

# MERCY

## INTERNATIONAL ASSOCIATION

*Registered in Ireland. Certificate Number 20025472. Company Limited by Guarantee not having a share capital.*



ANNUAL REPORT  
AND FINANCIAL  
STATEMENTS

**2021**

11 ADELAIDE ROAD, DUBLIN D02 TR79  
REGISTERED CHARITY NO CHY 10078

*mercy*

[WWW.MERCYWORLD.ORG](http://WWW.MERCYWORLD.ORG)

# COMPANY DETAILS

## BENEFICIAL OWNERSHIP

The assets of Mercy International Association (MIA) are held for charitable purposes. The Board Directors and CEO are deemed to be the Beneficial Owners for the purposes of compliance with the EU regulation 4AMLD (2015).

## REGISTERED OFFICE

### Address

11 Adelaide Road Dublin D02 TR79

### Business Address

Mercy International Centre (MIC)  
64A Lower Baggot Street  
Dublin D02 EH21

### Company Details

Company Limited by Guarantee not having a share capital.

Company Number 194263;  
CHY Number 10078;  
Charity Registered Number 20025472

### Independent Auditors

Robert J Kidney & Co  
11 Adelaide Road  
Dublin D02 TR79

### Principal Bank

Bank of Ireland  
Miesan Plaza  
50 – 58 Lower Baggot Street  
Dublin D04 Y754

### Investment Manager

Goodbody Stockbrokers  
2 Ballsbridge Park  
Merriem Rd  
Dublin D04 YW83

### Solicitor

Mason Hayes & Curran LLP  
Southbank House, Barrow Street  
Dublin D04 TR29

# TABLE OF CONTENTS

<b>INTRODUCTION</b>	
Company <b>Details</b>	2
<b>BOARD MESSAGE</b>	
Chairman of the <b>Board</b>	4
<b>CEO MESSAGE</b>	
Chief Executive <b>Officer</b>	5
<b>ABOUT MIA</b>	
Executive Team and <b>Staff</b>	7
<b>HERITAGE &amp; SPIRITUALITY</b>	
Programmatic <b>Update</b>	8
Mercy Global <b>Presence</b>	9
<b>MERCY GLOBAL ACTION</b>	
Programmatic <b>Update</b>	10
<b>FINANCE &amp; ADMINISTRATION</b>	
Increasing <b>Technology</b>	12
<b>LEADERSHIP</b>	
MIA <b>Members</b>	14
MIA <b>Board of Directors</b>	16
<b>FINANCE</b>	
Funding and <b>Investments</b>	20
<b>AUDITORS</b>	
Trustee Approval and <b>Statement</b>	21
Independent <b>Auditor's Report</b>	22



## MIA VISION STATEMENT

Deeply rooted in the Gospel and the legacy of Catherine McAuley, MIA seeks to gather the inspiration and energies of the Sisters of Mercy, our associates, colleagues and partners worldwide toward the creation of a Mercy Global Presence.

Standing with the displaced, we will model a world of welcome and inclusion.

Actively engaged in the protection of our Common Home, we will witness to the sacredness of all creation.


Through the work of the Association and through the longings and efforts of the entire Mercy family, we will strive for the globalisation of compassion and the recognition of God's Mercy as present and active in our world.

This vision keeps alive the Founding Spirit of Catherine among people of the world most in need of God's compassion and Mercy.

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## MERCY INTERNATIONAL ASSOCIATION (MIA)

The Trustees (being the Board of Directors) present their Annual Report together with the audited Financial Statements of Mercy International Association (MIA) for the year ended 31 December 2021. The Trustees confirm that the Trustees' Report and Financial Statements of MIA comply with the current statutory requirements, the requirements of the MIA's governing documents and the provisions of SORP (the Accounting and Reporting by Charities: Statement of Recommended Practice) applicable to charities preparing their accounts in accordance with FRS 102 (effective January 2015).



## MESSAGE FROM MIA

*Board Chair*

Ron Ashworth

Dear Members,

While another challenging year has drawn to a close, Mercy International Association (MIA) has been able to meet its objectives, and advance its mission, in spite of the many difficulties encountered during another year impacted by the pandemic. Various staffing changes were required as a result of retirements and the effects of the pandemic. However, the staff of MIA has been extremely flexible and creative in dealing with changes that have taken place.

While it was difficult to establish firm plans for accomplishing goals, a surprising amount has been achieved under the competent leadership of Berneice Loch rsm, who arrived from Rockhampton, Australia in February, 2020, and assumed the responsibilities of CEO just two weeks before the impact of the pandemic became evident. She has demonstrated strong organizational and team building skills. A notable achievement was the significant upgrading of Mercy International Centre during the lengthy period during which the Centre had to close. It is expected that this will benefit MIA for many years into the future.

For much of 2021 Mercy Global Action (MGA) operated between Australia, Ireland, and the United States, but was able to gather as a team in New York in late 2021. While some of what has been achieved by MGA is outlined in this report, their first Fellowship graduation in February was a special moment. We were pleased to welcome Elizabeth MacNeal as the new Head of Heritage and Spirituality in January of 2021. During the year she has assembled a skilled team offering an attractive and inspiring range of activities, even in 2021, with more planned for 2022.

It is with regret that the Members of MIA were not able to gather in person for the series of meetings, including the Annual General Meeting, which is normally held in Dublin in May of each year. The Board has missed its close interaction with the Members.

I particularly want to thank the Board members for their significant support and contributions made to MIA. Every member of the Board has been actively engaged in numerous initiatives whether virtually or in person in Dublin. During the year Board Committee activities continued to increase and a new Mission Committee was created. A Subcommittee of the Finance Committee, focused on fundraising was recently approved. The Board has moved from three to four normal meetings per year. Members of the Board have been willingly available and have actively participated in extraordinary meetings when these were required.

During 2021 the Mercy Global Presence programme was successfully completed and a comprehensive report is now available on the MIA website. The report places this process in the context of MIA endeavours over many years to foster a viable theology and spirituality from which to witness to God's Mercy. This was followed by a virtual Generative Conversation entitled Opening Doors to an Emerging Future. Large numbers attended and I think we were all inspired to be in touch with so many people from around the world who are ministering in the name of Mercy and in the tradition established by Catherine McAuley. MIA is listening to and considering carefully what was heard in this conversation as we plan into the future.

2021 represented the fifth year of a five-year Strategic Plan. A new two-year Strategic Plan focused on our vision and key objectives for the future is in the process of development during 2022.

Looking back at 2021, it is clear that the Founding Spirit of Catherine is alive and driving Mercy people throughout the world to best serve those in need. The spirit that drives those ministering in Mercy and the wonderful staff of MIA makes MIA well equipped to advance the mission of MIA in 2022. While there are likely to be many unknowns and uncertainties to be faced as the virus mutates, we are grateful for what has been achieved and are totally committed to what is possible in the year ahead.

*"I would like to tell you all the little cheering things that God permits to fall in our way."*

*-Catherine McAuley*

RON ASHWORTH  
Chair of the Board

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## INTRODUCTION FROM MIA

### *Chief Executive Officer*

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*Berneice Loch*

Very early in 2021 it became evident that we were not going to enjoy the relatively 'normal' year for which MIA had hoped and planned in both New York and Dublin. A rapid revision of our planning was undertaken, as we tried to envisage how having the house closed for several months could be a benefit rather than a source of serious loss to the organization; how we could utilize the need to use electronic means to expand the scope of who might be involved; and so much more. It was a year of seeing the obstacles as opportunities in so far as we could.

In my view, MIA is blessed in having a Board capable of a quick response and this was certainly the case in February and March of 2021. Within weeks of having met (by electronic means) in February, the board met again to endorse the decision to cancel in-house programmes for 2021 and to approve an extensive programme of renovation and upgrading. Mercy International Centre in Baggot Street, Dublin, is nearing 200 years since it was established. There have been many modifications to the building over the years, but the last comprehensive renovation was in 1994 and it was good to have the opportunity to address some of the longer-term renovation needs that have emerged. It was also possible to provide a few additional amenities at the Centre.

It was remarkable how many meetings, education sessions, spirituality programmes, liturgies and other events were possible in the course of the year. I appreciate the skill and creativity with which staff members could see ways in which to continue their outreach to the wider Mercy World when most of their planned activity had to be suspended. MIA representatives engaged strongly and effectively in the work on the UN, again, mostly online. The benefit of all this online work is that several hundreds more people were able to participate in MIA activities online than would ever have been possible through activities occurring at the Dublin or New York centres. The longer-term benefit is that this type of outreach will be continued in 2022 and beyond. The pandemic has forced us to think more internationally than we did in the past.

Communicating among Executive and staff members has been a challenge. Everyone involved has experienced the extra demand that arises from attending electronic meetings compared to face-to-face meetings. We have all found ourselves longing for the opportunity to meet face-to-face. MIA experienced several staff changes during 2021. One window of opportunity in this regard happened in conjunction with the board meeting in Dublin in October at which most of the Directors were present in person. MIA staff members from the Mercy Global Action (MGA) office were able to come to Dublin at the same time and it was a joy to have Executive and team members able to come together to meet, discuss and plan. They also had the chance to meet with the Directors. It made us all realise again how helpful it can be to get to know people and work together in the same space.

There were several changes in MIA staffing during the year and induction of new staff was another one of the challenges. I hope we have used the few months we had of 2021 to very good purpose and are well-placed to begin what we hope will be a fruitful year in 2022. One of the good things about having new people join, is that each brings new ideas and new skills, even while we miss those who were previously with us.

A highlight of 2021 for me was the Virtual Conference in September about which more will be said elsewhere. Well over 200 attended a demanding schedule of sessions. The process was excellent and the conference was another step in realising the internationality of MIA. The conference is already making a contribution to our thinking and forward planning.

It was sad to see the Centre closed nearly all of 2021. Since it was built in 1827 Catherine's House would never have seen a year in which there was so little activity, so few people to visit. There was only one occasion in the year in which we were able to welcome people to the house and that was to commemorate the anniversary of Catherine's death. She would have been pleased to see the day marked with celebration and joy as those present enjoyed coming and being together. It is our hope that many such occasions will be experienced in 2022 and into the future.

