ms. Catherine Glenister	Board Member, Program Committee Member
Experience	Catherine has worked in Catholic Education for over 35 years, the last decade in Mercy Education. Her experience includes establishing a number of programs and curriculum. She has a background in educational leadership and community building. As Justice Leader, Catherine developed and implemented a variety of justice programs within the school and broader community, developing rich connections with people seeking asylum and Indigenous communities. She maintains strong relationships between the school and community groups, including, the Mercy Hub, Young Mercy Links, and the Hope Co Op. Currently Catherine is Program Assistant at Marist Youth Ministry Melbourne.
Mr. Steven Collins	Board Member, Program Committee Member
Experience	Steven is a strategy and stakeholder engagement specialist, dealing particularly in First Nations issues with a track record facilitating complex discussions to achieve positive outcomes for all parties involved. Steven also brings a wealth of experience in understanding and engaging with government.

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INFORMATION ON DIRECTORS (cont.)

Ms. Kerrie Walshaw	Board Member, Program Committee Member
Experience	Kerrie has worked in a range of executive roles in tertiary education, local government and the corporate sector mainly in the areas of human resources, organisational development and corporate strategic planning. She has also consulted with clients such as TAFE, local councils, AusAid and Western Sydney University. Since 2007 Ms Walshaw has been Chair of Board of Our Lady of Mercy College Parramatta and also served for 12 years (2009-21) on the Board of Association of Independent Schools (AIS).
Sr. Margaret Scroope RSM	Board Member
Experience	Margaret has spent many years in Catholic education as a teacher, principal, consultant and teacher educator. Many of those years were spent in low socio-economic towns and suburbs including The Kimberly and PNG. Margaret spent some years in Administration at Mercy International, Dublin where she had to opportunity to experience the richness of Mercy based ministries across the world. A passion for justice and for a rich education for all children motivates her involvement in Mercy Works.
Sr. Berneice Loch RSM	Board Member
Experience	Berneice was a secondary teacher of Science, Maths and Religion. She has many years of involvement in Governance including 16 years as Congregation/institute leader which gave her the role of Chair of the Members in as many as 24 Companies Limited by Guarantee. She has been a Director, a CEO and a Company Secretary. Berneice was one of the persons responsible for setting up Mercy Partners and gaining Papal approval for it as a Public Juridical Person. She continues to take a strong interest in Governance of faith based organisations.
Mr. Michael Cuzic	Board Member, Finance, Risk & Audit Committee Chair and Nominations Committee Member
Experience	Michael is a Fellow of the Institute of Chartered Accountants in ANZ and initially started his career as an Auditor at Deloitte. He has spent over 30 years in Senior financial positions including CFO and Finance Director positions. His specialist experiences are in Education, NFP, Recruitment and Healthcare.
Mr. Andrew Burke	Board Member, Finance, Risk & Audit Committee Member
Experience	Andrew is a senior executive public servant with extensive experience within local, state and federal governments. Across his career, Andrew has worked across a range of policy areas from the delivery of critical health and education services on Norfolk Island to overseeing the implementation of the Queensland Government's Memorandum of Understanding with the Government of Papua New Guinea. Andrew holds a Bachelor of Commerce, Masters of Politics and Policy and is a Graduate of Australian Institute of Company Directors.

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MERCY WORKS LIMITED
DIRECTORS' REPORT (cont.)

INFORMATION ON DIRECTORS (cont.)

Ms. Fiona McKenzie Board Member (appointed on 26 November 2025), Finance, Risk & Audit Committee

Experience

Fiona is a highly experienced senior executive and governance leader with more than 20 years' experience in the not-for-profit sector. She currently serves as Head of Customer Service, Customer Risk and Governance at Uniting NSW.ACT, where she provides strategic leadership across customer service, risk management, governance, complaints management, digital transformation and Board reporting. Fiona brings extensive expertise in risk, compliance, financial oversight and organisational transformation, together with a strong commitment to equity, inclusion and service excellence. Her experience includes supporting large and diverse communities through the oversight of complex service delivery operations that engage thousands of clients and employees each day.

