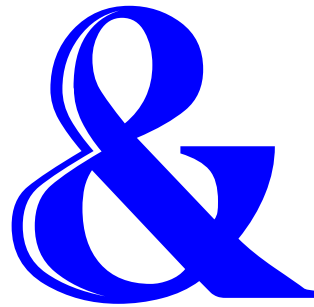


**AUSTRALIAN  
RELIEF**

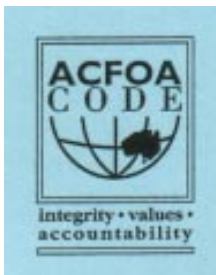


**MERCY  
SERVICES  
LTD**

**ABN 84 008 643 258**



***ANNUAL REPORTS 1999/2000***



Australian Relief & Mercy Services Ltd is a signatory to the Australian Council for Overseas Aid (ACFOA) Code of Conduct which defines minimum standards of governance, management and accountability for non-government development organisations.

Adherence to the Code is monitored by an independent Code of Conduct Committee elected from the NGO community. Our voluntary adherence to the Code of Conduct demonstrates our commitment to ethical practice and public accountability.

More information about the ACFOA Code of Conduct can be obtained from ARMS and from ACFOA at:

Website: [www.acfoa.asn.au](http://www.acfoa.asn.au)  
Email: [acfoa@acfoa.asn.au](mailto:acfoa@acfoa.asn.au)  
Tel: (02) 62851816 Fax: (02) 62851720

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# Company Directory

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## **Ministries & Projects**

Australian Mercy Fund - (National Office)  
Birth Attendant School - (Perth)  
Child Immunization Project - (Townsville)  
Child Sponsorships - (National Office)  
Collingwood Ministry To The Homeless (National Office)  
Community Development School - (Perth)  
Coconut Press Project - (Townsville)  
East Timor Relief - (Darwin / National Office)  
Emergency Relief Projects - (National Office)  
Karen Refugees - (National Office)  
Medical Boomerang Teams - (Perth)  
Medical Warehouse Projects - (Melbourne / Townsville)  
Perth Community Development Project - (Perth)  
Primary Health Care School - (Perth)  
Thailand Primary Health Care Projects - (National Office)  
West Timor Relief - (Darwin)  
Zambia Primary Health Care Project - (National Office)

## **Associated Ministries & Organizations**

ACORN  
Beth Raham International  
EARS Inc.  
Indian Christian Mission Center (India)  
Partners (Chiang Mai - Thailand)  
Project LIFE (Bangkok - Thailand)  
St. Mary's House Of Welcome (Melbourne)  
Youth With A Mission (Balut - Philippines)  
Youth With A Mission (East Timor)  
Youth With A Mission (Zambia)



Australian Relief & Mercy Services Ltd (ARMS) is a non profit charitable company, limited by guarantee and incorporated in the ACT, with registered offices in Melbourne, Perth, Darwin and Townsville. ARMS is the mercy ministry arm of Youth With A Mission Australia.

ARMS is dedicated to the relief of people suffering hardship and distress both within Australia and overseas and does so through a National Fund and International Fund that have been set up in accordance with the provisions of the Income Assessment Act 1997. Donations to the work of ARMS within Australia are tax deductible.

All ARMS staff give their services and expertise without charge. They maintain their personal support from people who believe in the value of their ministry.

ARMS has many expressions of its ministry some of which include, training, emergency relief, provision of medical supplies, project grants, child sponsorships, community development, and the provision of primary health care.

ARMS relies on the generosity of the church, the corporate sector, small business, and the public in general for the finances necessary with which to run its ministry.

## **Mission Statement**

As a Christian organisation that sees Christ as the ultimate expression of God's mercy, ARMS outlines its commitment to mercy ministries in the following statements;

1. To example the love and compassion of God to a needy world.
2. To restore wholeness and hope to broken lives.
3. To empower and support families in crisis.
4. To equip people through training and skills development.
5. To serve communities by sharing resources.
6. To Mobilise people to help the poor and the needy.



## **Capstone Statement**

ARMS is, people who care assisting people in need.

# National Director's Report



ARMS has had a great year that has seen encouraging growth on all sides. As I read the reports from all the various sectors and as I have travelled over the past 12 months it is apparent to me that we are doing a lot, and many people are being served who would ordinarily fall through the conventional safety nets. As an organization we are on target.

ARMS has found areas of influence and effectiveness in slums and refugee camps, in hospitals and clinics in the remote areas of the third world. It is providing health care in tribal villages and helping to address the scourge of AIDS and is finding ways to show compassion to its victims and their families. Even within Australia we are finding innovative ways in which we can reach out to the poor with Christ's love.

The past year has seen significant growth in many ministry directions, this has been reflected by the significant increase in donations that have been received during this time. We are seeing greater degrees of involvement with members and participants, greater networking, and greater opportunities to serve through mercy ministries. Our joining ACFOA has also given us greater exposure and a platform through which we can network with other NGOs that are also serving in these areas.

All these are good signs. However we must not be content to stay where we are, we must go forward. The need for organizations such as ARMS is increasing and we need to be planning today as to how we can make better responses tomorrow.

I remember a song on the radio when I was growing up called "*Dream a little dream of me*" in the song the singer invited her lover to dream of her whilst they were apart. I believe that in mercy ministries we also need to do some dreaming not of those for whom we long, but for the ones that God longs to be near - the poor and the needy.

As we see their situation and as we begin to ponder it, what dreams might there be that would make significant inroads into meeting the needs of these dear ones and helping to restore them to a place where they and their families can live in peace? Solving the problems facing the poor are not that difficult, it just takes a little time, a few resources and a dream or two. Dreaming is important, for out of our dreams come those innovative ideas that solve the problems that we so desperately long to address. So let's dream; of Mercy Trucks, of community development teams, new types of training schools, and gizmos and gadgets that will help to reduce the risks of infection and improve water quality.

As a Christian agency we cannot forget that our roots are in the hope that we have in the Lord Jesus. It is to Him that we need to look when there seems to be no other answer. Governments and NGOs can try to fix a war zone, but only God can mend a soul. When I was in East Timor in March I met some people who were overcome with the extent of the misery and devastation in that nation. Some of them could see no hope for themselves or their families. If we go, into situations like this without a sense of our own roots we too may also lose hope.

I think that the East Timor crisis has provided us with a challenge to which we have been able to rise, however, I believe that if the same circumstances were to arise tomorrow we would all like to be better prepared than we were last year.

So as we look ahead, let us be better prepared to do the work that God has placed here to do. Let us dream, let us do, and let us serve - the very poor of the earth.



# ARMS NATIONAL OFFICE ANNUAL REPORT 1999/2000

## MINISTRIES

There are several ministries that come out of the national office of ARMS that are separate from its administrative functions. These are their reports.

### **Karen Ministries - The Refugee Camps.**

Ongoing news from this region confirms that the cruelty and abuse suffered by the minorities of Burma as escalating.

In December 1999 a few days before I entered one of the camps to visit the preschools there I was told that just a few days before a family had been blown up by a land mine as they scavenged for food near to the edge of the refugee camp. The mines had been laid in Thailand by the Burmese military.

Also in early 2000 large numbers of Karen tried to cross into Thailand as the Burmese military had a large offensive going that saw many towns and villages burned to the ground. In Nohbo alone 5000 people crossed the border in one day. These numbers crossing into Thailand place extraordinary pressure on the already limited resources within the refugee camps.

Over the past twelve months we have seen an escalation in our provision of funds for the Karen refugees in the camps on the Thai / Burmese border. Through the national office grants have been sought for capital projects that provided extra housing and accommodation for the two preschools in the camp that we are supporting. (Our thanks here must go to TEAR Australia who have generously given to us grants that have made some of these vital projects possible).

We also raised funds for these preschools towards small development based projects that provided a small source of income with which to provide wages for the care givers and extra food for the children. We provided funding for the provision of child aspirin for the use of children in these centers who were suffering from malaria in the wet season.

Many families were also provided packets of seeds so that each family could grow a small vegetable garden with which to supplement their diet.

### **Karen Ministries - Tribal Villages**

In the Hill Tribe Village of Mae Salee Khee ARMS is working together with PARTNERS ( a Thai NGO) in the setting up of a Primary Health Care Clinic. ARMS has been able to provide funding for the clinic and for the establishment of an orchard in the clinic compound, as well as providing expertise. ARMS provided funding for a program that provides iodised salt to villagers at supplemented prices. The provision of this salt will reduce the high instance of goitres in women in the surrounding villages.

In early 2000 ARMS sent Geri Patterson on site to the clinic to help with its initial set up and to help provide on site training to health care workers. Further medical outreaches are planned.