I hope this report will give you some insight into what has been possible and what is emerging for the future of MIA.

*B. M. Loch*  
BERNEICE LOCH  
Chief Executive Officer



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## ABOUT MERCY INTERNATIONAL ASSOCIATION

In 1827 Catherine McAuley, an heiress of considerable wealth, used her inheritance to provide a building and a ministry to address poverty and suffering in the Dublin of her time. Four years later she founded the Sisters of Mercy to serve those in need through education, health care and social services. The Sisters ministered first in Dublin, then throughout Ireland and later in other countries. The House of Mercy that Catherine McAuley established opened the door of Mercy to those in need. It provided a home both for those who were poor and those who were committed to an emerging Mercy spirituality.

### GROWTH

For nearly two centuries now, Sisters of Mercy have established foundations across the world. Many of these foundations put in place ministries which involved large numbers of ministry partners inspired by the work and life of Catherine McAuley. The leaders of these ministries continue the work of responding in new ways to the need for Mercy for their time. Today, Mercy ministry is a fruitful collaboration between the Sisters of Mercy and hundreds of thousands of lay women and men serving together. MIA was incorporated in the Republic of Ireland on 12 October 1992 as a company limited by guarantee. It is a registered charity. MIA links the Mercy Institutes, Congregations and Federations throughout the world. While MIA shares a bond with all Mercy organisations, it is separate and autonomous from the governance structures and responsibilities of these organisations.

### MIA WAS ESTABLISHED:

- to foster unity among the Mercy communities and to increase awareness and experience of the interdependence of these groups;
- to facilitate collaboration among Mercy communities in addressing root causes of needs and injustices experienced locally but with global causation;
- to encourage and nurture Mercy values among those who seek to live out these values and to promote the flourishing of the Mercy charism in services operated in the name of Mercy;
- to restore and maintain the founding House of Mercy, now known as Mercy International Centre (MIC) which was reopened in 1994 as a Heritage Centre and a central place to support the operations of Mercy International Association.

## EXECUTIVE TEAM UPDATE

The Executive Team of three continues to meet regularly, usually on a weekly basis and by electronic means except for the few weeks in November 2021 during which all three were Dublin. Angela Reed rsm, Head of Mercy Global Action, and I were very pleased to have Elizabeth MacNeal join us in January 2021 as Head of Heritage and Spirituality. Both Elizabeth and Angela have managed several changes to their teams. They have encouraged the close working together of their teams and in November 2021 it was possible for both teams to be in Dublin for some days. Face-to-face meetings of the Executive with these two teams, as well as the interaction among all members of staff, certainly promoted the efforts of all concerned to work collaboratively with a consequent increase in the sense of mutual support available to us all.

Executive Members regularly attend sessions with the Board of MIA and this has strengthened a sense of working together while promoting good communication among all involved in leadership of MIA.

## MIA **EXECUTIVE TEAM**

*CEO, Heritage & Spirituality, and Mercy Global Action*



**ANGELA REED RSM**  
Head of MIA Mercy Global Action



**BERNEICE LOCH RSM**  
CEO



**ELIZABETH MACNEAL**  
Head of Heritage & Spirituality

# MERCY INTERNATIONAL ASSOCIATION **STAFF 2021**

### **DUBLIN**

Avril Tyrrell  
*Facilities Manager*

Emma Horgan  
*Development Manager (until May 2021)*

Megan Harvey  
*Receptionist/Administrative Assistant (until April 2021)*

Tripti Rodrigues  
*Office Manager (from August 2021)*

Sean Gillespie  
*Administrative Assistant (from August 2021)*

Siobhan Golden  
*Programmes Coordinator (from July 2021)*

Maire Hearty rsm  
*Heritage and Spirituality Associate (from August 2021)*

### **NEW YORK**

Colleen Swain  
*Leadership Advocacy & Women's Development (until Dec 2021)*

Cecilie Kern  
*Policy and Research Advocate*

Siobhan Golden  
*Intern (until June 2021)*

Leah Shiffman  
*Intern (from July 2021)*

### **CONTRACTED**

Anne Walsh  
*Website Manager and E-News Editor (until July 2021)*

William Donahue  
*IT and Software Support*

Bill Roche  
*Finance Manager*

# Heritage and Spirituality



*To provide heritage resources and programmes that inspire contemporary commitment to Mercy mission. To make Mercy International Centre a wellspring for all members of the Mercy global family. To initiate and support new conversations that explore an evolving Mercy spirituality and understanding of Mercy Global Presence."*

STRATEGIC GOALS

MIA brings together under this heading a wide range of its responsibilities. At the beginning of 2021, Elizabeth MacNeal, the newly appointed Head of Heritage and Spirituality came into the position without a team, this being due in part to the disruptions experienced by COVID. One of the achievements of the year was building a strong team to strengthen MIA's offerings, resources, and community as it relates to Heritage and Spirituality.

## PROGRAMMES

Several virtual programmes were offered during 2021 which enabled MIA to focus on diversifying speakers as well as acknowledging our international reality. While obstacles like time zones were ever-present, the opportunity to connect with our global Mercy community was invaluable. The positive participation and response to virtual programmes during 2021 has led the Heritage and Spirituality Team to continue virtual programming more intentionally into 2022.

Virtual offerings included:

- a three-day Mercy Spirituality Renewal Retreat which highlighted speakers including Sisters of Mercy, Mercy Associates, Partners in Ministry, and Mercy Emerging Leaders Fellows;
- a three-day programme for Young Mercy Leaders which was attended by Mercy students from several countries; and,
- a Generative Conversation over four days leading up to the celebration of the Feast of Our Lady of Mercy on 24 September. Entitled *Opening the Doors to an Emerging Future*, this conference drew well over 200 participants from 13 countries and diverse Mercy situations, for a demanding and satisfying process. The conversation was offered in English and in Spanish.

In addition to facilitating virtual programmes, considerable effort was made during 2021 to plan and organize programmes for 2022. Previous programme offerings were evaluated, a call for speakers was put forth, and feedback was sought from close friends and supporters of MIA. This major effort has led to diverse new offerings of programmes in 2022 which highlight

heritage, spirituality, justice, and mercy. A booklet detailing these offerings was made available on MIA's website in July 2021.

The pause of in-person programming in 2021 due to COVID also provided the staff with time to evaluate best practices and systems to welcome programme participants more effectively. A review of policies, invoicing, forms, and materials were just a few areas which we hope will make operations more efficient and effective moving forward.

## TOURS

Towards the end of the year, visits for in-house tours were able to resume. We were especially pleased to welcome school groups to the Centre, and the enthusiasm of the students and their teachers brought great energy to the House of Mercy. School visits continue to be popular here in Ireland and MIA is eager to continue to welcome these young Mercy leaders to learn more about Catherine and her house.

Additionally, several Mercy Ministries and groups were accommodated for online tours organised with members of the Heritage and Spirituality team. In September and October alone, over 250 participated in these tours. It is an increasingly popular option.

## SPIRITUALITY

Spirituality resources were highly requested in 2021 as our Mercy community continued to engage at a distance. The team worked to provide prayer services, recordings, and resources for several occasions including:

- Mercy Day, 24 September, for which a special Mass



- was pre-recorded in the chapel at Baggot Street.
- The anniversary of the death of Catherine McAuley, 11 November. For the first time since March 2020, it was possible to invite people to attend a Mass in the Chapel here at Mercy International Centre. A pdf prayer service was also made available on our website and was widely downloaded for use around the Mercy world.
- Foundation Day, 12 December, which was celebrated as part of the Advent Spirituality Series. The series invited the Mercy community to gather virtually in preparation for Christmas.

MIA is grateful to Fr John O'Gara SM who generously adapts to restrictions/recordings and who celebrated Mass here in the Chapel on Mercy Day and 11 November.

### HERITAGE

MIA is fortunate in holding a great number of items which belonged to Catherine McAuley and those who gathered around her in the early years. The display at Mercy International Centre had not been totally renovated since it was established in 1994, and a project to update and refresh presentation of the Heritage collection has been a main undertaking in 2021. The necessary construction works have been completed in the Heritage Room and a Reflection Room (the former shop). Furniture and display boxes are on order and delays are largely due to COVID limitations. We are hoping the project can be completed early in 2022, providing much better access to our Heritage items.

### OTHER ACTIVITIES OF HERITAGE & SPIRITUALITY:

These include:

The Shop was temporarily paused for online orders in 2021. During this time, the online website received an update to refresh the look and usability of the website. The online shop was reopened and continues to provide new offerings.

The Oratory has not been open to the public since March 2020. MIA continues to monitor restrictions in Ireland and is planning to reopen in early 2022.

New connections have been made with groups in Ireland who would like to make regular use of MIC conference spaces.

A special project was organised in 2021 called The Works of Mercy project to explore how the corporal and spiritual Works of Mercy are alive at Baggot Street. Research and planning is continuing to develop new programmes and activities related to the Works of Mercy.

## MERCY GLOBAL PRESENCE

The end of June 2021 saw the conclusion of the programme of resourcing the development of the concept of Mercy Global Presence (MGP). The programme commenced in October 2019 and was run in four blocks of time, the themes of the segments being Global, Mercy, Presence and Integration. Sisters and many others from around the Mercy World produced a rich range of resources around these themes. These resources remain available via the MIA website. In addition, the Member Mercy groups, MGA, and several Mercy ministries did a great deal to gather people (very often on line) to reflect at depth on the themes and the inspirational material provided.

The final report of MGP was put together between July and October and presented to the Board of MIA at its final meeting for the year. It is entitled Mercy Global Presence Process: Weaving a New Fabric of Mercy through Global Contemplation and Ecological Conversion, and is available on the MIA website. The report places this process in the context of MIA endeavours over many years aimed at fostering a viable theology and spirituality in which to witness to God's Mercy. It is a joy that 'newness has emerged through the birthing of new images of God, language, theologies, spiritualities, ministries, ways of being church and a new sense of humans living in a sacred communion of all creation' (Board response to the report).

