

2018-2019

# LOVE MERCY

ANNUAL OPERATIONS REPORT





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# HIGHLIGHTS

THE YEAR IN REVIEW



SEED LOANS ISSUED  
TO 13,800  
FAMILIES



7,961 PATIENTS  
TREATED AT KHC



380 BABIES BORN



11 WELLS DRILLED



OVER ONE MILLION  
DOLLARS RAISED



# SUPPORTING US EVERY STEP OF THE WAY

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

THANK YOU TO  
OUR PARTNERS  
AND VOLUNTEERS

Achon Uganda Children's Fund  
Aevum Physiotherapy  
Ascent Foundation  
Australian Ethical Super Fund  
Beauty and Balance  
Bump Birth and Baby  
City Hope Church  
Distraction at Gynea  
Fortnum Foundation  
Gather and Moss  
Haslin Construction  
Holding Redlich  
Justin and Kate McDonald  
Lily Anne Jewellery  
Macourt Family Foundation  
Macquarie Foundation  
Maitland Christian School  
Open Life Designs  
Pink Umbrella Foundation  
Platinum Foundation  
Revvies Australia  
Run Nation Film Festival  
RVTL Church  
Seldon Rosser  
Send Hope Not Flowers

St Johns Grammar School  
Stand Tall  
Syngenta International  
The Big Table  
The First Hello  
The Great State  
The Horse  
The Rotary Club of Berry  
The Running Movement  
The Wanderers  
The Wolfpack Mrs  
Thomson Environment Systems  
Thrive Community Church  
Ultimo Public School  
UNSW Humanitarian Engineering  
Water for Africa  
Wavelength  
Wavish Family Foundation  
With Kua

Alaina Francis  
Christy Pope  
Handle Communications  
Huber Social  
Jonathan Polke  
Reho Travel  
Snap Printing Kirrawee  
Two Sides Accounting  
The Paper Fox

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



## MESSAGE FROM THE FOUNDER

Many of you would have seen the recent remarkable feat over the marathon distance by Kenyan runner Eliud Kipchoge. Just a few weeks ago, Eliud became the first human ever to run a marathon in under two hours – something many doubted would ever be possible. Eliud himself says his accomplished feat wasn't a solo effort. If you watched the footage you'll see that he had a team of pacemakers to help him manage the pace and draught off.

Millions of dollars was spent on researching the best way for the team to shield Eliud so that he could run at his smoothest and maintain the pace. How he could make every step count. With the science and knowledge that with the help of others around him—a true team effort—there would be more power in every step.

I can't help but think about how indicative this is of the team that we have. Our entire Love Mercy team, from our staff in Uganda, to our major donors, to our Board of Directors, to our monthly supporters and our staff here on the ground in Australia—all running together to reach a common goal, each person's contribution adding and giving power to the collective effort.

And the proof is in the result at the finish line. This last fiscal year was our most successful yet, with our team collectively raising over \$1 million to resource and give momentum to our vision of empowering Northern Ugandans to break the cycle of poverty through sustainable projects.

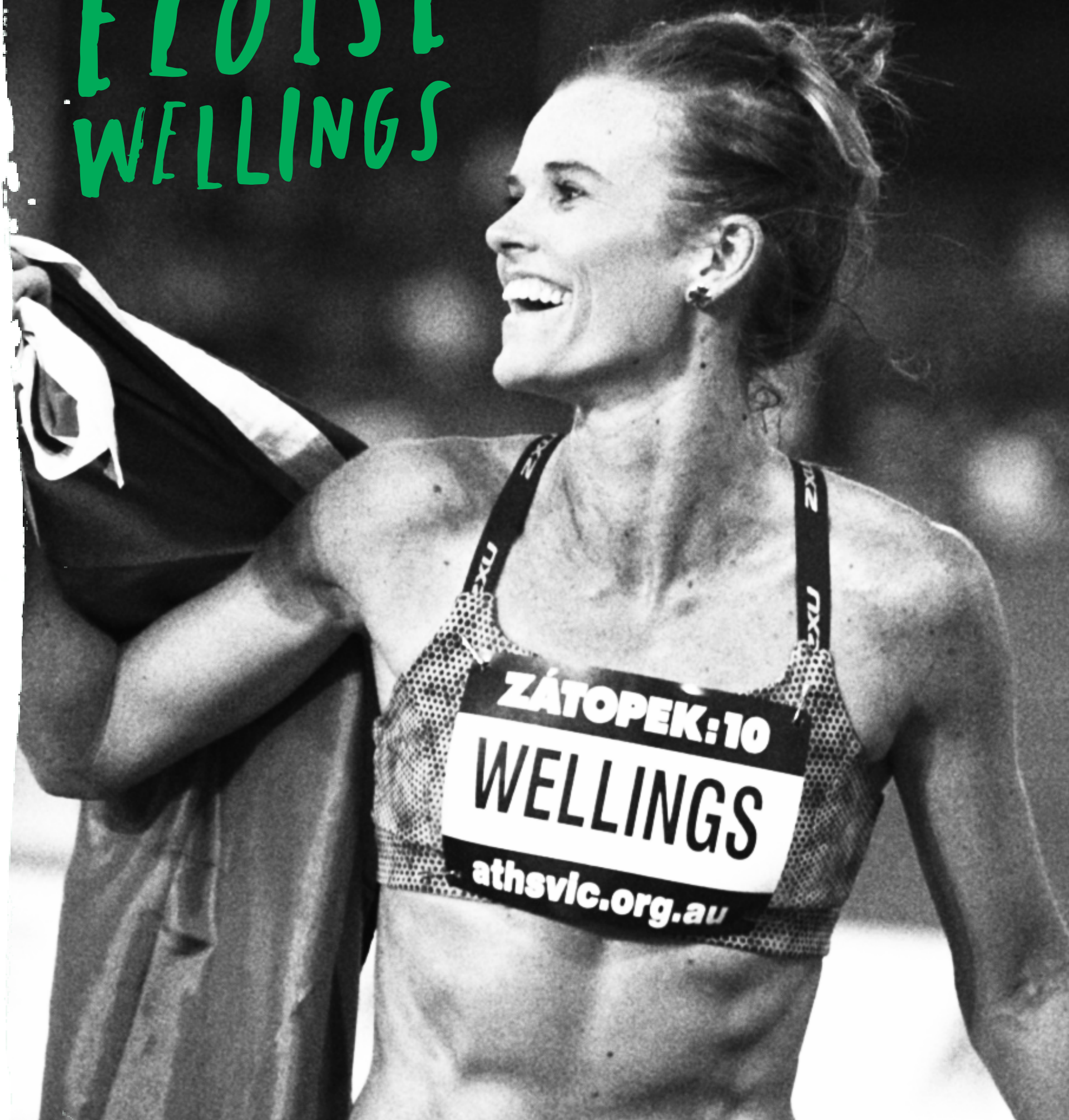
The only difference is that we're not finished yet. There's still more to do; we are not stopping to celebrate (because we never stop moving forward) but we are smiling and putting our arms up in the air with each little victory as we continue to run this race together and gain momentum with the help of YOU.