*Karen woman with goitre.*

### **Chiang Rai Primary Health Care Clinic**

ARMS has provided funding and support in the setting up of a Primary healthcare Clinic in Chiang Rai that is aimed at AIDS victims and their families. In the past 12 months ARMS has provided over \$2,000 of funds towards the set up costs of this work.

Our aim is to provide a further \$2,000 per year. The project there is considering taking on a specialist emphasis on AIDS babies in the coming year.

### **Child Sponsorship**

The child sponsorship program has stayed pretty well as it was last year. At this time we have 34 children

We are also working with ACORN who are an organization that work amongst the Kurdish refugees in Turkey. ACORN supporters send their child sponsorships to ACORN via ARMS, as ACORN has no offices here in Australia. We are hoping that over the next 12 months the child sponsorship program will again take off and we will better equipped to take on more children.

**Bangkok Prisoners**

ARMS National Office continues to provide care parcels visits and encouragement to two foreign prisoners serving long sentences at Bangkwang Central Prison in Bangkok. These prisoners receive a care package 4 times a year and visits from David and other teams that happen to be in the area from time to time. A small amount of contact has been made with the family of one the prisoners here in Australia.



**East Timor**

The ARMS National Office has been actively seeking ways in which ARMS can be more involved in East Timor. So far most ARMS locations have sent teams into the area and David has travelled there himself to see the situation and talk with other people on the ground.

ARMS has actively networked with Mobile Mission Maintenance (MMM) in order to address some the needs in East Timor. In April we sent Don Langley from MMM to East Timor to do some bulding assessment there. A second assessment trip will take place later this year. We are hoping to move into the active recruiting of building teams that will visit the area by the end of the year

**Donations & Appeals**

This year’s financial statements tell us some very interesting facts. Firstly our donation rate is up 85.9%, not bad!. This is mainly due to the fact that we are now fundraising more regularly than we have in the past, and more donors are being attracted to the work of ARMS. In this next 12 month period I would like to see us aim at a national donation target of \$250,000+. ARMS admin expenses are low, and we are proud of that. The fact that we are all volunteers also is a great saving, and helps to guarantee a better deal for those that we are trying to help.

**Fund Raising**

Over the past 12 months the national office dispersed nearly \$60,000 to projects. Full details are availbale in the audit documentsincluded with these reports. In this last financial year we have raised and distributedfunds to 7 international appeals the details of these are included in the figures below;

Chechnya	\$ 200.00
Turkey Earth Quake	\$ 795.85
Mozambique	\$ 489.05
Kosovo	\$ 3,662.80
East Timor	\$10,250.66
West Timor	\$ 718.09
Indonesia	\$ 620.81
<b>Total</b>	<b>\$16,737.26</b>

Child Sponsorships	\$17,288.16
Chiang Rai Primary Health C.C.	\$4,140.00
EARS	\$1,665.00
Karen Refugee Projects	\$7,685.49
National Emergency Fund	\$ 642.40
Other Karen Projects	\$2,256.45
Zambia Brick Making Machine	\$6,844.33
Other	\$2,115.39
<b>Total</b>	<b>\$42,637.22</b>



**Total Dispersments; \$59,374.48**



# ARMS WAREHOUSE ANNUAL REPORT 1999/2000

This last year has seen many changes taken place, some which are yet being resolved. Roger and Joan Dart have semi retired back to Sunshine Coast with myself and Gail continuing the work from September 1999 on. The day after Roger and Joan left the Docklands Authority gave us 4 weeks notice to vacate the warehouse due to pending development. We were unable to find another warehouse to put our inventory (30 + pallet loads, office & warehouse equipment) into storage facility that is provided free of charge till the end of this year. Limited room has hindered our operation while we continue to search for a permanent warehouse. At present our office is at Surrey Hills base.

## **Activities:**

Roger and Joan had decided to make the move back to Queensland well before we discussed our taking over the work. For most of the financial year the Darts were winding down both there inventory and collection activities to avoid either having to move out of the warehouse while holding large amounts of stock or close up the ministry if a replacement could not be found. This combination of problem has kept activities down to the minimum. Following the main projects;

*PNG- 20-foot container (medical etc.)  
Vietnam Medical Outreach (via EARS)  
YWAM Brisbane (building materials)  
Thailand- 20-foot containers (via Global Care for a Northern Thailand clinic)  
Vanuatu \_ 8 pallet load (for new clinic)  
Romania- 6 pallets loads (via CMI for a new medical clinic)  
Bulgaria- 6 pallet loads (via CMI for a new medical clinic)*



## **Finances:**

We have held back on printing new stationary in hope of securing another warehouse. This uncertainty has hinder our fundraising ability. The move from the Victoria Docks to Croydon cost approximately \$1500- \$2000 made up of truck rentals, waste disposal cost, medical drug disposal fees and general set up cost for the new office at Surrey Hills.

Following is project funding;

*EARS program- \$13338  
Thailand orphans & Karen- \$1577*

Note: As the Arms National Office is also transferring funds for children sponship to Thailand we have passed on to them our orphans and Karen refugee supporters. The arrangement between the Darts and EARS was also stopped and referred to the National Office.

## **Future Plans:**

Until we can obtain a warehouse our collection and distribution will continue to hampered by storage space. I envisage we will continue with small shipments often networking with other organization and providing the medical equipment for their container shipments.

Rodger & Gail Nardi - Directors

# ARMS COLLINGWOOD ANNUAL REPORT 1999/2000

## **Introduction:**

For several years ARMS has had a detached worker (Geri Patterson) working in Collingwood with the homeless - we have done this in association with the Daughters of Charity, at their Centre for the Homeless in Fitzroy. Geri's report appears below.

During this past year, I have continued in my role as a seconded volunteer worker with the Daughters of Charity, at their Centre for the Homeless in Fitzroy. This has continued to be a rewarding and effective way to serve in the local community, ministering to individuals in this needy area. Working alongside the Daughters of Charity is a real joy, and at the same time quite challenging and stretching.

## **Activities:**

Melbourne, Daughters of Charity:

I fulfill a number of roles at the centre which include

- Outreach service - visiting people in their homes or in hospital
- Assisting with meal preparation and serving at the centre, where approximately 60-80 people attend per meal
- Providing a foot care service to clients at the centre, as well as providing referrals to the Community Health Podiatry Program. During this service I enjoy spending individual time with the clients.

## **Primary Health Care**

I also spent some time from mid February to May working in the area of Primary Health Care in Thailand, with the Karen Hill Tribes in the South Western region. My role there involved helping further set up of a primary health care clinic, and implementing systems to record patient details and progress.

The aim was to ensure detailed progress analysis of the patients, thus providing effective and on going health care. The four basic areas charted are: Immunization records, nutrition, hygiene, and any illnesses they may have during this time. It is a recognised fact that if a child survives to age 5, he/she has a good chance of achieving adulthood.

## **Future Plans:**

To continue volunteering at St Mary's House of Welcome I also plan to work as a volunteer with other community services. The opportunity has arisen for me to assist the YMCA as a carer for a young lady, accompanying her to a recreational pool for a few hours each week, later this year. I also hope to return to Thailand to work with ARMS in the area of Primary Health Care.



Compiled by: Geri Patterson

# ARMS DARWIN ANNUAL REPORT 1999/2000

The Darwin office of ARMS has now been in operation for just over 12 months, with our primary focus currently being to support the establishment of the YWAM ministry in East Timor. Recently we have had two more staff join us on the ARMS team, making now a total of four contributing in various ways toward this work becoming both more effective and extensive. Also now having our own office space with donations towards specific office needs has given the opportunity and means toward this happening in the practical sense.

Donations of clothing, blankets, tools, toys, educational supplies, books, sport. Equipment, office and medical supplies etc. continue to be sent to Dili to either be used by the team there or distributed by them according to the specific needs.

Networking with the other agencies has been of value and assistance as we had contact with them, and often been supported in our efforts while also gaining a broader understanding of their particular role in East Timor. Some of these have included the various offices of the UN, Anglicare Top- End Christian Vision, A.O.G. World Relief and Timor Aid. The local church in Darwin has also shown a strong positive response and ongoing interest with ten churches of various denominations directly supporting the projects in Dili.

During early March we had an opportunity to visit East Timor as an initial assessment trip for determining strategy for future involvement and support if projects initiated within that country. The past months have also seen four Australia bases teams visit East Timor for between one to three months, with one preparing to go soon. The schedule for the remainder of the year for the team in Dili appears to be considerably full, so this will need to be taken into consideration by the other groups wishing to become involved.

ARMS Darwin continues also to send basic medical supplies into West Timor to support the clinic operating on Camplong. A considerable number of donation recycled reading glasses were also supplied to this ministry there.



