



Australian Relief & Mercy Services Ltd
ABN 84 008 643 258

Annual Reports 2005 - 2006



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

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 ACFID Code of Conduct can be obtained from ACFID at:

Website: www.acfid.asn.au

Email: acfid@acfid.asn.au Tel: (02) 62851816 Fax: (02) 62851720

Co-Aid

Australian Relief & Mercy Services Ltd is a member of Co-Aid a consortium of smaller Australian relief and development organizations that are working together to benefit those who are in need in the developing world.

More information about Co-Aid can be obtained from the Co-Aid website:

Website: www.co-aid.org

Email: info@co-aid.org



The Board of Australian Relief & Mercy Services has endorsed the Make Poverty History Campaign (formerly known as the Fair Share campaign) which is being run by a large group of concerned aid agencies under the auspices of the Australian Council For International Development (ACFID).

This campaign seeks to encourage the Australian Federal Government to increase its aid budget and to embrace policies that will help to reduce world poverty by half by 2015. Australia has committed itself to achieving what have been termed the Millennium Development Goals (MDG). These are as follows:

Millennium Development Goals

Goal 1: Eradicate extreme poverty and hunger

- * Halve, between 1990 and 2015, the proportion of people whose income is less than \$1 a day.
- * Halve, between 1990 and 2015, the proportion of people who suffer from hunger.

Goal 2: Achieve universal primary education

- * Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.

Goal 3: Promote gender equality and empower women

- * Eliminate gender disparity in primary and secondary education preferably by 2005 and in all levels of education no later than 2015.

Goal 4: Reduce child mortality

- * Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate.

Goal 5: Improve maternal health

- * Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio.

Goal 6: Combat HIV/AIDS, malaria, and other diseases

- * Have halted by 2015 and begun to reverse the spread of HIV/AIDS.
- * Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases.

Goal 7: Ensure environmental sustainability

- * Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources.
- * Halve, by 2015, the proportion of people without sustainable access to safe drinking water.
- * Halve, by 2015, the proportion of people without access to adequate sanitation.
- * Have achieved, by 2020, a significant improvement in the lives of at least 100 million slum dwellers.

Goal 8: Develop a global partnership for development

- * Develop further an open, rule-based, predictable, nondiscriminatory trading and financial system.
- * Address the Least Developed Countries' special needs.
- * Address the special needs of landlocked and small island developing states.
- * Deal comprehensively with developing countries' debt in cooperation with the developing countries, develop decent and productive work for youth.
- * Provide access to affordable essential drugs in developing countries.
- * Make available the benefits of new technologies – especially information and communication technologies.

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Company Directory

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National Website: www.arms.org.au

Board Of Directors

David Skeat (National Director)

(*Dip Teach ECE*)

National Director Mercy Ministries Youth With A Mission Australia. David has a background in teaching with specialisation in Early Childhood. He has also worked in the area of appropriate technologies and is a registered Emergency Medical Technician. He has participated at board level for Mercy Ships Australia and Marine Reach Australia and is a member of the executive board of Youth With A Mission Melbourne and serves on the board of Co-Aid. David is also on the Board of Mercy Link Inc. David was formerly the Director of Youth With A Mission Albury. He is now based in Melbourne.

Steve Aherne (Director)

National Director Youth With A Mission Australia.

Has participated at board level for Mercy Ships Australia. Steve serves on a number of boards, and is based in Melbourne.

Peter Brownhill (Director)

State Director for YWAM Western Australia and the Northern Territory. Foundation member of the work of the Institute for the Nations in Western Australia. Based in Perth.

Keith Grieg (Director)

Keith is an electrician with a background in missions and international aid. Keith was formerly the Director Of YWAM Sunshine Coast.

Tom Hallas (Director)

Asia/Pacific Field Director for Youth With A Mission International. Member of Youth With A Mission's International Leadership Team. Based in Canberra.

Chris Harrison (Director)

Formerly the Director of Youth With A Mission Darwin. He currently works as a staff development officer with Youth With A Mission in Adelaide. He was formerly chairman of the Evangelical Alliance in Darwin. Based in Adelaide South Australia.

Jen Keatch (Director)

Jen has a background working with children with disabilities and also has worked for the Anglican Church as a community worker specializing in disadvantaged families. As well as leading ARMS Darwin Jen is studying Community Development

Ken Mulligan (Director)

Director of Youth With A Mission Townsville. Ken has a farming background. Established the national ministry of Mercy Ships Australia, currently involved in training and management. Based in Townsville.

Marion Fromm (Director)

Director of Reverse The Curse. Marion has an administrative background and has formerly worked for Asian Outreach in Australia and Youth With A Mission in Osaka, Japan.

Kathy Kennedy (Director)

Kathy has a nursing background and is actively involved in medical projects world wide. She has a passion for Primary Health Care and founded the IPHC in Perth as well as the Birth Attendant school, both of which are recognised by YWAM's training arm, the University of the Nations. Kathy lives in Perth.

Nerilee Sowter (Director)

Nerilee has a background in advertising and marketing. Has worked for Youth With A Mission for 12 years. Has a desire to serve poorer communities in developing nations.

Dianne Clark (Director)

Dianne is the operations Director of YWAM Canberra. She has a strong interest in staff development and in reaching out to the poor and needy.

Ministries & Projects

Aceh Relief Projects (National Office)
Australian Mercy Fund - (National Office)
Bali Orphanage (Darwin)
Birth Attendant School - (Perth)
Burmese IDP Project - (National Office)
Child Immunization Project - (Townsville)
Child Sponsorships - (National Office / Perth / Darwin)
Community Development School - (Perth)
Melbourne Community Outreach Program (National Office)
East Timor Relief - (Darwin / National Office)
Emergency Relief Projects - (National Office)
Karen Refugee Projects - (National Office)
Kids Ark - (National Office)
Medical Boomerang Teams - (Perth)
Perth Community Development Project - (Perth)
Primary Health Care School - (Perth / National Office)
RescueNet - (National Office / Sydney)
Reverse The Curse - (Adelaide)
Thailand Primary Health Care Projects - (National Office)
Thai Prostitute Outreach (Sunshine Coast)
Tsunami Relief (National Office)
West Timor Relief (Darwin)

Associated Ministries & Organizations

ACFID
ACORN (Turkey)
B.M.S.S. (Bangalore India)
Co-Aid
Destiny International
Home Of The Open Heart (Chiang Rai Thailand)
Kid's Ark - East Timor
Marine Reach (Australia)
OPAL (Australia)
Partners Relief & Development (Chiang Mai - Thailand)
Project LIFE (Bangkok - Thailand)
Reverse The Curse of Landmines (Cambodia)
Youth With A Mission (Balut - Philippines)



Overseas Offices

East Timor
Cambodia

ARMS Charter

Australian Relief & Mercy Services Ltd (ARMS) has been set up with the express purpose of providing direct relief to persons in any country who are suffering, distress, misfortune, destitution, helplessness and necessitous circumstances.

