

2017-2018

# LOVE MERCY

ANNUAL OPERATIONS REPORT







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# HIGHLIGHTS



SEED LOANS ISSUED  
TO 13,800  
FAMILIES



AN ADDITIONAL 800  
SEED LOANS SUPPLIED  
ABOVE OUR GOAL OF  
13,000



6227 PATIENTS  
TREATED AT KHC



INDEPENDENT IMPACT  
ASSESSMENT SHOWS  
CENTS FOR SEEDS  
PROGRAM IMPROVES  
WELL-BEING



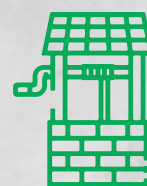
OVER 1000  
WOMEN RECEIVED  
ANTENATAL CARE



PATIENT COUNT AT  
KHC DOUBLED SINCE  
LAST FINANCIAL YEAR



223 BABIES BORN



A NEW WATER WELL  
DRILLED AND 3  
REPAIRED



INCREASED DONOR  
CONTRIBUTIONS BY 23%



OVER  
\$824,000  
RAISED

“BEFORE THE PROGRAM LIFE WAS VERY DIFFICULT – WE  
WERE LIVING IN CAMPS AND RELYING ON THE GOVERNMENT  
FOR FOOD. NOW I ENJOY FARMING AND I CAN COOK FOR  
MY FAMILY. THE BEANS ARE SO DELICIOUS. MY LIFE IS  
COMPLETELY DIFFERENT NOW”

SUNTA, BARR VILLAGE.





# SUPPORTING US EVERY STEP OF THE WAY

THANK YOU TO OUR DONORS AND PARTNERS WHO  
HELP MAKE THIS LIFE CHANGING WORK A REALITY.

Achon Uganda Children's Fund  
Ascent Foundation  
Athletics Australia  
Distraction at Gynea  
Fortnum Foundation  
Haslin Construction  
Holding Redlich  
Huber Social  
Lexicon  
Lily Anne Jewelry  
Macourt Family Foundation  
Macquarie Foundation  
Shire Accounting  
Syngenta  
Pop-Up Kindness  
The Big Table  
The Conference Room  
The First Hello

The Great State  
The Horse  
The Paper Fox  
The Rotary Club of Berry  
The Running Movement  
The Wanderers  
The Wolfpack Mrs  
Thrive Community Church  
Two Sides Accounting  
Ultimo Public School  
Waislitz Foundation  
Water for Africa  
Wavelength

And our many private individual donors and  
family foundations without whom we would  
not have had this year's incredible impact.





## MESSAGE FROM THE FOUNDER

2017-18 marked a significant year for Love Mercy. The enormous ongoing need in untouched areas of Uganda, coupled with the relentless ambition of our team, means we often don't slow down long enough to celebrate. On reflection however, in terms of impact, I believe the past 12 months have been our most significant yet.

With the establishment of a temporary maternity space at Kristina Health Centre, our midwives have delivered over 220 healthy babies since September 2017. That's over 200 lives that have been given a greater chance right from their very first breath.

Our new partnership with Water for Africa and fundraising for repairing and drilling new water wells in areas of need has also been a highlight and we have been overwhelmed by your support in getting behind these campaigns. This is significant because people in these communities now have access to clean water as opposed to walking long distances to gather contaminated water. Eventually, and with your continued support, we hope these water sources may contribute to irrigation for cropping in future.

This year Love Mercy collaborated with Huber Social to measure the impact of the Cents for Seeds program and this proved a valuable investment. The results gave us great confidence that the program is making a real difference to the sustainable future of people in Uganda, and all for \$30 contributions! We are excited about the

impact Cents for Seeds has had and will have in years to come.

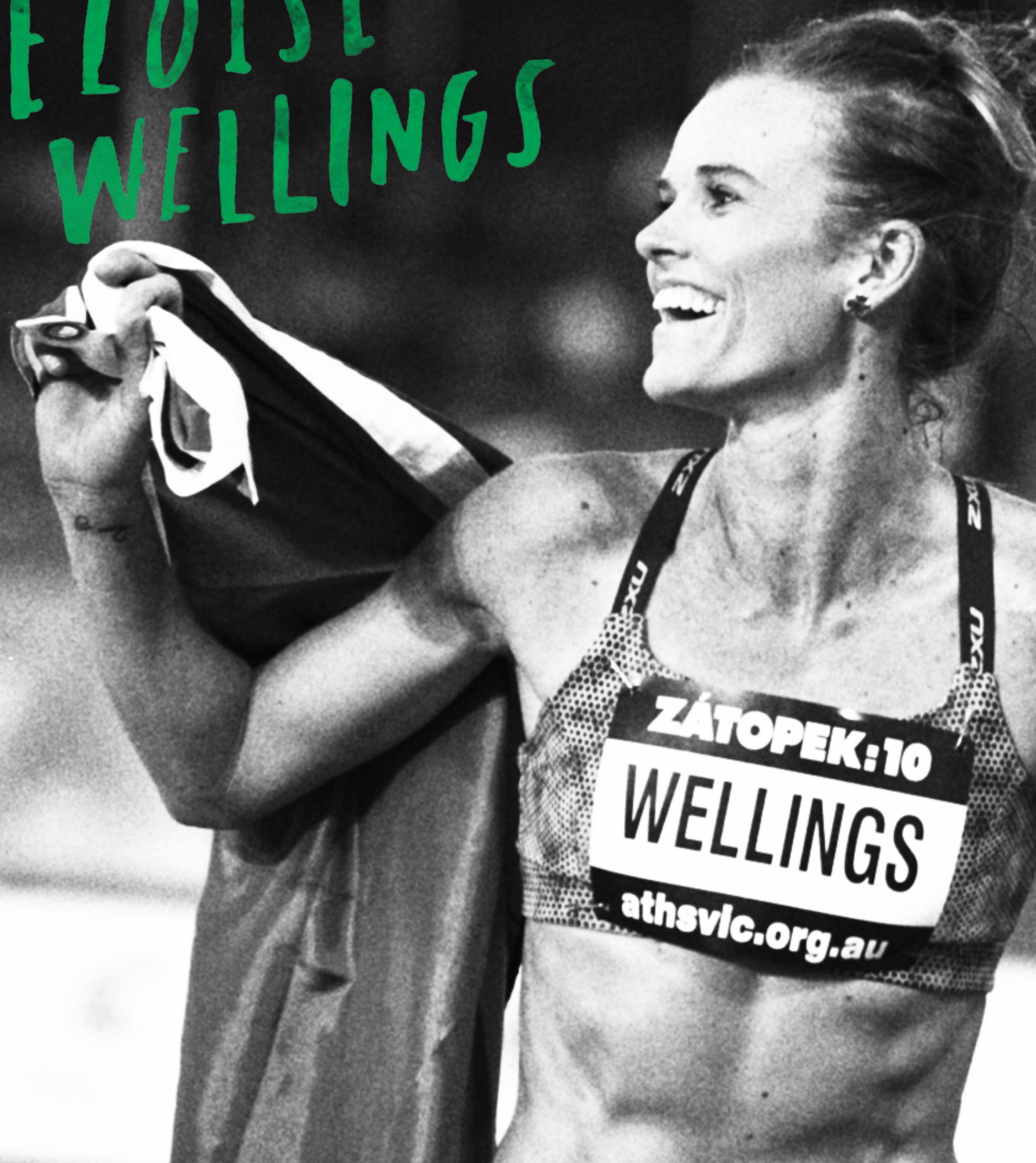
On a personal note, I want to thank every one of you who stands alongside us. I want to honour all of you. I want you to know that we take no donation lightly and that every amount is significant in what it represents to us and to our friends in Uganda. I want you to know that we will keep striving to bring you the stories of change from your generous support. I want you to know that your generosity is felt and celebrated. I want you to know that the impact of your generosity lies in the offering of hope to someone that you may never meet but your gift has literally changed the course of their life. And finally, I want you to know that we are committed to continue making things right in this part of the world. We are here for the long haul and we have a 'whatever it takes' resolve.

To quote our Co-Founder Julius Achon and ultimately who's story inspired and continues to inspire all of this... 'We do all of this because we believe that one humble person can make a difference'.