Although that particular programme for fostering MGP has concluded, the concept of MGP continuing on and growing, as described more fully in the MIA Vision Statement, remains an inspiration. Through its various activities, MIA seeks to make a positive contribution to a world in which God's Mercy is realised and appreciated in the lives of people and their dealings with each other and Earth, our common home. The Board has called for a 'period of integration in which the wisdom brought forth by this and other numerous MIA initiatives will be borne out in strategic planning' inspiring us all into the future (Board response to the report).

MIA is particularly grateful for the work of Elizabeth Davis rsm, who headed up the Coordination Team, and Anne Walsh who was the Manager of Communications for the MGP project in addition to her work editing the E-News and Managing the website. A network of MGP point persons contributed significantly to the success of this endeavour.

# Mercy Global Action



*To raise awareness on critical, social and environmental injustice at local and international levels. To encourage networking as a means of best practice, effective response and support for those actively addressing justice issues. Based on issues of concern in local areas, to develop policies and strategies that direct advocacy and work towards sustainable development*

STRATEGIC GOALS

Angela Reed, Head of Mercy Global Action, began 2021 in Melbourne where she had been since March of 2020 because of pandemic restrictions on travel. She too had a very challenging start to the year and we are all very appreciative of the efforts she and the members of the MGA team (two in the general vicinity of New York, US, and one in Westport, Ireland) made to adapt to what came their way. Through the efforts of the MGA team MIA has been able to continue to make an impressive contribution to the UN efforts to create a more just and peaceful world, while also offering significant support to others in the Mercy World who are active in justice issues including care of our Common Home.

## PRIORITIES FOR MGA

The MGA Priorities for 2021 approved by the Board were:

- Domestic Violence (The particular focus for 2021),
- Water (Degradation of Earth), and
- Migration (Displacement of Peoples).

These priorities inform the planning of the MGA team.

## RESEARCH AND PUBLICATIONS

Throughout the Mercy World there is well-placed confidence that positions taken by MIA on global issues of social and eco justice are based on reliable research. This research is a large part of the work of the MGA team. Building on the excellent work done in producing Hope in a Time of Pandemic in 2020, an impressive body of research and publications were completed during 2021, many of these relating directly to the priority issues named above. During the annual 16 days of Activism against Gender Based Violence in November 2021, MGA produced 16 infographics and statements highlighting Mercy's work against violence for an online twitter campaign. MGA also began a comprehensive research project mapping the Mercy World's work and contribution to the issue of migration.

Three MIA staff members attended COP26 in Glasgow in 2021. They were well prepared with material to be discussed and shared with other groups including several like-minded faith-based groups. In preparing for the meeting, the team adopted a three-tiered

approach to advocacy, with an MIA-Global Action Position Statement, a social media campaign over the 14 days of COP 26, and a series of infographics and stories from the Mercy World on website, Facebook and Twitter. While the achievements of COP 26 fell short of MIA hopes for the meeting, there was still reason to appreciate what was possible. MGA published a comprehensive report on COP26 following this event. These and many other resources are available in the MGA section of the MIA website.

## UN INVOLVEMENT

MIA continues to be represented by MGA at the UN Working Group to End Homelessness, the UN Working Group on Migration, The UN Mining Working Group, The UN Committee to stop Trafficking in Persons and other ad hoc committees. MGA hosted a panel event at the UN Commission on the Status of Women, and contributed in various ways to other UN online forums. It is not possible in this brief report to list all such activities but it possibly helps to give some examples.

## NETWORKING, TASK FORCES, GUEST SPEAKERS

One of the strengths of MGA at the UN and in other activities is its capacity to draw on practical experience from Mercy people around the world. They speak and write from a knowledge of actual situations. The structures for facilitating the exchange of ideas and information which underpins this were revised in 2020 and considerable effort has gone into developing these structures in 2021. The network is largely a group of

representatives named by the leaders of the Mercy Congregations belonging to MIA. The Task Forces are issue-based and more ad hoc in nature, existing while needed but not permanent. In 2021 two task forces worked on the issues of Migration and Water.

Because of their international perspective on justice issues, MGA team members are frequently invited to be guest speakers at conferences. They see this as an extension of their wish to work collaboratively with other people of Mercy engaged in justice activities.

### **MIA/MGA EMERGING LEADERS FELLOWSHIP (MELF)**

The nine Graduates of the first MELF programme celebrated their achievements and received their certificates at an impressive online ceremony in February 2021. Of particular note is that the projects done by the Graduates have been widely appreciated and used by others in the Mercy world in the months since, and these are available on the MIA website. The graduates have really appreciated what was a life-changing experience for women from Peru, The United States of America, Ireland, Australia, the Philippines and Papua New Guinea.

MELF has been severely impacted by the pandemic, particularly through the limitations on travel which cut short the immersion experience of cohort 1 in New York in March 2020, and has disrupted planned MELF activity since then. Cohort 2 has commenced its MELF programme online but the immersion experiences have had to be postponed. It remains the hope that at least one of these will be possible in 2022. The third cohort will not start until more is known about what will be possible in 2022.

### **COMMUNICATION OF THE MGA MESSAGE**

Modification of the MIA website to increase capacity to give direct access to MGA materials was achieved during 2021. The team sees the potential to do much more in this regard. In addition to making regular contributions to the MIA newsletter, they produce a monthly MGA newsletter which is a helpful resource particularly valuable to ministry groups involved in justice. MGA team members took responsibility for one segment of the Mercy Global Presence materials produced over the sixteen months of the programme. Increased use was made of Social Media during 2021 and this is seen as another growth area for MGA.





# Finance and Administration



*To ensure that the MIA mission is promoted by highly committed and skilled people at leadership, management and operational levels who are supported with good employment and workplace practices. To be directed by sound and ethical financial and fundraising policies and procedures. To attend to the management, administration and upkeep of Mercy International Centre. To promote and model ecological responsibility. To have a communications plan to enhance the living, telling and supporting of the work of MIA.*

STRATEGIC GOALS

In this area as in all others, considerable change was experienced during 2021. Personnel change was part of this, but so was the shift to using a different finance administration package, increased use of technology and hence the need to adjust to new software and equipment, and much more.

## COMMUNICATION AND IT INFRASTRUCTURE

There is every reason to expect that gathering under the 'digital roof' of MIA, so important during 2020 and 2021, will continue to be important and perhaps grow in importance even as we return to increased activity under the physical roof of the Dublin centre and the New York office.

When MIA first established an online presence through a website and e-newsletter, the communications work was contracted out. This continued until the middle of 2021. A great deal was achieved in this regard, but it has now been decided that the leadership of communication should be an in-house responsibility. Communications is a day-by-day issue and awareness of what is happening in all MIA circles is essential. There is still much to improve in communications and we look to more work being done in 2022.

During 2021 considerably improvement in the IT infrastructure promoted meeting online and working from home as increasingly viable activities.

## MERCY INTERNATIONAL CENTRE

There are several comments in this report about the limitations experienced as a result of the pandemic. However, it should be said in this report that having the Centre in Baggot Street, Dublin, closed for a long period had the positive effect of making it possible to carry out extensive repairs and renovations which will serve MIA well into the years to come. There are too many to be listed here but they include

- Renovation of the Heritage room and its environs in preparation for rejuvenating the heritage displays;
- Attention to making MIA eco-friendly through ceiling insulation and installation of Air-to-Water heating;
- Installation of additional toilet facilities; and
- Development of the front garden area into a useful area for gatherings.

The Sacred Garden Project, although substantially finished, continues to require considerable work. The shop has been relocated to the Reception area of the building and the online presentation of the shop presented anew.

It has not been possible to offer accommodation at the Centre throughout most of the time since March 2020. The opportunity has been taken to refresh accommodation areas and it is hoped these will be extensively used in 2021 for programmes and accommodation of other visitors.

## FINANCE ADMINISTRATION

Early in 2021 the decision was made to change the financial software in use for MIA. This has of course led to the need for considerable effort being needed to bring about a successful transition.

## DEVELOPMENT

MIA is a charity dependent on fundraising. Planning for future financial viability is currently an issue for both the Finance Committee of the Board and the Board as a whole. Although the current position is quite secure, there is need to take account of changes in the Mercy world. Towards the end of 2021 the Board established a Sub-committee of the Finance Committee with the task of raising awareness of MIA in Ireland with a view to demonstrating the contribution it makes to Irish life.

Due to the outstanding generosity of donors it has been possible for MIA to continue to operate and work at achieving its aims even in these difficult times. Every contribution is valued.

## VOLUNTEERS

Volunteers play a key role in the functioning of MIC and while this activity was largely curtailed in 2021, we are very grateful to those who did assist as volunteers. Plans are being made to restore the volunteers programme in 2022.

## *The Beatification of Catherine McAuley*

Loving God You chose Catherine McAuley  
for the service of your people who are Poor, Sick  
and Uneducated.

You inspired her to found the Sisters of Mercy  
so that these good works might endure.

Give to each of us a portion of her  
compassionate spirit and an ardent desire  
to serve your suffering people.

Graciously hear our prayers for Catherine and by  
granting the favours we ask through her intercession,  
hasten the day when her sanctity  
will be celebrated by all the Church. *Amen.*



*Mercy International Staff plants a tree at  
Baggot Street during the Season of Creation*



*Mercy Global Action staff at COP26 in Glasgow*



*Mercy International staff protests for climate change*



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## MIA GOVERNANCE & MEMBERS

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### GOVERNANCE

The Board continued to give considerable attention to Governance in 2021. The Charities Good Governance record for 2020 activities was approved by the Board and the required on-line report submitted. The Board's Governance Committee has paid particular attention to compliance in the area of Data Protection (GDPR) legislation with considerable progress being made.

The Handbook for Directors was revised in the light of changes to the Constitution made towards the end of 2020, and the Staff Handbook is still in the process of revision, the outstanding items arising out of GDPR requirements. The revision will be completed early in 2022.