ARMS is a non governmental/non-profit organization that is governed by an elected board which is elected from its membership. Elections happen once every calendar year.

ARMS is funded through public donations, and through the seeking of grants and corporate donations from the business sector. All funds that are received into ARMS are subject to a yearly independent audit that meets the standards of the Australian Council For International Development (ACFID).

ARMS uses the services of volunteers who donate their time to ARMS to achieve its goals.

All ARMS workers are trained to uphold the dignity of those to whom they have been sent to serve.

ARMS does not give preference on the basis of nationality, gender, ethnicity, creed, or religion.

ARMS is willing to cooperate with all governments and other non government organizations for the common good of those in need.

ARMS believes firmly in the values of integrity and accountability in all its dealings.



Capstone Statement

ARMS - people who care helping people in need.

Company Outline



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, Adelaide, Townsville and the Sunshine Coast.

Australian Relief & Mercy Services Ltd 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, ministry to the homeless, family counselling 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 organization 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

TRADING WITH THE ENEMY

By David Skeat

For many years ARMS has been one of several NGOs that have been working closely with the plight of the Karen IDPs and Refugees. As year passes more people die because of the increasing ethnic cleansing which is happening as a result of policies instituted by the Burmese military junta (State Peace and Development Council (SPDC)).

The poverty and suffering being experienced by the minority peoples of Burma is a long way from life in Australia, which is very egocentric and affluent.

Australia indeed the lucky country. Our economy is good shape despite rising petrol prices. Today more Australians own shares than have ever at any other time. One key factor that has helped our economy along are the new trade initiatives in the form of Free Trade Agreements (FTAs) we now have with the US, Singapore and Thailand. These have increased our markets and helped to increase our national prosperity.

Recently the Australian government announced that its intention to negotiate a Free Trade Agreement with the ASEAN nations. If this were to go ahead Australia could find itself trading with the SPDC, who rule Burma with an iron fist.

Under an ASEAN FTA Australia could well have goods entering into its markets that are made by slave labor, the profits of which would go back to the same military junta who are buying the weapons that kill innocent villagers in a war of genocide that is killing millions.

An FTA with the SPDC will only compound the problems currently being experienced by the Burmese IDPs.



Victims of the SPDC come in all sizes this 9 year old girl was shot by the burmese militatry as she ran from her village.



Members of the SPDC- Do we really want to trade with them?

Recently I wrote to the government on this issue and asked them not to negotiate the FTA with ASEAN as a whole but rather as individual states so that Burma could be isolated out of the process. The reply I received told me that the government thought that an FTA that included Burma was in the best interests of Australia. Perhaps this is true, but is such an FTA in the best interests of the people of Burma? I do not see that the Australian national interest should take precedence over the needs of the people suffering under this brutal regime. A regime who were described by the UNHCR as being responsible for the worst genocide of the twentieth century!

We should not be encouraging the SPDC but actively exposing their reign of terror. In my view, an FTA with Burma is a bad idea that flies in the face of appeals made by Nobel laureate and democratically elected president of Burma Aung San Suu Khy (who has spent years under house arrest courtesy of the SPDC). She has asked foreign governments not to deal with the current regime. Although her appeal seems to have fallen on deaf ears as far as ASEAN is concerned. Recently the secretary of ASEAN said that the ASEAN nations respected each other enough not to comment on each others' internal governance or human rights policy. Something is clearly wrong here. Does this mean that as long as an ASEAN member state obeys the trade rules that it can do as it likes to its people?

Human rights inside Burma have long been a concern of the international community, the UNHCR said of the SPDC in Burma in 1996 that it was guilty of some of the worst cases of genocide that the world has seen in the 20th century. In recent months the UN Security Council noted the Burma situation and has put it on the agenda for discussion.

So why would Australia want to trade with them? Please pray about this issue – I think that an FTA with the SPDC is a very bad idea and gives the SPDC and the atrocities it has committed a sense of legitimacy and validation. If Australia is to put its good name on a treaty with another nation, then that nation needs to deserve the endorsement that Australia's good name will bring.



In Burma there are 1.5 million people living in the forest without food sanitation or medical care. They are on the run from the soldiers of the SPDC who are actively seeking to destroy them. These people are not combatants in a war, but are farmers, children and mothers.

Ministry Reports



National Office Report

Million dollar milestone.



This year's audit takes ARMS past a significant milestone in its history. This year we gave away our millionth dollar. Some may think this to be somewhat trivial in the light that most other aid and development organizations spend more than that on staff training every year, but it is not. ARMS receives no government funding and raises every dollar it spends.

Eight years ago when ARMS began its expansion into the aid and development sector we had an annual income of \$72,819.00. Once we made our decision to move ahead, our income increased and the amount we were able to pass on to development projects also significantly increased. Since 1998 our annual audits have shown increased giving and participation by our supporters and donors.

An audit is a snapshot of a company's financial position on a given day. That snapshot helps accountants and directors to measure the company's performance, and financial viability. Our day for that snapshot to take place April 30th. On that day we look at the funds we have in the bank, invested moneys and moneys that have passed through our books. To get an idea of where we are up to and how effectively we are achieving our goals. This year's audit helps us to see plainly that we are in a strong financial position.

This year our national income was nearly 9 times that which it was in 1998/99 and in 2005/06 we have given away 83% of that income to projects. That means that the 17% balance is the funds we had in the bank on that day or funds we have invested in the Australian Mercy Fund. I am sure that as you look at through the audit of accounts you will also appreciate the good things that God is doing through ARMS.

Over the past 8 years we have gained a significant financial momentum and I am challenging our directors and staff to attain to a goal of giving away another \$5 million over the next 8 years. I believe with God the sky is the limit. If we work hard and remain devoted to the place of prayer we will see even greater things happen through ARMS than we have in the past 8 years.

The ARMS National Office has continued its efforts to support projects in many nations that care for the poor and the needy. Here are details of just a few of those projects.

Australian Mercy Fund.

The Australian Mercy Fund continues to grow. In the 2005 – 2006 financial year the fund made a \$1,000.00 donation towards the building of a house for a homeless family in Bangalore, India. This project is run by the Catholic Church.



As the Australian Mercy Fund Grows we look forward to releasing more grant to the projects serving the poor and the needy.

Donations and reinvested interest in the Australian Mercy Fund increased the size of the investment fund by \$2301.43. Details of the past 2 years outcomes can be seen in Table 1.

Karen IDP Projects.