I think we are beginning to see what a collective movement of humble people can achieve... and we are so glad you have decided to join us.

**ELOISE WELLINGS**

# ELOISE WELLINGS





# LOVE LOVE LOVE



## MESSAGE FROM THE CHAIR KATIE ROSSER

It is a pleasure to present this Annual Report which offers a wonderful opportunity to reflect on the enormous successes of the 2017-18 financial year. I offer my heartfelt thanks to every single one of you who contributed to the Love Mercy journey, to empowering Northern Ugandan communities to overcome poverty.

When I took on the role of Chair in November 2017, I felt strongly that Love Mercy Foundation was at a real tipping point and it has been fantastic to see the continued growth and success of our Foundation as we step into the next season.

I would like to acknowledge and congratulate our CEO, Caitlin Barrett, whom we are blessed to have leading our team. One major achievement was to exceed the financial target set by the board for this financial year: set at \$700,000, Love Mercy raised \$824,000 in revenue from a variety of sources. During the year Caitlin was also awarded the Waislitz Global Citizen Youth Innovation Award bringing additional substantial funds, increased recognition and new networks to Love Mercy. This is an incredible achievement for Caitlin of which the Board is very proud.

At the start of this financial year, the Board's strategy was to strengthen the organisation operationally, further investing in the team and its resources. This is to ensure we have the very best foundations to achieve Love Mercy's ambitious objectives and targets. We are delighted to report that we have achieved this.

Love Mercy welcomed a new Fundraising Manager, Rebecca Stanley, to the team. As with many of our staff and Board members, Rebecca volunteered her time and commitment to the Foundation and travelled with us to Uganda, prior to joining the team more formally. Our CEO has also introduced a thriving Intern Program.

It is with a balance of bravery and vision along with appropriate caution and fiscal responsibility that our

Board must make any investment decisions, always keeping both the people we support in Uganda and our donor expectations front and centre. It has been wonderful to see the start of return on these investments and we are confident we have the very best team in place for the year ahead.

This was also a year where we formalised new strategic partnerships with AUCF (Achon Uganda Children's Fund) in the United States and Water for Africa. These partnerships are incredibly important in the delivery of our work and we believe in the shared insight, wisdom and resources that collaboration can bring.

It is only with your trust and commitment that we are able to achieve all of these results in Uganda. I would like to acknowledge all contributions, financial or otherwise, that have been made to Love Mercy this year. You are all an integral part of our journey.

**THANK YOU.**





# CEO REPORT

## CAITLIN BARRETT

What an honour it has been to lead the Love Mercy team to another outstanding result this year. Both in Uganda and in Sydney our team (which often feels more like a family) has been stretched to find a whole new level of capacity and drive.

The necessary focus of the role of CEO is fundraising – but we continually remind ourselves that every dollar raised is another dollar towards a Cents for Seeds loan, a patient treated, another child educated. Funding makes the world go around, and so our biggest fundraising year ever has meant the biggest IMPACT ever. Over \$824,000 raised is an incredible achievement for an organization that began as a hope and a dream to help one man and 11 orphaned children. However, the need that we are addressing in Uganda is great, and we are only limited in our impact by the amount of money that we can raise.

The value of every individual, family, business or organization that gives to Love Mercy is therefore recognized and appreciated – we can't do what we do

in Uganda without every single one of you. I deeply thank you for your generosity in enabling us to fulfil our mandate.

This year we distributed 13,800 seed loans to families in Uganda, by giving 30kgs of seeds (this year soya and sesame) to the women in the family. The impact of this has been lifechanging and has changed the entire landscape in Northern Uganda. For the first time this year you don't need to just take our word for it, as we now have solid and independent data that backs up this claim (read more on page 20).

A further exciting development this year came in March when we reviewed our monitoring and evaluation data and realized that access to water was contributing to a low overall wellbeing in many of our Cents for Seeds villages. This information led us to quickly establish a new partnership with Water for Africa, a Perth based NGO that provides clean water to families in Tanzania. I want to thank Phil and Julie for being agile and eager to commence work in Uganda, where they are already having a huge impact.

I was so proud of our ability to identify a serious need, and establish a partnership to meet this need rather than reinvent the wheel, all in such a short time frame. Collaboration in this industry is crucial to changing the world quickly and efficiently!

On a field trip in March 2017 we discovered that the Kristina Health Centre (KHC) had been selected to operate the voucher plus program, a program encouraging mums to deliver their babies under the care of trained staff rather than at home. During that visit I witnessed some of the most horrific conditions that mothers were birthing in, and I was galvanized to mobilize our team to change this situation, and fast. In September 2017 we began delivered babies at KHC with our team of professional midwives in a temporary maternity ward space. Again, I was blown away by the speed at which both our team in Sydney and in Uganda were able to meet this need. However, the need is still great and you can read about our vision to provide the best stand alone maternity ward in Northern Uganda on page 22.

None of this would be possible without the ongoing strategic and operational direction of our board of directors, who have expanded this year and with whom I have greatly enjoyed working with to set our agenda and achieve it. Lastly, our team both in Sydney and Uganda have been a joy to work alongside. Our people is what sets us apart, and as we continue to expand and grow our expertise I am seriously excited to get to work each day, and to stand next to each one of our talented and loving team members to restore hope to Northern Uganda.







## OUR STORY

Love Mercy exists to empower communities in Northern Uganda to overcome poverty caused by the horrors of war. Love Mercy began in 2010 in Sydney, Australia when Australian Olympian Eloise Wellings met Ugandan Olympian and former child soldier, Julius Achon. After hearing Julius' story, Eloise established Love Mercy Foundation to facilitate the development of Julius's village with a vision to impact all of Uganda and eventually all of Africa.

One morning on a routine training run in Uganda, Julius Achon came across 11 orphaned children living underneath a bus. These children, who had been affected by Africa's longest running war, were without food, clothing, housing or education. Some of the children were unable to remember their own names.

From that day on, Julius adopted the children as his own family. Julius himself was no stranger to poverty. Having grown up in the remote village of Awake in Northern Uganda, abducted by the Lord's Resistance Army and forced into being a child soldier, Julius well understood the effects of poverty and war on children.

After a miraculous escape from captivity and a natural ability as a long distance runner, Julius established his Foundation in response to the dire situation faced by the residents of his home village. Ravaged by the brutality of the Lord's Resistance Army during Uganda's two-decade civil war, damaged by floods and touched by famine, the village's residents were struggling in the face of truly inadequate living conditions, and many children had been left without a family.

Eloise promised to help fulfill Julius' dream of restoring hope to his village in Northern Uganda after decades of civil war. Love Mercy sees a future where Northern Uganda is transformed through simple solutions to poverty. Its projects increase access to education, health care, water and agricultural income generation and it's funded entirely by generous donations from the public.

**The people of Uganda need your help.**

## OUR VISION

Northern Uganda is being transformed by simple solutions to poverty: empowering women and girls through increased access to education, health care, water and income generation.

## OUR MISSION

"Love Mercy Foundation exists to empower rural communities in Northern Uganda to overcome poverty after decades of civil war."

## OUR VALUES

We believe that one humble person can make a difference. Through our values, we will seek to:

- |                     |  |
|---------------------|--|
| <b>ACT JUSTLY:</b>  | To empower those who are experiencing poverty in Northern Uganda in order to create a more just world.         |
| <b>LOVE MERCY:</b>  | To show kindness to others, regardless of their faith, background, race, religion or gender.                   |
| <b>WALK HUMBLY:</b> | To hold others in higher regard than ourselves, be trustworthy, accountable and transparent in all that we do. |

## OUR OBJECTIVES

- Relief of immediate poverty through aid and development.
- Advancement of sustainable development through education and employment.
- Advancement of medical support through establishment of clinics.



# THANK YOU FOR YOUR SUPPORT

OUR REGULAR DONORS ARE THE BACKBONE OF OUR BUDGET, AS THEY GIVE US THE ABILITY TO PLAN AHEAD AND PREDICT THE FUNDS WE CAN ACCESS IN ANY GIVEN MONTH. HERE WE PROFILE JUST A FEW OF THE MANY COMMITTED REGULAR INDIVIDUAL AND BUSINESS DONORS WHO WALK THIS JOURNEY WITH US

WE THANK YOU ALL.