### THE MEMBERS OF MIA

The twelve Members of MIA are the Leaders of the Mercy Congregations, Institutes, and Federations from around the world. Members appoint a Board of Directors to direct and manage the business of Mercy International Association.

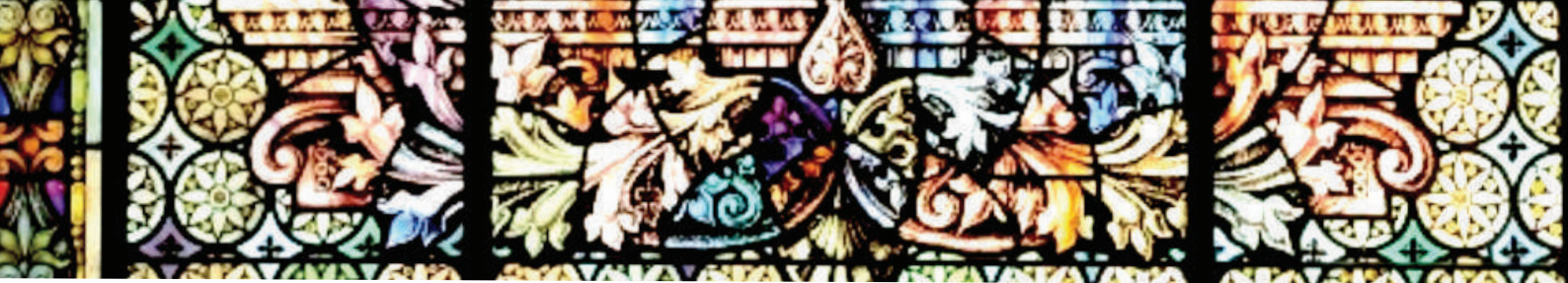
Powers reserved to the Members are:

- appointment and removal of the CEO;
- appointment and removal of the Trustees;
- ratification of the appointment of the Chair of the MIA Board of Trustees;
- ratification of the Strategic Plan and Annual Budget for MIA;
- consideration of the Financial Statements of MIA at the Annual General Meeting;
- consideration of the Auditor's Report for MIA at the Annual General Meeting;
- review of the affairs of MIA at the Annual General Meeting;
- appointment of Auditors at the Annual General Meeting; and
- the winding-up of MIA.

### CHANGES IN LEADERSHIP DURING 2021

*Several changes of leadership for members occurred in late 2021. MIA welcomes the following new leaders:*

- Geraldine Lawlor rsm, Union of Sisters of Mercy of Great Britain
- Diane Smyth rsm, The Congregation of the Sisters of Mercy of Newfoundland
- Marian Ladrera rsm, The Religious Sisters of Mercy (Philippines)



## COMPANY MEMBERS

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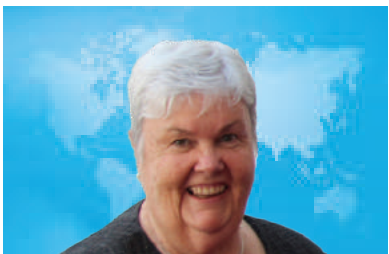
Philomena Bowers rsm  
The Union of the Sisters of Mercy of  
Great Britain



Colette Cronin rsm  
The Institute of Our Lady of Mercy  
(United Kingdom)



Eveline Crotty rsm  
Institute of Sisters of Mercy of Australia  
and Papua New Guinea



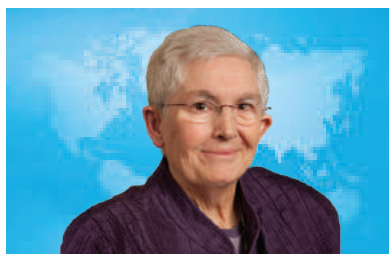
Loreto Conroy rsm  
Sisters of Mercy  
North Sydney Congregation



Elizabeth Davis rsm  
Congregation of the Sisters of Mercy of  
Newfoundland



Susan France rsm  
Nga Whaea Atawhai o Aotearoa  
Sisters of Mercy New Zealand



Patricia McDermott rsm  
Institute of the Sisters of Mercy  
of the Americas



Mary-Louise Petro rsm  
Sisters of Mercy Parramatta Congregation



Catherine Reuter rsm  
Sisters of Mercy Brisbane Congregation



Mary Angela Vergara rsm  
Religious Sisters of Mercy (Philippines)



Paula Thomas rsm  
Federation of the Sisters of Mercy  
Great Britain



Marie Louise White  
The Congregation of the Sisters of Mercy  
(Ireland)



## BOARD OF DIRECTORS

The MIA Members appoint the Directors. As specified by the MIA Constitutions, the Board can have up to nine Directors – five Sisters of Mercy and four others. Employees are not eligible to be Board Directors. The Board is responsible for the governance of the Company which is a Company limited by guarantee, not having a share capital. They therefore have all of the responsibilities for MIA as determined by law and the Constitutions. Directors ensure that the mission of MIA is safeguarded and carried out and are responsible for determining the specific values and standards for the organisation, building on the core values. The Directors are collectively responsible for the business of MIA and are the trustees of its assets. They are also responsible for ensuring that the funds of MIA are applied for the purposes for which they have been provided. Individual Directors are expected to show leadership by promoting the values and standards of the organisation. The Directors, all of whom are non-executive, perform their roles voluntarily. They cannot, under the organisation's constitution, receive remuneration for services to MIA and may only be reimbursed for incidental expenses claimed, which for overseas Directors includes travel and accommodation for six days of Board meetings over three weekends and one day for the Annual General Meeting (AGM).



### **Ron Ashworth (USA) - Chair**

Ron is currently serving as Chair of the Board of MIA and is a member of the Finance and Mission Committees. He previously served as the President/CEO of Mercy Health System based in St Louis, Missouri and he also subsequently served as Chair of the Mercy Health System Board of Directors. While Ron spent the majority of his professional career serving in the health care industry, his career includes approximately ten years of service as the National Health Care Director of KPMG.



### **Sheila Carney rsm (USA) - Vice-Chair**

Sheila is a member of the Institute of the Sisters of Mercy of the Americas. She brings extensive experience of the life and activities of Mercy. She has led several pilgrimages of Youth and partners in ministry to MIC and is very familiar with the priorities and expectations of these groups. Sheila is Special Assistant to the President, Mercy Heritage and Service at Carlow University, Pittsburgh.



### **Susan Clarke (GBR)**

Susan brings the experience of working as a laywoman in a Mercy ministry in England. As well as her skills in School Leadership and Management, she brings the experience of formation work with staff and students in Mercy ethos. In this role, she has led adults and young people to programmes run by MIA. Susan has recently retired from the position of Head Teacher at Broughton Hall Catholic High School in Liverpool.



### **Kevin Hoy (IRL)**

Recently retired as Chair of the law firm, Mason Hayes & Curran (MH&C), Kevin is now a consultant with the firm. As well as holding a civil law degree, Kevin holds a canon law degree. He has experience in a broad range of legal issues, including corporate, regulatory, commercial, banking and property matters. He is a member of the boards/executives of schools, sports bodies, and an approved housing body.



### **Maria Lawton rsm (AUS)**

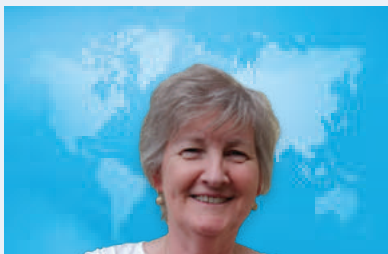
Maria is Vicar and Bursar of the Sisters of Mercy Parramatta Congregation, Australia. She brings the experience of life and activities of Mercy in Australia, and personal experience of ministering in a variety of settings in clinical and education roles in her nursing ministry. She has served in leadership and governance roles on Boards for the Parramatta Congregation and other organizations.





### **Mary Moorhead (IRL)**

Born in Tanzania and brought up in Lebanon, Mary is Chief Executive of the Mater Foundation, which raises funds for the Mercy-founded, Mater Public Hospital in Dublin, Ireland. Trained in marketing, she has experience in the NGO sector in England and experience of NGO work in Africa. Mary has worked across Africa from Somalia to Swaziland, Kenya, Tanzania and South Africa. She brings the experience and skills acquired in these roles and in particular her experience and skills in fundraising.



### **Suzanne Ryder rsm (IRL)**

Suzanne is a member of the Western Province of The Congregation of the Sisters of Mercy (Ireland). She has wide-ranging experience of Mercy worldwide from her time on mission in Perú and her ministry as Justice Coordinator for The Congregation. Currently, she is Communications Coordinator for her Province. Suzanne also ministers as a Spiritual Companion and practises Centering Prayer. She has a deep interest in care of our Common Home, Earth.



### **Paula Thomas (GBR)**

Paula is Leader of the Sisters of Mercy in Midhurst, and President of the Federation (UK). She is a trained teacher who for three years worked in Perú, ministering to people in over thirty remote villages. As an experienced school governor, and now an Independent Schools Inspector, Paula has a sound knowledge of Governance especially with regard to Educational Quality, Safeguarding and Compliance in schools.



### **Marie Louise White rsm (IRL)**

Marie Louise is Congregational Leader of the Congregation of the Sisters of Mercy (Ireland). She brings extensive experience of life and activities of Mercy in Ireland and Africa. She has served in education roles and in the provision of programmes for younger members of the Congregation. Marie Louise brings a deep understanding of Safeguarding in Ireland.

## **MEMBERSHIP OF COMMITTEES OF THE BOARD**

The Board is responsible for overseeing the work of MIA's CEO and executive team. It was decided in 2021 that the number of board meetings would be increased from three to four per year so that decision-making is not delayed unduly. The Board holds special meetings where there is need to do so. To function efficiently and effectively, the Board has devised and agreed on procedures for productively running the enterprise. To do this it has a committee structure. At the final meeting of the year 2021 it established a new fundraising sub-committee of the finance committee. Each committee has written terms of reference which are approved by the Board and reviewed regularly. The committee system allows the trustees to make the most effective use of their time and also allows appropriate time to be devoted to considering particular financial, governance, and other operational issues.