So thank you. Whether you are front of the pack, back of the pack or just joining our pack, we are grateful for you. Your support adds purpose and power to every step.

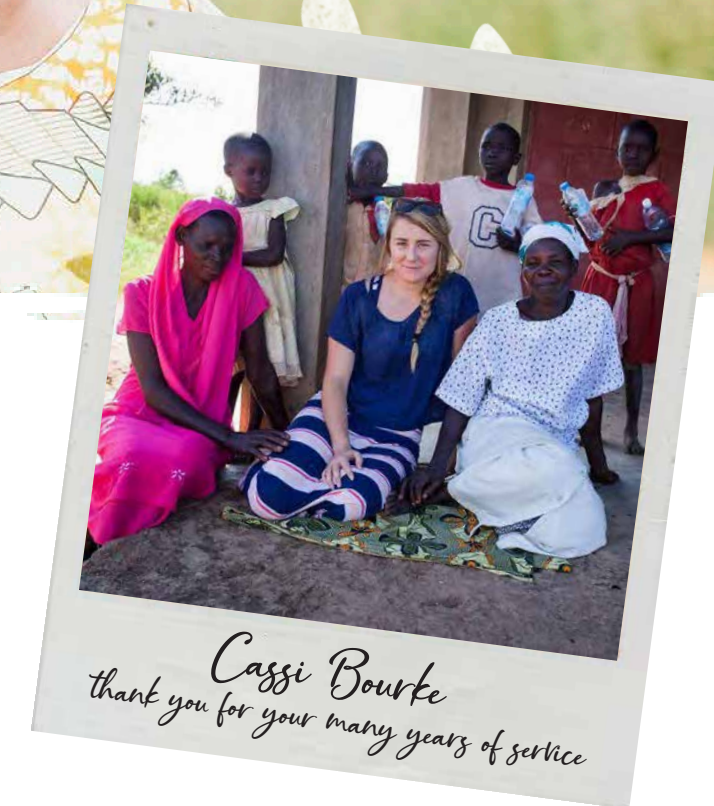
ELOISE WELLINGS

CO-FOUNDER, LOVE MERCY

# ELOISE WELLINGS







*Cassi Bourke*  
thank you for your many years of service



## MESSAGE FROM THE CHAIR

I am so proud of all our team has achieved in the last 12 months. We have stepped across the \$1 million turnover milestone—a huge achievement, and you'll read later in this report about the impact that's had on the ground in Uganda.

This has, of course, been driven by our Love Mercy staff, but the Love Mercy team is much more expansive than that. Our team includes all of our committed donors (whether you've been with us since the start or have recently donated for the first time), our partner charities and organisations, our volunteers, all other supporters, and our Board of Directors. You are a part of the team; and together we have reached this goal.

*Love Mercy is an ambitious charity and we continue to have a growth agenda.*

Our founder, Eloise Wellings, has always has a large vision and belief in the impact we can have and what we can achieve. And that expansive thinking permeates all areas of our organization. In many ways, the culture of Love Mercy has always been akin to an entrepreneurial, startup business. Backed up by strong governance, risk management and business planning, we have always been able to think big and ensure high impact—getting the most benefit out of every dollar donated. That culture has also allowed Love Mercy to remain agile, changing course where required to meet the needs on the ground. This agility has been incredibly important this year.

In her message (page 10), our CEO Caitlin Barrett will take you through a key change in the strategic direction of Love Mercy's programs, specifically Cents for Seeds. This change meets the needs of the present conditions in Uganda—delivering the program in a changing and unpredictable climate. I will leave it to Caitlin for the detail.

*I am proud to be part of an organisation with the ability to pivot when the needs of the people we exist to support change and require something different of us.*

Since communicating this to our supporters, we have appreciated the positive feedback and committed engagement from our donors to step forwards together. We cannot do any of this without you. We are grateful that you are on the journey with us.

This year we have also enjoyed further expansion of our Board of Directors with a notable addition of Lizzie Borwick. Lizzie is a career fundraising professional who leads a team in another larger, non-competing charity. Our story had resonated with Lizzie for some time as she followed our journey online. It was a real gift to Love Mercy when Lizzie approached us with an interest in serving on our board—bringing a new and complementary skillset to our group.

As the financial year closes out, we also have an impending change in our Love Mercy team with Cassi Bourke, our Project Manager, making the difficult decision to move on to pastures new after being part of the journey from the beginning. Cassi has had a massive impact on Love Mercy, having been with us from almost the start when we were a small, start-up charity with big ambition. She has spent many months on the ground in Uganda and her project manager role has led her to have strong friendships as well as professional relationships with all of our Ugandan-based team. Cassi has always had a huge heart for Love Mercy, the team in Uganda and the communities we work in.

*We want to acknowledge Cassi and express a very strong gratitude for all that she has achieved during her time with us. We wish Cassi the very best in her future endeavours.*

Operationally, Love Mercy is in a strong position as we move forwards into this next year. We are further investing into our project management and evaluation resources on the ground in Uganda and following industry best practice by bringing our project management and fundraising functions closer together.

We are proud of all that we have achieved, whilst also mindful of the large challenges ahead—exciting challenges for the impact they can have on our communities in northern Uganda. We thank you for continuing to be part of the journey—part of our team.

**THANK YOU.**

**KATIE ROSSER**



# CEO REPORT

This year I am honoured to have led an incredible team towards a breathtaking result – over \$1 million raised in this current financial year. On the verge of our 10 year anniversary to be celebrated in March 2020, I could not be prouder of the outcome we achieved together towards reducing poverty and restoring hope in northern Uganda.

Over \$1 million raised is an incredible achievement for an organization that began as a hope and a dream to help one man and 11 orphaned children. Five years ago we set this goal for ourselves as an organization and our board has been strategically focused towards it ever since. The outcome of raising \$1 million was always clear—to have 20,000 women in our Cents for Seeds program in 2020. We have made incredible progress towards this goal, largely thanks to the hard work of the women themselves, and to our generous donors. In order to reach that goal we needed to distribute 17,000 seed loans in 2019—an increase from the 13,800 loans that were distributed in 2018.

Unfortunately the weather had other plans. In October 2018 I was preparing a speech for the UN Food & Agriculture Organisation about global food security in Rome. The roundtable discussion was this: the world's most vulnerable communities, the ones who rely purely on rainfall for their livelihood, were suffering the most severe effects of global warming now. I simultaneously received news that I was not expecting. The predicted rainfall in Uganda had not come, and a drought was looming. Our team on the

ground sent an urgent warning that our entire Cents for Seeds project was under threat. Many of the seeds that had been planted during that period had been lost due to unpredictable rainfall, or no rainfall at all. If the crops don't grow, then households can't harvest, earn an income, feed their families, or return their seed loans. The flow on effect of no rain is devastating.