IAN RICHARDS

Ian Richards is a father of 3 and works for the State Government in Health Systems. He is an avid runner and uses his passion to raise funds and awareness for Love Mercy. His daughter Tilly is particularly inspiring, at age 10 she has been a passionate advocate for Love Mercy and has raised several thousand dollars for our projects.

She loves to go for a run with Eloise, her idol.

*"I support Love Mercy because their outstanding development programs are all underpinned by a belief that people and communities have the passion and power to solve their own problems".*



MEL CAMPBELL

Mel is a mum of three and runs her own business, Jock Athletic, who support Love Mercy by running in the Sutherland to Surf each year.

*"I am proud to give to Love Mercy because I know that every dollar I donate has a huge impact in Uganda through the hardworking women in Cents for Seeds."*

## THE HORSE **syngenta**

SCOTT AND AMY HAWKES  
THE HORSE

The Horse is a leather goods and lifestyle brand curated in Sydney. Owned by Scott and Amy, the pair are dedicated to supporting Love Mercy through their annual "Love Mercy month" where \$10 from every watch is donated. The Horse have been one of our earliest and most generous partners.

*"We are so proud to partner with Love Mercy as we totally believe in what they do, the way they do it, and our whole team feels very proud to be able to partner with such great women both here and in Uganda."*

ROB CAIRNS  
SYNGENTA

Syngenta is a leading agriculture company helping to improve global food security by enabling millions of farmers to make better use of available resources. Through world class science and innovative crop solutions, Syngenta works to transform how crops are grown. Syngenta are committed to revitalising rural communities, and do so by donating to Love Mercy each June during their end of financial year.

*"Love Mercy has engaged the hearts and minds of our staff who know that they are part of a solution that's providing such tangible benefits to the communities in which they work."*





# CENTS FOR SEEDS

This year has again been a largely successful year for the Cents for Seeds project. In early 2017, we distributed a total of 10,417 agricultural loans to women across Northern Uganda. Due to unpredictable weather patterns across the African continent, as in previous years, the women in Otuke district each received a loan of two seeds – soya beans and sesame seeds. While soya beans did not germinate quite as well as in previous years, the sesame crops were abundant with some women reporting record yields of more than 200kgs from their 5kg loan. At the end of 2017, the return rate of loans from the women of Otuke district was 61%. In Barr sub-county however, only one seed was chosen by participants due to the different climate and soil conditions of the area. Unfortunately, this year the women of Barr were unable to harvest any yield as a result of drought.

In an attempt to mitigate against such losses, an irrigation pilot project was launched in Barr in November. A collective of 40 women was created and a drip irrigation system was erected on a plot of land that one of the participating women had agreed to loan. It was agreed that the pilot would be run during the dry season to see whether crops could be produced even in significantly dry spells. Initially, the irrigation pilot looked to be a great success with crops germinating well in the first few weeks. However, given the plot of land with irrigation was producing the most appealing food source for animals in the village,

the healthy seedlings were soon eaten by animals grazing in the area. Although disappointed with the outcome of the pilot, we will take the lessons learned and apply them to a second attempt in the new year. Irrigation will remain a priority for us to ensure all is done to support the success of future harvests.

With the goal of reaching 20,000 women with Cents for Seeds by 2020 still firmly in focus, at the start of 2018 we set about to distribute seed loans to 13,000 women, including expanding into the new district of Alebtong. When an additional 800 women came to register their names for a loan however, our team couldn't possibly turn them away. We put out a call to our community, an urgent appeal to fund an additional 800 loans with only a couple of weeks left before the rains started. It was a massive task but we were determined that no woman should miss out. Because of the quick action taken by our supporters, we were able to distribute all 13,800 loans prior to the rainy season in 2018. With an average birth rate of six children per woman, this means that approximately 82,800 children will directly benefit from this program this year alone. We are so grateful for the compassionate and generous hearts of the people in our community that provided an additional 800 families with the opportunity to break the cycle of poverty.

- **Funds Raised \$246,285**
- **Funds Spent \$355,410**

\* The deficit of funds were taken from general, non-tied donations





## HOW DO WE KNOW THAT CENTS FOR SEEDS REALLY WORKS?

Consistent with our values of being trustworthy, transparent and accountable in all that we do, in February 2018 we engaged an external impact measurement company, Huber Social, to measure the tangible difference that Cents for Seeds has made in the lives of communities in Northern Uganda. Huber use a well-being framework to track the social, emotional and physical collective well-being of an individual and their community.

1,200 participants across 4 sub-counties were asked a number of questions to measure their subjective well-being. Participants ranged from those who had been part of the program since its inception to those who hadn't yet participated but were registered for the year ahead.

The results, published in The Impact Report, is the first in a series of Social Impact Reports that will track impact, at an individual, community and global level by mapping to the Sustainable Development Goals.

*"The Impact Report was confirmation of what we have always believed - that when we invest in women and families, whole communities benefit. This has spurred us on to continue reaching more and more with a program that creates real change."*

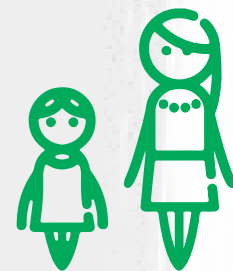
Caitlin Barrett

## SUMMARY RESULTS

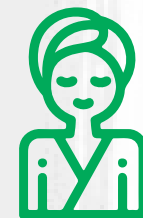
- There was a significant measured difference between well-being for those in the program (average 3.86) and those not in the program (average 2.92).
- A 59% increase in overall well-being of those taking part over time, measured by the difference between those just registered and those who'd been in the program for six years.
- It appears the program creates overall community well-being, with well-being for people not in the program higher the longer the program operates in their community, regardless of them not directly participating.
- Access to water showed the highest correlation with levels of well-being, with people who have to walk 10km or more (often three times a day) having lower levels of well-being.
- A majority of women participating in Cents for Seeds believed the statement 'My life is important' to be true.
- When asked if their home was peaceful, women in the program scored 3.10/5 compared with 2.2/5 for those who do not participate. This correlates to a reduction in domestic violence rates.

Contact us for a copy of the full report.

# DEMOGRAPHICS



AGE RANGE OF SURVEY PARTICIPANTS **11-56+**



**20% WIDOWED**



**44% ILLITERATE**



AVERAGE NUMBER OF CHILDREN IS **6**



**9% DISABLED**



**10% WALK 10KMS+ FOR WATER 3X DAY**





## KRISTINA HEALTH CLINIC UPDATE CASE STUDY: THE NEED FOR A MATERNITY WARD

This year has been an exciting yet challenging year of growth for our team at Kristina Health Centre with almost double the number of patients treated at the facility compared to the previous year. (3,659 in 2017 compared to 6,227 in 2018.)

The clinic is also participating in a five-year maternal services program designed to reduce neo-natal and maternal death rates in Uganda by 2021. The Uganda Voucher Plus scheme encourages pregnant women in the community to deliver their babies in qualified health centres rather than give birth at home by allowing them to purchase a 'voucher' for 3,000 shillings (approx. \$1.10) from participating facilities.

In exchange all maternity related expenses, including delivery, are free for the mother and reimbursed to the clinic by USAID. Due to the inherent risk associated with childbirth, Love Mercy's participation in the program followed thorough discussions with USAID and investigation of other clinics in the area before we were satisfied that we had the necessary facilities, capacity and resources to make a significant difference to the current situation.

In June 2017 a temporary maternity unit was constructed and the first baby was safely delivered at KHC in August. This marks one of Love Mercy's greatest achievements to date.

Following the swift expansion of our maternity services and significant increase in the number of patients attending the Centre, it was necessary to recruit additional staff including three midwives and three nurses. This led to a need to expand on-site accommodation facilities, which was achieved thanks to a very generous donor, the Macourt Family Foundation facilitated by Kristina Macourt who joined our team on the ground in Uganda in March 2017.

Despite the enormous success of the temporary maternity unit, the existing set up is not adequate to address the size and scale of the current need. It is hoped that in the new financial year the necessary funds will be available to construct a stand-alone maternity ward that can provide the full range of services required to ensure the safety of all women and children during birth.