MEETINGS OF DIRECTORS

The number of meetings held by the Company's Board of Directors from the start of the financial period to the date of this report, and the number of meetings attended by each director were:

Name	Number eligible to attend	Number attended
Mr. Joseph Zabar	5	5
Ms. Kerrie Walshaw	5	4
Ms. Catherine Glenister	5	4
Mr. Francis Elvey	5	4
Mr. Michael Cuzic	5	5
Mr. Steven Collins	5	3
Mr. Andrew Burke	5	4
Sr. Berneice Loch RSM	5	5
Sr. Margaret Scroope RSM	5	4
Ms. Jenny Howard	2	2
Ms. Fiona McKenzie	2	2

GOVERNANCE PROCESS

The process is governed by the Board of Directors and Executive Management. The Board has two standing committees (Program Committee and Finance, Risk and Audit Committee). The Group regularly prepares reports for Board review that compare the income and expenditure within that period and year to date, against budgeted figures. Any variations between the budgeted and actual figures are reviewed and comments / reasoning are stated and if necessary appropriate actions are taken by management.

AUDITORS INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not-for-Profits Commission Act 2012* is set out on the next page.

This report is made in accordance with a resolution of Directors.

On behalf of the Directors;

Joseph Zabar

Joseph Zabar

05 November 2026

Date:

MERCY WORKS LIMITED
AUDITOR'S INDEPENDENCE DECLARATION
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

To the Directors of Mercy Works Limited

I declare that to the best of my knowledge and belief, in relation to the audit of Mercy Works Limited for the year ended 30 June 2026 there have been:

i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

ii) no contraventions of any applicable code of professional conduct in relation to the audit.

NOT FOR PROFIT ACCOUNTING SPECIALISTS
KESWICK SA 5035



Ian Mostert CPA
Registered Company Auditor No. 539768

5 November 2026
Dated:

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MERCY WORKS LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	2026 $	2025 $
REVENUE			
Monetary Donations and Gifts			
From Members		480,000	463,647
From Other Parties		1,590,474	1,251,827
Total Monetary Donations and Gifts		2,070,474	1,715,474
Bequests and Legacies		7,000	7,995
Non-Government Grant Income			
Australian		79,000	110,490
International		26,787	26,787
Total Non-Government Grant Income		105,787	137,277
TOTAL REVENUE		2,183,261	1,860,746
OTHER INCOME			
Interest Received		80,642	143,505
Distributions Received from Investments		272,533	106,446
Net Gain on Revaluation of Investments		-	33,501
TOTAL REVENUE & OTHER INCOME		2,536,436	2,144,198
EXPENDITURE			
International Aid and 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 Programs Expenditure		834,950	749,220
Not Loss on Revaluation of Investments		138,321	-
TOTAL EXPENDITURE	3	2,074,717	1,747,654
SURPLUS FOR THE YEAR		461,719	396,544
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		461,719	396,544

The accompanying notes form part of these financial statements

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MERCY WORKS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Note	2026 $	2025 $
CURRENT ASSETS			
Cash & Cash Equivalents	4	502,839	523,714
Trade & Other Receivables	5	16,051	5,919
Financial Assets	6	530,898	3,114,701
Other Assets	7	33,510	19,592
TOTAL CURRENT ASSETS		1,083,298	3,663,927
NON-CURRENT ASSETS			
Financial Assets	6	4,695,881	1,699,743
Property, Plant & Equipment	8	21,745	14,327
TOTAL NON-CURRENT ASSETS		4,717,626	1,714,069
TOTAL ASSETS		5,800,924	5,377,996
CURRENT LIABILITIES			
Trade & Other Payables	9	36,984	61,242
Provisions	10	64,821	74,010
Other Liabilities	11	44,114	59,301
TOTAL CURRENT LIABILITIES		145,919	194,554
NON-CURRENT LIABILITIES			
Provisions	10	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		5,619,104	5,157,385

The accompanying notes form part of these financial statements

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MERCY WORKS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Retained Earnings $
BALANCE AS AT 1 JULY 2024	4,760,841
Surplus for the Year	396,544
BALANCE AT 30 JUNE 2025	5,157,385
BALANCE AS AT 1 JULY 2025	5,157,385
Surplus for the Year	461,719
BALANCE AT 30 JUNE 2026	5,619,104