*ARMS Darwin Co-ordinator Jen Keatch  
in Dili March 2000*

# ARMS PERTH ANNUAL REPORT 1999/2000

## PERTH COMMUNITY DEVELOPMENT PROJECT

The Community Development Program sends out workers who visit families in crisis in the Perth metropolitan area, offering practical in-house help. Families are visited on a shortterm basis, it being the intention of the program to help the family through crisis and see a solution to the problems. The family is encouraged to be able to cope with their situation with lifeskill training being offered by CDP workers with an emphasis on the Lordship of Jesus being the key crisis management.

High gate, an inner city location has been visited on a regular basis throughout the year as an evangelism outreach. A number of friendships have been found with resident there through this, several making decisions to accept Jesus into their lives.

### STAFF

A number of long term staff have left the program during the year to the pressures of other ministry, and our other staff numbers fluctuated at various times because of this, Special mention and thanks go to Michelle Sione, who was coordinator of the CDP for a number of years but has now moved in to another direction at YWAM Perth.

Through much prayer, the number of full time staff has increased from a low 2 to its current level of 5, each being from a different nation. To help the full time workers in the program, part time volunteers were drawn from students of the various school being run at YWAM Perth. The CDP also hosted a number of work experience students and volunteer staff.

### REFERRAL AGENCIES

Families and individuals in crisis who come to the attention of CDP come from a number of sources, most being referred by other parties such as Social workers, Hospitals, Government bodies, and other community aid agencies. Others referred by individuals such as families or friends. Others may come to us themselves, and as we located in an inner city premises, throughout the year we see various street people come to us for a variety of reasons.

Forty-seven (47) different referral bodies come to us during the last year with families in crisis, with a number of other discovering us and asking for further information.

### FAMILIES SEEN

One hundred and eighty two (182) families were referred to us during the past twelve months.

Depending on their situation, most were visited once as an initial visit to see first hand the crisis in question and explain the work of CDP and its relationship with YWAM. These families were either visited again on an ongoing basis (91), did not require any further help (28), were referred to another agency (18), were unable to be helped for a variety of reasons (26) the most common being distance from us, and were helped by us in other ways (19) e.g. seeking accommodation or a meal.

The number of homeless who came to us for blankets or a meal this year is unknown.

### LOCATION

There are approximately two hundred suburbs in the Perth metropolitan area and of the one hundred and eighty two enquires the CDP received eighty- nine suburbs were represented of these during the past year.

### SEX AND MARITAL STATUS

Through CDP visits, whole families in crisis, it is generally one member which is referred. During the past year, Twenty- eight (28) males and one hundred and fifty- four (154) females were those referred.

Seven (7) were known to be in a defacto relationship, seventeen (17) divorced, (40) married , twelve (12) separated, seventy- six (76) single with at least twenty-one (21) being single parents, ten (10) being widowed and twenty (20) unknown.

### **HELP OFFERED**

The practical in-house help offered varies as widely as the crisis encountered in the home. Mostly a visit to the family is for approximately 3 to 4 hours, however , during the past twelve months the CDP has been present at the birth of a child, has remained in the home of those hospitalised child minding , and has visited most of the prisons and psychiatric facilities in the Perth area.

The breakdown of the primary practical type of help required by the families referred during the past twelve month is below , though it should be noted that often in the course of visits a number of these tasks are carried out.

Child Care- 16

Housework-81

Transport- 12

Gardening-6

Prison visits-6

Respite-3

Others-58 (includes financial assistance , meals , accommodation , blankets etc)

### **NEIGHBORHOOD CARE PROGRAMME**

The neighborhood program involving the local church in visiting families in crisis is a priority to our office and should be running effectively during the next twelve months. This program not only provided more willing workers to reach the poor and needy in our city, but also brings a marvelous opportunity to see the church take responsibility for members of their community that they might not otherwise get the chance to see. The CDP is not set up for longterm discipleship, however , the local church can very effectively do this.



# ARMS PERTH ANNUAL REPORT 1999/2000

## Medical Boomerang Teams

Medical Boomerang teams are a group of Medical professionals who go to a developing nation for a short term trip. These usually take place twice yearly and go out from Youth With A Mission Perth.

### AIMS & OBJECTIVES OF MEDICAL BOOMERANG

#### Aims

Medical Boomerang has two basic aims:

1. To provide a service to those in the developing world with the knowledge, skills and abilities of Medical Professionals from Australia and other developed nations.

2. To give Medical Professionals a missions experience - opening their eyes to the needs in the developing world, so they can see how they can be involved on an on-going basis either long term or continuing short term trips.

#### Objectives

To give Medical Professionals an experience of being involved in their skill area in the developing world.

To be able to give practical help to the target nation including consultations, administration of medicines and distribution of food, clothing or other needed supplies.

To train medical professionals in basic health needs of the developing nations.

To train local people further in medical skills and knowledge and to teach locals basic health principles.

To work with government health authorities in the area of immunisations.

To take medicines and medical staff to isolated village locations and hold clinics.

To work alongside existing hospitals and mercy ministries works learning from their vast experience and assisting practically with the medical skills we have available.

#### History of Medical Boomerang

The Medical Boomerang teams have been going out since September 1994. They have visited the following nations India and Kashmir (September 94), Bangladesh (November 95 and May 97), and Nepal (April 99). God has used these teams to help these nations in the area of healthcare and also worked the lives of the individuals who were a part of these teams.

### Report on Medical Boomerang to Cambodia

#### Orientation for Medical Boomerang October 1999

We came together from different churches and backgrounds, a group of 2 nurses 4 midwives and two health care workers from Australia and New Zealand. For one week we had teaching on topics such as Primary Health Care, cross cultural issues and history background and culture of Cambodia.

### **Cambodia's culture**

The Cambodian people are a very happy, friendly and hospitable people. They have been through much tragedy and suffering during the years of Pol Pot. However they are a very resilient people and are getting on with their lives. For some their lifestyle is very difficult, because they are victims of land mines and lack of income.

### **Health Care in Cambodia**

The team saw 713 people during 13 days of clinics in Boeng Kak, a slum area in the city of Phnom Penh. The main medical problems that we saw were eye and ear, worms, skin conditions, respiratory infections, diarrhoea, abdominal pain, headaches, generalised aches and pains. We also saw pregnant women, malnutrition, TB and other problems referring some to hospital.

Some of the team were present at a local homebirth.

The team educated and gave out essential medication, including antibiotics, analgesics, antihistamines, vitamins, anti-fungal ointment, ear and eye medication and scabicide. The team worked alongside a church who organised the clinics.

# ARMS PERTH ANNUAL REPORT 1999/2000

## IPHC 2000 - East Timor

**April 1st - June 18th, 2000**

The Introduction to Primary Health Care School, 2000 run out of ARMS, Perth spent 11 weeks in East Timor to complete the practical phase of the school. Our team consisted of 12 students and three staff. Our aim was to give the students a broad experience in primary health care in an effort to inspire them to take this tool into the nations. A simple tool like Primary Health Care opens many doors in the nations and in people's hearts giving us countless opportunities to share our faith in Jesus Christ.

During the 11 weeks the students were involved initially in a community survey in Dare. This involved three strategies: (1) Viewing the communities water source and building a sand water filter for use by a convent in the village. (2) Educating the highschool students in hygiene, wound care, the spread of TB and nutrition and also holding English classes (3) Visiting over 50 families in the area finding out general statistics and hearing of their "felt needs". There were many sick among the community that we were able to treat - some houses were visited up to 12 times to treat a child's wound and this enabled us to build strong relationships with the people in the community. So much so that we were able to assist in gathering the people at a later date when the United Nations brought in a medical team to hold a mobile clinic.

During this time we were able to map the community, distribute soap and clothes donated by the Australian Army, hold three clinics in surrounding villages and weigh all the children in a nearby village training one of the sisters in baby weighing. It was a great time to learn some of the local language and customs to help us as we branched out further.



Each of the students spent some time in the capital, Dili, observing and receiving training in four established clinics run by Timorese and NGO'S. They were able to experience ante natal care and some births, Patient care, Dental work, Laboratory work and the TB program. The students also were able to do health checks in a large local school and for the Christian Children's fund. They also enjoyed visiting, and researching Non Government Organisations working out of Dili and continuing to survey families in this new area. It was an experience to build relationships and hear stories of families fleeing into the mountains and beyond during the recent trouble. One really exciting story was being able to organise long term help for a widow with 7 children - one disabled and sick. The lady was too embarrassed to see a Doctor but we discovered her and built trust as we visited families in her street. We were able to treat the daughter who was recovering from a bad burn and organise the local sisters to continue to visit regularly and provide other assistance. Another exciting part in Dili was the opportunity for each of the girls to be present at a birth. A few of the girls had built such a special bond with the mothers during this time that they were asked to name the babies!