### HIGHLIGHTS

- Double the number of patients treated this year to over 6,000.
- 223 babies delivered by Love Mercy's qualified midwives.
- Over 1,000 women have received antenatal care during their pregnancy.

"Our team were elated when one of our very own midwives gave birth at the clinic in October to a beautiful baby girl – one of three deliveries conducted in just six hours!"

Christy Patrick – Visiting midwife

### A HUGE THANKS TO MIDWIFE CHRISTY PATRICK

Given the short time frame in which maternity services were implemented, the Love Mercy Board made the decision to send a qualified Australian midwife and nurse to work with staff at KHC to put structures in place that would ensure the high quality of services could be maintained. From November 2017 to February 2018, Christy Patrick worked tirelessly developing policies and procedures and providing education and training to our staff. She gifted Love Mercy with her time, knowledge and experience and the impact of her work will be felt by the community for many years to come.

*"I would like to personally thank and acknowledge Christy on behalf of our team here in Australia and in Uganda for the contribution she has made to our organisation. She is dearly loved and respected by our team and we're looking forward to working with her again in the near future."*

Jimmy Okullo – KHC Manager

- Funds Raised \$234,691
- Funds Spent \$199,915

\* The deficit of funds were taken from general, non-tied donations





## PARTNERSHIP: WATER FOR AFRICA

In 2018 Love Mercy and Water for Africa established a partnership to bring clean water to the residents of Otuke district, Northern Uganda. This followed the shocking survey results of Cents for Seeds participants that showed more than 10% of those surveyed were travelling more than 10km (often three times per day) to access clean water.

Love Mercy reached out to Phil and Julie Hepworth at Water for Africa, a Perth based NGO, to see how the two organisations could collaborate to bring clean water closer to Cents for Seeds villages.

The first region to receive support was Aminocera, thanks to \$30,000 in funds raised by an amazing team of 80 runners and walkers in the Sutherland to Surf event. The original water source was installed by an NGO, needed repair and was choked with branches to keep the livestock out. Degraded water sources like this cause significant illness, with 85% of all disease contracted by children in Africa caused by lack of clean water.

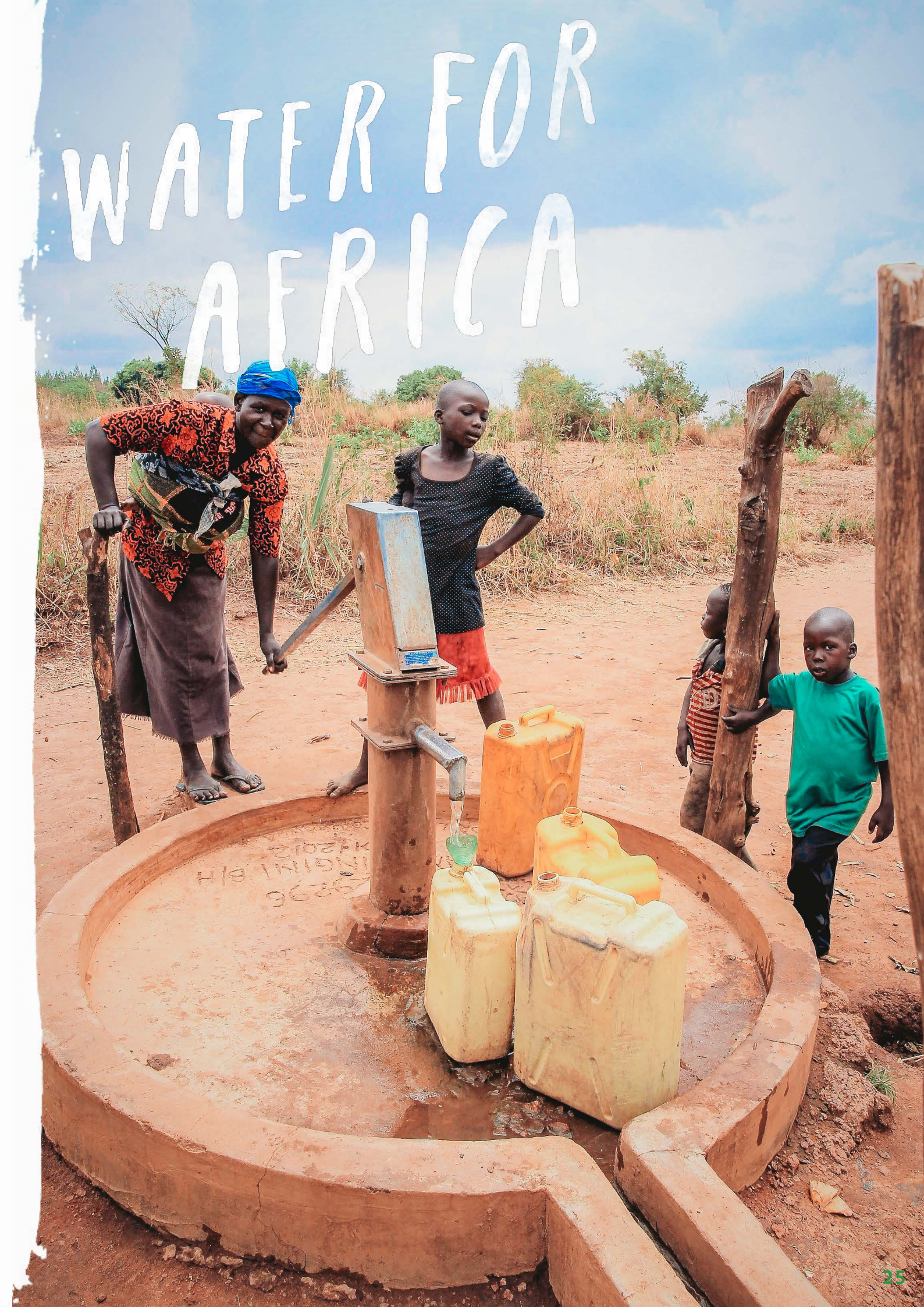
Following talks with local leaders, the water source in this community was repaired and replaced with a new bore hole that remains the main source of water for an entire village of more than 500 people. Love Mercy would like to thank everyone who ran, walked and donated to this important project and of course Phil and Julie from Water for Africa for embarking on this journey with us to bring more clean water to thousands of people.

In 2010, Water for Africa Founder Phil Hepworth read a confronting statistic that 'one child dies every 15 seconds from water related diseases'. He was challenged to do something. When the incredible opportunity presented itself to enroll in a drilling course through Living Water International Texas, Phil jumped at the chance. He obtained a Shallow Water Drilling Certificate and soon after became connected with a dedicated man called Lance Whyte who was working on the ground in Tanzania, helping provide clean water. After his first trip, Phil offered to serve as a volunteer and after three years working together, the time came for Lance to retire. Phil and his wife Julie started Water for Africa in 2013. They believe that water is just the beginning and are compelled by love to see lives transformed, purpose and identity found and people to know that they are loved beyond measure and not forgotten.

*"We partner with Love Mercy because its all about PEOPLE and loving them back to life. We are so excited to have been welcomed into Northern Uganda with open arms and we are already seeing communities transformed by access to clean water." -Julie Hepworth - Water for Africa*

- **Funds Raised \$28,277**
- **Funds Spent \$2,800**

*\* The deficit of funds were taken from general, non-tied donations*







# CHILD SPONSORSHIP

## PROJECT UPDATE: CHILD SPONSORSHIP & SPORTS PROGRAMS

It has been another exciting year for Love Mercy's Child Sponsorship program, an area of work that has fostered and mentored a small group of children and young adults through education for 10 years.

### DURING THE YEAR:

- Five students in Uganda sat their Primary Living Examinations (equivalent to Year 6 in Australia), with three of the five receiving scores that enabled them to graduate to high school. The others enrolled in vocational training in order to continue their education by learning a trade.
- Eight students completed Senior 4 (equivalent to Year 10 in Australia) by successfully taking their Ordinary Examinations and commencing their final two years of high school.
- Three students entered Senior 6, their final year of high school.

Love Mercy is delighted that some of these original orphans that co-founder Julius Achon found under a bus a decade ago, adopted and offered opportunity, are close to completing their secondary education and are expressing hopes of graduating and moving on to university.