The accompanying notes form part of these financial statements

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MERCY WORKS LIMITED
STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	2026 $	2025 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from Donations, Grants & Bequests		2,157,943	1,782,451
Interest Received		80,642	143,505
Investment Distribution Received		272,533	106,446
Payments to Suppliers & Employees		(1,971,615)	(1,685,413)
NET CASH FLOWS FROM OPERATING ACTIVITIES	12	539,503	346,989
CASH FLOWS FROM INVESTING ACTIVITIES			
Net Acquisition of Financial Assets		(550,658)	(516,632)
Acquisition of Property, Plant & Equipment		(9,720)	(9,720)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(560,379)	(526,352)
NET INCREASE/(DECREASE) IN CASH HELD		(20,875)	(179,363)
CASH AT BEGINNING OF THE FINANCIAL YEAR		523,714	703,077
CASH AT END OF THE FINANCIAL YEAR	4	502,839	523,714

The accompanying notes form part of these financial statements

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MERCY WORKS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

1. CORPORATE INFORMATION

The financial statements of Mercy Works Limited (Company), for the year ended 30 June 2026 were authorised for issue in accordance with a resolution of the Directors on 04 November 2026.

The Company is a not-for-profit unlisted public company limited by guarantee and is incorporated and domiciled in Australia.

2. STATEMENT OF MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation

The Board has prepared the financial report on the basis that the Company is not a reporting entity as there are unlikely to exist users who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this financial report is a special purpose financial report, which has been prepared for use by the Directors and Members of the Company in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the requirements set out in the Australian Council for International Development (ACFID) Code of Conduct. For further information on the Code, please refer to the ACFID website at www.acfid.asn.au.

The Company is a not-for-profit entity for the purpose of preparing the financial statements.

The consolidated financial report covers Mercy Works Limited, two trust funds, The Sisters of Mercy Overseas Aid Fund and The Australian Mercy Works Charitable Trust, and MWLPNG Limited (together referred to as the 'Group'). The trust funds are registered in Australia and MWLPNG Limited is an unlisted public company limited by guarantee, incorporated in Australia.

These financial statements are presented in Australian dollars ($), and have been prepared in accordance with the disclosure requirements of paragraphs 189-192 and 197-203 of AASB 1060 General Purpose Financial Statements – Simplified Disclosures, and the following Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB):

AASB 101 Presentation of Financial Statements
AASB 107 Statement of Cash Flows
AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1048 Interpretation and Application of Standards
AASB 1054 Australian Additional Disclosures

No assessment has been made to identify if there are any material accounting policies applied and disclosed in these financial statements that do not comply with all the recognition and measurement requirements in Australian Accounting Standards. Further, no assessment has been made to identify whether or not the financial statements overall comply with all the recognition and measurement requirements in the Australian Accounting Standards.

These financial statements do not conform with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

The financial report has been prepared on an accrual basis and is based on historical cost, except for certain non-current financial assets that are measured at fair value as described in the accounting policies.

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2. STATEMENT OF MATERIAL ACCOUNTING POLICIES (cont.)

a) Basis of Preparation (cont.)

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

b) Foreign Currency Translations and Balances

Transactions in foreign currencies of the company are translated into functional currency at the rate of exchange ruling at the date of the transaction. Foreign currency monetary items that are outstanding at the reporting date are translated using the spot rate at the end of the financial year. All resulting exchange differences arising on settlement or re-statement are recognised as revenues and expenses for the financial year.

c) Revenue Recognition

Revenue arises from donations, bequests & legacies, grants, interest received and distributions from investments.

All revenue is stated at the amount net of goods and services tax.

Donations, Bequests & Legacies

Donations, bequests & legacies are recognised as revenue when received, unless the donor have prescribed within an agreement, the manner in which the funds are to be used, whereby the revenue is recognised once the donor's requirements have been met. Deferred income is reported as other liabilities in the statement of financial position.

Grant Income

Revenue from grant income is recognised once the obligations prescribed by the underlying grant agreement have been met.

Interest Received

Interest revenue is measured in accordance with the effective interest method.