The situation with the Burmese IDP Communities has worsened. Many more thousands are fleeing the repressive invasion of their lands by the soldiers of the State Peace and Development Council (SPDC). ARMS has continued to raise funds for the emergency care of Internally

Table 1

The Australian Mercy Fund		
	2005 - 2006	2004 - 2005
Invested Income	23,564.05	21,262.62
Disbursal Account	1542.93	278.04
Total	25,106.98	21,540.66

More information about ARMS can be found on the ARMS website

www.arms.org.au

Displaced People (IDPs) and supports clinics that are providing medical care many thousands of people who living in fear in the forests close to the Thai / Burmese border.

In the past financial year ARMS provided IDP related projects with \$15,564.84 in funding. In the coming year we would like to make this much more. We also send teams of medics in to help train medical workers that are caring for the IDPs. We also ran a Primary Health care seminar that helped to train Primary Health Care workers that work with IDPs and refugees.



Karen Refugees

The difference between a refugee and an IDP is that an IDP is a refugee within their own country. Refugees are usually in camps that are serviced by organizations such as UNICEF of the UNHCR however in Thailand because of the political situation the UNHCR and UNICEF have little say in the camps and smaller NGOs such as ARMS are an easier way to get funds directly to the people. In the Mae-la camp ARMS supports two orphanages and three preschools. This we have been doing since 1995.

In the 2005/06 financial year ARMS sent \$25,489.40 to support these works. This money provided water tanks, teaching resources, medical care, and food and clothing for children in these centres. \$1295.00 was also provided in child sponsorships.



In early 2006 the camp authorities inspected all the preschools to determine the standard of teaching and program suitability. One of the preschools supported by ARMS was given two gold awards and a bronze. It was found to be the best preschool with the highest standards in the camp.

Home Of the Open Heart.

Home of the Open Heart in Chiang Rai Thailand is doing a wonderful job caring for children and families affected by HIV / AIDS. Each year their ministry grows and each year more and more people are affected by the love that is generated through that ministry. In 2005/06 the ARMS

National Office gave \$15,020.04 to Home of the Open Heart and also passed on \$1617.24 in child and nanny sponsorship moneys.

East Timor

Maternity Packs

In late 2005 the ARMS National Office appealed for help for mothers in East Timor who were leaving hospital too early after the birth of their babies with out the basics of soap, washes, pads and mosquito nets to protect their babies. ARMS donors gave \$1805.00 towards this appeal.

Felicidade House

In early 2006 the national Office appealed for help for a lady called Felicidade; a single mother in Hera East Timor who had suffered enormous abuse and together with her 10 year old daughter was homeless. ARMS supporters donated a total of \$4,353.00 towards the cost of building Felicidade a house on land that had been given to her by the village chief. This project was started but was not completed owing to the out break of civil unrest in East Timor. We expect the house to be finished late in 2006.



Hekan

The Hekan building project has two parts. A project that provides low cost housing for homeless families and a second project that constructs larger buildings such as schools and hospitals. The housing project is going along nicely in its provision of housing for homeless families. However the civil unrest in East Timor has slowed the program down and we do not expect that it will get back to full momentum again until some time in 2007.

The first building in the second project is a Preschool training centre in Hera.

During the past financial year ARMS National Office sent \$26,045.37 to the Hekan building projects.

Weberek

The Weberek water project has been increasing the flow rates in the town and almost 40% of the village has access to clean water. The ARMS National Office sent \$3,408.51 to this project over the past 12 months.

Kids Ark

Kids Ark are located in Hera, east Timor and run a preschool and community clinic that service the area of Hera and surrounding district. During the recent civil unrest Kids Ark became a source of emergency aid to hundred of families who were hiding in the hills close



to Hera. They provided food and medical support in refugee camps, and emergency accommodation for families too scared to return to their homes.

ARMS is helping with the construction of a Preschool training center in Hera for Kids Ark. Stage one is near completion.

In the 2005/06 financial year the ARMS National Office provided \$3,230.00 in support for the clinic and preschool and \$93,360.34 towards the building project. This second figure is slightly inflated as it includes the airfare costs of sending the building

teams across to East Timor.

One of the highlight of this year was the Primary Healthcare Seminar we ran in Thailand. This seminar reinforced in my thinking that we must be doing much more in this area. It is so simple to train people and that training saves lives. The seminar takes two parts. The first part is the initial 4 week training that lays foundations for the students. After this they go back to their villages and refugee camps to practice their skills. After 6 months or so a second seminar is run that teaches more advanced skills. This second seminar takes the student to a more proficient level and together with the experience they have had between seminars they are in a better place to offer care and services to those within their own communities.

More of these seminars are planned and we have received an invitation to run them in the Philippines.

This year has been a particularly successful year for ARMS and we are hoping that the coming 12 months will also be even more successful as we seek to serve the poor and needy.

David Skeat - National Director



ARMS Darwin Report

The Darwin office of Australian Relief & Mercy Services has continued to support ongoing ministry projects in countries just to our north in South East Asia.



During April this year a small staff team from Darwin visited YWAM projects within East Timor, seeing first hand the opportunities to support these ministry areas as well as hearing updates on each of the projects with which we have had involvement. Over the past year ARMS has continued to send to Timor donated medical supplies, clothing and educational supplies. A donation towards the medical work in the village of Weberek purchased a four wheel drive vehicle for use in this more remote region.

Within East Timor regular donations are forwarded through ARMS from partnering churches to Hera and Sidara for the purposes of assisting with health and nutrition programs as well as the Kid's Ark Preschool. Over this past year 45 children have been enrolled at Kid's Ark in Hera and another 30 children have attended the preschool program in Hera.

The ARMS Darwin Medical Project team (current focus is Weberek, but this coming year we hope to see additional project locations supported within East Timor) has assisted in an advisory capacity to the two YWAM nurses who have been working in liaison with the local government nurse based in Weberek. The teams advisory role has also included a visit to East Timor by the team co-ordinator to see the project registered and recognized by the government of Timor Leste.

East Timorese health care workers have continued to be mentored and trained in the area of providing general health education for the community. Preventative health care in both Weberek and Sidara has remained a consideration as the medical team have been evaluating the status of nutrition in each of these communities.

In April our staff team also visited The Hope of the Nation Foundation in West Timor where two students receive assistance with sponsorship towards their education— one of these boys had a successful eye operation some months ago, which was sponsored through ARMS by donors in Australia. He has now fully recovered and can anticipate achieving to his fullest potential with his education and career hopes.

This same ministry in West Timor has also been working on Sabu Island where it has recently been proposed to establish a pre-school. The couple working in this community would like to see a pre-school developed to provide early education for these ten young children. The donation of toys and funds for the pre-school will greatly assist the children and their families who have very little due to very limited employment being available there.