Our return rate for Cents for Seeds loans usually sits in the 90% range. This year, the rate sank to a devastating 25%, equalling the loss of 70,000 kilograms of seeds.

Despite having several risk management strategies in place, the loss was out of our control. The rain simply did not come. Our team of trained agronomists tried desperately to save the crops to no avail.

The lost seeds are loans that are usually distributed to another woman the following year. We had hoped to reach 17,000 women this year, well on our way to meeting the 2020 target. However, we cannot continue to loan out seeds with the risk of losing that many to drought. That is why we are embarking in a new direction to break new ground in 2019 and 2020.

In April 2019 I travelled to Uganda with an irrigation technician to try to solve the most difficult problem – how do we relieve these communities of their total reliance upon rainfall, when in some cases they do not have access to drinking water?

Our two weeks in Uganda made great progress with many site visits and interviews with this problem in mind. Two plots have been selected to act as demonstration irrigation plots, and a plan has progressed for getting water storage solutions to even the most remote areas. We are seeking funding from various sources to enable us to continue in our Cents for Seeds commitments of 13,800 loans this year, while investigating these irrigation solutions. You can read more about that on page 12.

I am proud that we managed to raise enough funds and make great strategic decisions to still get 13,800 seed loans to households and keep the region from plunging into famine. Similarly, we were able to drill 12 new boreholes in the region to help to provide more sources of safe, clean water. Thanks to our partners at Water for Africa for tackling this issue head on. On the same trip to Uganda in April 2019 I arrived at the clinic to see two women who were about to give birth. They were both called Harriet, and I was privileged enough to stand with them, talk to them and sit with them while they were in late stages of labor. I will let you read more about that on page 20 but it reinforced the need to continue to invest in the capacity of the Kristina Health Clinic maternity ward, and our team of professional midwives as well as the services that are available in this remote area. We are honoured to welcome new partners to our organization here as fundraisers, and in Uganda as service providers to begin to make this happen, as well as a team of motivated health professionals who are

committing their time and resources to travel to the clinic to assist with training. The value of every individual, family, business or organization that gives to Love Mercy is 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. None of this would be possible without the ongoing strategic and operational direction of our Board of Directors, who have expanded this year and who I have greatly enjoyed working. I also want to make a special mention to one of our board's directors, Mike Hardie, who assisted our team in Australia by facilitating the 5 Voices leadership program. We have found this knowledge to be indispensable and it has helped us to work better and more efficiently as a team. Lastly, our team both in Sydney and Uganda have been a joy to work alongside, and as we continue to expand our team members and grow our expertise I am seriously excited to get to work each day to stand next to each one of our talented and loving team members and restore hope to northern Uganda.

CAITLIN BARRETT







# OUR PURPOSE

## 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 after Eloise Wellings, Australian Olympian, met Ugandan Olympian and former child soldier, Julius Achon. After hearing Julius' story, Eloise established the Love Mercy Foundation to facilitate the development of Julius' 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, with some of the children 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, being abducted by the Lord's Resistance Army and forced into being a child soldier, he understands like no other 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, Awake. Ravaged by the brutality of the Lord's Resistance Army during Uganda's two-decade civil war, damaged by floods and, more recently, touched by famine, the village's residents were struggling in the face of truly inadequate living conditions, and many children had been left without family.

Eloise promised to 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. Our projects increase access to education, health care, and income generation through agriculture and are funded entirely by generous donations from the public. *We need your help.*

## OUR MISSION

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

## 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 VALUES

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

### ACT JUSTLY:

To empower those who are experiencing poverty in Northern Uganda in order to create a more just world.

### LOVE MERCY:

To show kindness to others, regardless of their faith, background, race, religion or gender.

### WALK HUMBLY:

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.

## PARTNERS



ROSSIE

"I am so excited to have become a change maker by donating \$30 month. I can't wait to go to Uganda one day. Sending seed ahead of me is the best thing to do whilst I wait. I was so excited when I added up my donations for the year for tax time. It was the best money I have spent all year!"



DANETTE

"I just want to salute you and your team for being on the forefront fighting some of the world's biggest problems... you totally hold your own when compared with other organisations. So please be encouraged and keep on doing the GROUNDBREAKING work you guys are doing in Uganda. I am sitting on the edge of my seat ready to witness what is to come for the rest of Africa thanks to Love Mercy. You guys are truly incredible."

### SEND HOPE NOT FLOWERS

Joining us this year was the amazing organization Send Hope Not Flowers who encourage people to celebrate the birth of a baby in Australia by making a donation to support women in the developing world to have a safe birth.

They, like us, believe that mothers should not die while they labour to bring new life into the world. They implement this vision by partnering with organisations like Love Mercy to fund doctors and midwives, by providing training and equipment and basic supplies. This year, Send Hope Not Flowers provided the funds needed to pay the wages of our five midwives at the Kristina Health Clinic, who delivered 308 babies this financial year.



### THE WANDERERS

The Wanderers began in 2016 with a vision to create beautiful leather travel goods to add to the memories you make as you wander the globe. Their stunning pieces are versatile and practical and have helped us carry all the supplies that we need on our many trips to Uganda. We are grateful for their products and for their ongoing partnership!

"We partnered with Love Mercy both at Christmas and at Mother's Day. We decided to donate \$10 from every sale of the Venetian crossbody, our bestseller. We loved partnering with Love Mercy and we were proud to be part of making a difference in the lives of Ugandan families. We love that Ugandan mums through the Love Mercy program can start their own businesses now."

Ben + Alissa Poppett, Owners & Directors,  
The Wanderers

WANDERERS  
TRAVEL CO.



# CENTS FOR SEEDS

## PROJECT UPDATE

Cents for Seeds this year began under extremely difficult circumstances. The beginning of the season was adversely affected by drought, with 70% of loans distributed unable to be returned due to a lack of rainfall. This meant that the seeds that would normally be redistributed at the beginning of 2019 were not returned and unable to be issued again as loans.



70% OF LOANS  
UNABLE TO BE  
RETURNED DUE TO  
LACK OF RAINFALL

The difficult decision was made to put our vision to reach 20,000 women by 2020 on hold. To reach that milestone, we would have needed to distribute 17,000 seed loans in 2018 and 2019, but this was simply out of our reach. We needed to redirect our budget towards replacing the seeds that were lost due to drought.

Thanks to a successful fundraising campaign, *Breaking New Ground*, and the overwhelming response from our donors, we were able to replenish the seed stocks that were lost.

We set our intentions at the beginning of this process: if we could still reach the existing 13,800 women in the program, and no woman who was impacted by drought missed out, that would be a huge win.

In order for this to happen we needed to reduce the number of kilograms that were handed out per woman, in order to have enough budget to meet every family's loan commitment. In consultation with our staff and our ladies, we decided to reduce the loan amounts to between 3-5 kilograms of sesame per woman, and 10-15 kilograms of soy beans per woman.