Other areas that we were privileged to work in were Betanu, Same and Aileu where we based ourselves and proceeded to walk into outlying villages some as far as 7 hours away to hold clinics. There we distributed clothes and soap, visited families and participated in worship and intercession for the people of East Timor. These were some of our greatest times seeing the people as they are - in great need of the most basic things soap, easier access to water, beans and somebody to really get out there and give them personal attention and care.

One of God's miracles was after a three and a half hour walk to a small village we were saddened to find a community that was very sick in general. One child that came to the clinic was severely malnourished and

our team was able to bring her down to the nearest clinic in Aileu where the doctor and our team worked to convince the mother to take the child to Dili for urgent treatment. It really emphasised to us the heart of the Lord for the one sick child - no matter where they are -He knows.

We visited about 28 villages holding 29 clinics with over 1500 patients treating ailments from malaria to pneumonia, ringworm, to heart burn, worms to otitis media. We visited and surveyed over 130 families, completed community surveys in four areas, checked over 400 children, built a sand water filter, surveyed Non Government organisations, worked alongside 4 clinics in Dili

# ARMS TOWNSVILLE ANNUAL REPORT 1999/2000

ARMS in Townsville have been involved in a variety of project that are designed to meet the needs of the poor and needy.

## COCONUT PRESS PROJECT

One of the main operations of our Relief and Development department has been raising funds for the coconut press, a micro-economic development project suitable for small communities in developing nations. ARMS Townsville has successfully placed two coconut presses in Indonesia . The presses were sent to a known acquaintance, and has been overseeing their use and maintenance.

### Releasing more Presses

It was hoped that a team would take another press with them to Indonesia in the late 1999, but this was delayed due to the political climate of the country. The press was shipped over at the beginning of 2000.

Other avenues of raising funds for a continued supply of presses to needy communities are being looked at as well as looking at the other nearby nations that we travel to for suitable placement of the coconut press.

## EAST TIMOR

ARMS Townsville sent a team of 16 people to assist in East Timor in late April. The team spent three weeks in Dili with two main areas of focus. Teaching English and building.

The team was involved in three English speaking church services that were held on each Sunday - the first for this area of East Timor.

On invitation by UNTAET, the team spent two weeks in the hill village, involved in similar kinds of work.

The Townsville office will also help with communications support of the ministry in Dili.

## CHILD IMMUNIZATION PROJECT

Our invitation to work with and become a Alliance partner with the World Health Organization continues in negotiation and an outcome is not expected in the immediate future.

## FUTURE PLANS

Next year will be establishing a warehouse in Townsville to gather medical, optical supplies and clothing distributing.



*One of the coconut presses being distributed by ARMS Townsville*

# ARMS PERTH ANNUAL REPORT 1999/2000

## BIRTH ATTENDANT SCHOOL OUTREACH Cambodia / Bangladesh

Sept 27, 1999 to May 6, 2000

The first four (4) months of outreach were spent in villages outside the capitol of Cambodia, Phnom Penh. Our introduction to Cambodia was brutal and difficult as we witnessed a war ravaged people, but found them hopeful despite the horrors they had experienced. We knew God loved these people and that we had come to serve, pray for and love them.

Much of our time and efforts were spent on repairing our home, which had seen warfare between the government troops housed there and the Khmer Rouge. The relentless rains, which would come flooding in each night but it was a battle we eventually won. Upon leaving this house now stands a jewel and can be well used for AIDS and TB patients.

Our house was located next to the clinic at Tuk Kleang, which was to be our place of training. Others from our school were located at a hospital in Peam Okhnong, a village about an hour's ride upriver. The students had ample opportunities to do antenatal care in the clinic and hospital, as well as at weekly mobile clinics.

Five days each week we taught English to twenty (20) or more clinic workers, who were eager to learn the language. This provided times of relationship building, among this prominently Buddhist people. We were well received by our neighbors, and developed special friendships with many of them as they would visit us or invite us into their homes.

At Peam Okhnong the team members did many prayers. In both communities God used our team to bring, hope, joy, and life as we reached out to those needy people.

During the Christmas season we invited the clinic staff for a time of fellowship, plentiful food, and to see and hear the Christmas story depicted by flannel board figures. This provided a great opportunity to both celebrate Christmas and to tell them who our God is.

Birth opportunities were few as most women deliver their babies in their homes, so we assisted in just seven (7) births, and witnessed several more.

We had the opportunity to teach midwifery skills and safety practices to thirty five (35) Traditional Birth Attendants, and to purchase much needed tools and supplies for them. Many had longed for such items, and they couldn't hold back their smiles of gratitude as they received those precious items.

Even though we found Cambodia to be physically and spiritually difficult, God was faithful to bring us through the hard times. We have learned how to pray for this land and her people who are rebuilding their lives, even though many of them still live a fearfully superstitious life.

### **BANGLADESH**

The second part of this outreach (February through to mid May) was spent in the Meherpur District of Western Bangladesh. Although Bangladesh is a Muslim nation there is a high percentage of Christians living in the area in which we served.

Our team lived at Ratanpur on a compound that included offices and class rooms for social development programs, an Anglican church, manse, preschool, and a newly opened clinic. We had opportunities to attend births at Ratanpur clinic, Karpasdanga Clinic and Bollophpur Hospital. The BAS students served at all three locations on a rotation basis. The hospital is run by Sister Gillian Rose an English nurse / midwife who has served in that area for thirty years, she also oversees the operation of several surrounding village clinics with each of these encompassing other mobile mobile clinic locations as well.

Bollophpur Hospital was established over 100 years ago as a missionary hospital. It has 55 beds, one doctor, and no surgeon, so is limited in some areas of health care. The doctor has now left his position,

which leaves a serious gap that needs to be filled soon.

The hospital has a nurses training program with fifty (50) Christian students. These young women help run the hospital under Sister Gillian's and five (5) senior nurses' direction. Each morning, all attend Chapel, and at the shift-change at 1:00 pm there time set aside for focusing, on God before duties are commenced.

### **BIRTHS AND BLESSINGS**

While in Banaladesh the five (5) BAS students delivered a total of 113 babies, and they witnessed many more births, including, twins, breech, and forceps deliveries. As the hospital had no surgeon, there was no opportunity to witness Caesarean-section deliveries.

BAS and/or hospital/clinic staff would supervise the BAS students with each birth, giving instruction and encouragement. Our students could now experience the realities of much of what they had studied during their lecture phase in Perth. They were able to give antenatal care to many expectant mothers, and to care for the mothers and babies during, the labor, delivery, and post-natal periods. It was often feasible to visit in their homes afterward, and we developed friendships with many mothers and their families, and to share Christ's love with them. Although we were limited from openly speaking, about God, we were able to example who He is, and to pray openly for some.

Our students had a positive effect on many of the nursing students they worked with. In the Bengali culture they often hit or yell at the birthing mother or treat her unkindly. We in turn wanted to show the love of Jesus Christ, so we would treat the mothers with compassion, kindness, and respect. Before long the Christian leaders were receiving favorable reports from the villagers of how well our students were treating the mothers, babies, and their families. The atmosphere started to change in the delivery room, and a spirit of peace and calmness would prevail as the nurses began to experience a greater reality of Who their Savoir is. Many of the nursing students have no family and were raised as orphans so they are in great need of discipline. Our staff and students had the wonderful opporunity of sharing Christ's love with them as well as with the patients.

The team worked alongside a church who organised the clinics each day and prior to our arrival had spent time teaching the people bible stories and sharing about Jesus. The church had told us there were 300 people saved during these clinics.

## ADVENTURES IN CAMBODIA

The highlight of my time was a young 9 year old girl called Moana, who had come to the clinic with an infected foot, it was slightly pusy and had to be taken care of - this was from a motor-bike accident.

The girl came each mornin,, for a daily wound care. One morning I asked, "Where is your mother?", I wanted to explain what was happening,. We went to-ethel. to her house, a little wooden home in a slum area, it was 5 minutes walk from the clinic. Unfortunately, this day I didn't take an interpreter with me, so on meetin,, the mother, I smiled a lot and made gestures of friendliness, I attempted a "clinic scene charade", you know, 'sounds like', 'looks like'. I'm sure I looked very comical as I tried to explain what was happenin. to Moana's foot, after a few perplexed looks I decided to cro back with an interpreter.