The Children's Home in Bali, Indonesia provides for 21 school age children who were previously homeless or abandoned as street children and are now cared for in a live-in setting. Sponsorship gives them the opportunity to attend a local school and to pursue an education while also allowing the staff in Bali to provide food, clothing, health care and accommodation for these children.



The staff team in Bali also regularly visit an area in Denpasar where they assist families who have very little income as well as providing educational programs for the street children in that neighborhood. Donations are forwarded through ARMS to assist these families and street children.

A new project is being supported by ARMS Darwin in Thailand. The House of Grace Foundation in central Thailand takes care of 8 boys who had been abandoned and now are provided care in a warm family like environment. The generosity of supporters and sponsorship provides these boys with their daily needs of food, clothing, education and health care.

We wish to thank all those who have supported these projects in various ways over the past year. We see many teams come through from Australia going to provide hands on practical assistance to these locations, while others partner with us in providing ongoing finances for these projects or provide the necessary support for our work here in this office to continue.

Jen Keatch
ARMS Darwin



RTC Cambodia Report

In the last twelve months our factory has trebled its production and the staff has increased to sixteen, including twelve land mine accident survivors. By the end of April 2006 the factory was processing one ton of fruit each week. The blessing of the Lord has been very evident and we have always had sufficient finances to cover every need. We give heartfelt thanks to God for His love, grace and provision.

There have been several changes to our Project Board. Alan Roberts took the chair initially, after Denis Arnold's retirement, but because of his many travels, he relinquished it to Stephen Sjordsma, who has served us very well in this capacity. Robyn Ozzlins resigned to concentrate on her forthcoming work in Africa. All of the Board members have done a wonderful job of fundraising and I wish to especially thank Marion Winn for her dedicated and hard work as treasurer and secretary. I cannot thank them all enough for their support, encouragement and hard work.



An AusAID grant to cover salaries and rent was granted for the twelve months from May 2005 to April 2006. This was a wonderful help, but unfortunately funds are not available from them for the next financial year. Recent months have seen our sales rise to a level which has covered the expenses of the fruit production, but it is not covering the cost of packaging, labels and other operating costs. We anticipate that as sales increase, more of the running costs will be covered.

Rom Heng has continued to be a blessing as housekeeper and Heng as driver and night guard. Sokhem Khieu continues to handle administration and Darong was employed as accountant last May. He is a Christian and a great help with translation because his English is excellent, beside being a competent book keeper. None of these four staff are disabled.

Bunthoeun Thong has risen to the point where he is now the factory manager and he is thorough, dedicated and very responsible. Kimsan is still working as cook and Sothea, Tepy, Ny, Ry, Phalla, Khia and Pessey as cook/cleaners. Thida is receptionist and sometimes helps with packaging. She has had additional administrative and office training. Visay was promoted to a position as salesman and Leang employed as security guard. All these people have lost a leg except from land mines except Bunthoeun, who has shoulder and torso injuries. Two staff members, Sok and Savy had their employment terminated due to very poor performance.

RTC Cambodia's products are now marketed under the trading name of "[Cambodian Harvest](#)". Our logo and trading name has been registered and copy writed with the Cambodian Government. Cambodian Barcodes have been assigned and a new brochure, including a professional catalogue of our products has been printed. New plastic boxes for our glace fruit has taken our marketing to a very professional level and resulted in the acceptance of the full range of our products in all the supermarkets in Phnom Penh and Seim Reip. In addition the Total Service Station shops are also selling our products.

A 45KVA generator supplied a large proportion of our electricity over the year. The city experienced lengthy daily power cuts often up to nine hours a day. We were also able to sell excess electricity to two neighbors and the restaurant across the street, which helped to reduce the high cost of diesel.

During the year we have participated in a number of trade fairs. The most successful of these have always been the ones help in the Hun Sen Park near the riverside. The best of these was the International Day of Disability, which attracts huge crowds. Others in less accessible places for the general public were not well attended and consequently we did not make enough money to make them worthwhile. An excellent documentary filmed by Apsara TV gave us good free publicity. A new and larger second dehydrator came into service in November.

Our marketing agreement with Healthland Foods resulted in hardly any benefit or increase in sales of RTC products, so after six months, it was terminated by mutual agreement. Sokhem (Administrator), was given the additional position of Marketing Manager and he has done an excellent job in promotion and sales.



Vissay was promoted to salesman in June and Sokhem has been training him very successfully in marketing. They have both attended marketing training seminars arranged by the Ministry of Commerce and have benefited a lot from that. Thida was enrolled in a six month course on computing and office administration. She will complete that at the end of June. Sothea and Tepy have worked as sales ladies at all the trade fairs. Further training is not planned for them until their English improves.



Robert Blenkiron, the former director of Angus Park Dried Fruit Company, was sent to us by Australian Business Volunteers for a month in May and two months from September to November, to improve our dried fruit production. Robert did an excellent job and in addition, he managed the factory in my absence in Australia from October and November. He was accompanied by his wife, Rosemary. Robert has taken a keen interest in promoting RTC, which resulted in Rotary donating the money for our second dehydrator.

In conclusion, the year has been remarkable. We have much to celebrate and much to be deeply thankful for, with the Lord's continued blessing and guidance.

Under girding all that has happened, is consistent and heartfelt prayer, for which I am both indebted and thankful.

Marion Fromm
Director.

ARMS Perth Report

Community Development Programme & Neighbourhood Care Programme 2005/2006



The **Community Development Programme (CDP)** continues to minister to families in crisis in the Perth metropolitan area. The programme is well received by welfare and referral agencies in the city. It has been stated that often we are still the only service operating in the city that is available for referral to these families. We continue to receive more referrals than what we can handle.

Our staff numbers have fluctuated this year but the year has ended with five staff. We are trusting God for more staff but are experiencing some visa difficulties with someone wanting to join our ministry and possibly also

with Susanna (co-leader) needing to renew her visa.

We are continuing with **the “in home help”** offering cleaning, shopping, child minding, gardening, prayer and friendship, anything that will help the family to get through their crisis and stay together as a family.

Since the beginning of the programme in 1988, the CDP has visited and ministered to **1372 families**. In this last year we have ministered to **76 families**.

We are currently visiting and assisting 13 families, either on a weekly or fortnightly basis, which keeps us very busy! We have DTS students who come with us to serve the families as part of their work duty time which is fantastic!

We have had many opportunities to share the gospel and pray for families. Many families are non-Christians and we can see them growing closer to God, becoming more open to the gospel.

Some testimonies.

Eli is a single mum living with 2 young children, aged 6 and 8 yrs old. She has had a history of violence and abuse, spending most of her childhood in foster homes. During her time in a drug rehabilitation centre, Eli committed her life to the Lord, was baptised, and began attending church. Since that time, she slipped back into witchcraft and occult practises, and battled with cancer and bouts of depression.