*"We could not be more proud of their perseverance and resilience and we look forward with eager anticipation to watching them become the future leaders of Uganda."*  
Julius Achon

- **Funds Raised \$16,605**
- **Funds Spent \$23,525**

### SPORTS PROGRAMS

An extension of Love Mercy's involvement in creating a healthy life and community for children is its sports programs. An integral part of our founding story is the ability that sport has to unify people and create lasting friendships. Co-Founder and Olympian Julius Achon is passionate about using sport to escape

poverty, having used his own athletic career to lift his entire community out of starvation. As a result Julius is committed to bringing sport back to his local community, and this year Love Mercy funded two sporting programs that were also important community events to raise awareness of the Kristina Health Centre.

### JULIUS ACHON ANNUAL CROSS COUNTRY RUN

Each year in November over 3,000 spectators and competitors together run 3-5km in the Annual Julius Achon Cross Country event in Otuke. A team of keen volunteers from Australia helps facilitate this massive effort to bring the community together. All children who compete are selected through their school cross-country race. Love Mercy funded training for school teachers so that child-sensitive lessons could be conducted alongside athletics training, covering topics such as child rights, and the importance of education, health and sanitation.

Staff and the ambulance from Kristina Health Centre also attend to provide first aid, raise awareness of the Centre's health services, provide advice about public health issues like free immunisations and HIV and build relationships with the community so that people feel more comfortable to come to the clinic before they become extremely ill. This outreach has seen a direct rise in the number of patients treated at the clinic in the months following the run.

### INDEPENDENCE CUP SOCCER TOURNAMENT

In October Uganda celebrates its Independence Day and for many years Julius has organised a local soccer tournament that includes soccer teams from all around the country. This year Love Mercy sponsored the event to include a women's competition as well as a men's group. The event is one of the biggest celebrations on the community's calendar, and also acts as an important outreach day for the Kristina Health clinic staff that attends to raise awareness about the clinic and its services in the area.

- **Funds Raised \$0**
- **Funds Spent \$10,305**

*\*Specific fundraising campaigns for sports programs will commence in 2018/19.*

*\* The deficit of funds were taken from general, non-tied donations*



# OUR WORK



## RAISING FUNDS

Every November Love Mercy takes a group to Uganda and the experience is open to everyone. The organisation hosts participants on a trip of a lifetime, an African adventure that includes a tour of all Love Mercy projects, hosting the Julius Achon cross country run with thousands of barefoot students and of course an amazing safari. To gain an exclusive spot on this trip in 2019 you can email [rebecca@lovemercyfoundation.org](mailto:rebecca@lovemercyfoundation.org)

### REBECCA STANLEY 2017 PARTICIPANT

*"As a regular donor to Love Mercy I really wanted to go to Uganda but I was daunted by the \$5000 fundraising target. It seemed way too big for me. I changed my attitude and gave it a go - I got creative, and made intentional efforts to raise the money. I ran the City2Surf, and put on a movie night for my friends and family.*

*Uganda is nothing like I expected. It is a country that is in deep need, but also overflows with joy. Red*

*dirt, green fields, people walking everywhere, rows upon rows of sunflowers, babies on their mama's backs, small sweet bananas. Every single life with a story to tell. Strangely, I felt at home the moment I arrived.*

*Our small team was welcomed with warm and open arms at Barr Village. The women danced and sang for us, and expressed how much Cents for Seeds has changed their lives. The ladies expressed just how thankful they were that we had come all the way from the other side of the world and were in their home country. They felt so supported, so cared for. I was blown away, for I thought my own gratitude at being there was immense. It turned out to be incomparable for these women whose lives had changed from my small donations. I had never been so sure of Love Mercy and the work they were doing.*

*In a turn of events, I am now the Fundraising Manager at Love Mercy Foundation!  
If you have ever felt even the slightest desire to go - go! You will get tired, exhausted even. What you will see will make you laugh, cry and feel everything in between. I guarantee, your life will change."*

## SUTHERLAND TO SURF SPONSOR A VILLAGE

In July 2017 a team of 50 runners and walkers took on the 11.4km from Sutherland to Wanda Beach and raised over \$30,000 to sponsor the village of Aminocera to commence the Cents for Seeds program and build a new water bore hole, which was completed in March 2018.

## WATERCOLOUR AND WINE

In February 2018, to celebrate Valentine's Day we held a Watercolour and Wine night at the Paper Fox studio with all funds raised contributing to Cents for Seeds. The evening was so successful that similar events were held in May in the Beauty and Balance studio and June at Buck Hamblin.

## RAISING AWARENESS

### COMMONWEALTH GAMES

In April 2018 Eloise Welling did the nation proud as she represented Australia in her fourth

Commonwealth Games campaign on the Gold Coast, competing in the 10,000m and 5,000m. Eloise was part of one of the most memorable moments of the Games when she and her teammates displayed an extraordinary act of sportsmanship, waiting at the finish line for fellow competitor, Lineo Chaka from Lethoso, to finish the race.

*"My race did not meet my expectations and I felt ashamed and like I wanted to hide. Instead I saw an opportunity to ensure that Lineo did not have to finish the race alone, so I waited for her and hugged her as she crossed the line," Eloise said.*

Love Mercy was able to leverage Eloise's profile at the Commonwealth Games to tell her remarkable story and the story of Love Mercy to millions of potential donors.

## JULIUS SPEAKING TOUR

Co-founder Julius Achon attended the 2018 Commonwealth Games on the Gold Coast as part of the Ugandan team delegation. This provided a unique opportunity for further exposure of Love Mercy, as Julius and Eloise met again at this important sporting event - just like they had during the 2010 Commonwealth Games where it all began. Following the games Julius and Eloise conducted a speaking tour that took in the Gold Coast, Brisbane and Sydney, engaging with major partners including Holding Redlich, Fortnum and Pogo Physio, as well as sharing their incredible story with new audiences.

## GLOBAL CITIZEN AWARDS

In June 2018, Love Mercy CEO Caitlin Barrett was awarded the Waislitz Global Citizen Youth Innovation Award, after submitting an application to be considered for Cents for Seeds funding earlier in the year.

Global Citizen is a movement of engaged citizens who are using their collective voice to end extreme poverty. Funded by Alex Waislitz who is based in Melbourne, Caitlin took out the Award that recognises those under 35 who have had a significant impact on reducing poverty. The prize was a US \$50,000 grant to fund the expansion of Cents for Seeds, as well as a trip to New York to receive the award.



## BOARD PROFILES



### KATIE ROSSER

Director & Chairperson  
Director at Seldon Rosser

Katie Rosser joined the board in 2016 and took on the role of Chair in November 2017.

Katie has a Bachelor of Laws and Legal Practice Certificate, and is a UK qualified solicitor. She is co-founder and Director of Seldon Rosser, an executive recruitment and search firm.

Katie's experience in running a small and growing business adds value when advising on Love Mercy operations. Her recruitment experience is also invaluable in managing the HR needs of the organisation.

*"I love how agile and entrepreneurial Love Mercy is in how it operates and was drawn to working with a charity which creates such a huge impact from the funds it receives. I am constantly inspired by the women on the ground in Uganda as well as our Love Mercy team. It's a joy and a privilege to be able to offer my contribution."*



### ROGER WELLINGS

Founding Director  
Owner at Raw Strategy

Roger serves the organisation by bringing his skills in finance, governance, systems and partner relations. He completed a Bachelor of Commerce with Honours in Finance and Accounting. He was the founding owner and manager of Fiji and Pacific Specialist Holidays in Sydney. He now acts as a consultant for tourism and property development in the South Pacific.

*"It is a charity that gives and encourages people at the start and through their own efforts allows them to become self-sufficient so that they no longer need our charity. Pride in themselves – what a wonderful gift to give someone"*



### ELOISE WELLINGS

Founding Director  
Australian Olympian

Eloise is a professional athlete and Australian Olympian. Eloise serves as Love Mercy's Ambassador in a volunteer capacity and brings her vision and strategy to the board to direct overall operations for the Foundation. Eloise works as a key note speaker at various events around the country sharing her journey in the pursuit of an Olympic dream and the story of the Love Mercy Foundation. Eloise is also mother to five year old India Rose.