We replanned our budget in Uganda for Cents for Seeds and made the difficult decision to push back our impact measurement survey to February 2020 in order to be able to purchase as many seeds as possible, but also simultaneously invest in long-term solutions to meet the risk of drought head on.

This was not a purely financial problem. Even if we had an unlimited budget, we could not in good faith purchase that amount of seeds again and risk the drought destroying crops, however this time with more funds and seeds lost.

## TWO NEW PARTNERSHIPS

So we set about establishing two key partnerships to invest into sustainable water management solutions. The first was with *Open Life Designs* who travelled with us to Uganda to research and establish three pilot irrigation plots to enable communities to become less reliant purely on rainfall.

The overall aim of these three pilot irrigation plots is twofold. Firstly we want to enable the local community to access and educate themselves on irrigation practices. This is a very new concept to many people in the area who have never seen an irrigation plot in practice. Our agronomy staff will be coordinating community groups from our Cents for Seeds participants who will use the communal plot to harvest extra crops and learn about irrigation techniques to take their skills back to their own gardens. We hope to then source affordable solutions to subsidize the purchase of kits for remote village areas to irrigate at home.

Secondly we were honoured to work with the Humanitarian Engineering Department and the Global Water Institute at the University of New South Wales this year to mitigate the risk of drought further with the establishment of the Drought Resistance in Uganda Network.

Next year, a team of students will be travelling to Uganda to install weather stations that will enable us to track rainfall and communicate with communities the optimum time to plant their crops in order to take full advantage of rainfall.



TRACKING RAINFALL  
WILL ALLOW  
COMMUNITIES TO PLANT  
THEIR CROPS AT THE  
OPTIMUM TIME

## HELPING WOMEN SAVE

Alongside Cents for Seeds we also run a Village Savings and Loans Association (VSLA) that every woman who receives a loan can access in order to learn about savings and loans. Women are divided into groups of 50. They meet every week and save a minimum of 1000 shillings (or 20 cents). The women borrow money from the safe box, and pay back their loans with a calculated amount of additional interest. At a pre-decided point, the accumulated profit is divided up amongst the women according to how much each woman has added. A base minimum is always kept in the safe box. VSLA has been an effective program, with the results proving it is having an incredibly positive impact on the communities involved. They are taught how to save money—a skill which can be handed down through families and exercised successfully in their present. Savings are being used to send their children to school, pay medical bills, pay for events and start their own businesses.

With their savings the women are able to genuinely improve their standard of living, particularly during the last twelve months of intense drought and scarcity when many women relied upon the loan facility to make ends meet.

AMOUNT RAISED: \$174,849

AMOUNT SPENT: \$308,764 – the shortfall was made up from funds raised in the previous financial year





## PLOT 1 - BARR VILLAGE

Barr village had a pilot irrigation system set up in 2017 which had many learnings for us—the system that was established relied too heavily on manual labour which added a heavy workload to the women who also had their own gardens to attend to. It also relied upon financial investment from the group to install a fence which wasn't viable. We have decided that in March 2020 we will use this same plot of land and install a 10,000 litre water tank, gutters and iron sheets on the roof of the building next to this plot to establish a communal garden with a fence. The building will be used as a rain harvest with the water being stored in the tank, and pumped to neighbouring crops using a treadle pump.

## PLOT 2 - KRISTINA CLINIC

Using the land that we already own on the KHC site (right behind the staff quarters that you generously funded!) we will be taking advantage of the existing infrastructure to install an irrigation demonstration plot. We will utilise the existing borehole, solar power pump and water tank to pump water to the plot behind the staff quarters and grow a variety of new crops for sale, and to feed the clinic staff so their diet has more variety, which they have previously requested. The plot will be used to train local Cents for Seeds participants in irrigation techniques and will hopefully increase the patient count at the clinic as more people become aware and familiar with our services. We also take advantage of the existing secure fence on this site.

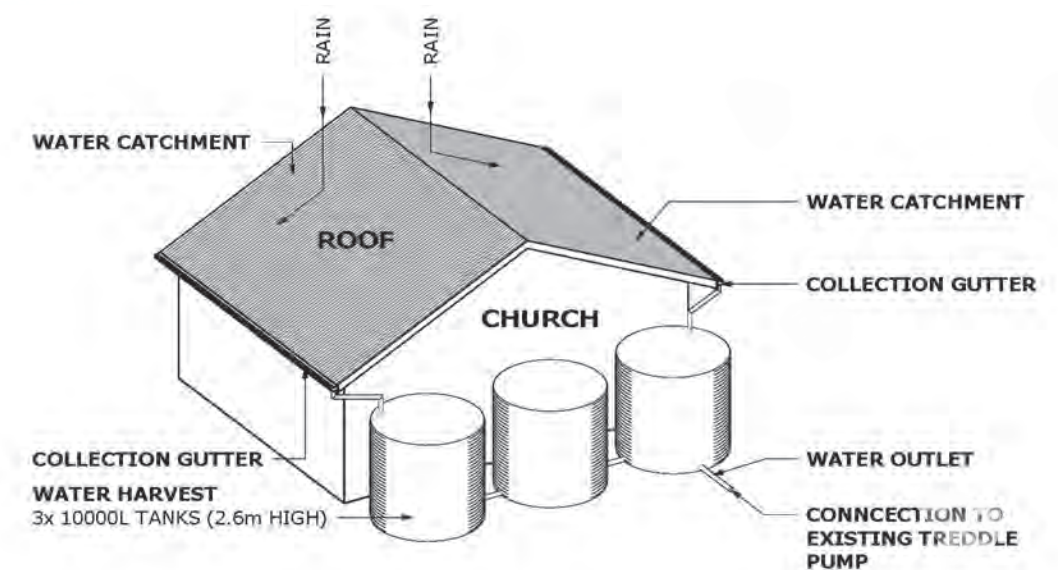
## PLOT 3 - REMOTE VILLAGE AREAS

One of the most confronting realizations we had during this trip was that for many remote homes, alcohol and soft drink is much easier and cheaper to source than clean drinking water. When we interview several women from Okwang and Ogwette we were struck by how dirty and distant their closest drinking water was. When we discussed the option of irrigation, it became clear that the much more pressing need was clean drinking water. As such we are focusing our efforts on these areas to install new boreholes with our partners, Water for Africa.

## CASE STUDY

In response to the emergency situation that we were presented with in our Cents for Seeds program, in April this year a team travelled to Uganda with Lyle from Open Life Designs. Lyle is an irrigation technician with five years' experience in building irrigation systems and also extensive experience in horticulture. He volunteered his time and expertise, and his skillset was perfect for this challenge due to his unique combination of agricultural and technical skills.

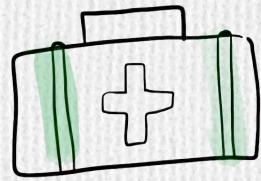
When we arrived we organized to visit four villages which were all worst hit by the drought—Barr, Okwang, Ogwette, and Ogor. An assessment was conducted on three different plots of land by visiting three gardens with the women who received seed loans. What we learned on this assessment was that the soil quality at each site is high, with a strong profile for organic matter, and in most areas farming techniques were good. The biggest issues identified were a lack of potable water and lack of water storage. We identified three potential solutions, dependent upon the level of infrastructure available in any given location.