Distributions from Investments

Distributions received from investments are recognised when the right to receive a distribution has been established.

d) Income Tax

The Group is exempt from income tax pursuant to the *Income Tax Assessment Act 1997* .

e) Goods & Services Tax (GST)

Revenues, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

f) Cash & Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash which are subject to an insignificant risk of change in value.

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2. STATEMENT OF MATERIAL ACCOUNTING POLICIES (cont.)

g) Deferred income

Deferred income represents funds received for specific projects which have not been expended in the current financial year.

h) Financial Assets

Managed portfolio investments are initially recognised at cost and subsequently measured at fair value at the end of each reporting period. Fair value is determined by reference to the market value of the underlying investments at the reporting date. Changes in fair value are recognised in profit or loss as they arise.

i) Property, Plant & Equipment

Property, plant and equipment with a cost exceeding $1,500 are capitalised and recorded as fixed assets. Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation

The depreciable amounts of all fixed assets are depreciated over their useful lives commencing from the time the asset is held ready for use. Assets are depreciated on a diminishing value basis.

Class of Fixed Asset	Depreciation Rates
Computer Equipment	25%

j) Employee Entitlements

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

The provision for long service leave represents the estimated amount payable to employees for services provided up to the reporting date. Entitlements are determined in accordance with the Long Service Leave Act 1955 (NSW) and are measured using employees' remuneration rates at the end of the reporting period. The liability is measured on an undiscounted basis.

In addition to traditional long service leave obligations, the Group pays portable long service leave levies for eligible employees, which are expensed as incurred.

k) Significant Accounting Judgement, Estimates & Assumptions

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

There are no estimates or judgements which have the risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

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MERCY WORKS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

		2026	2025
		$	$
3.	**EXPENDITURE**		
	Included in total expenditure are the following:		
	Employee Benefits, including Ministerial Stipends	827,783	854,967
	Depreciation	2,302	4,611
	Auditor Remuneration Paid & Payable		
	Audit Fees	12,500	11,800
	Preparation of Financial Statements	2,500	2,500
	Total Auditor Remuneration Paid & Payable	15,000	14,300
4.	**CASH & CASH EQUIVALENTS**		
	Cash on Hand	138	138
	Cash at Bank	502,701	523,576
		502,839	523,714
5.	**TRADE & OTHER RECEIVABLES**		
	Other Receivables	77	77
	Accrued Interest	7,165	769
	GST Receivable	6,809	5,073
	Debtors	2,000	-
		16,051	5,919
6.	**FINANCIAL ASSETS**		
	Current		
	Term Deposit	530,898	300,000
	Fixed Interest Deposit	-	2,814,701
		530,898	3,114,701

The fixed interest deposit held with Institute Property Association Limited (IPAL) matured during the financial year ended 2026 and was redeemed. The proceeds were subsequently reinvested into the CCI Catholic Values Trust and CCI Income Trust.

	Non-Current		
	Income Trust	1,919,096	-
	Catholic Values Trust	2,776,785	1,699,743
		4,695,881	1,699,743

The investments are managed by SG Hiscock & Company Limited and are measured at fair value as at 30 June 2026.

7.	**OTHER ASSETS**		
	Portable Long Service Leave Reimbursement	8,200	-
	Prepayments	25,310	19,592
		33,510	19,592

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MERCY WORKS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

		2026 $	2025 $
8.	**PROPERTY, PLANT & EQUIPMENT**		
	Computer Equipment		
	At Cost	54,015	44,295
	Accumulated Depreciation	(32,270)	(29,968)
		21,745	14,327
9.	**TRADE & OTHER PAYABLES**		
	Trade Creditors	13,160	27,220
	Other Payables	6,585	13,887
	Accrued Expenses	17,239	20,135
		36,984	61,242
10.	**PROVISIONS**		
	Current		
	Provision for Annual Leave	64,821	74,010
	Non-Current		
	Provision for Long Service Leave	35,901	26,057
11.	**OTHER LIABILITIES**		
	Deferred Income	44,114	59,301
12.	**CASH FLOW INFORMATION**		
	Reconciliation of operating surplus for the year to net cash flow from operating activities		
	Operating Result	461,719	396,544
	Non-cash Flows in Operating Result:		
	Depreciation	2,302	4,611
	Net Loss/(Gain) on Revaluation of Investment	138,321	(33,501)
	Changes in Assets & Liabilities:		
	(Increase)/Decrease in Trade & Other Receivables	(10,132)	(2,064)
	(Increase)/Decrease in Other Assets	(13,918)	799
	Increase/(Decrease) in Trade & Other Payables	(24,258)	25,674
	Increase/(Decrease) in Other Liabilities	(15,187)	(76,231)
	Increase/(Decrease) in Provisions	655	31,157
	Cash Flows from Operating Activities	539,503	346,989