*"The past 8 years as an organisation have proven to be 8 years of great growth, purpose and immense impact in Uganda. As we look to the next chapter of this journey I live with great expectation of what can be achieved together. I'm so grateful to our supporters, I'm so proud of our team and I'm so inspired by the strength and resilience of those we have the opportunity to stand alongside in Uganda. I'm more passionate and motivated than ever to work to continue to bring hope and a sustainable future to people in need."*



### MICHAEL HARDIE

Director  
Founder of Michael James Co.  
Executive Coach & Leadership Consultant.

Mike Hardie serves the board by facilitating the relationship of the organisation and local churches having been a pastor for over 20 years. Mike brings his experience in project planning, communication, leadership and vision development. Mike is a credentialed Minister with Churches of Christ NSW and Executive Board member for Fresh Hope NSW. Mike has completed a Bachelor of Ministries, Post Grad studies in leadership & training in Executive Coaching.

*"I am passionate about the transformative work of Love Mercy and have seen first hand impact. I want to contribute anything I can to see the vision fulfilled"*



### DANIELLE THOMSON

Director  
Provisional Psychologist and School Counsellor

Danielle went to Uganda on the first Love Mercy trip in 2010. She was captivated by its people, particularly the Ugandan children. She is a Provisional Psychologist and School Counsellor and brings her skills in child protection and her passion for Uganda to the board.

*"I have been a supporter of Love Mercy since our journey began – and my trip to Uganda meant that I will feel closely connected to the women and communities on the ground there forever."*



### ROB CAIRNS

Director  
External Affairs Director OneFortyOne

Rob is the External Affairs Director for forestry company OneFortyOne. He joined the board in 2016 through our corporate partner Syngenta. Rob became involved in Love Mercy through a shared vision around empowering small holder farmers. Rob serves our board with his agricultural skills and global experience.

*"I truly believe agriculture is the best way to build robust, resilient rural communities. Love Mercy is by far the most amazing example of empowering farmers and creating a sustainable future for all."*



### GERARD TIMBS

Director  
Environment & Planning Lawyer,  
Partner at Holding Redlich Law Firm

Gerard joined the board in 2018. He is a qualified town planner and lawyer and practises in all aspects of planning and environmental law. Gerard is a keen runner and has completed 13 marathons, including an attempt at the Kampala marathon in 2017 on a trip to Uganda while visiting Love Mercy projects. He is committed to return to Kampala to finish it when he goes back next time. He serves the board with his skills in law, governance and strategic planning.

*"I strongly believe in the value of Love Mercy that one person can truly make a difference. Inspired and motivated to do more after a trip to Uganda in November 2017 I want to contribute to empowering and changing the lives of those living in Northern Uganda for good"*



### JAMES SUTHERLAND

Director - Treasurer  
Chartered Accountant

James is a Chartered Accountant with broad experience across corporate and project finance. He has worked for Ernst & Young in their Sydney, London, and Johannesburg offices on client engagements across the AsiaPac, North American, European and African regions. After spending the last 5 years providing commercial and financial advice to government and private sector infrastructure developers across Africa, James returned to Australia in late 2017 and is now the COO of P2P business lending platform Grapple Fund.

*"Having worked in a number of emerging markets, I've seen the benefits of economic based aid programs. I think Love Mercy's Cents for Seeds programme is an absolute game changer and I'm excited to be involved supporting Caitlin, Eloise, and Julius expand the programme!"*



# OUR STAFF



## ELOISE WELLINGS

*Founder (Volunteer)*

Dual Olympic athlete Eloise Wellings is passionate about athletics and helping those in poverty. Eloise's Olympic dream began as a child, and at the age of 15 she realised that she wanted to make running her career. Unfortunately soon after qualifying for the 2000 Olympics, Eloise suffered a stress fracture, which continued to plague her career for the following decade and caused her to miss 3 Olympic Games. During this time she met Ugandan Olympian and former-child soldier Julius Achon while recovering from a stress fracture.

Eloise was moved by his story of triumph over adversity. She founded the Love Mercy Foundation in 2009 and has since impacted over 100,000 local Ugandans through health and agriculture programs. Eloise is committed to seeing change in Uganda and supporting Julius in his dreams to see his village prosper and overcome the effects of war and poverty.



## CAITLIN BARRETT

*Founding CEO*

Caitlin has a passion for supporting women in Uganda and is most at home sitting under a mango tree with them, bringing about real change within communities in poverty. Caitlin holds a Bachelor of International Studies and a Masters of International Development Studies from UNSW. She is passionate about people, and has a young family based in Sydney's south. Caitlin was committed to setting up Love Mercy when Eloise came back from her first meeting with Julius and navigated the minefields of the not-for-profit world to set up the Foundation. Caitlin worked in a volunteer capacity for three years until becoming the first paid full-time staff member in 2015.



## CASSI JENKINS

*Project Manager*

Cassi excels at people management, has a compassionate and loving heart, and loves to get around Uganda at the speed of light. She graduated from UTS with a law degree and pursued a career in corporate law, but knew that her heart lay elsewhere.... in Africa. She is passionate about helping people to access justice and become aware of their universal human rights in order to create a better life for themselves.



## REBECCA STANELY

*Fundraising Manager*

Before joining Love Mercy Foundation, Bec studied a Bachelor of Medical Science (MedSci) at UTS. She worked as a Sales Executive with our good friends, and long-time supporters at Thomson Environmental Systems for two years - which is how she came to learn about Love Mercy's projects in Uganda. In 2017 Bec signed up for the annual Uganda trip as a volunteer fundraiser and felt at home the minute she arrived. Once she saw the impact of Cents for Seeds and the Kristina Health Centre first-hand, Bec was hooked. When the role of Fundraising Manager came up in 2018 she was the natural choice. Her relentless energy, humour and passion for all things travel, sport and coffee-related, completes the team perfectly.



## KATIE BALLESTY

*Administration Manager*

Katie was inspired by a family history of providing education and support to orphans in Tanzania where she spent time working at a school and orphanage. When Katie returned to Sydney she completed a degree in Psychology, and is now undertaking a thesis to continue on a trajectory of helping others. Katie is an invaluable resource in the Love Mercy office and loves to get her hands (and feet) dirty in Africa!



## GOVERNANCE

The Love Mercy Foundation board is responsible for all Governance & Compliance matters and is focused on continual improvement in this regard.

As members of Australian Council For International Development the organisation holds itself to the highest account available to charitable organisations. The Board regularly assesses policies, risk management, fundraising strategy, overall organisational strategy, systems and processes to ensure compliance and best practice for all Love Mercy Foundation operations. The Board's structure and representation is regularly assessed to ensure appropriate and complementary skillsets.

Many of our key externally focused policies can be found on our website: [www.lovemercyfoundation.org](http://www.lovemercyfoundation.org). If you would like access to a Policy or more information about our procedures relating to a matter not covered here, we invite your queries via [info@lovemercyfoundation.org](mailto:info@lovemercyfoundation.org).

## TREASURERS REPORT

### Introduction from the Chair, Katie Rosser

This year saw a change in our Board Treasurer, with Ben Poppett stepping down after serving Love Mercy Foundation from its inception. We have been so grateful to Ben for his dedication and long-term commitment to the Foundation and thank him for his significant contributions over the years. We welcomed James Sutherland on to the Board formally on 4 July 2018.

James had been volunteering with Love Mercy Foundation for many months, providing advanced financial analysis and modeling, mentoring and guidance to our CEO. With his commitment to our cause and knowledge of the organisation, James was the natural choice to join our Board as Treasurer. It has been a joy to welcome James to the Board and he has already added a huge amount of value.

### Summary from the Treasurer, James Sutherland

The team this year has done exceptionally well increasing contributions and activities in line with the Foundation's aims this financial year. Contributions increased by 23% to \$824.6k from \$668.8k in FY1617 with outgoings increasing by 41% to \$847.7k from \$600.4k in FY1617, leading to a net deficit of \$23.1k. With \$201.7k in cash at June 2018, Love Mercy is again in good shape moving into the new financial year.