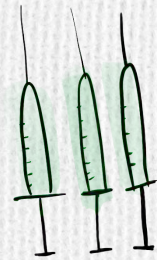




THIS YEAR AT KHC WE ADDED TWO INCREDIBLE SERVICES FOR THE LOCAL COMMUNITY TO ACCESS:

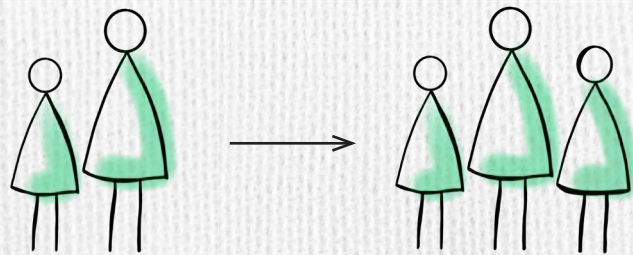


AN OUTREACH PROGRAM



HIV SERVICES

THIS HAS LED TO A DRAMATIC **28% INCREASE** IN THE NUMBER OF PATIENTS WE WERE ABLE TO TREAT:



6227 PATIENTS  
IN 2018

7961 PATIENTS  
IN 2019

## KRISTINA HEALTH CLINIC UPDATE

With the approval of KHC to become an HIV treatment facility, we can now increase our services from HIV testing to also initiating antiretroviral medications and provide HIV counselling, as well as providing care for mothers who are HIV positive in our maternity services (whom previously would have needed to be referred elsewhere).

Our team were elated to deliver 380 babies, and perform 1970 antenatal and postnatal appointments in the newly renovated maternity ward. During this year we came close to beginning construction on a new maternity ward building. However due to circumstances beyond our control, the potential funding source was no longer available. The board plans to strategically reassess and in the meantime continue to invest into building the capacity of all staff and services. During this process of seeking to build a new standalone ward, we identified a hindrance to progress in the lack of reliable power at the clinic. A solar power system had been installed in 2012 but was no longer 100% functional. We have been working with a donor in Australia who is partnering with the Kristina Medical Clinic to repair

the existing solar power service, and provide a brand new solar power system to the ward building to enable the addition of humidicribs, ultrasound, and x-ray.

We also surveyed our staff to start measuring their wellbeing to identify any issues and aid in employee engagement. One of the most overwhelming findings of the survey was that KHC staff feel loyal to the medical centre and appreciate working there because they receive more training on a variety of subjects than in previous roles.

Our beloved volunteer Christy Pope visited the clinic again with Alaina, an OBGYN from Melbourne, who identified an action plan to be prioritized and implemented to ensure better healthcare standards are being met across the clinic, with a view to establishing a longer term working group to build the capacity of the staff at KHC, with the ultimate goal of improving the health care services available to the people of Otuke.

**AMOUNT RAISED: \$117,173**

**AMOUNT SPENT: \$193,415** - The shortfall was made up from funds raised in the previous financial year







In 2018 Love Mercy and Water for Africa (WFA) established a partnership to bring clean water to the residents of Otuke district, northern Uganda. Following the shocking impact measurement results which revealed that low wellbeing was linked clearly with lack of water, Water for Africa expanded their programs from Tanzania to Uganda.

In 2010, Phil Hepworth (Founder, WFA) read a confronting statistic that 'one child dies every 15 seconds from water related diseases'. He was challenged to do something, so when an incredible opportunity presented itself to enrol in a drilling course through Living Water International Texas, Phil jumped at the chance. He obtained a Shallow Water Drilling Certificate. Phil, along with his wife Julie, started WFA in 2013. WFA believes that water is just the beginning and is compelled by love to see lives transformed, purpose and identity found and people to know that they are loved beyond measure and not forgotten.

In the 2018–19 financial year Love Mercy and WFA co-funded and drilled 11 wells. The impact of these 11 wells being drilled means that the community have closer access to safe clean water sources, which will in turn reduce the number of waterborne illnesses that are suffered, and will reduce the amount of walking to water sources that women and children have to perform in these areas.

Our local team on the ground worked with our Cents for Seeds communities to identify the most urgent need, and drilled a well in the following villages:

ANGIRO  
OBANGANQEO  
AKURIWO  
OKUNE  
OBIIRCELL/OLET  
ADUMARA  
OTURODWIL  
AYKOI B  
TEYAO  
ONGWER



There were also 171 wells repaired in the district this financial year after a joint decision was made by WFA and Love Mercy to increase the monthly budget allocated to well repairs in order to increase the number of functional wells in the region.

*"Unity is strength when there is teamwork and collaboration wonderful things can be achieved – This quote is very true of our partnership with Love Mercy Foundation. Together we are reaching and impacting thousands of lives as clean drinking water is given to the remote communities in northern Uganda. Our locally trained team has had an incredible impact this year and our donors have made all of this possible. We are expectant and excited for more in 2020!"*

AMOUNT RAISED: \$119,081  
AMOUNT SPENT: \$78,400



The Child Sponsorship program is currently in its tenth year. Many of the original children supported have now finished their secondary studies or are in their final years of school. Love Mercy currently supports 28 children. Of these, eight are in primary school (five of which are the children or relatives of LMF Uganda staff), eight are in high school and the remaining 12 are currently enrolled in tertiary education/technical college. We are celebrating the fact one of the senior students has graduated and been accepted into university studies starting August 2019!

We anticipate that in the next 2-3 years, more than 90% of the children in our program will have completed their studies and will no longer require ongoing support. As a result, the 2018–19 financial year is the final year for the Child Sponsorship program in its current format.

Given the expansion of Love Mercy's other two projects, Cents for Seeds and Kristina Health Centre and the recent introduction of the Water for Africa

project, our team in Uganda is already stretched to its limits and no longer has the capacity, as it did in the past, to honour the commitment that Love Mercy made to facilitate a relationship between sponsors and their students.

From July 2019 the decision has been made to amalgamate the Child Sponsorship program and the current Sports program into a new 'Sport and Education Program', allowing sponsored children to continue to be supported through their studies without a direct relationship with their sponsor. An extension of our involvement in creating a healthy life and community for children is 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 sport to escape poverty, as is evidenced in his story, having used his 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 has funded two sporting programs that also act as an important community event to raise awareness of the Kristina Health Centre.

AMOUNT RAISED: \$21,123  
AMOUNT SPENT: \$26,608





# OUR WORK

## SPOTLIGHT ON OUR FUNDRAISERS:

One of our youngest and most incredible fundraiser Matilda (Tilly) Richards raised over \$5,000. Tilly is 11 and loves Julius, Eloise and the entire Love Mercy vision. In 2018 she formed a team of kids call the Surfing Seedlings and raised over \$5,000 to support Cents for Seeds loans and access to clean and safe water sources. This year, Tilly has a new initiative PBs for Love. PBs for Love is about setting personal bests and then rewarding others when you do. By connecting with others, she aims to collect over 1,000 PBs by August 2020. What inspires Tilly most about Love Mercy is the story of people, suffering, hope and community.