**Finance:** Kevin Hoy (Chair), Ron Ashworth, Peter Burnett, Maria Lawton rsm, Berneice Loch rsm, Bill Roche.

**Governance:** Mary Moorhead (Chair), Kevin Hoy, Berneice Loch rsm, Paula Thomas rsm.

**Global Action** (Disbanded): Sheila Carney rsm (Chair), Maria Lawton rsm, Berneice Loch rsm, Angela Reed rsm.

**Mission Committee:** Sheila Carney rsm (Chair), Ron Ashworth, Maria Lawton rsm, Berneice Loch rsm, Elizabeth MacNeal, Julia Morisi, Angela Reed rsm.

**Safeguarding:** Marie Louise White rsm (Chair), Susan Clarke, Thérèse Gaynor (DLP), Emma Horgan, Berneice Loch rsm, Suzanne Ryan rsm.

## SELECTION OF BOARD MEMBERS

The Board must continue to be vibrant and productive in leading MIA forward. It needs to be able to draw on an appropriate balance of skills, gender, competency, qualities, backgrounds and interests. Therefore, the Directors regularly re-evaluate the mix of skills required and when new appointments are due to be made, advise Members of the desired skills. Among the skills identified by the Directors as necessary to the Board are leadership and management experience and skills in Mercy ministries, legal and financial administration.

## INDUCTION AND ON-GOING TRAINING

Directors are expected to act on an informed basis, in good faith, with due diligence and care, in the best interests of MIA. Directors' induction includes an overview of MIA's strategic objectives, the role of the Board and individual Directors, MIA's finances and its funding model. It also includes guidance on the Directors' duties.

A special induction pack is provided to each new Director, and the Company Secretary is responsible for overseeing the induction process. Ongoing development of the Board also takes place.

Normally in May each year, in conjunction with the AGM, Members and the Board engage for approximately two days in visioning, strategic planning, and communication regarding the life of the organisation. The May meeting had to be held electronically in 2021 as in 2020, and a great deal was achieved, but all missed the opportunity for face-to-face interaction.

Training/in-service sessions are organised periodically for Members and Board. In May the topic was Mercy Global Presence which has been a major initiative of the Board over a three-year period. Elizabeth Davis rsm presented an engaging overview of the programme to Directors and Members, and led discussion of this project. Board evaluation exercises also happen on a regular basis. Directors avail of financial and investment expertise at all Board and Finance meetings.

## TENURE

Directors are initially appointed for three years. Membership of the Board is reviewed at every Annual General Meeting. Any Director who has served nine consecutive years must retire at the AGM following his or her ninth year in office, but is eligible for re-appointment after not less than one year following the date of his/her retirement.

## ATTENDANCE AT BOARD MEETINGS

In 2021 three of the four regular meetings of the Board, and a special meeting were held with all Directors attending by electronic means. For the final meeting for the year, at the end of October 2021, all but two Directors were able to attend in person at Mercy International Centre, Baggot Street, Dublin as was usual practice. The other two Directors joined the meeting by electronic

means. It is expected that the need to provide the option of electronic attendance will continue into 2022 and equipment has been upgraded to ensure the best possible level of participation.

There were five meetings in all during 2021. One Director missed two meetings (on leave at the time) and another missed one meeting.

## CHAIR

The Board elects the Chairperson of the Board from among its number. The appointment is for one year, and at the end of that year, the Chair can be re-elected for successive terms. The Chairperson oversees the orderly operation of the Board and its interaction with management. The Members ratify the election or re-election of the Chair. The Chair of the Board and the Chair of the Finance Committee maintain regular contact with management between meetings concerning the affairs of the Company. The Chair also keeps Members updated on relevant issues.

## VICE-CHAIRPERSON

The Board elects the Vice-Chair from among its number for a one-year term. The Vice-Chairperson assists the Chairperson and may be re-elected for successive terms.

## COMPANY SECRETARY

The Directors appoint the Company Secretary. They ensure that the person appointed has the skills necessary to perform the statutory and legal duties of the Company Secretary and such other duties as may be delegated to the Company Secretary by the Directors.

## CHIEF EXECUTIVE OFFICER (CEO)

The CEO is responsible for the day-to-day management of MIA and the implementation of MIA's long and short-term plans. The CEO presents a comprehensive report at each Board meeting covering ongoing activities, financial and administrative affairs, communication updates and future planning. At the beginning of each year management presents to the Board an implementation plan relating to the strategic plan, and at year-end reports on the implementation of the plan. The CEO acts as a direct liaison between the Board the management. The CEO also communicates on behalf of MIA to employees, other stakeholders and the public. Duties and responsibilities delegated to the CEO include the following: Strategic Plan implementation, staffing and operations, public relations, liaison with the Board.

## CONFLICTS

MIA has a comprehensive Conflict of Interest and Conflict of Loyalty policy that applies to directors, staff, and volunteers. It is standard practice at the beginning of each Board meeting to request each director to indicate if he/she has a conflict of interest or loyalty concerning any agenda item. Procedures are in place for dealing with the conduct of Directors in this regard and the minutes of the meeting must record the issue and the Director involved.



## FINANCE COMMITTEE

The Committee normally meets at least three times a year and the Chair keeps in regular contact with the Finance Manager and CEO. The Finance Committee undertakes regular review of the accounts and liaises with the investment managers to oversee the investments and ensure compliance with ethical considerations. It monitors fundraising projects and ensures that MIA complies with the Statement of Guiding Principles for Fundraising to which MIA is a signatory. The Committee keeps abreast of charity law to ensure that the financial practices of MIA are in line with its directives. MIA has an Internal Financial Control Policy and an Ethical Investment Policy in place. Risk Management oversight responsibility is shared with the Governance Committee.

## GOVERNANCE COMMITTEE

The Governance Committee oversees all compliance issues following the Charities Governance Code. It reports to the Board and alerts it to any actions that need to be taken to remain fully compliant with the Charities Governance Code. MIA met the requirement to report on Governance to the Charities Regulator Authority. A high level of compliance was attained and it was noted that some work remained to be done in some few areas before claiming full compliance.

## GLOBAL ACTION COMMITTEE

This Committee was established to support the work of consolidating MIA's Global Action work by locating the Mercy Global Action team in one office in New York instead of in two locations (Dublin and New York) as was the practice prior to 2019. The Board decided that most of the work of this committee was accomplished by the middle of 2021 and it was consequently disbanded, any of its residual functions being transferred to the newly established Mission Committee.

## MISSION COMMITTEE

During 2021 the Board established a new Committee which would ensure a Board focus on its mission objectives. It has been given the responsibility of safeguarding the mission through engaging the Board and Executives on mission awareness. The Committee brings to the board an understanding of the main activities of MIA and how these are linked directly to the mission (objectives) of the organization. These main activities are identified as Mercy Heritage and Spirituality (H&S); Mercy Global Action (MGA); and Mercy International Centre (MIC).

## SAFEGUARDING COMMITTEE

MIA is not a constituent part of the Catholic Church in Ireland but it intends to act fully in accord with what is required by the National Board for Safeguarding of Children of the Catholic Church in Ireland. The Board established the Safeguarding committee to ensure that MIA is fully compliant with what is expected of it under the law in Ireland and to foster awareness of how this issue is strongly related to the Christian mandate to treat all persons with respect. It arranged for an audit of Safeguarding at MIA to take place in November 2021 and a good report was received.

## STRATEGIC PLAN

The Board oversees the production of a strategic plan which is ratified by the Members. This plan is MIA's statement of the aims of the organisation into the future which moves it strategically towards the achievement of its mission. 2021 was the final year of the current Strategic Plan and a high level of success in addressing the goals was achieved in spite of the limitations resulting from the pandemic.

## RISK MANAGEMENT

As noted above, the Board as a whole takes responsibility for Risk Management and seeks input from its Finance and Governance committees. A comprehensive review of Risk Management was done in 2021 at the Board's request. Particular attention was paid to compliance generally.

## RELATIONSHIP WITH STAKEHOLDERS

*MIA has identified the following as Stakeholders:*

- The Leaders and membership of the twelve Mercy entities which are Members of MIA.
- The Staff and Volunteers that undertake the work of MIA.
- Those lay people with some type of formal association with the Member groups.
- The participants in MIA pilgrimages and programmes.
- MIA donors and supporters.
- The MIA online community.
- The many partners who serve in Mercy ministries around the world.
- The interested public.

*In order to foster good relations with its stakeholders, MIA:*

- maintains a comprehensive and up-to-date website which is a significant means of promoting interconnection among the Mercy global family, of providing educational and spiritual resources and a platform through which stakeholders can engage with issues of global concern;
- distributes a weekly newsletter reporting to its readers on various aspects of how the MIA vision is inspiring action. It also provides a platform for stakeholders to report on matters of interest to them;
- seeks the views of stakeholders for example, through annual meetings of the Members, asking for feedback from participants in programmes, involvement of Executive Team members in Board meetings, and staff meetings.
- maintains regular contact with donors through updates and reports;
- has in place policies which allow for stakeholder concerns to be presented, eg Complaints procedures, Whistle-Blower policy, Safeguarding policy, GDPR policies.

# FINANCE

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The funding model for Mercy International Association has four components:

1. Levies paid by Member Congregations/Institutes/  
Federation;
2. Income generated by the Endowment Fund;
3. Ongoing fundraising to build a Capital and Programmatic Fund; and
4. Income from activities provided by Mercy International Centre

MIA receives no government grants.

## LEVIES

Until 2018, the Sisters of Mercy worldwide provided approximately 75% of the annual income of MIA. The remaining 25% was provided by a reserved fund that the Member groups established when Mercy International Centre was opened in 1994 to fund annual budget deficits, and by a small income from the proceeds of activities that take place in the Mercy International Centre. By 2011, it was evident that the reserved funds would be exhausted by 2016 and it was also acknowledged that the Member groups were no longer in a position to continue funding at the current rate due to falling income and great demands on them because of changing demographics. It was agreed in 2011 that the annual funding from the Members would drop over the coming ten years to €200,000 in 2021. Consequently, the idea of establishing an Endowment Fund was conceived.