ARMS visited her for the first time a fortnight ago, after her jaw was broken in a fight. Eli believed the apartment was cursed and haunted, as the previous tenant had committed suicide in an upstairs bedroom. Her and her elder son have been subject to frequent nightmares, and have been victims of violence and vandalism while living there. While the team worked in the house that day, we were praying. Eli accepted our offer to pray for her at the end, including her son who had been experiencing night terrors.



Two weeks later, Eli welcomed us warmly and spoke of how inspired she had been by our first visit to make an effort in keeping her house clean. Her effort was obvious. As we worked around the house, some of the team members were able to share about the work of ARMS and YWAM.

At the end, we gathered to pray for her and her boys, at which she also offered a prayer of her own for healing. Eli then shared at how her nightmares had stopped since our last visit and that she sensed a weight lifted and a feeling of peace over her life. She spoke of a nearby church that she thought about attending with her boys, and of how a youth group was run there that her two older children may be interested. I noticed how much her face had changed since seeing her last, and the shift in character that had taken place.

We continue to pray for Eli and her family, that God would bring healing and restoration to her, and for a continued spiritual cleansing of the house. We praise God for the change He has brought about to this point, and we anticipate the further work He will do in her life.

Another Testimony: In the beginning when I joined ARMS in October 2005 we visited a family with 6 children. The mother had been addicted to speed and was involved in witchcraft.

When ARMS went there the first time in 2001, she didn't want to get prayer in the end. This time while I was cleaning and tidying up I felt to go to her. So we talked for a long time. She shared how she believes in reincarnation, angels and different ways to come to God. I was able to share what we believe. In the end we were able to pray for her.

On our way back we really prayed for her and her family and that she would get Christian friends, who tell her more about Jesus. At Christmas time we delivered a food hamper to her. In the time we didn't go to her, she became good friends with a Christian woman who was telling her about the church and Jesus.

These are just two stories of the many families we have visited this year. It has been a wonderful privilege to serve the families in Perth. Every time we visit a family we pray for them and with them wherever possible. We look for opportunities to share our testimonies and to tell the good news. It's hard work but a fantastic opportunity to demonstrate the love of God!

Breakdown of statistics:

Marital status:

Divorced/separated families – 22%

Single parent families - 33%

Widow(er) – 10%

Married – 25%

De facto – 10%

Help offered:

Housework– 64%

Gardening – 28%

Babysitting – 2%

Packing/unpacking – 2

Transportation – 2%

Home Maintenance– 2%



We received referrals from at least 29 different agencies in the city, government and non-government, as well as word of mouth through friends and family of previous clients. We visited families in 31 suburbs around the city!

The Neighbourhood Care Programme

The Neighbourhood Care Programme has been a little disappointing in its fruitfulness. While we trained up 17 volunteers last year, only two of those have been active in their community and taking referrals from us. There are different reasons for this; many of the trainees were retirees, who have health issues. Others have expressed a general business in their lives that have made them unable to participate. Our goal in the coming year is to revisit our NCP strategies. We would like to spend focussed time in prayer, waiting on God to see how we can do things differently to be more effective at multiplying this ministry.



Finances

We continue to work on a donation basis and families will give to the programme as they are able. The majority of our funds however, come from the annual street appeal, which this year was in March and we raised just over \$16,000! We praise God for his provision to us!

Medical Boomerang Outreach Reports

Afghanistan 2 – 27 October 2005

What we did

The bulk of our time in Afghanistan was spent teaching

Teaching opportunities included:

Pharmacy

There are **96 pharmacies** in Sheberghan but only three have had any training. They had no books or resources with which to check precautions, contra-indications, side effects or drug interactions. If a patient comes in and asks for prescription drugs over the counter they will sell it to them. This practice leads to antibiotic resistance when patients ask for antibiotics for simple things like a common cold or sore throat. Our team were able to teach two groups of 12 pharmacists about antibiotics, analgesics, respiratory medications, BP medications, drugs in pregnancy and breastfeeding, dermatology, paediatrics, anti-microbials, drug storage and expirations dates.



Women's health teaching

We taught two groups of women in the village about women's health issues such as reproductive anatomy, fertilization, pregnancy and labour, nutrition in pregnancy, family

planning and sex chromosome (XY). It was great to see the women gain more understanding for how their bodies work

Village clinic teaching

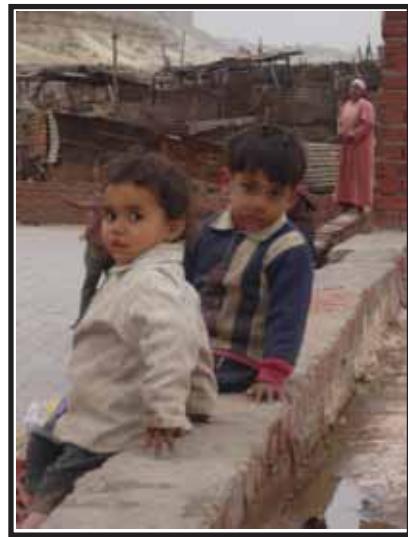
We taught two groups of medical staff at different clinics including doctors, nurses, midwives and vaccinators. We covered topics such as antenatal care, burns and contractures, respiratory anatomy and physiotherapy, nutrition and drugs in pregnancy and labour.

Physiotherapy teaching

We taught a group of 7 – 15 doctors and nurses at the government hospital about respiratory physiotherapy, burns and contractures, back care and correct moving and handling technique.

The Orphanage

We were able to visit an orphanage of approximately 70 children and taught them about the importance of good general and oral hygiene. We also did health checks for the younger children and gave each one a hygiene pack (including soap, towel, toothbrush and toothpaste etc). A couple of the team went back several times to teach some of the older girls about knitting and crochet. They were also able to teach this at the women's centre.



Kabul

We visited a centre for widows and orphans and checked the children. We taught a group of 7 – 15 doctors and nurses at the government hospital about respiratory physiotherapy, burns and contractures, back care and correct moving and handling technique. This was an amazing opportunity to build relationship

Cairo 20 January – 9 February 2006

What we did

A team of approximately 15 medical professionals traveled 2 – 3 hours south of Cairo to a small Coptic Christian village to run a clinic. It had been initiated by the priest of the church who had recently built a clinic next to the church since the village had very little access to health care. This day was enjoyed by all since we were able to see a number of patients and pray for many people. After the clinic we all shared a meal together in the priest's home which was very special and an eye opening time for the team to see how people live in the village.

We visited St Simon Hospital in the garbage city near Muqattam where we were able to help the local doctors run a clinic for those who live and work there. This community was very poor so it was a huge blessing to see the good work that God is doing there through the committed Christian doctors.

We traveled to visit a home for children with disabilities. We did health checks on most of the children and prayed for each of them and for the continuing work of the home. The children were all very well cared for.