## FUNDRAISING TRIP TO UGANDA – NOVEMBER 2018

Each November, Love Mercy takes a team to Uganda – an opportunity available to anyone who wishes to attend. We host you on the trip of a lifetime—an Africa adventure that showcases all our projects, an opportunity to host the Julius Achon cross country run with thousands of barefoot students, and of course go on an amazing safari. Here, we share with you some thoughts from previous trip participants.

TO GAIN AN EXCLUSIVE SPOT ON THIS TRIP IN 2020 EMAIL [REBECCA@LOVEMERCYFOUNDATION.ORG](mailto:REBECCA@LOVEMERCYFOUNDATION.ORG)

## JULIUS ACHON ANNUAL CROSS COUNTRY RUN

Each year in November over 3000 spectators and competitors gather to run in the Annual Julius Achon Cross Country event. A team of keen volunteers from Australia help to facilitate this massive effort. Each year the staff and the ambulance from KHC attend the event to provide first aid support, but also raise awareness of the health facility and its services. This is a crucial way for the staff to ensure that the community get to know them, and feel more comfortable to come to the clinic before they are extremely ill. This marketing outreach has seen a direct rise in the number of patients treated at the clinic in the months following the event. The staff also make key announcements about public health issues concerning HIV, family planning, maternity services, and free immunisations. All children who compete in the regional event have been selected by their school cross country race. Love Mercy funded training for these school teachers to be able to conduct child sensitive lessons alongside their athletics training, which covers topics such as child rights, the importance of education, health and sanitation.

## INDEPENDENCE CUP SOCCER TOURNAMENT

In October Uganda celebrates its independence day and for many years Julius has organized 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 who attend and raise awareness about the clinic and its services in the area.



## MY EXPERIENCE

“When I reflect on my trip to Uganda I think about the word ‘growth’. The growth of the seeds, the growth of the community, the growth of the newborns and the Kristina clinic and for me, my own personal growth. I believe it is not until you step fully outside your world, outside your comfort zone that you can fully appreciate the plight of another human being. The work the foundation is doing is real; it’s on the ground, every day, changing lives, one seed loan at a time. The scents, the sounds, the stories will live on in my heart always” Katrina Cornish, Melbourne, Australia

“It was a strange feeling that came over me. After riding the excitement of watching the people of Aminocera village dance and sing for us, I was given a melon. I had no idea what to do with it. It wasn’t easy accepting this gift knowing how much hard work would have been poured into growing this melon, and how little I had done to deserve it. I thought I didn’t need it and would be more useful somewhere else. But then a confused kind of happiness came over me. I began to understand that this melon symbolised a relationship that had just begun. One of giving and giving back. No matter where we are in the world and no matter how much we have, we can all give and it will bring joy. I am thankful for this gift and have been challenged to give back.”

SEAN HAILS, SYDNEY



# BOARD PROFILES



## 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 has served 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 six year old India Rose.

“The past 9 years as an organisation have proven to be 9 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 it's impact. I want to contribute anything I can to see the vision fulfilled”.



## 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. It's a joy and a privilege to be able to offer my contribution.”



## 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 Permanent Care and Adoptions Case Manager for Barnardos Australia 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  
Global Director of Public Affairs, Treasury Wine Estates

Rob is the Global Director of Public Affairs for Treasury Wine Estates. He joined the board in 2016 through his then employer and 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 sector knowledge 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 Asia-Pacific, North American, European and African regions. After spending the last five 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!”



## LIZZIE BORWICK

Director  
Director, Fundraising & Philanthropy, Amnesty International Australia

Lizzie is the Director for Fundraising and Philanthropy at Amnesty International Australia and has worked in fundraising across the health, international development, conservation and human rights sector for over 15 years with local, national and international not-for-profits. Lizzie joined the board in 2019 (and is mum to Fern, 8 and Archie 4).

“I am very passionate about human rights and I have been in awe of Love Mercy for while now. The approach to development in northern Uganda is inspiring and empowers communities to access their basic human rights - such as the right to healthcare, education and being self sufficient. I hope to help them grow so more communities can thrive.”



# OUR STAFF



## ELOISE WELLINGS

### Founder & Ambassador

Olympic athlete Eloise Wellings is passionate about athletics and helping those in poverty. After realising at the age of 15 that she wanted to make running her career, she committed to training and qualified for the Sydney Olympics at the age of 16 in the 5000 metre track event. Unfortunately soon after qualifying, Eloise suffered a stress fracture, which continued to plague her career for the following decade. She suffered 13 stress fractures in 11 years, and missed out on three Olympic campaigns due to injury despite being selected for the team and measured for her uniform. Her story of grit and determination is magnified by the fact that she met Ugandan Olympian and former child soldier Julius Achon while recovering from a stress fracture before the 2008 Beijing Olympics.

Eloise was moved by his story of triumph over adversity, and while she didn't recover in time for the Beijing Olympics, she felt that her troubles were put in perspective by Julius' life. 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. She finally achieved her Olympic dream in London in 2012, and was the highest placing female Olympian in Australian history in the 10,000m event in Rio, finishing 9th. Eloise competed in her fourth Commonwealth Games on the Gold Coast in 2018.

## CAITLIN BARRETT

### Founding CEO

Caitlin has a passion for our women in Uganda, and is most at home sitting under the 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.



## 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 decided to study a degree in Psychology of which she 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!



## 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, namely, 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 us at Love Mercy Foundation, Bec studied her undergraduate in 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 firsthand Bec was hooked, and 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.



## CAITLIN CROWTHER

### Social Media – Intern

Prior to joining the Love Mercy team, Caitlin (or "Jnr" as she's known in the office) studied a Bachelor of Communications and Media at Wollongong University. She came to learn about Love Mercy through volunteering for another organisation, and ended up Interning with us for over a year. Now, she's officially joined the team part-time, spending the rest of her week as a marketing assistant for fintech start-up. With her work at Love Mercy, she is channelling her passion for empowering communities and thrives on hearing the testimonies we receive.



## GOVERNANCE

The Love Mercy Foundation Board takes responsibility for all governance and compliance matters and is focused on continual improvement in this regard.

As members of ACFID, we hold ourselves to the highest account available to charitable organisations. We hold ourselves accountable to the ACFID Code of Conduct. Our board regularly assesses our policies, risk management, fundraising strategy, overall organisational strategy, systems and processes to ensure compliance and best practice for all Love Mercy Foundation operations. We also regularly assess the makeup of our board to ensure the right and complementary skillset.