## ENDOWMENT FUND

The fundraising campaign to establish the Endowment Fund took place in Ireland, Australia, England, New Zealand, and the United States of America. A €20 million target was set with the hope that this would yield an annual sum approximate to what the Congregations formerly paid. In 2019 the investment income from the Endowment Fund began to be utilised as a significant part of the financing of annual operations. Rules for managing this have been developed to help ensure that the fund will remain intact as it becomes the principal financing source for MIA operations. The Irish Revenue Commissioners have approved these Rules. The fundraising target of €20 million by 2019 was achieved.

In 2021, as in 2020, the finances of the organization were quite different from what had been predicted because of the pandemic. It had been anticipated that the Endowment Fund should be managed so as to provide an annual income to MIA of at least €500,000. This target has been realised and in 2022 it will be necessary to draw on this level of income. It will continue to be necessary to both maximise investment

return and produce small increases in the market value of the Endowment to ensure no substantial decline in the endowment investment balance.

## PROGRAMMATIC AND CAPITAL FUND

A Phase 2 campaign was set up in the latter part of 2016. It was initiated because the campaign to create the endowment was designed to replace the existing financing of MIA operations. The MIA Endowment Fund is not sufficient to provide for capital development projects. MIA has operated annually at break-even or most often at a small loss. Provisions needed to be made for future capital and programmatic needs. The contribution of generous donors to MIA continues to be the source of funds for capital development projects at MIA.

## INCOME FROM MIC ACTIVITIES

In 2021 a small amount of income was received from the provision of programmes and services at Mercy International Centre and from the heritage shop run at the Centre. However, the restrictions due to the pandemic greatly reduced the expected income from this source and, of course, the expected expenditure as well.

## ETHICAL INVESTMENT

MIA considers its investments in terms of ethical, social, and environmental issues, and its funds are managed to provide a reasonable return consistent with these considerations. The aim is to promote Mercy ethos through investment practices and to balance the need for financial return with the aim of supporting only companies that operate in a manner consistent with MIA values. In partnership with the investment managers, and observing the standard rules of sound financial management, MIA aims to invest in well managed companies with a positive record in:

- advancement of women and under-represented populations;
- board diversity;
- just employment practices;
- effective environmental policies to promote sustainability;
- protection of human rights; and
- promotion of nonviolence.

The investment manager has been instructed to avoid directly profiting from or providing capital to products, services or activities that are materially inconsistent with Mercy values and are in danger of undermining the credibility and effectiveness of Mercy witness.

## FUNDRAISING

The Board has adopted the “Fundraising Code: Statement of Guiding Principles for Fundraising” which has been issued by the CRA in Ireland.

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## AUDIT INFORMATION FROM THE TRUSTEES

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### ACCOUNTING RECORDS

The measures taken by the Trustees to ensure compliance with the requirements of sections 281 to 285 of the Companies Act 2014, with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of a computerised accounting system. The books of account of MIA are kept at Mercy International Centre, 64a Baggot Street Lower Dublin 2.

### RELEVANT AUDIT INFORMATION

In the case of each of the persons who are Trustees at the time this report is approved, in accordance with section 332 of Companies Act 2014:

- So far as each Trustee is aware there is no relevant audit information of which MIA's statutory auditors are unaware, and
- Each Trustee has taken all the steps that he or she ought to have taken as a Trustee in order to make himself or herself aware of any relevant audit information and to establish that MIA's statutory auditors are aware of that information.

### AUDITORS

In accordance with section 380 to 385 of the Companies Act 2014, the independent auditor, Robert J Kidney & Co. has indicated their willingness to continue in office.

This report was approved by the Board of Directors on 19 February 2022 and signed on behalf of the Board by



RON ASHWORTH  
Trustee



KEVIN HOY  
Trustee



**MERCY INTERNATIONAL ASSOCIATION**  
**YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**  
**TRUSTEES' RESPONSIBILITIES STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with Irish law and regulations.

Irish Company law requires the Trustees to prepare financial statements for each financial year. Under the law the Trustees have elected to prepare the financial statements in accordance with Companies Act 2014 and accounting standards issued by the Financial Reporting Council, including FRS 102 The Financial Reporting Standard applicable in the UK and Ireland (Generally Accepted Accounting Practice in Ireland) as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015.

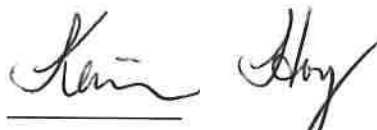
Under company law, the Trustees must not approve the financial statements unless they are satisfied that the statements give a true and fair view of the assets, liabilities and financial position of the company as to the financial year end and of the profit or loss of the company for the financial year and otherwise comply with Companies Act 2014.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles of the Charities SORP
- Make judgements and accounting estimates that are reasonable and prudent
- State whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Trustees' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for prevention and detection of fraud and other irregularities.

  
Trustee

  
Trustee

Date:

February 18, 2022

**MERCY INTERNATIONAL ASSOCIATION  
YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MERCY INTERNATIONAL ASSOCIATION**

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**OPINION**

We have audited the financial statements of the Mercy International Association for the year ended 31 December 2021 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cashflows and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable Irish law and Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2021 and of its net movement in funds for the financial year then ended
- have been properly prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015
- have been prepared in accordance with the requirements of the Companies Act 2014.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where;

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**OTHER INFORMATION**

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



**MERCY INTERNATIONAL ASSOCIATION  
YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MERCY INTERNATIONAL ASSOCIATION (CONTINUED)**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**OPINIONS ON OTHER MATTERS PRESCRIBED BY COMPANIES ACT 2014**

In our opinion, based solely on the work undertaken in the course of the audit,

- we have obtained all the information and explanations which we consider necessary for the purposes of our audit;
- in our opinion the accounting records of the association were sufficient to permit the financial statements to be readily and properly audited
- the financial statements are in agreement with the accounting records
- the information given in the Trustees' report is consistent with the financial statements
- the Trustees' report has been prepared in accordance with the Companies Act 2014

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

The Companies Act 2014 which requires us to report to you if, in our opinion, the disclosures of Trustees' remuneration and transactions specified by law are not made. We have nothing to report in this regard.

**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and otherwise comply with the Companies Act 2014, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**MERCY INTERNATIONAL ASSOCIATION  
YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MERCY INTERNATIONAL ASSOCIATION (CONTINUED)**

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**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

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

**MERCY INTERNATIONAL ASSOCIATION  
YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MERCY INTERNATIONAL ASSOCIATION (CONTINUED)**

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**THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR  
RESPONSIBILITIES**

Our report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an audit report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company or the company's members as a body for our audit work, for this report, or for the opinions we have formed.



James Gleeson  
For and on behalf of  
Robert J. Kidney & Co.  
Chartered Accountants and Statutory Audit Firm  
11 Adelaide Road  
Dublin 2

Date:

18/02/2022

**MERCY INTERNATIONAL ASSOCIATION**  
**YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND  
EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Unrestricted funds 2021 €	Restricted funds 2021 €	Endowment funds 2021 €	Total funds 2021 €	Total funds 2020 €
<b>INCOME FROM:</b>						
Donations and legacies	2	589,471	-	-	589,471	468,672
Investments	3	54,584	26,261	653,177	734,022	724,251
Other Income	4	9,338	-	-	9,338	26,715
<b>TOTAL INCOME</b>		<b>653,393</b>	<b>26,261</b>	<b>653,177</b>	<b>1,332,831</b>	<b>1,219,638</b>
<b>EXPENDITURE ON:</b>						
Charitable Activities	5	1,143,397	75,000	-	1,218,397	1,056,918
Raising Funds	6	56,575	-	-	56,575	71,987
Governance Costs		29,372	-	-	29,372	20,651
Other Expenditure	7	67,295	9,006	110,983	187,284	171,306
<b>TOTAL EXPENDITURE</b>		<b>1,296,639</b>	<b>84,006</b>	<b>110,983</b>	<b>1,491,628</b>	<b>1,320,862</b>
<b>NET (EXPENDITURE) INCOME BEFORE OTHER LOSSES</b>		<b>(643,246)</b>	<b>(57,745)</b>	<b>542,194</b>	<b>(158,797)</b>	<b>(101,224)</b>
Gains on Investment Assets		534,455	188,222	3,367,262	4,089,939	(293,341)
Contributions	8	-	-	80,000	80,000	311,223
Grants Made Payable To The MGA	9	-	-	-	-	(399,620)
Transfer Between Funds		576,792	(76,792)	(500,000)	-	-
<b>NET MOVEMENT OF FUNDS</b>		<b>468,001</b>	<b>53,685</b>	<b>3,489,456</b>	<b>4,011,142</b>	<b>(482,962)</b>
<b>RECONCILIATION OF FUNDS</b>						
Total Funds Brought Forward		9,223,637	1,623,401	21,147,279	31,994,317	32,477,279
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>9,691,638</b>	<b>1,677,086</b>	<b>24,636,735</b>	<b>36,005,459</b>	<b>31,994,317</b>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 9 to 22 form part of these financial statements.