Another day we held a clinic in a Coptic church in Beau Lac. It was amazing to see the outreach this church is doing in its local community through children's work, education and health. This was a smaller clinic which meant we could spend a lot longer with each patient and encourage them through scriptures.

Our final opportunity was working with the Sudanese Refugees. There had been a demonstration on 20th December 2005 in which many of them had been injured and many had not seen a doctor. The morning was spent training the DTS team and FCD team in the basics of health care assessment, how to take blood pressure etc, universal precautions, transmission of common diseases and basic physiotherapy principles. In the afternoon they worked with us putting into practice what they had learnt in the morning. This was very effective since at the next clinic with the Sudanese they were able to see patients on their own. This multiplication was really needed since in the second clinic we treated almost 500 patients. The CCS came and helped that day too since many of them needed counseling. It was great to see people from many nations coming together to serve and to see the multiplication God did in training new workers. God performed miracles and many of the Sudanese testified that God's love was present.



Cairo, 16 April – 5 May 2006

What we did

Nasr City: we did some door-to-door (home visiting) amongst the Sudanese refugees

Clinic for Sudanese refugees: this clinic was set up by the Medical Boomerang team in Jan.

Nurses Christian Fellowship: Nurses are not respected in Egypt – they receive minimal pay and they do minimal work. We were asked to share at 2 groups to encourage the nurses. Both times were good but God especially moved at the second one. This was with a group of younger people -approx 4 students and several registered nurses. The group asked a lot of questions e.g. How do you hear Gods voice etc etc. What was very encouraging about this meeting also, was that one of the contacts was a Coptic Christian. She was able to expound on hearing God speak and what she shared was very true.

City of the Dead: this is a vast area of tombs – basically a cemetery where people have moved in amongst the tombs to live. We did a lot of home visiting there with our translators. This was a great place to work in. It is a Moslem community but they were very happy to receive us, hospitable and mainly willing to receive prayer.

St Simon – Patmos Hospital Mokattam: Anne and I were able to observe a 'C' section. We prayed for the mother and the baby.

He is the director of this hospital which is in the garbage city. He believes that God wants him to stay and help his people here (he could have gone elsewhere.) He was happy to have a couple of our people be at the hospital. The IPHC were going to send some people and this is a place that the BAS could get into too. They mainly deal with difficult/complicated deliveries. (Most women deliver in their homes.) The patient we saw had pre-eclampsia.

Global Cancer Care Egypt:

They have a day clinic in Giza. We went there to ‘observe’ at a clinic they had with a palliative care specialist from the UK. Several days later we taught on “How to Care for the Bedridden Patient” to a group of their volunteers. These are mainly women who go into peoples homes to look after cancer patients. It was a good time but we could have spent a lot longer on this. 3 of the DTS students were there and these guys are going to be able to go with the volunteers. It would have been better if we had of been able to go out with the volunteers and DTS students a couple of times to condense the teaching.

The Island: this is an island in the middle of the Nile. There is a lot of need for healthcare. They are people living in poverty. We visited once and the needs were great, we did what we could.

Kathy Kennedy
Director (and team)

RESCUENET ACTIVITY REPORT

Following a very successful deployment into the Pakistan earthquake at the end of 2005, where we medically helped many thousands of people, much time was spent in restocking all of our supplies in readiness for the deployment.

Following that, it was time to prepare for our next Emergency Relief training event which took place from 23 July to 5 August.



Thirteen people - one from South Africa, four from America, one from New Zealand and the balance from Australia, participated in one of the best training events we've had. Over two heavily packed weeks, each participant went through training in First Aid, Fire Suppression, Search and Rescue, Disaster Childcare, Disaster Psychology, Radio Communications and much more.

To help cement these two weeks, we ran a three and a half hour scenario which was designed to embrace everything that was taught. We established an event wherein fourteen 'victims' were trapped in a three story

building that had collapsed from a recent earthquake.

After hours of total chaos and mayhem involving real fire, electrical shorts, smoke, water leaks, BULK debris, and surreal vomit and blood, the fourteen victims were safely medically evacuated from the building.

Sadly it rained, so most of the 'victims' didn't show up thinking it was an outdoor event but fortunately, every person who showed up to find out what was happening, agreed to participate as media personnel, victims and onlookers.

As part of the course, we asked each participant to fill out a feedback form. Unprecedentedly, every participant has indicated that they would like to join the RN team, which would effectively double our current team numbers!!

One of the participants engaged in the course to obtain a greater insight of the workings of RN in terms of future expansion. From here, I am proud to announce that we look forward to establishing RN in Europe throughout 2007, as well as establishing works in NZ and Malaysia.

Thank you all for your continuing prayers in the development of this exciting vision!!

Mark Cockburn - National Co-ordinator.



Malaria Ministry

East Timor May 2005

I arrived in Dili on May 11th grossly overweight with centrifuges, stains, solutions and lots of other stuff for Dr Dan. Letters from him to Air North and Dili Customs allowed me to get it all in at no extra cost.



For the first part 10 days of my mission, I stayed with Soraya and Branca, 5 kiwis and 2 Australians at the Hera house. This was to continue teaching Branca how to find and differentiate Malarial parasites with the microscope and some other tests, and doing a few handyman jobs at the house. We all had a good time together.

Because of Branca's very full schedule I had asked, before I went, if they could arrange for an additional person for me to teach with Branca this time, but they were not able to. We managed to average about 2 hrs on each on the first 6 weekdays I was there. The last Friday I was there was Independence day for ET. I was here for it last year so this time was a good opportunity to spend a whole day at Hera with Branca to round off her

training.

Mae Sot PHC Seminar 9th March to 7th April 2006.

I was pleased to be part of the team teaching at this four week introductory Primary Health Care school organised by David Skeat for Karen DTS graduates and other interested Karen refugees and IDPs. David had done all the preparation for this course and was with us for the first week when we visited Mae La camp, where we met our good friends Pehlu and Jonathan. We also went to SMRU Malaria unit and the Karen Health and Welfare Dept Dr Cynthia's Hospital/Clinic and a Thai Health Dept clinic to assess the health situation and services available for Karen refugees in camps and villages on the Thai side of the border and Burmese IDPs near the border. We had 24 keen students including three from inside Burma.

Other team members were Virginia Keng our school leader, Marion Wilbraham and Heather Jamieson. We were welcomed in Mae Sot by Stine Lade and met Liv who is in charge of the DTS base, then taken to our new home for 4 weeks at the base at Way Te Loo. This is 45 min from Mae Sot about 10 min off the road going to Mae La camp. This was a great time of sharing, good food, and fellowship with our team, and loving, caring and interested students and DTS staff. It was a nice place to stay and make lots of new friends. Porndee did a great job for us as interpreter and joined in a lot of our activities.