This year on year funding increase can largely be attributed to increases from Corporate and Major Donors, both new and those who have been with us for many years. We have also welcomed more individual one-off and monthly donors passionate about our cause and been delighted by the generosity of our corporate partners.

I'd like to acknowledge the great work the previous Treasurer Ben Poppett did in setting up the systems and structure of the Foundation. When I first started assisting Caitlin and the team earlier this year, it was clear the Foundation had a strong culture of fiscal responsibility and accountability. The early work done in this area by Ben and the other founding Directors has set a strong basis, which the Foundation can now use to scale and grow into the future.

Having myself worked across a number of developing markets in Africa over the past few years, I understand some of the planning and budgeting challenges the Foundation faces as a result of working in this environment. Over the next financial year, it is my intention to work with Caitlin and the team to increase strategic planning capacity so the Foundation is able to increase the scale and scope of its development activities.

This year's fundraising activities included a number of initiatives built on previous years, all designed to either enhance public awareness or engage and give back to our community of supporters. As Corporate and Major Donors provide close to two thirds of donations, the team has worked hard to maintain these relationships through presentations and corporate communications whilst also seeking to increase donations from other sources.

It is the Board's intention to assist Eloise, Caitlin, and the team to continue these fundraising activities over the next financial year with a particular focus on increasing our core group of major and individual supporters and corporate partnerships.

As we now embark on what is planned to be the Foundation's biggest year to date, it's exciting to know that we are having a real impact on such a large number of communities across Uganda. This time next year I'm sure we'll have even more stories to share...

# LOVE MERCY WALK HUMBLY





**Income Statement of Love Mercy Foundation Ltd (ABN 71 142 069 645)**  
**Year Ended 30 June 2018**

	2018	2017
<b>REVENUE</b>		
Donations and Gifts	811,114	651,918
Monetary	-	-
Non-monetary	-	-
Bequests and Legacies	-	-
Grants	11,242	12,107
Department of Foreign Affairs & Trade	-	-
Other Australian Grants	-	-
Overseas Grants	-	-
Commercial Activities Income	-	-
Investment Income	-	-
Other Income	2,233	4,767
Revenue for International Political or Religious Adherence Promotion Programs	-	-
<b>TOTAL REVENUE</b>	<b>824,589</b>	<b>668,792</b>
<b>EXPENDITURE</b>		
International Aid and Development Programs Expenditure		
International Programs	626,584	403,939
Funds to International Programs	511,057	310,933
Program Support Costs	115,527	93,006
Community Education	-	-
Fundraising Costs	-	-
Public	61,232	26,580
Government, multilateral and private	-	-
Accountability and Administration	159,898	169,905
Non-monetary Expenditure	-	-
Total International Aid and Development Programs Expenditure	847,714	600,424
International Political or Religious Adherence Promotion Programs Expenditure	-	-
Domestic Program Expenditure	-	-
Commercial Activities Expenditure	-	-
Other Expenditure	-	-
<b>TOTAL EXPENDITURE</b>	<b>847,714</b>	<b>600,424</b>
<b>SURPLUS/(DEFICIT)</b>	<b>-23,125</b>	<b>68,368</b>
Other Comprehensive Income	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>-23,125</b>	<b>68,368</b>

The above, summarised financial statements in relation to Love Mercy Foundation Ltd have been prepared primarily to meet the needs of the Australian Charities and Not for Profit Commission Act 2012 and the 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](http://www.acfid.asn.au). Full financial statements are available upon request.

**Balance Sheet of Love Mercy Foundation Ltd (ABN 71 142 069 645)**  
**As at 30 June 2018**

	2018	2017
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	201,776	236,513
Trade and Other Receivables	11,219	-
Inventories	-	-
Assets Held for Sale	-	-
Other Financial Assets	-	-
<b>Total Current Assets</b>	<b>212,995</b>	<b>236,513</b>
<b>Non-current Assets</b>		
Trade and Other Receivables	-	-
Other Financial Assets	-	-
Property, Plant and Equipment	-	-
Investment Property	-	-
Intangibles	-	-
<b>Other Non-current Assets</b>	<b>-</b>	<b>-</b>
<b>Total Non-current Assets</b>	<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>212,995</b>	<b>236,513</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and Other Payables	9,921	10,314
Borrowings	-	-
Current Tax Liabilities	-	-
Other Financial Liabilities	-	-
Provisions	-	-
Other	-	-
<b>Total Current Liabilities</b>	<b>9,921</b>	<b>10,314</b>
<b>Non-current Liabilities</b>		
Borrowings	-	-
Other Financial Liabilities	-	-
Provisions	-	-
Other	-	-
<b>Total Non-current Liabilities</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>9,921</b>	<b>10,314</b>
<b>NET ASSETS</b>	<b>203,074</b>	<b>226,199</b>
<b>EQUITY</b>		
General Reserves	-	-
Restricted Reserves	-	-
Retained Earnings	203,074	226,199
<b>TOTAL EQUITY</b>	<b>203,074</b>	<b>226,199</b>

The above, summarised financial statements in relation to Love Mercy Foundation Ltd have been prepared primarily to meet the needs of the Australian Charities and Not for Profit Commission Act 2012 and the 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](http://www.acfid.asn.au). Full financial statements are available upon request.



## Statement of Changes in Equity of Love Mercy Foundation Ltd (ABN 71 142 069 645) For the Year Ended 30 June 2018

	Retained Earnings	Reserves	Other	Total
<b>Balance at 1 July 2016</b>	157,830			157,830
Adjustment of changes in equity due to, eg, adoptions of new accounting standards.	-			-
Items of other comprehensive income	-			-
Excess of revenue over expenses	68,368			68,368
Other amounts transferred (to) or from reserves	-			-
<b>Balance at 30 June 2017 (commencing balance)</b>	226,199			226,199
Adjustment of changes in equity due to, eg, adoptions of new accounting standards.	-			-
Items of other comprehensive income	-			-
Excess of revenue over expenses	-23,125			-23,125
Other amounts transferred (to) or from reserves	-			-
<b>Balance at 30 June 2018 (year end balance)</b>	203,074	-	-	203,074

## International Aid and Development Income Statement

Revenue	2018	2017
Donation and Gift	811,114	664,026
Other Income	13,475	4,767
<b>Total Revenue</b>	824,589	668,793
<b>Expenditure</b>		
<b>International aid and development programs expenditure</b>		
Funds to international programs	510,057	310,933
Program support costs	115,527	94,006
<b>Total International aid and Development programs expenditure</b>	625,584	404,939
Fundraising costs	6,1232	26,580
Accountability and administration	160,896	169,905
<b>Total expenditure</b>	847,713	600,424
<b>Shortfall of revenue over expenditure</b>	-23,124	68,369

1. In 2017/2018, total income was split across two entities – Love Mercy Foundation Ltd and Love Mercy Foundation Overseas Aid Fund. These financial statements have been consolidated.
2. Travel expenses directly relating to operations on the ground have been included in Program Support costs.
3. Wages for Australian staff have been calculated at:  
CEO: 80% Administration and 20% Project support cost  
Project Manager: 100% Project support cost  
Fundraising Manager: 100% Fundraising cost

The above, summarised financial statements in relation to Love Mercy Foundation Ltd have been prepared primarily to meet the needs of the Australian Charities and Not for Profit Commission Act 2012 and the 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](http://www.acfid.asn.au). Full financial statements are available upon request.

## Table Of Cashflow Movement

Appeal	Cash Avail July 17	Income Raised	Expense	Cash Avail July 18
Cents For Seeds	270,897	246,285	355,410	161,772
Medical Clinic	131,469	234,691	199,915	166,245
Child Sponsorship	-31,104	16,605	23,525	-38,024
Non-Designated	-145,063	298,732	255,759	-102,090
Wells	0	28,277	2,800	25,477
Sports	0	0	10,305	-10,305
<b>Total</b>	226,199	824,950	847,714	203,075

Cash available July '17 figure balances to combined net asset figure.  
Cash available July '18 balances to combined net asset figure.

The above consolidated income statement and table of cash flow movement form part of the audited financial report for the year ended 30 June 2018.