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On our arrival the **next** day, the whole family were there, grandparents, aunty and mother, I was happy to explain what was happenin.. After some time I felt pi-oi-npted to ask had they heard about Jesus **and** could I share with them the reason why I was there, they said yes, so I be-an to share about Jesus and the forgiveness he offered them. I could see the older man was interested, he asked **more** questions. Eventually, I asked them did they want to accept Jesus this day, they all said yes, and knelt tof!ether as a family on their little front porch. I was humbled as we led them through the sinners prayer.

Cambodia is a nation of many scars and wounds, my prayer is that this family and others will know freedoi-n from the past, through Jesus. One final comment - meetin- felt needs opens doors - there were over 300 people saved through our clinics! Praise God!

Kathy Kennedy RN

ywam/reports/caiibod.wp.,

and saw 156 people pr@iy and ask Jesus into their hearts. It was truly a tli-ne when we saw God do immeasurably more than all we could evei. hope or iiiia-ine.

The BAS students had the privilege of being the first to touch and handle the newborn infant, and this gave her opportunity to pray, prophesy and proclaim God's will and blessing for that child. She also would - give each little one a name, as inspired by the Father, and to break the curses of death, rejection, and Islam. Most of the mothers are Muslim, and after the baby is cleaned and presentable, the father or other male family member dedicates the child to his God, Allah. But we had gotten there first"

The CDP have seen a number of the individuals visited come to accept Jesus as their Lord and Saviour , but have also seen tremendous spiritual change come about in the homes visited.

Every time a family visits the CPD workers offer to pray for the family and it is through these time that breakthrough occurs.

Since January 1st record have been kept on the road to salvation for those visited , a -7 recorded to those who are a long way from Jesus, a-1 to those who are very close and a 0 to those who accept him onto their lives.

Ten (10) individuals made commitments during the past year, but added to this are nineteen (19) who have moved along the salvation scale during the past six months.

## TESTMONIES

Many of the families that we meet have crisis in their lives which stem from many deep rooted hurts and circumstances that can only be met by a long process of inner healing. We offer practical solution for their short term



# **An Outline Of The Proposed Australian Mercy Fund**

## **Introduction**

The Australian Mercy Fund is a project of Australian Relief & Mercy Services Ltd that seeks to provide funding for work amongst the poor and the needy both within Australia and overseas. The fund itself has two divisions;

**National Division** – For project within Australia. Donations to this fund are tax deductible.

**International Division** – For projects outside of Australia. Donations of to this fund are not tax deductible.

The aim of the Australian Mercy Fund is to provide funding for genuinely appropriate projects that are unlikely to attract other types of funding.

## **National Division**

### **Background**

Work amongst the poor within Australia can often be hampered by lack of funding. Pressure on government funds and the propensity for cutbacks often means that projects and organizations do not find it easy to obtain the funds necessary in order to meet the needs they want to address.

There is also pressure on finances within the corporate sector. Often company's want to spend their money in ways through which they can obtain the maximum amount of public exposure. This often means that small organizations and projects even though their cause is very worthy, cannot offer such exposure and often miss out on funding because of it.

In the case of both governments and the corporate world, both seem to be reluctant to give to causes that are too closely related to the church as it might be perceived that they have a preference towards a certain religion or denomination.

Foundations and other grant giving institutions are also under unable to keep up with the many funding needs that exist.

Finally there is also pressure on the church. Many churches and denominations are finding it difficult funding their own projects and have little spare money to help others fund theirs.

Because of the unavailability of funds many small charities try to fund raise through regular means such as can rattles, raffles, fetes etc, however these are also proving to be difficult ways to raise funds. Recent press reports have carried stories of how larger more established charities have criticised the smaller charities for using these methods as they fear it discourages people to give, but quite frankly what alternatives do smaller projects and charities have?

## **The Australian Mercy Fund**

The AMF would provide funding for Christian based projects within Australia amongst the poor and needy that are unable to obtain funding through any other means.

These would include projects such as those that worked with families in crisis, the homeless, projects dealing with drug, alcohol and substance abuse, provision of emergency accommodation, migrant and refugees, Aboriginal and Torres Straight Islanders etc.

Funds from the Australian Mercy Fund would be distributed by the board of ARMS on an annual basis.

## International Division

### Background

As part of its yearly budgetary planning, the Australian Government puts aside a small proportion of funds to be used for aid purposes. Much of these funds are directed through a program known as Ausaid.

The Australian Ausaid program is open to all organizations that qualify to participate in it. Generally speaking, the Australian Government uses funds directed through Ausaid for the following:

#### **Emergency Relief –**

This includes caring and providing for victims of natural disasters, war, etc. Kosovo, East Timor and Bosnia are examples of where Ausaid funds were used in conjunction with a conflict situation.

Victims of the earthquake in Turkey, as well as the victims of the tidal wave that hit the northern coast of Papua New Guinea are also examples of where the Government has given emergency aid.

Emergency aid cannot be given out ad infinitum and Ausaid recognizes that there comes a time when *emergency aid* becomes *welfare aid* and therefore, the beneficiaries of the aid no longer qualify for such assistance. Where exactly one finds the line that divides welfare and emergency relief is a little bit *blurred*. It just seems that one day, a decision is made that a certain date would represent a cut-off point and all projects from there on would need to be development-based.

#### **Development Projects**

Development is best defined as *“that which helps the recipient to solve or partially solve their economic problem in such a way that the recipient’s dependency on outside help is reduced.”*

Development projects can take on a myriad of forms. For example, the Friendship Bridge that links Laos and Thailand is a large infrastructure project that was paid for by the Australian Government in order to increase trade in the region and thus give the economy a boost.

Projects that are micro-economically based such as loan schemes and banks, may also fall into the broad category of development, as would the building of a school or hospital.

The litmus test seems to be *“will the recipient be significantly better off and more able to care for themselves as a result of the project?”*

Ausaid is very strict in the way that it directs funds. According to policy guidelines set out for Ausaid, funds cannot be used for:

- Religious Purposes
- Political Purposes
- Purposes designated as “Welfare”.

#### **Religious Purposes.**

Because Australia defines itself as a secular society, the Government does not see it is appropriate for them to be funding projects that are too closely involved with churches or other organizations that involved with proselytizing or evangelism. Therefore, a development project that offers hope to a genuinely needy community of people, which is too closely linked to such an organization, is not likely to be funded through Ausaid.

#### **Political Purposes.**

In the same way, any organization that is too closely aligned to a political organization will not receive funding. This again safeguards the Australian Government from being seen to be showing undue favoritism to a government or political party as part of its foreign policy.

#### **Welfare Purposes.**

Welfare can be defined as aid given *“that is not seen as ‘development’ in that after receiving it, the recipient is not less dependant on aid for their daily existence”.*

This means that projects that could have a sense of urgency about them may not qualify for Ausaid funding because they are seen to breed dependency.

This means that projects such as orphanages, food and clothing distribution programs, etc are not prime candidates for Ausaid funding because of this issue of dependency.

Although philosophically one must agree with the potential damage that can be done through the distribution of *aid that breeds dependency*, one must also acknowledge that in some cases it is necessary to give aid that will not fit easily into these parameters. Therefore one may not be comfortable with distributing moneys that have been acquired through Ausaid for these purposes.

### **Process**

In the distribution of aid, one must have in mind that the long-term goal for each project is to bring the recipient to a status where they are independent of aid. However this is a process that may take a considerable time to achieve.

In my view there are three phases to such a process:

#### **1. Dependence.**

A situation arises whereby a person is forced to be dependant on aid in order to survive.

Ill health, natural disaster, war, economic factors or persecution may provide an environment where a person seeks after aid in order to survive. Some people may seek aid and if it is not forthcoming will look to providing for them and their families by denying previously held highly esteemed values or ethos. Women may go into prostitution or other family members become involved in crime or drug related activities. In some countries, poverty has become a major contributor in taking families to the point where they have sold their children into prostitution in order to provide for other family members.

The road to independence really only begins in this stage, where dependence reigns. What needs to happen is that the recipient comes to the point where they also can see that the long-term benefits of independence outweigh the short-term effects of dependence. This is why the aid workers need to make a recipient's stay at the dependence stage as short as possible without forcing them to go where they are not able to go. Patience is a key in the whole area of mercy ministries.

#### **2. Inter-dependence**

Between dependence and independence, there lies inter-dependence. This is the stage through which the recipient passes as they seek to fully provide for themselves and their families.

Inter-dependence is characterized by a growth in the area of personal responsibility for one's own destiny. Instead of aid being passed out on a daily basis, the aid may now take the form of a loan or be reduced, because the recipient has now become partially able to care for him or herself.

For example, refugees may now be better equipped to care for themselves with regards to sanitation, etc. since being in contact with an NGO, but not yet able to grow enough crops to feed their families and may still need supplemental help.