## TREASURERS REPORT

Summary from James Sutherland, Treasurer

The team has done exceptionally well increasing contributions and activities inline with the Foundation's aims this financial year. Contributions increased by 23% to \$1,016.9k from \$824.6k in FY18, the first year the Foundation has collected over one million dollars in a financial year. With activity also increasing on the ground in Uganda, the Foundation finished with a net deficit of \$48.8k

This significant year on year increase can again be largely attributable to increases from our Major Donors and partners.

This year's fundraising activities included a number of initiatives built on from previous years, all designed to either enhance public awareness or engage and give back to our community of supporters. As our business Partners and Major Donors continued to provide close to two thirds of the LMF donations the team has worked hard to maintain these relationships through speaking and corporate communications whilst also seeking to increase or donations from individuals through consumer events such as the community running Film Festival Run Nation and other running events so as to offset the impact of any changes in giving strategy by our major donors.

Many of our key externally focused policies can be found via 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)

As a board we strive towards continuous improvement and this year we have also engaged Employsure to raise the bar on our HR delivery and compliance in our employee-related policies.

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. A dual focused approach will ensure the Foundation is financially secure and able to meet its objectives going forward.

Over the last financial year, I have worked with Caitlin and the team to increase their strategic planning capacity so the Foundation is able to increase the scale and scope of its development activities. We have successfully implemented a number of planning tools and financial budgeting processes which have allowed the Foundation to confidently extend its activities whilst maintaining the robustness of the Foundations financial standing.

As Eloise, Caitlin and the team embark on this coming year, 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.

## INCOME STATEMENT OF LOVE MERCY FOUNDATION LTD (ABN 71 142 069 645) YEAR ENDED 2019

REVENUE	2019	2018
Donations and Gifts	1,000,978	811,114
Monetary	-	-
Non-monetary	-	-
Bequests and Legacies	-	-
Grants	-	11,242
Department of Foreign Affairs & Trade	-	-
Other Australian Grants	-	-
Overseas Grants	-	-
Commercial Activities Income	-	-
Investment Income	-	-
Other Income	15,956	2,233
Revenue for International Political or Religious Adherence Promotion Programs	-	-
<b>TOTAL REVENUE</b>	<b>1,016,934</b>	<b>824,589</b>

EXPENDITURE		
International Aid and Development Programs Expenditure		
International Programs	766,141	626,584
Funds to International Programs	607,845	511,057
Program Support Costs	158,296	115,527
Community Education	-	-
Fundraising Costs	-	-
Public	92,370	61,232
Government, multilateral and private	-	-
Accountability and Administration	207,248	159,898
Non-monetary Expenditure	-	-
Total International Aid and Development Programs Expenditure	1,065,759	847,714
International Political or Religious Adherence Promotion Programs Expenditure	-	-
Domestic Program Expenditure	-	-
Commercial Activities Expenditure	-	-
Other Expenditure	-	-
<b>TOTAL EXPENDITURE</b>	<b>1,065,759</b>	<b>847,714</b>
<b>SURPLUS/(DEFICIT)</b>	<b>(48,825)</b>	<b>(23,125)</b>
Other Comprehensive Income	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>(48,825)</b>	<b>(23,125)</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 2019**

ASSETS	2019	2018
<b>Current Assets</b>		
Cash and Cash Equivalents	137,949	201,776
Trade and Other Receivables	34,789	11,219
Inventories	-	-
Assets Held for Sale	-	-
Other Financial Assets	-	-
<b>Total Current Assets</b>	<b>172,738</b>	<b>212,995</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>172,738</b>	<b>212,995</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and Other Payables	18,489	9,921
Borrowings	-	-
Current Tax Liabilities	-	-
Other Financial Liabilities	-	-
Provisions	-	-
Other	-	-
<b>Total Current Liabilities</b>	<b>18,489</b>	<b>9,921</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>18,489</b>	<b>9,921</b>
<b>NET ASSETS</b>	<b>154,249</b>	<b>203,074</b>
<b>EQUITY</b>		
General Reserves	-	-
Restricted Reserves	-	-
Retained Earnings	154,249	203,074
<b>TOTAL EQUITY</b>	<b>154,249</b>	<b>203,074</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**

	ACCUMULATED FUNDS RESERVES	OTHER	TOTAL
<b>BALANCE AT 1 JULY 2017</b>	<b>226,198</b>		<b>226,198</b>
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 (COMMENCING BALANCE)</b>	<b>203,074</b>		<b>203,074</b>
Adjustment of changes in equity due to, eg, adoptions of new accounting standards.	-		-
Items of other comprehensive income	-		-
Excess of revenue over expenses	(48,825)		(48,825)
Other amounts transferred (to) or from reserves	-		-
<b>BALANCE AT 30 JUNE 2019 (YEAR END BALANCE)</b>	<b>154,249</b>	<b>-</b>	<b>154,249</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.



LOVE MERCY FOUNDATION LTD (ABN 71 142 069 645)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019

INCOME STATEMENT	2019	2018
<b>Income</b>		
Donations and Gifts	1,000,978	811,114
Other Income	15,956	13,475
<b>Total Income</b>	<b>1,016,934</b>	<b>824,589</b>
<b>EXPENDITURE</b>		
Funds to International Programs	607,845	510,057
Programs Support Costs	158,296	115,527
Public	299,618	222,128
<b>Total International Aid and Development Programs</b>	<b>1,065,759</b>	<b>847,712</b>
<b>SURPLUS/DEFICIT</b>	<b>(48,825)</b>	<b>(23,123)</b>
<b>BALANCE SHEET</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	67,324	98,334
Other	-	51,053
<b>Total Assets</b>	<b>67,324</b>	<b>149,387</b>
<b>Current Liabilities</b>		
Payables	-	-
Total Liabilities	-	-
<b>NET ASSETS/ACCUMULATED FUNDS</b>	<b>67,324</b>	<b>149,387</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.

INTERNATIONAL AID AND DEVELOPMENT  
INCOME STATEMENT

<b>REVENUE</b>	
Donations and Gifts	1,000,978
Other Income	15,956
Other Income	-
<b>Total Income</b>	<b>1,016,934</b>
<b>EXPENDITURE</b>	
<b>International Aid and Development Programs Expenditure</b>	
International Programs	766,141
Funds to International Programs	607,845
Programs Support Costs	158,296
Fundraising Costs	92,370
Accountability and Administration	207,248
<b>TOTAL EXPENDITURE</b>	<b>1,065,759</b>
<b>SHORTFALL OF REVENUE OVER EXPENDITURE</b>	<b>-48,825</b>

In FY19, total income was split across two entities – Love Mercy Foundation Ltd and Love Mercy Foundation Overseas Aid Fund. These financial statements have been consolidated.