The above, summarised financial statements in relation to Love Mercy Foundation Ltd have been prepared primarily to meet the needs of the Australian Charities and Not for Profit Commission Act 2012 and the 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](http://www.acfid.asn.au). Full financial statements are available upon request.



## Report on the Audit of the Financial Report

### Opinion

In our opinion, the financial report of Love Mercy International Ltd and its controlled entities:

- (1) has been prepared in accordance with Division 60 of the Australian Charities and Not For Profits Commission Act 2012, including:
  - (i) giving a true and fair view of the Group's financial position as at 30<sup>th</sup> June 2018 and of its financial performance and cash flows for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations) ACFID requirements, Division 60 of the Australian Charities and Not For Profits Commission Regulation 2013 and requirements of the Constitution.
- (2) The financial reports and associated records have been properly kept in accordance with the Charitable Fundraising Act and its regulations.
- (3) Monies received as a result of fundraising appeals conducted during the year have been properly accounted for and applied in accordance with the NSW Charitable Fundraising Act and its regulations.

### Basis for opinion

We conducted the 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 registered entity in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) 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 ethical 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.

### Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the responsible entities' financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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*Liability limited by a scheme approved under Professional Standards Legislation*

## Responsibility of Those Charged with Governance for the Financial Report

The responsible entities of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation of the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, the responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the responsible entities either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Report

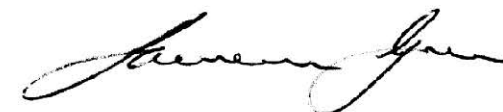
The audit objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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. As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of responsible entities' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the audit opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

Shedden and Green Partners  
Lawrence R Green FCA – Partner



3 November 2018, Miranda NSW

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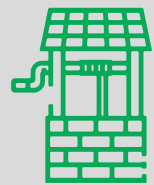


# OUR PRIORITIES 2018-2019



## KRISTINA HEALTH CENTRE

TO BUILD A  
MATERNITY CLINIC



## BUILD TEN WELLS

TO ALLOW ACCESS  
TO CLEAN WATER



## CENTS FOR SEEDS

TO INVEST INTO SUSTAINABLE  
WATER MANAGEMENT SOLUTIONS



## TO ENGAGE DONORS

INCREASE THE NUMBER OF  
CORPORATE PARTNERS, MAJOR  
DONORS AND COMMUNITY DONOR  
GROUPS IN OUR “SPONSOR A  
VILLAGE” PROGRAM FOR SUPPORT.

## WANT TO SUPPORT LOVE MERCY FOUNDATION? HERE'S HOW

SIGN UP FOR OUR NOVEMBER 2019 LOVE MERCY UGANDA TOUR BY AUGUST 2019  
[INFO@LOVEMERCYFOUNDATION.ORG](mailto:INFO@LOVEMERCYFOUNDATION.ORG)

DONATE \$30 A MONTH BY GOING TO [WWW.LOVEMERCYFOUNDATION.ORG](http://WWW.LOVEMERCYFOUNDATION.ORG)  
TO SET UP A DONATION

BECOME A CORPORATE PARTNER BY CONTACTING OUR FUNDRAISING MANAGER  
AT [REBECCA@LOVEMERCYFOUNDATION.ORG](mailto:REBECCA@LOVEMERCYFOUNDATION.ORG)

RAISE YOUR OWN FUNDS THROUGH RUNNING, SPORTS AND OTHER EVENTS  
[INFO@LOVEMERCYFOUNDATION.ORG](mailto:INFO@LOVEMERCYFOUNDATION.ORG)

VOLUNTEER AT AN UPCOMING EVENT BY CHECKING OUR WEBSITE

JOIN OUR INTERNS PROGRAM BY EMAILING YOUR RESUME  
TO [CAITLIN@LOVEMERCYFOUNDATION.ORG](mailto:CAITLIN@LOVEMERCYFOUNDATION.ORG)

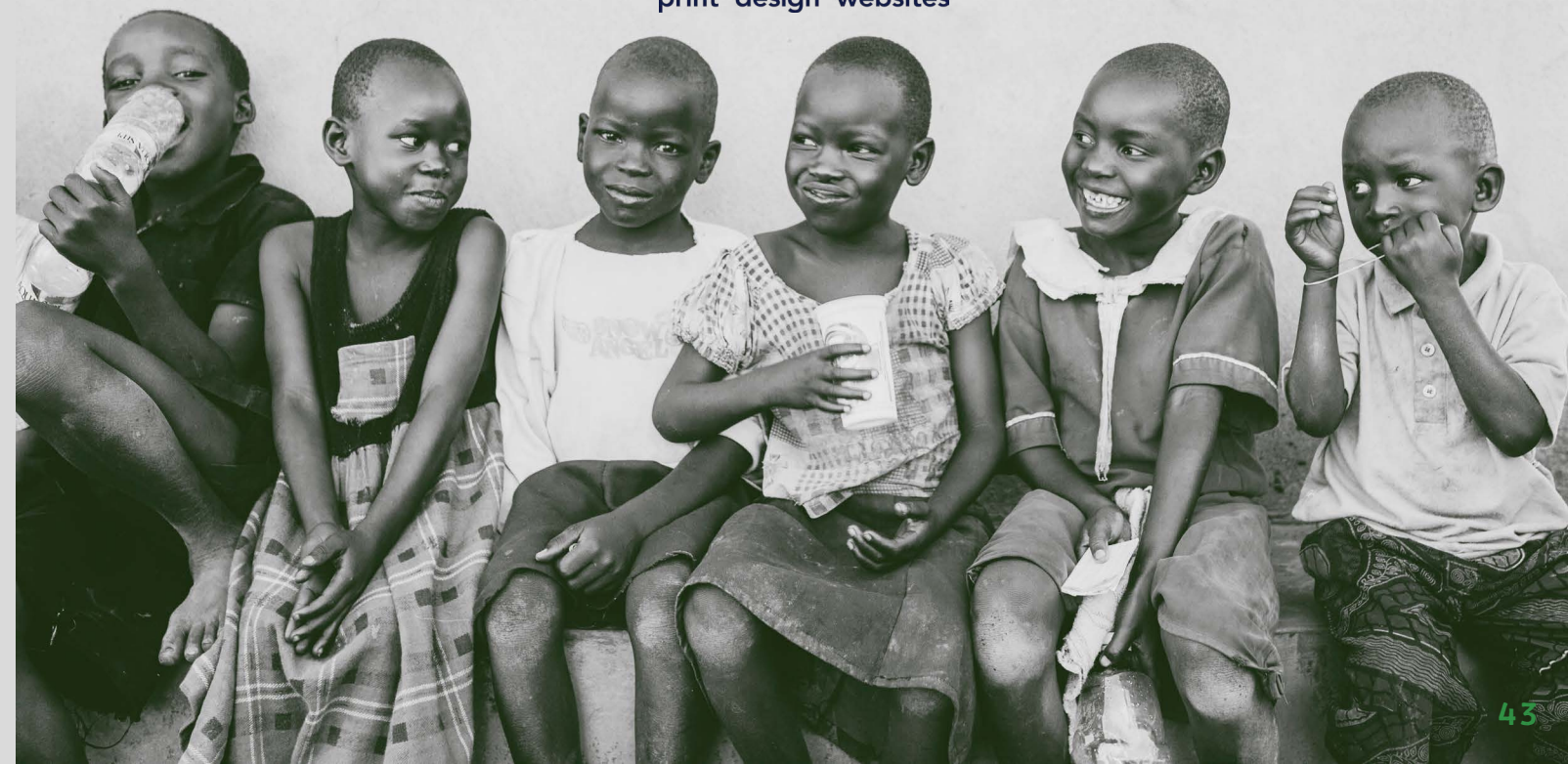
MAJOR DONORS CAN CONSIDER SPONSORING A VILLAGE BY REACHING  
OUT TO [CAITLIN@LOVEMERCYFOUNDATION.ORG](mailto:CAITLIN@LOVEMERCYFOUNDATION.ORG)

VISIT OUR WEBSITE TO LEARN MORE AT [LOVEMERCYFOUNDATION.ORG](http://LOVEMERCYFOUNDATION.ORG)

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THANKS TO THE WOLFPACK MRS FOR THE USE OF  
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LOVE  
LOVE  
LOVE

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