Supplemental help is a much different process to dependant aid and will ultimately provide self esteem for the recipient, with less of a drain on the resources of the NGO involved.

#### **3. Independence**

Independence comes about once a person or community has reversed their need for assistance and can now provide for themselves and their families' basic needs without supplemental help.

Independence does not preclude the need for the person or community to continue to grow. It simply means that they have the fundamentals right. Independence does not mean instant prosperity, but it means that relationship between them and the world has changed where once they were a dependent, now they are a small player who is able to contribute in a small way towards the needs of others.

Independence can happen on a variety of levels and does not just mean agricultural, medical or financial freedom, but also can have spiritual implications whereby a church or group of believers have now passed on through be a supported congregation to a fully self supporting church who are now able to function as a church even in the area of missions and evangelism.

The need to keep this goal in mind when working in aid-related areas is necessary to produce a reasonable overall result. Our commitment to any aid situation needs be theoretically (if not practically) long term. Therefore, we should be looking towards the long-term view of taking people through to independence no matter what the time frame might be.

Whilst Ausaid can be quite patient while the NGO seeks a long term result; the question of helping those in need of *welfare* and those projects that are too closely related to a Christian organization still poses a problem. Many worthy projects struggle financially because it is not possible to attract Government Aid in order to see the project to its end. Some efforts are made to raise funds for these projects from the church, however, with some local churches' finances already stretched to the limit, sometimes the funding received can be too little, too late.

### **Australian Mercy Fund**

The international division of the Australian Mercy Fund is a vehicle specifically designed to fill this funding gap. It consists of funds that are raised and invested, the interest on which is made available to projects that are not eligible for Ausaid for reasons pertaining to religion or welfare.

Because of current taxation legislation and regulations, donations to the international division of the AMF would not be tax deductible, therefore contributors to this fund would need to be dedicated to the aims and philosophy pertaining to the fund's establishment and operation.

#### **How The Australian Mercy Fund Works**

Funds are raised through various and means and invested. At the end of the year 75% of the moneys made through those investments are given away to various projects amongst the poor and needy. Five percent is kept to help cover administrative costs, whilst the remaining 20% is reinvested so that the fund increases in size each year.

### **Raising Funds**

Funds for the AMF could be raised in the following ways:

#### **Donations**

Donations would be sought from a variety of sources. However, bearing in mind that some of the work of the AMF would be outside the guidelines set out for the Overseas Deduction Scheme, it appears likely that donations to the International Divion of the fund would not be tax deductible.

#### **Investments**

The investment of interest-free loans offers an avenue whereby a person or organization can be assured of their initial funds, but essentially donate the interest they would have received should they have invested the funds themselves.

The investment should not be in any high-risk category such as the money market and shares, but should be in a fixed term bank investment account. Donations would be sought for the duration of the term of investment. Once the investment matured, the funds would be returned to the person making the loan and the interest put into a high interest account especially opened to hold such funds.

#### **Fundraising Events**

The use of fundraising events to raise moneys for this fund could produce large injections of funds over a short period of time. This could prove to be useful especially if several events were to be held in any 12-month period of time.

Proceeds from these events could be invested or remain in the holding account.

### **Other Sources of Income**

Although moneys that are on loan to us should not be used in any other way other than the agreed investment, It may be possible to look at other investment options for funds that have been raised and are sitting in the holding account. Other sources of investment that could be considered by the board could include avenues, such as purchase of rental properties, government bonds, blue chip shares, or making loans to approved people/organizations at interest.

### **Targets**

The initial goal for this fund is \$1million. At basic interest, such as this an amount such as this should yield between \$50,000 - \$80,000 per year. Unless a very wealthy benefactor donates us the moneys required, it would take us a few years to raise the money required to see the AMF fully operational.

**AUSTRALIAN RELIEF & MERCY SERVICES LIMITED**

**A.C.N. 008 643 258**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
30TH APRIL 2000**

**AUSTRALIAN RELIEF & MERCY SERVICES LIMITED**

**A.C.N. 008 643 258**

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**AUSTRALIAN RELIEF & MERCY SERVICES LIMITED**  
**A.C.N. 008 643 258**

**DIRECTORS' REPORT**

Your directors submit the financial accounts of the company for the year ended 30th April 2000.

The names of the directors in office at the date of this report are:

David Skeat  
Christopher Lee Harrison  
Peter Fitzroy Brownhill  
Stephen Martin Aherne  
Kenneth Neil Mulligan  
Roger Martyn Dart  
Thomas Charles Hallas

The principal activities of the company during the financial year were:

The provision of relief to persons in necessitous circumstances.

No significant change in the nature of these activities occurred during the year.

The net profit for the year amounted to \$14,049.

In accordance with the memorandum and articles of association of the company, no dividends have been declared or paid during the year and no dividends have been declared in respect of the year ending 30 April 2001.

No significant change in the state of affairs of the company occurred during the financial year.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in financial years subsequent to the financial year ended 30th April, 2000.

No director has received or become entitled to receive, during or since the end of financial year, a benefit because of a contract made by the company or a related body corporate with the director, a firm of which a director is a member or an entity in which a director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company's accounts or the fixed salary of a full time employee of the company, controlled entity or related body corporate.

Signed in accordance with a resolution of the Board of Directors:

Director .....  
David Skeat

Director .....  
Christopher Lee Harrison



**AUSTRALIAN RELIEF & MERCY SERVICES LIMITED**  
**ACN 008 643 268**  
**PROFIT & LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30TH APRIL 2000**

	Note	2000 \$	1999 \$
OPERATING PROFIT (LOSS)	2	14,048.66	10,489.80
OPERATING PROFIT (LOSS)		14,048.66	10,489.80
Retained Profits (Accumulated Losses) at the beginning of the Financial Year		31,984.36	21,494.56
TOTAL AVAILABLE FOR APPROPRIATION		46,033.02	31,984.36
RETAINED PROFITS (ACCUMULATED LOSSES) AT END OF FINANCIAL YEAR		46,033.02	31,984.36

**INDEPENDENT AUDIT REPORT**

**TO THE MEMBERS OF**

**AUSTRALIAN RELIEF & MERCY SERVICES LIMITED  
A.C.N. 008 643 258**

**Audit Opinion**

In our opinion, subject to the above qualification, the financial statements of the company are properly drawn up:

- (a) so as to give a true and fair view of:
  - (i) the state of affairs as at 30th April 2000, and of the profit and cash flows for the financial year ended on that date of the company; and
  - (ii) the other matters required by Division 4, 4A and 4B of Part 3.6 of the Corporations Law to be dealt with in the financial statements;
- (b) in accordance with the provisions of the Corporations Law; and
- (c) in accordance with applicable Accounting Standards and other mandatory professional reporting requirements.

**T A Khoury & Co  
Chartered Accountants**



.....  
Partner: Tony Khoury

Sydney

**AUSTRALIAN RELIEF & MERCY SERVICES LIMITED**  
**ACN 008 643 258**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH APRIL 2000**

**1. STATEMENT OF ACCOUNTING POLICIES**

The financial statements are a general purpose financial report that have been prepared in accordance with applicable Accounting Standards, other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and the Corporation Law. The financial statements have also been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non current assets. Cost is based on the fair values of the consideration given in exchange for assets, The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial statements.

**Income Tax**

The directors believe that the company is exempt from income tax.

**Property, Plant and Equipment**

Property, plant and equipment are brought to account at cost. The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of expected net cash flows which will be received from the assets employment and subsequent disposal.

The depreciable amount of all assets are depreciable over their useful lives commencing from the time the asset is held ready for use,

**Cash**

For the purposes of the statement of cash flows, cash includes cash on hand and in at call deposits with banks or financial institutions, investment in money market instruments maturing within less than two months, net of bank overdrafts.