1. Travel expenses directly relating to operations on the ground have been included in Program Support costs.
2. Wages for Australian staff have been calculated at: CEO: 80% Administration and 20% Project support cost
3. Project Manager: 100% Project support cost Fundraising Manager: 100% Fundraising cost

TABLE OF CASH FLOW MOVEMENT

Appeal	Cash Avail. July 2018	Income Raised	Expense	Cash Avail. July 2019
Cents for seeds	161,772	174,849	308,764	27,856
Medical clinic	166,245	117,173	193,415	90,002
Child sponsorship	-38,024	21,123	26,608	-43,509
Non-designated	-102,090	509,474	437,317	-29,933
Wells	25,477	119,081	78,400	66,158
Sports	-10,305	75,237	21,256	43,675
<b>TOTAL</b>	<b>203,075</b>	<b>1,016,937</b>	<b>1,065,762</b>	<b>154,250</b>

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

Cash available July '19 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 2019.





**SHEDDEN & GREEN PARTNERS**  
ABN 43 723 342 276

**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 2019 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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**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

6 November 2019, Miranda NSW

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CHARTERED ACCOUNTANTS  
AUSTRALIA • NEW ZEALAND

## SHEDDEN & GREEN PARTNERS

ABN 43 723 342 276

5 November 2019

The Board of Directors  
Love Mercy International Ltd  
P O Box 702  
SUTHERLAND NSW 1499

### Independence of the Auditors

We confirm that for the audit of the financial report of Love Mercy International Ltd for the year ended 30<sup>th</sup> June 2019, we have maintained our independence in accordance with requirements of Shedden & Green Partners, with the provisions of Professional Statement F1.

In the spirit of this confirmation, we have prepared the following comments to facilitate discussion and enable you to have a clear understanding of the issue.

### Other services

We have not carried out any engagements for the Company its controlled entities and any related entities that would impair our firm's professional independence as auditor.

Any services provided are subject to our own and the profession's strict rules and policies regarding auditor independence, as well as to certain statutory requirements. We enforce these rules and policies in order to maintain objectivity and to be free of conflicts of interest when discharging our professional responsibilities.

Our appointment as service provider for these engagements has been subject to the Company's corporate governance procedures encompassing the selection of service providers and the setting of their remuneration. Some of the safeguards we follow with regard to auditor independence in relation to the provision of these services include ensuring:

- the services have not involved partners or staff acting in a managerial or decision-making capacity, or being involved in the processing or originating of transactions;
- the services have only been provided where we are satisfied that the related function or process will not have a material bearing on our planned audit procedures and would not involve us auditing our own work;

- the partners and staff involved in the provision of non-audit services have not participated in the Company's associated approval or authorisation processes; and

Based on the above safeguards, we are satisfied that the provision of other services has not in any way compromised our independence as external auditor of the Company.

### Seconded staff

Professional staff members have not been seconded to the Company. It is our policy that if such secondment did occur then seconded staff would not normally be members of the audit team except that where seconded staff were also members of the audit team, they would have not been directly involved in the audit of their own work papers, calculations or other relevant documents generated by them during the period of their secondment.

### Unresolved disagreements

We have not had any unresolved disagreements with management about matters that individually or in aggregate could be significant to the financial report. Furthermore, management has not sought to influence our views on matters relevant to our opinion.

### Financial interests

As your auditors, direct and material indirect investment in the Company or any entities related to the entity or to its Board is prohibited to us, subject to certain grandfathering provisions for immaterial investments. In summary this prohibition extends to:

- all partners and professional staff, and superannuation fund and any entities controlled by them;
- the families of these partners and professional staff; and
- the firm's partner and staff superannuation funds.

We seek annual confirmation from our partners and staff that they have complied with this requirement and we actively monitor financial interests of our partners and staff. Based on the results of this we are not aware of any instances where partners or staff are not in compliance with this requirement in relation to this engagement.

### Borrowings

The Company is not permitted to lend to the general public. Borrowing from clients is generally prohibited for our partners as well as staff and their relatives and any associated entities. We seek annual confirmation from partners and staff that they do not have such borrowings from the company as are prohibited under the professional standards or by our policy. Based on the results of this confirmation, we are not aware of any instances where our partners or relevant staff are not in compliance with this policy.

Phone: (02) 9540 1944

Level 3 - Suite 28  
19-21 Central Road  
MIRANDA NSW 2228

PO Box 142  
MIRANDA 1490

Email: [sheddenandgreen@bigpond.com](mailto:sheddenandgreen@bigpond.com)

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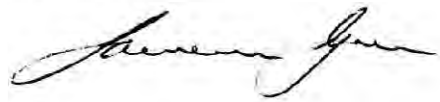
## Other relationships

There are no situations where a spouse or close relative of a partner or staff members involved in the audit occupy a position as a director or executive of the Company that is significant to the audit.

There are no situations where a partner or staff member has accepted a position of employment with the Company or any related entities in a senior executive or managerial capacity during or since the end of the financial year.

This report is intended solely for the use of the Board of Directors, management, and others within the Company and should not be used for any other purpose.

Yours faithfully



Lawrence R Green FCA  
Partner

# OUR PRIORITIES 2019-2020



## KRISTINA HEALTH CENTRE

TO BUILD THE CAPACITY  
AND THE SERVICES OF THE  
MATERNITY WARD

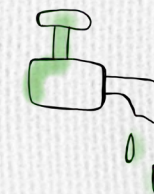


## CENTS FOR SEEDS

TO SUPPORT 17,000 WOMEN IN THE  
PROGRAM.



## TO BUILD 10 NEW WELLS



TO INVEST IN SUSTAINABLE  
WATER STORAGE SOLUTION AND 3  
IRRIGATION PLOTS



WOULD YOU LIKE TO FIND OUT MORE ABOUT HOW TO HELP US ACHIEVE  
THESE OUTCOMES?

CONTACT US VIA OUR FUNDRAISING MANAGER AT  
[REBECCA@LOVEMERCYFOUNDATION.ORG](mailto:REBECCA@LOVEMERCYFOUNDATION.ORG)

## HOW YOU CAN HELP

COME TO UGANDA ON OUR FUNDRAISING TRIP IN NOVEMBER 2020  
[REBECCA@LOVEMERCYFOUNDATION.ORG](mailto:REBECCA@LOVEMERCYFOUNDATION.ORG)

DONATE \$30 A MONTH AND GIVE A WOMAN A SEED LOAN  
[WWW.LOVEMERCYFOUNDATION.ORG](http://WWW.LOVEMERCYFOUNDATION.ORG)

SPONSOR A VILLAGE THROUGH CENTS FOR SEEDS - EMAIL  
[CAITLIN@LOVEMERCYFOUNDATION.ORG](mailto:CAITLIN@LOVEMERCYFOUNDATION.ORG)

HOST A TALK OR AN EVENT WITH A LOVE MERCY SPEAKER – EMAIL  
[ELOISE@LOVEMERCYFOUNDATION.ORG](mailto:ELOISE@LOVEMERCYFOUNDATION.ORG)

THANK YOU TO OUR GENEROUS PRINTING PARTNERS SNAP PRINTING AT  
KIRRAWEE WHO HAVE SPONSORED THE COSTS OF PRINTING THIS REPORT