13. MEMBERS GUARANTEE

Mercy Works Limited (Company) is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $5 each towards meeting any outstanding obligations of the Company. At 30 June 2026, the Company had 7 members (2025: 7). The combined total amount that members of the Company would be liable to contribute if the Company wound up is $35 (2025: $35).

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14. RELATED PARTY TRANSACTIONS

The Group's related parties is its key management personnel.

Key management personnel of the Company include the Executive Director, Finance Manager, and the Directors.

The Directors serve in an honorary capacity and receive no compensation for their services other than reimbursement of expenses incurred in relation to their capacity as Directors.

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MERCY WORKS LIMITED
DIRECTORS' DECLARATION

In the Directors' opinion:

1. the attached consolidated financial statements and notes thereto give a true and fair view of the financial position of the Group on 30 June 2026 and of its performance for the financial year ended on that date;

2. the attached financial statements and notes thereto comply with the Australian Charities and Not-for-profits Commission Act 2012, the Accounting Standards as described in note 2 to the financial statements, the Australian Charities and Not-for-profits Commission Regulations 2022 and other mandatory professional reporting requirements; and

3. there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to *section 60.15 (2) of the Australian Charities and Not-for-profits Commission Regulations 2022* .

On behalf of the Directors:

Joseph Zabar

Joseph Zabar

05 November 2026

Date:

1300 123 637 • enquiries@nfpas.com.au • www.nfpas.com.au

INDEPENDENT AUDITOR'S REPORT TO THE BORAD OF MERCY WORKS LIMITED

Auditor's Opinion

We have audited the special purpose financial report of Mercy Works Limited, comprising the statement of financial position as at 30 June 2026, the statement of changes in equity, statement of profit or loss and other comprehensive income and statement of cash flows for the year then ended, notes comprising a summary of material accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the financial report of Mercy Works Limited has been prepared in accordance with the requirements of Division 60 of *the Australian Charities and Not-for-profits Commission Act 2012*, and the requirements of the *ACFID Code of Conduct*, including:

- giving a true and fair view of the registered entity's financial position as at 30 June 2026 and of its performance for the year ended on that date; and
- complying with the Australian Accounting Standards to the extent described in Note 2, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the entity in accordance with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The Board Members of the entity are responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2026 but does not include the financial report and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial report does not cover the other information, and accordingly, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we will communicate the matter to the Board Members.

The Responsibility of the Board Members for the Financial Report

The Board Members of the entity are responsible for the preparation and fair presentation of the financial report, and have determined that the financial report has been prepared in accordance with the Australian Accounting Standards prescribed in Note 2 to the financial statements and that the accounting policies used and described in Note 2 to the financial statements, which form part of the financial report, are appropriate to meet the financial reporting requirements of the members, the *ACFID Code of Conduct*, and the *Australian Charities and Not-for-profits Commission Act 2012*. The Board Members' responsibility also includes such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board Members are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board Members either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so. The Board Members are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Committee website at: http://www.auasb.gov.au/Home.aspx. This description forms part of our auditor's report.

Basis of Accounting and Restriction and Distribution of Use

Without modifying our opinion, we draw attention to the fact that the financial report is prepared to assist Mercy Works Limited to comply with the financial reporting provisions of *the Australian Charities and Not-for-profits Commission Act 2012* and the *ACFID Code of Conduct*, as a result, the financial report may not be suitable for another purpose.

NOT FOR PROFIT ACCOUNTING SPECIALISTS
KESWICK SA 5035



Dated: 5 November 2026

Ian Mostert CPA
Registered Company Auditor No 539768