David was our main speaker for the first week. He introduced Primary health care concepts, and how students can be involved in helping in their own locations. His teaching was particularly first aid and included Assessment of emergency situations, CPR, Wound care - including the use of saline for lacerations, penetrating injuries, embedded objects, tears, grazes etc. Burns, and Fractures, slings, bandaging, splinting, referral where necessary and safe patient handling. The students and teachers had lots of fun with practising techniques, CPR, and role plays during this time and throughout the school.



I spoke on the Friday about Water and Health, water sources, purification, ORS etc. and during the rest of the school on Hygiene and sanitation including dangers and prevention of parasitic infection, TB etc.

My other sessions were Malaria diagnosis using microscopy and Rapid strip tests, Malaria symptoms, treatment especially urgency for recognition and treatment of Falciparum malaria. I also covered teaching on recognition and treatment and possible referral of Febrile illnesses including material from the IMCI guidelines introduced by Victoria and use of thermometers. Satan did his best to put a spanner in the works with the teaching. I damaged my shoulder (this is still a problem but improving) then passed a stone from my bladder that caused a lot of pain for a few days but, Praise God! I was still able continue on trips and teaching, thanks to Heather and Marion for helping me cope with the shoulder and Virginia having Ural and good advice to cure the other problem.

Virginia introduced each day's teaching and summed up teaching from the previous day. She taught about Primary Health Care / Community concepts, History taking, IMCI guidelines and danger signs and symptoms for recognising serious conditions in children, and immunization. She also covered some teaching on skin and eye complaints and she and Heather shared teaching on Pharmacology and the safe use of drugs and other contents of students' kits.

Marion taught on good nutrition and nutritional problems and deficiencies, Maternal and child health care, pre and post natal care and practices, feeding, and related topics including contraception and family planning.

Heather taught about Coughs breathing difficulties and other respiratory problems, Diarrhoea ORS, other abdominal conditions including parasites etc. and Ear conditions. She had a session on medication for the group of students who will be doing health care after the school.

Marion was a great help to me personally with my shoulder injury and a wonderful gopher and organizer of all the students' kit contents, and especially with many role plays throughout the school. We all joined in with various ones of these and other general teaching and testing activities.

Marv and Pete who were visiting from Partners Mae Sot became emergency wound and broken leg victims.

One Friday night our team put on a nice meal for students and staff. Marion did a Tuna Casserole, Virginia Asian Omelets, Heather other goodies, salad, rice etc. with chilli

sauce etc. It was delicious and a happy time. Virginia gave a nice complement and presentation to our dear cook

Virginia and Heather went to Burma with Hsar Mu Paw (Liv's fiancée) and other students to his IDP village of 30+ families close to the Moei river, they were welcomed by his family, met Karen army officials, and assessed the health situation there. Their biggest health problem is Malaria and there is a high incidence of Diarrhoea among children in the wet season. Problems, including deliveries, are referred across the river to Thailand, some to Mae La camp where treatment is free and others, which require payment, to the Thai hospital in Mae Ramat. The military guys welcomed the idea of Health worker training and hope trainees from their villages can attend any future schools.

Marion, Liv and I and some students went to Kee Koh Daw Kee, a Thai Karen mountain village of 40 houses (approx 200 people). We were made welcome in the Leader's house by his wife, she gave us useful information until he arrived. She is a birth attendant and refers problem deliveries to Mae Ramat hospital, this means a steep hilly motorbike or possibly truck ride, sometimes impossible in the wet season. There is a clinic attended 2 days per week by a nurse, Immunisation is covered by Thai Health authorities. There are antibiotics oral contraceptives and various other medicines in the clinic cupboard. There is Paracheck for testing for PF malaria but no antimalarial medication, at least the nurse could diagnose and refer anyone with this dangerous species on the 2 days a week she is there. The cupboard and clinic are kept locked.

Some homes and the clinic have squat potty toilet, but many people "go bush". Kweh Wah is the student from this village and we met her sister with a breast feeding baby, their mother previously had a delivery problem and she and an unborn baby died when she arrived at Mae Ramat hospital. They say they don't have deaths from Malaria, diarrhoea etc. but had one case of rabies caused by a bite by a dog from a neighbouring village.

We went for a nice Saturday picnic at some hot springs and had a long trek up to the Mae Kasa caves and a long way down in to them (800 steps up, 500 down inside). This was also a great time of fun and fellowship with the students.



All of us spent all or part of two weekends in Mae Sot. Virginia stayed with Marv and Dorothy. Marion, Heather and I stayed at Partners office and I had one night at the DK. We used these visits to stock up with things for the students' kits and other school needs and to spend time with friends, Visa run for the girls etc.

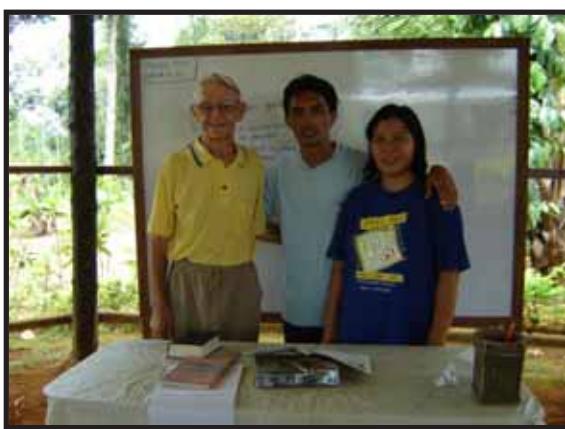
I stayed for one Monday for a meeting with Em and Napoleon to finalise details for John and Dellas Norris (from our last October visit) to sponsor Em's niece for secondary education. I also used this time to talk to Stephane at SMRU, and visit the Karen Dept of Health and Welfare for discussions about future Malaria microscopy and other PHC teaching. In one area about a week's trek over mountains, where I had hoped to provide a microscope for a clinic last year, IDPs have had to flee from their villages because of much persecution by the Burmese military. There is much evidence of brutality and torture with corpses with slit throats and fingers cut off etc. KDHW ordered me some genuine Artesunate, the special medicine for treating drug resistant Falciparum Malaria I paid 2,400 Baht for 20 boxes of 12 tabs of this and went back and collected it, the Wednesday before



the school ended, to take some to the Philippines and bring some home for use in other places of need.

It was a blessing to be with the caring and interested students, they all passed their final tests, the test for medications for students who will be involved in treatment was repeated because some students had difficulty with the questions and True/False answers. However they all knew what to do and passed and received medicines in their kits.