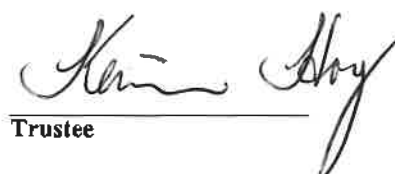
**MERCY INTERNATIONAL ASSOCIATION  
YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**BALANCE SHEET  
AS AT 31 DECEMBER 2021**

	Notes	2021 €	2020 €
<b>Fixed Assets</b>			
Tangible fixed assets	13	5,731,610	5,692,946
Investments	14	<u>30,262,540</u>	<u>26,223,832</u>
		<u>35,994,150</u>	<u>31,916,778</u>
<b>Current assets</b>			
Stock		5,000	5,000
Debtors and prepayments	15	21,626	-
Bank and cash	16	<u>77,766</u>	<u>124,663</u>
		<u>104,392</u>	<u>129,663</u>
<b>Creditors: amounts falling due within one year</b>			
Trade creditors and accruals	17	<u>(93,083)</u>	<u>(52,124)</u>
<b>Net current assets</b>		<u>11,309</u>	<u>77,539</u>
<b>Net assets</b>		<u>36,005,459</u>	<u>31,994,317</u>
<b>Charity Funds:</b>			
Endowment funds		24,636,735	21,147,279
Restricted funds		1,677,086	1,623,401
Unrestricted funds		<u>9,691,638</u>	<u>9,223,637</u>
<b>Total funds</b>	18	<u>36,005,459</u>	<u>31,994,317</u>

These financial statements were approved by the Trustees on 18<sup>th</sup> February 2022 and signed on their behalf by:

  
Trustee

  
Trustee

Date:  
February 18, 2022

The notes on pages 9 to 22 form part of these financial statements.



**MERCY INTERNATIONAL ASSOCIATION**  
**YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**STATEMENT OF CASH FLOWS**  
**FINANCIAL YEAR END 31 DECEMBER 2021**

	2021	2020
	€	€
<b>Cash flow from operating activities</b>	4,804,867	326,975
<b>Cash flows from investing activities</b>		
(Increase) in financial assets	(4,038,708)	(24,761)
(Increase)/ in tangible fixed assets	(38,664)	(19,640)
Dividend interest received	(734,022)	(724,251)
Net cash (used in)/ from investing activities	(6,527)	(768,652)
<b>Changes in cash and cash equivalents in the reporting year</b>	(46,897)	(441,677)
<b>Cash and cash equivalents at start of year</b>	124,663	566,340
<b>Cash and cash equivalents at end of year</b>	77,766	124,663
<b>Reconciliation of net incoming / (outgoing) resources to net cashflow from operating activities</b>		
Net incoming/(outgoing) resources	4,011,142	(482,962)
(Increase) in debtors	(21,626)	18,988
Increase in creditors	40,959	23,697
Dividend and interest received	734,022	724,251
Depreciation charges	40,370	43,001
<b>Net Cash provided by operating activities</b>	4,804,867	326,975
<b>Net (decrease)/ increase in cash and cash equivalents</b>	(46,897)	(441,677)
<b>Cash and cash equivalents at beginning of financial year</b>	124,663	566,340
<b>Cash and cash equivalents at end of financial year</b>	77,766	124,663

**MERCY INTERNATIONAL ASSOCIATION  
YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements. The financial statements have been prepared in Euro.

**1.1 General information**

These financial statements comprising the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes constitute the individual financial statements of the Mercy International Association for the financial year ended 31 December 2021.

Mercy International Association is a Company Limited by Guarantee and not having a share capital, incorporated in the Republic of Ireland. The nature of the company's operations and its principal activities are set out in the Trustees' Report.

**Currency**

The financial statements have been presented in Euro which is also the functional currency of the charity.

**1.2 Basis of preparation**

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2014.

Mercy International Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**1.3 Company status**

The charity is a company limited by guarantee. The directors of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to €1 per member of the company.

**MERCY INTERNATIONAL ASSOCIATION  
YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**1. ACCOUNTING POLICIES (continued)**

**1.4 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

Endowments funds represent endowments gifted to the charity. The capital element of the endowments may not be used and the income generated from the endowment funds may be solely used in relation to the charity's activities.

**1.5 Income**

All income is recognised once the charity has entitlement to the income. It is probable that the income will be received and the amount of income receivable can be measured reliably.

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities.

Investment income is included when receivable.

**1.6 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefits to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accrual basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees, investment fees, costs of legal advice for Trustees and costs linked to the strategic management of the charity including the cost of Trustee meetings.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those incurred directly in support of expenditure on objects of the company and include project management carried by the company.

All resources expended are inclusive of irrecoverable VAT.

**MERCY INTERNATIONAL ASSOCIATION  
YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. ACCOUNTING POLICIES (continued)**

**1.7 Going concern**

The Trustees have prepared budgets and cashflows for a period of at least twelve months from the date of approval of the financial statements which demonstrate that there is no material uncertainty regarding the company's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the Trustees consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

**1.8 Tangible fixed assets and depreciation**

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful life on the following bases:

Fixtures and fittings	-	20% Reducing Balance
Office Equipment	-	20% Reducing Balance

**1.9 Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measure at fair value as at the balance sheet date using closing quoted market price. The Statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

**1.10 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

**1.11 Taxation**

No charge to taxation arises as the company has been granted exemption under Sections 207 and 208 of the Taxes Consolidation Act 1997. The charity is not registered for VAT and accordingly, all its expenditure is recorded inclusive of any VAT incurred.

**MERCY INTERNATIONAL ASSOCIATION  
YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. ACCOUNTING POLICIES (continued)**

**1.12 Debtors**

Trade and other debts are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.13 Cash at Bank and In Hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition of opening of the deposit or similar account.

**1.14 Other Creditors**

Other credits are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

**1.15 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amounts it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.16 Contingencies**

Contingent liabilities, arising as a result of past events, are not recognised when it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or when the existence will confirm by the occurrence or non-occurrence of uncertain future events not wholly within the company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.



**MERCY INTERNATIONAL ASSOCIATION  
YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. ACCOUNTING POLICIES (continued)**

**1.17 Financial Instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**1.18 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into euros at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into euros at the rate ruling on the date of the transaction.

Exchanges in foreign currencies are recognised in the Statement of financial activities incorporating the income and expenditure account.

**1.19 Pension**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

**MERCY INTERNATIONAL ASSOCIATION  
YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. ACCOUNTING POLICIES (continued)**

**1.20 Reserve Policy**

MIA has a reserves policy in place. It defines reserves as income which is available to MIA and which can be spent at the discretion of the Board of Directors to further any of MIA's objectives but which is not yet spent, committed or designated for any specific purpose. Reserves set out in the policy do not include the MIA Endowment Fund, the restricted funds or the designated funds received from donors.

The reserves are required for the three main purposes

- To meet the annual budget deficit
- To make up any shortfall in designated/restricted fund for ongoing development
- To meet unexpected emergencies

At present €0.5 million has been set as the appropriate annual reserve. In addition the Policy makes provision for the establishment of a level of designated reserves to cover long-term planning and organisational commitments and directs that this be kept in an investment fund account. The calculation of the required level of reserves is an integral part of the MIA's planning, budget and forecast cycle.

It takes into account:

- Risks associated with each stream of income and expenditure being different from that budgeted
- Planned activity level
- Unexpected emergency maintenance on an old heritage, listed building

The Reserves policy will be reviewed regularly by the Board.

**MERCY INTERNATIONAL ASSOCIATION**  
**YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**2. INCOME FROM DONATIONS AND LEGACIES**

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2021	2021	2021	2020
	€	€	€	€
Donations	353,086	-	353,086	24,839
Mercy Congregation's Support	234,720	-	234,720	439,668
Formation Programmes	1,665	-	1,665	4,165
<b>Total</b>	<b>589,471</b>	<b>-</b>	<b>589,471</b>	<b>468,672</b>
<b>2020</b>	<b>448,972</b>	<b>19,700</b>	<b>468,672</b>	

**3. INVESTMENT INCOME**

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Total funds
	2021	2021	2021	2021	2020
	€	€	€	€	€
Dividend & Interest Income	54,584	26,261	653,177	734,022	724,251
<b>2020</b>	<b>57,370</b>	<b>23,660</b>	<b>643,221</b>	<b>724,251</b>	

**4. OTHER INCOME**

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2021	2021	2021	2020
	€	€	€	€
Pilgrimage & Tours	270	-	270	5,025
Hospitality Income	-	-	-	18,464
Heritage Shop Income	755	-	755	2,820
Refund & Interest Received	8,313	-	8,313	406
	9,338	-	9,338	26,715
<b>2020</b>	<b>26,715</b>	<b>-</b>	<b>26,715</b>	

**MERCY INTERNATIONAL ASSOCIATION**

**YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**5. CHARITABLE ACTIVITIES**

Expenditures on charitable activities can be analysed as shown below. Many of these programmes achieve results in more than one of these categories but are analysed for these purposes under the principal category.

		Unrestricted funds	Restricted funds	Total funds	Total funds
	Note	2021	2021	2021	2020
		€	€	€	€
Heritage, Spirituality & Ethos		425,237	75,000	500,237	458,336
Global Action		258,043	-	258,043	213,046
Communications		105,849	-	105,849	119,088
Support Costs	6	354,268	-	354,268	266,448
		<u>1,143,397</u>	<u>75,000</u>	<u>1,218,397</u>	<u>1,056,918</u>
2020		<u>901,997</u>	<u>154,921</u>	<u>1,056,918</u>	

**6. COSTS ON GENERATING VOLUNTARY INCOME**

Cost of generating voluntary income represents fundraising costs to both restricted and unrestricted income. This is analysed as follows:

	Basis of Allocation	Charitable Activities	Raising funds	Total 2021	Total 2020
		€	€	€	€
Postage, Office Equipment and Stationary	Staff allocation	14,764	3,691	18,455	13,551
Premises	Staff allocation	101,916	5,363	107,279	121,164
Support Expenses	Staff allocation	237,588	47,521	285,109	203,720
		<u>354,268</u>	<u>56,575</u>	<u>410,843</u>	<u>338,435</u>
2020		<u>266,448</u>	<u>71,987</u>	<u>338,435</u>	



**MERCY INTERNATIONAL ASSOCIATION**  
**YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**7. OTHER EXPENDITURE**

	2021	2020
	€	€
Auditors' remuneration	8,610	8,610
Investment Management Fees	138,304	119,695
Depreciation	40,370	43,001
	<u>187,284</u>	<u>171,306</u>

**8. CONTRIBUTIONS**

	2021	2020
	€	€
Endowment funds	80,000	203,096
Restricted funds	<u>-</u>	<u>108,127</u>
	<u>80,000</u>	<u>311,223</u>

The endowment fund represents restricted donations and bequests relating to the long term funding of Mercy International Association. The capital element of the fund may not be used and the income is limited to the operation of the Charity's activities.