**AUSTRALIAN RELIEF & MERCY SERVICES LIMITED**  
**ACN 008 643 258**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH APRIL 2000**

	<b>2000</b>	<b>1999</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<b>2 OPERATING PROFIT (LOSS)</b>		
<b>(a) Operating profit before income tax been determined after.,</b>		
<b>Crediting as Income:</b>		
Interest received:		
Other persons	124.28	54.19
<b>Charging as Expense:</b>		
Movement in Provisions		
Depreciation of non-current assets:		
Property, plant and equipment	8,116.44	7,256.00
Remuneration of the auditors:		
Auditing Services	1,765.00	925.00
Net loss on disposal of non-current assets:		
Property, plant and equipment	981.00	-
<b>(b) Operating activities:</b>		
Included in operating profit are the following items of operating revenue:		
Sales of goods	5,649.02	1,650.07
Non-operating activities:		
Non-trading revenue	132,794.02	72,819.78
Interest	124.28	54.19
<b>3 CASH</b>	<hr/> 138,567.32	<hr/> 74,524.04
Cash on Hand	245.25	150.00
Cash at Bank - National Office	12,290.97	15,594.27
Cash at Bank - Warehouse	9,193.40	12,485.85
Cash at Bank - Townsville	4,088.68	2,553.02
Cash at Bank - Darwin	2,368.59	-
Cash at Bank - Perth	15,723.53	10,342.53
	<hr/> 43,910.42	<hr/> 41,125.67
	<hr/>	<hr/>

**AUSTRALIAN RELIEF & MERCY SERVICES LIMITF-D**  
**ACN 008 643 258**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH APRIL 2000**

	2000	1999
	\$	\$
<hr/>		
4 RECEIVABLES		
CURRENT		
Other Debtors	792.57	1,152.12
	-----	-----
5 PROPERTY, PLANT AND EQUIPMENT		
Plant & Equipment	23,180.30	10,949.91
Less: Accumulated Depreciation	8,794.95	5,954.00
	-----	-----
	14,385.35	4,995.91
	-----	-----
Motor Vehicles	36,079.00	34,339.00
Less: Accumulated Depreciation	11,620.49	8,504.00
	-----	-----
	24,458.51	25,835.00
	-----	-----
Total property, plant and equipment	38,843.86	30,830.91
	-----	-----
6 ACCOUNTS PAYABLE		
CURRENT		
General Accruals	4,636.83	8,272.34
Tithe Payable - Warehouse	266.00	241.00
	-----	-----
	4,902.83	8,513.34
	-----	-----
7 BORROWINGS		
NON-CURRENT		
Loans - Unsecured	32,611.00	32,611.00
	-----	-----

**AUSTRALIAN RELIEF & MERCY SERVICES LTD**  
**ACN 008 643 258**  
**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. The financial statements and notes

(a) comply with accounting standards and the Corporations Law; and

(b) give a true and fair view of the financial position as at 30th April 2000 and performance for the year ended on that date of the company;

2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director .....  
David Skeat

Director .....  
Christopher Lee Harrison

Dated this 14th day of August 2000

**AUSTRALIAN RELIEF & MERCY SERVICES LIMITED**  
**ACN 008 643 258**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH APRIL 2000**

2000	1999
\$	\$

---

**MEMBER'S GUARANTEE**

The company is limited by guarantee, If the company is wound up, the articles of association state that each member is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the company.

**RELATED PARTY TRANSACTIONS**

The company has had various related party transactions with an associated company, Youth With A Mission, involving the provision of office support and other services, loans etc..

There were no other material related party transactions during the year.

**8**

19xx	\$
19xx	\$

**9**

**INDEPENDENT AUDIT REPORT**  
**TO THE MEMBERS OF**  
**AUSTRALIAN RELIEF & MERCY SERVICES LIMITED**  
**A.C.N. 008 643 258**

**Scope**

We have audited the financial statements, being the Statement by Directors, Profit and Loss Account, Balance Sheet, Statement of Cash Flows and Notes to and Formin ' Part of the Financial Statements of the company for the year ended 30th April 2000. The company's directors are responsible for the financial statements. We have conducted an independent audit of these financial statements in order to express an opinion on them to the members of the company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and statutory requirements so as to present a view which is consistent with our understanding of the company's financial position, the results of their operations and their cash flows.

The audit opinion expressed in this report has been formed on the above basis.

**Qualification**

In the normal course of its business, the company derives a substantial portion of its income from donations and sales to related parties. As the effective control over such transactions are not established until they are received and entered in the accounting records, we have been unable to independently verify whether the amounts received from this source have been completely accounted for.



**INDEPENDENT AUDIT REPORT**  
**TO THE MEMBERS OF**  
**AUSTRALIAN RELIEF & MERCY SERVICES LIMITED**  
**A.C.N. 008 643 258**

**Audit Opinion**

In our opinion, subject to the above qualification, the financial statements **of** the company are properly drawn up:

**(a)** so as to give a true and fair view of:

- (i) the state of affairs as at 30th April 2000, and of the profit and cash flows for the financial year ended on that date of the company; and
- (ii) the other matters required by Division 4, 4A and 4B of Part 3,6 of the Corporations Law to be dealt with in the financial statements;

- (b) in accordance with the provisions of the Corporations Law; and
- (c) in accordance with applicable Accounting Standards and other mandatory professional reporting requirements.

**T A Khoury & Co**  
**Chartered Accountants**

.....  
Partner: Tony Khoury

Sydney

AUSTRALIAN RELIEF & MERCY SERVICES LIMITED  
**ACN 008 643 258**  
**SUPPORTING SCHEDULES TO THE BALANCE SHEET**  
**FOR THE YEAR ENDED 30TH APRIL 2000**

	<b>2000</b>	<b>1999</b>
	\$	\$
Cash on Hand		
Petty Cash - Perth	50.00	50.00
Petty Cash - National office	195.25	100.00
	-----	-----
	\$245.25	\$150.00
	-----	-----
Other Debtors		
Romanian Fund	73.00	73.00
Accounts Receivable	719.57	1,079.12
	-----	-----
	\$792.57	\$1,152.12
	-----	-----
National Office		
Bank of Melbourne - General Account	894.28	9,052.25
Bank of Melbourne - International		
Project Fund	523.30	5,376.54
Bendigo Bank Limited - Thailand Visa		
Account	3,532.35	414.66
Bank of Melbourne - Overseas Child		
Sponsorship	2,182.42	750.82
Lutheran Laypeople's League - National		
Emergency Fund	2,123.29	-
Bank Of Melbourne - Fundraising &		
Appeals Account	3,035.33	-
	-----	-----
	\$12,290.97	\$15,594.27
	-----	-----
Warehouse Office		
Bank of Melbourne - General	9,193.40	12,485.85
	-----	-----
Townsville Office		
Commonwealth Bank - National Account	3,564.68	1,825.92
	-----	-----
Commonwealth Bank - International Account	524.00	727.10
	-----	-----
	\$4,088.68	\$2,553.02
	-----	-----
Darwin Office		
Westpac Bank - Inter. Project Fund	1,549.00	-
Commonwealth Bank - ARMS East Timor		
Relief	769.54	-
Westpac Bank - National Project Fund	50.05	-
	-----	-----
	\$2,368.59	-
	-----	-----
Perth Office		
ANZ Bank	15,723.53	10,342.53
	-----	-----
General Accruals	4,533.83	8,272.34
National Office	103.00	
Perth Office		
	-----	-----
	\$4,636.83	\$8,272.34
	-----	-----

**AUSTRALIAN RELIEF & MERCY SERVICES LIMITED**  
**ACN 008 643 258**  
**SUPPORTING SCHEDULES TO THE PROFIT & LOSS STATEMENT**  
**FOR THE YEAR ENDED 30TH APRIL 2000**

	<b>2000</b>	<b>1999</b>
Donations Received		
National Office	80,530.50	28,473.92
Melbourne Warehouse	28,930.85	19,945.47
Townsville	2,750.00	11,391.10
Darwin	6,484.67	-
Perth	14,098.00	10,963.00
Albury	-	2,046.29
	-----	-----
	<b>\$132,794.02</b>	<b>\$72,819.78</b>
	-----	-----
Interest Received		
Interest Received	124.28	54.19
	-----	-----
Other Revenue		
Other	2,149.02	1250.07
Grants	3,500.00	-
Works Program	-	400.00
	-----	-----
	<b>\$5,649.02</b>	<b>\$1,650.07</b>
	-----	-----
Auditor's Remuneration		
Auditing Services	1,765.00	925.00
	-----	-----
Donations Paid		
National Office	59,374.48	14,403.62
Melbourne	4,862.25	8,640.19
Townsville	100.00	5,525.35
Darwin	2,274.55	-
Albury	-	4,345.77
	-----	-----
	<b>\$66,611.28</b>	<b>\$32,914.93</b>
	-----	-----

**AUSTRALIAN RELIEF & MERCY SERVICES LIMITED**  
**ACN 008 643 258**  
**SUPPORTING SCHEDULES TO THE BALANCE SHEET**  
**FOR THE YEAR ENDED 30TH APRIL 2000**