The school ended on a high note on Friday starting with an introduction by Virginia. Our team sang Father Abraham, then a song from one of the student groups, followed by a hilarious skit from the students with Liv as the Buddy dummy, D'Sunshine with his hair in a pigtail and swished across made a great Virginia, Annie 2, Pi Pi (Marion), Tsar Moo Paw, PoPo (me) and Khut Thay Soe and D'Sunshine good take offs of you and Heather. The other student groups did items before we had a very nice break up lunch.



Marion and Heather talked to the students and staff after lunch and the graduation was a special time with students being given their certificates and Medical kits. There were thank you speeches to and from Stine, Liv and Tsar Moo Paw and special thank yous for Porndee and the cook. Some of the students spoke and thanked our team and gave us words of encouragement. Then a lovely surprise when the students presented us with beautifully made thank you cards with a group photo of them on the front and autographed by them all with kind words.

Philippines April 9th to 22nd 2006

I had a blessed time in Palawan with old and new friends at the YWAM bases in Puerto Princesa and their Tribal base in Ransang, 8hrs winding and bumpy bus ride south, but very green and beautiful. We gave them Malaria test kits for the tribal ministry and I taught about these and Malaria, medication, drug resistance etc. It was put forward a week to last Wednesday to be included in a Tribal DTS teaching which they have one week a month for a year.

|

After this I visited the Balut base. Balut is a very depressed part of Manila and had a YWAM base, it is where we first came to help YWAM on a short term trip with the Harvest Rain team in 1989. Jon Jon was a volunteer there, we encouraged him to do DTS and he did it later in the year, he actually came from this squatter area, much of it was destroyed by fire in 1991. I met up with them again after they were married and working with King's Kids in Mindanao. It is great to see them in leadership and ministering again to the squatters.

Robin Wales

At the time of printing no reports from Townsville or Sunshine Coast had been received.

Audit Of Accounts



AUSTRALIAN RELIEF & MERCY SERVICES LIMITED

A.B.N. 84 008 643 258

FINANCIAL REPORT
FOR THE YEAR ENDED
30TH APRIL 2006

AUSTRALIAN RELIEF & MERCY SERVICES LIMITED
A.B.N. 84 008 643 258

DIRECTORS' REPORT

Your directors submit the financial accounts of the company for the year ended 30th April 2006.

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

David Skeat
Stephen Martin Aherne
Peter Fitzroy Brownhill
Marion Isabel Fromm
Kenneth Neil Mulligan
Christopher Lee Harrison
Keith Greig
Thomas Charles Hallas
Jennifer Keatch
Kathy Kennedy
Nerilee Anne Sowter
Dianne Margaret Clark

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

The provision of relief to persons in necessitous.

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

The net profit for the year amounted to \$30,702.

In accordance with the memorandum and articles of association of the company, no dividends have been declared or paid during the year and no recommendation is made as to dividends.

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 2006.

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.

AUSTRALIAN RELIEF & MERCY SERVICES LIMITED
A.B.N. 84 008 643 258

DIRECTORS' REPORT

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

Director



.....
David Skeat

Director



.....
Stephen Martin Aherne

Dated this 23rd day of August 2006

INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
AUSTRALIAN RELIEF & MERCY SERVICES LIMITED
A.B.N. 84 008 643 258

Scope

We have audited the financial report, being the Directors' Declaration, Profit and Loss Statement, Balance Sheet, Statement of Cash Flows and Notes to the Financial Statements of Australian Relief & Mercy Services Limited for the financial year ended 30th April 2006. The company's directors are responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, 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 report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements and statutory requirements so as to present a view which is consistent with our understanding of the company's financial position, and performance as represented by 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

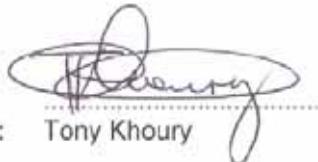
AUSTRALIAN RELIEF & MERCY SERVICES LIMITED
A.B.N. 84 008 643 258

Audit Opinion

In our opinion, the financial statements of Australian Relief & Mercy Services Limited is in accordance with:

- (a) the Corporations Law, including:
 - (i) giving a true and fair view of the company's financial position as at 30th April 2006 and of their performance for the year ended on that date;
and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations; and
- (b) other mandatory professional report requirements.

Name of Firm: T A Khoury & Co
Chartered Accountants



Name of Partner: Tony Khoury

Address: Sydney

Dated this 24th day of August 2006

AUSTRALIAN RELIEF & MERCY SERVICES LIMITED
 A.B.N. 84 008 643 258

STATEMENT OF FINANCIAL PERFORMANCE
 FOR THE YEAR ENDED 30TH APRIL 2006

	2006	2005
	\$	\$
REVENUE		
Donations and Gifts - Monetary &		
Non-Monetary	642,660.28	397,431.88
Investment Income - Interest Received	4,340.96	2,582.10
Investment Income - Other	29.38	254.12
Grants	-	190.00
Legacies and Bequests	-	-
Other Income	15,623.24	12,757.79
TOTAL REVENUE	662,653.86	413,215.89
 DISBURSEMENTS		
Overseas Projects		
Funds to Overseas Projects	494,010.66	260,947.33
Other Overseas Project Costs	27,789.56	13,157.87
Domestic Projects	12,066.91	21,870.50
Fundraising Costs		
Public	4,208.92	5,651.65
Community Education	-	-
Administration	93,875.68	78,378.71
TOTAL DISBURSEMENTS	631,951.73	380,006.06
Excess of revenue over disbursement (shortfall) before extraordinary items	30,702.13	33,209.83
Extraordinary items	0.00	0.00
Excess of revenue over disbursement (shortfall) after extraordinary items	30,702.13	33,209.83
Funds available for future use at the beginning Of the financial year	201,347.53	168,137.70
 FUNDS AVAILABLE FOR FUTURE USE AT THE END OF THE FINANCIAL YEAR	 232,049.66	 201,347.53

ARMS does not take administration fees from project donations but rather raises its administration costs separately.

AUSTRALIAN RELIEF & MERCY SERVICES LIMITED
A.B.N. 84 008 643 258

STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30TH APRIL 2006

	2006	2005
	\$	\$
ASSETS		
Cash	216,921.68	126,553.25
Receivables	9,935.25	50,044.84
Investments	-	1,500.00
Property, plant and equipment	28,919.97	31,821.02
TOTAL ASSETS	255,776.90	209,919.11
LIABILITIES		
Accounts Payable	20,227.24	8,571.58
Borrowings	3,500.00	-
TOTAL LIABILITIES	23,727.24	8,571.58
NET ASSETS	232,049.66	201,347.53
EQUITY		
Retained profits	232,049.66	201,347.53
TOTAL EQUITY	232,049.66	201,347.53

Table of Cash Movements for Designated Purposes For The Year Ended 30/04/2006
No single appeal or other form of fund raising for a designated purpose generated 10% or more of total income for the period under review.