**9. GRANTS MADE PAYABLE TO THE MGA**

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2021	2021	2021	2020
	€	€	€	€
Grants paid	-	-	-	399,620
	<u>-</u>	<u>-</u>	<u>-</u>	<u>399,620</u>

**MERCY INTERNATIONAL ASSOCIATION**  
**YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**10. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE**

	<b>Depreciation</b>	<b>Other costs</b>	<b>Total</b>	<b>Total</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
Expenditure on programmes	-	1,218,397	1,218,397	1,056,918
Costs of generating voluntary income	-	56,575	56,575	71,987
Other expenditure/ governance costs	40,370	29,372	69,742	72,262
	<u>40,370</u>	<u>1,304,344</u>	<u>1,344,714</u>	<u>1,201,167</u>
<i>2020</i>	<i><u>43,001</u></i>	<i><u>1,158,166</u></i>	<i><u>1,201,167</u></i>	

**11. NET INCOME RESOURCES/ (RESOURCES EXPENDED)**

This is stated after charging:

	<b>Total</b>	<b>Total</b>
	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
Depreciation of tangible fixed assets: -owned by the charity	40,370	43,001
Auditors remuneration	<u>8,610</u>	<u>8,610</u>
	<u>48,980</u>	<u>51,611</u>

The Board of Trustees did not receive any remuneration.

**12. STAFF COSTS**

The aggregated payroll costs incurred during the financial year were:

	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
Stipends & salaries	<u>363,503</u>	<u>358,167</u>

**KEY MANAGEMENT PERSONNEL**

Key management included the CEO and one other Sister of Mercy who do not receive a salary but their religious communities receive a contribution.

**MERCY INTERNATIONAL ASSOCIATION  
YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**13. TANGIBLE FIXED ASSETS**

	Freehold Property	Fixtures, Fittings and Equipment	Total
	€	€	€
<b>Cost</b>			
At January 2021	5,308,473	1,185,569	6,494,042
Additions	-	79,034	79,034
<b>At 31 December 2021</b>	<u>5,308,473</u>	<u>1,264,603</u>	<u>6,573,076</u>
<b>Depreciation</b>			
At January 2021	-	801,096	801,096
Charge for the year	-	40,370	40,370
<b>At 31 December 2021</b>	<u>-</u>	<u>841,466</u>	<u>841,466</u>
<b>Net Book Value</b>			
<b>At 31 December 2021</b>	<u>5,308,473</u>	<u>423,137</u>	<u>5,731,610</u>
<i>At 31 December 2020</i>	<u>5,308,473</u>	<u>384,473</u>	<u>5,692,946</u>

The building at 64A, Lower Baggot Street was gifted as a reserved gift to the company by the Sisters of Mercy, Lower Baggot Street, Dublin. The estimated value of the gift in 1993 was €1,904,610. In the event of the cessation of use of the premises by the company, a decision of the company to withdraw from the premises or the winding up of the company the property shall be reconveyed to a company of the Congregation of the Sisters of Mercy, or its successors.

**MERCY INTERNATIONAL ASSOCIATION**  
**YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**14. INVESTMENTS**

<b>Market Value</b>	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
At 1 January 2021	26,223,832	26,199,071
Additions	893,211	898,456
Disposals	(944,442)	(580,354)
Fair value adjustments	4,089,939	(293,341)
At 31 December 2021	<u>30,262,540</u>	<u>26,223,832</u>

**15. DEBTORS & PREPAYMENTS**

	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
Prepayments	21,626	-
	<u>21,626</u>	<u>-</u>

**16. BANK AND CASH**

	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
Bank and Cash	77,766	124,663
	<u>77,766</u>	<u>124,663</u>



**MERCY INTERNATIONAL ASSOCIATION  
YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 €	2020 €
PAYE control account	2,524	1,324
Other accruals	44,212	33,966
Deferred income	46,347	16,834
	<u>93,083</u>	<u>52,124</u>

**18. STATEMENT OF FUNDS**

	Balance at 1-Jan 2021 €	Income €	Expenditure €	Gains/ (Losses) €	Contributions €	Grants To MGA	Transfers Between Funds	Balance at 31-Dec 2021 €
Unrestricted funds	9,223,637	653,393	(1,296,639)	534,455	-	-	576,792	9,691,638
Restricted funds	1,623,401	26,261	(84,006)	188,222	-	-	(76,792)	1,677,086
Endowment funds	21,147,279	653,177	(110,983)	3,367,262	80,000	-	(500,000)	24,636,735
Total of funds	<u>31,994,317</u>	<u>1,332,831</u>	<u>(1,491,628)</u>	<u>4,089,939</u>	<u>80,000</u>	<u>-</u>	<u>-</u>	<u>36,005,459</u>

**MERCY INTERNATIONAL ASSOCIATION  
YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**19. LEGAL STATUS OF THE COMPANY**

The company is limited by guarantee and does not have a share capital. Every board director of the company undertakes to contribute to the assets of the company in the event of same being wound up while a member, or within one year after ceasing to be a member, for payment of the debts and liabilities of the company contracted before ceasing to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributions among themselves, such amount as may be required not exceeding €1. At the year end there were eight Directors.

The company is prohibited by its constitution from distributing any of its reserves by way of a dividend or otherwise to its Board Directors.

**20. POST BALANCE SHEET EVENTS**

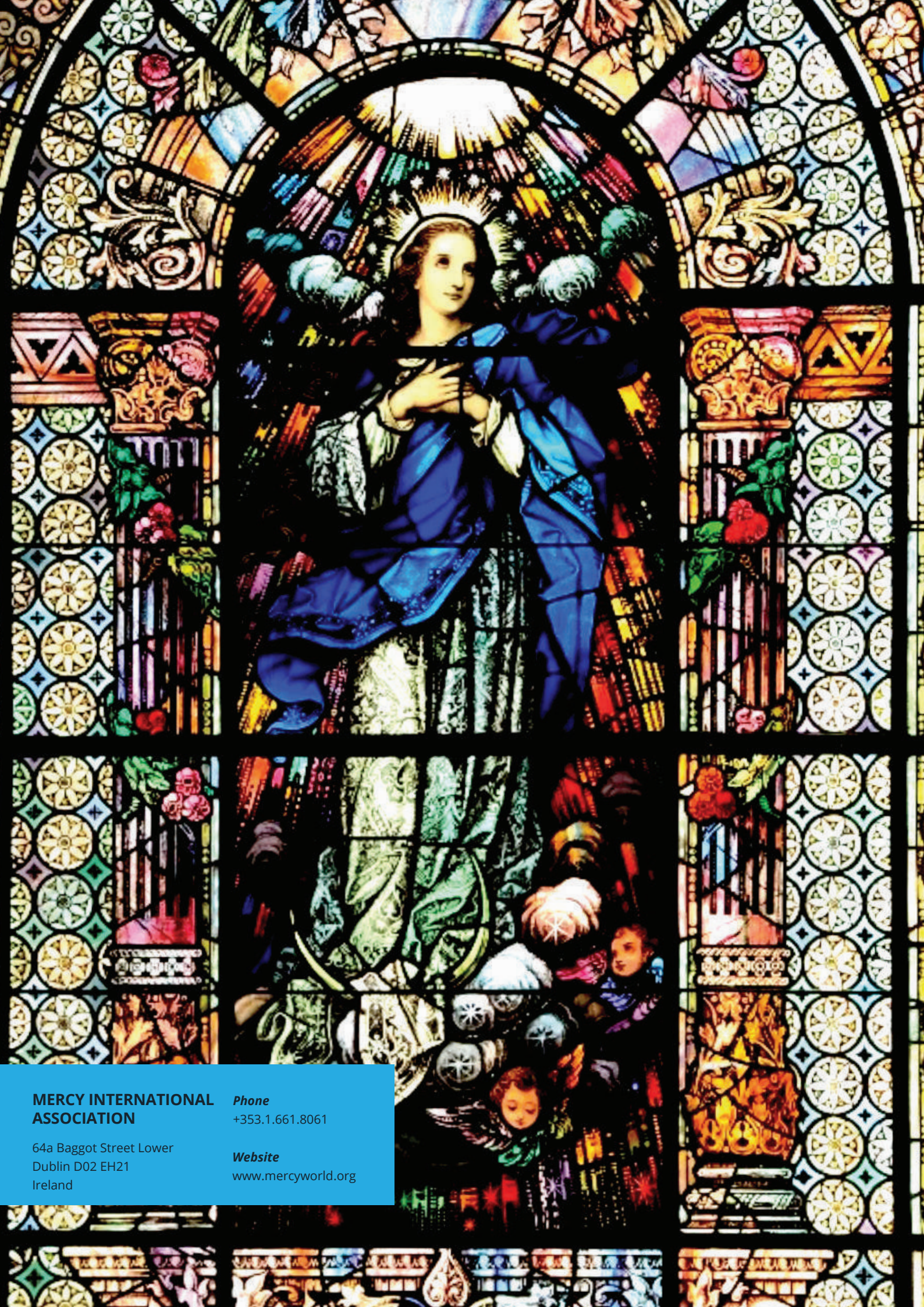
In 2020, the World Health Organisation had declared Covid-19 a pandemic, which would go on to have a significant impact on the Irish and global economies

The Board has reviewed the activity and the resources available to them in the period following the Balance Sheet date, taking the impact of the pandemic into consideration. It has considered the current financial position of the Association and the resources available within the company. Based on the information available at this time, in its opinion, Mercy International Association will be in a position to continue to carry out operations through the current difficult period and has sufficient liquid resources to manage the disruption to its activities caused by Covid 19 for at least 12 months from the signing of the financial statements.

**21. APPROVAL OF FINANCIAL STATEMENTS**

The Trustees approved the financial statements for issue on 18<sup>th</sup> February 2022.





**MERCY INTERNATIONAL  
ASSOCIATION**

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