	2000 \$	1999 \$
Loans - Unsecured Roger and Joan Dart	32,611.00	32,611.00

**AUSTRALIAN RELIEF & MERCY SERVICES LIMITED**  
**ACN 008 643 258**

**PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30TH APRIL 2000**

	<b>2000</b>	<b>1999</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<b>INCOME</b>		
Donations Received	132,794.02	72,819.78
Interest Received	124.28	54.19
Other Revenue	5,649.02	1,650.07
	<hr/>	<hr/>
	138,567.32	74,524.04
 <b>EXPENDITURE</b>		
Loss on Sale of Non-current Assets	981.00	-
Advertising	250.00	50.90
Auditor's Remuneration	1,765.00	925.00
Bank Charges	1,012.60	343.32
Cleaning	995.75	72.00
Computer Expenses	1,412.34	675.78
Conference & Seminar Expenses	30.00	-
Depreciation	8,116.44	7,256.00
Donations Paid	66,715.56	32,914.93
Filing Fees	35.00	35.00
Freight & Cartage	589.00	-
Fundraising	2,839.71	57.00
General Expenses	219.13	269.60
Insurance	690.44	-
Motor Vehicle Expenses	4,759.26	3,676.85
Printing, Postage & Stationery	8,342.31	2,367.16
R & D Projects	305.50	542.75
Rent	69.60	4,830.00
Repairs & Maintenance	151.50	-
Staff Training & Welfare	395.00	-
Subscriptions	600.73	190.46
Sundry Expenses	263.33	111.51
Telephone	2,323.21	2,704.49
Tithe	345.07	66.00
Travelling Expenses	21,311.18	6,945.49
	<hr/>	<hr/>
	124,518.66	64,034.24
 <b>NET PROFIT</b>	<hr/>	<hr/>
	14,048.66	10,489.80
	<hr/>	<hr/>

The accompanying notes form part of these financial statements.

## Explanatory Notes on the Audit Of Accounts For The Year Ended 30<sup>th</sup> April 2000

By David Skeat

### Income

The audit shows us some very encouraging news. There is a growth in total income of \$64,043.28 (+ 85.9% to \$138,567.02). Income from donations was up 82% (\$59,974.24). Income from sales was also up 242% on the previous year to \$5,649.02.

### Expenditure.

The company's expenditure seems somewhat modest in this last 12-month period, however a few things need to be mentioned.

### Travel Expenses

It is hard to put an accurate figure on our travel expenses as a large percentage of travel costs are done through our company credit cards that are linked to frequent flier programs. The \$21,311.18 that is shown up in the audit is also not truly reflective of our real costs as \$18,306 was the cost of sending specialist teams to Vietnam. Leaving \$3,005.18 as a representative figure of all other travel for the rest of the company.

### Donations Paid

This category includes all moneys paid out to projects and child sponsorships. This years figure is up 102% to \$66,715.56, on last year. However, this figure does not give us a true reflection of the real situation.

Within ARMS donations can be made into either the national or international accounts. It has been the practice of most of our donors to specifically direct their donation to a specific cause or project. Therefore if a donation is made to an overseas project that money is directed to that project with out the removal of hefty administration costs. However, some donors have specifically nominate that moneys are to be spent on administration costs, or proportion of public fund raising may be proportioned to meet those needs.

This audit shows that \$66,715.56 was donated to specific projects and children. When you couple this figure with \$21,311.18 that was spent on travel to and from projects we get a gross figure of \$88,026.36 which represents 63.52% of the total income.

Last financial year we received substantial donations to buy capital equipment for the national office (\$14,000+) which perhaps makes the amount of total moneys used to cover running costs look disproportionate.

The donations received by the Warehouse also is disproportionate. Out of the 28,930.85 received there were 3 amounts that came to just over \$19,000 these were donations that directed for the following \$950 donation for the printing of brochures, and 18,306 that was donated to cover the cost of airfares of a medical team going on outreach to Vietnam. This brings the total donations to the warehouse ministry down to \$9,674.85.

### Fundraising

Fundraising costs were up to \$2,839.71 and increase of \$2,782.71 on the previous year (\$57.00). The results of this increase in costs are justified by the 85% increase in revenue. Some of the items purchased were one off purchases that will be continually used for years to come. However most of these purchases were goods that were purchased for resale, such as drinks, confectionery and sausages for public fund raising.

### Printing & Postage

This year's figure is for printing and postage is up \$5,975.16. This reflects an increase in postal communication with our membership and the public. The figure includes all newsletters, brochures, letter head, envelopes and office mailing costs for 5 locations.

### Donation Effectiveness.

The national office is the one ARMS location that disperses funds to other projects on a regular basis. The national office doesn't take any admin charges from money it distributes to the poor but rather relies on donors to specifically donate towards its running costs. Thus all moneys directed to projects get there (except for any bank fees incurred in transferring the money to the project location).

During this financial year the national office received \$14,520.69 in donations towards its operational costs. (\$14,000 of this amount came in specific donations towards capital purchases.) This represents 18.03% of the \$80,530.50 we received in donations during this financial year.

Seeds & Aspirin  
Medicines and clothes  
Preschool Support (Running Exes)  
Preschool Rebuilding

#### Donations

Total donations for the year

#### Sponsorships

Filipino  
Thai Children  
Indian Children  
Karen Preschool  
Kurdish

#### Karen Refugee Projects

Ducks  
Seeds  
Pigs

or which we have raised \$ the dispersals of which are listed in the table below. As we look at the world as it is now one can clearly see that the needs for such appeal in the future will only increase. That is one reason why the board elected last year to commence the Australian Mercy Fund (Details of The Australian Mercy Fund are found in the appendices) However, the AMF will not answer all, of the future's challenges and we will need to be more diligent and prayerful in our future fund raising efforts.

#### Training

The training side of ARMS has increased with more avenues being found with which to give people more opportunities to find a relevant expression of care for the poor and needy. As we plan for the future we will need to see further growth in this area, more schools that teach first and second level Community Development skills need to be established as does another Primary Health Care School. The Orphanage & Family Ministry School already looks like it will multiply itself overseas.

In the coming 12 -24 months I would like to see

Dear Tony,

The following figures are needed for the directors report. I will write around them once I have them.

#### **Emergency Appeal Moneys Dispersed For**

Chechnya  
East Timor (Appeal)  
Indonesia  
Honduras  
Kosovo  
Mozambique  
Turkey  
West Timor

#### **Dispersals For Projects**

East Timor  
    Refugee Appeal  
    Assessment  
    Base Refurbishment  
    Language Project

Zambia  
    Brick making machine

Karen Hilltribe Projects  
    Primary health care



**AUSTRALIAN RELIEF & MERCY SERVICES LIMITED**  
**ACN 008 643 258**

**BALANCE SHEET**  
**AS AT 30TH APRIL 2000**

		Note	2000 \$	1999 \$
<hr style="border-top: 1px dashed black;"/>				
CURRENT ASSETS				
Cash	3	43,910.42		41,125.67
Receivables	4	792.57		1,152.12
		<hr/>		<hr/>
TOTAL CURRENT ASSETS		44,702.99		42,277.79
		<hr/>		<hr/>
NON-CURRENT ASSETS				
Property, plant and equipment	5	38,843.86		30,830.91
		<hr/>		<hr/>
TOTAL NON-CURRENT ASSETS		38,843.86		30,830.91
		<hr/>		<hr/>
TOTAL ASSETS		83,546.85		73,108.70
		<hr/>		<hr/>
CURRENT LIABILITIES				
Accounts Payable	6	4,902.83		8,513.34
		<hr/>		<hr/>
TOTAL CURRENT LIABILITIES		4,902.83		8,513.34
		<hr/>		<hr/>
NON-CURRENT LIABILITIES				
Borrowings	7	32,611.00		32,611.00
		<hr/>		<hr/>
TOTAL NON-CURRENT LIABILITIES		32,611.00		32,611.00
		<hr/>		<hr/>
TOTAL LIABILITIES		37,513.83		41,124.34
		<hr/>		<hr/>
NET ASSETS (LIABILITIES)		46,033.02		31,984.36
		<hr/>		<hr/>
MEMBERSFUNDS				
Retained profits		46,033.02		31,984.36
		<hr/>		<hr/>

The accompanying notes form part of these financial statements

**INDEPENDENT AUDIT REPORT**

**TO THE MEMBERS OF**

**AUSTRALIAN RELIEF & MERCY SERVICES LIMITED  
A.C.N. 008 643 258**

**Audit Opinion**

In our opinion, subject to the above qualification, the financial statements of the company are properly drawn up:

- (a) so as to give a true and fair view of:
  - (i) the state of affairs as at 30th April 2000, and of the profit and cash flows for the financial year ended on that date of the company; and
  - (ii) the other matters required by Division 4, 4A and 4B of Part 3.6 of the Corporations Law to be dealt with in the financial statements;
- (b) in accordance with the provisions of the Corporations Law; and
- (c) in accordance with applicable Accounting Standards and other mandatory professional reporting requirements.

**T A Khoury & Co  
Chartered Accountants**



.....  
Partner: Tony Khoury

Sydney