



**MERCY
RELIEF**

ANNUAL REPORT FY 2016

MERCY RELIEF LIMITED
Annual Report for Year Ended 31 December 2016

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INTRODUCTION

When disaster strikes, it is easy to see those affected as victims: desolate, destitute, and defeated. Here at Mercy Relief, we see things differently. We see people coming together to help one another, fight back, and protect their way of life. We witness their indomitable spirit, and are committed to supporting it.

MISSION

Provide timely and effective aid when disasters strike, and empower communities in Asia.

VISION

Championing compassion and care.

VALUES

Uphold humanity; Exercise impartiality; Maintain neutrality; Respect sovereignty.

ABOUT MERCY RELIEF

Headquartered in Singapore, Mercy Relief was established in 2003 to respond to human tragedies and disasters in Asia Pacific.

Today, we are Singapore's leading independent disaster relief agency with dedicated leadership, capacity building expertise and an affiliate network operating across the entire disaster management cycle.



Our longer-term sustainable development projects aim to uplift and empower communities in five key areas: water and sanitation, shelter, sustainable livelihood, healthcare and education.



Disaster relief and sustainable development projects are the core of Mercy Relief's International Programmes. We work alongside survivors to restore lives and livelihoods, and to invest in communities throughout Asia to improve living standards.

At Mercy Relief, we are always thinking about how we can get better at what we do. We draw technology and innovation, as well as creative partnerships with other organisations to help us come up with better and more effective solutions to the challenges we face.

We also document our field experiences and publish them in reports for various stakeholders – it is our way of sharing what we have learnt in the hope that others will benefit from it.

To raise awareness in Singapore of the work we do, Mercy Relief spreads its messages of empowerment through various platforms, including public events and giving talks at corporate organizations. We share stories from the ground, in the hope of inspiring people to join us and champion our vision of compassion and care.

OUR IMPACT

25

Countries Mercy Relief has been active in

72 hours

Time within which emergency aid is delivered, from appeal to assistance

63

Disaster relief operations executed

\$33.3 million

Funds disbursed up to 2016

50

Sustainable development programmes

2 million

Lives impacted

WHERE WE WORK

Afghanistan

India

Laos

Nepal

Taiwan

Bangladesh

Indonesia

Lebanon

Pakistan

Thailand

Cambodia

Iran

Malaysia

Palestine

Timor Leste

China

Iraq

Maldives

Philippines

Vietnam

DPR Korea

Japan

Myanmar

Sri Lanka

Yemen

CURRENT AND FUTURE CHALLENGES

In the past decade, over **700,000 people** have lost their lives, over **1.4 million** have been injured and approximately **23 million** have been made homeless as a result of disasters. Overall, more than **1.5 billion** people have been affected by disasters in various ways, with women, children and people in vulnerable situations disproportionately affected.

The total economic loss was more than **\$1.3 trillion**.

Disasters, many of which are exacerbated by climate change and which are increasing in frequency and intensity, significantly impede progress towards sustainable development.

Source: Sendai Framework for Disaster Risk Reduction 2015-2030.

KEY MILESTONES

Mercy Relief has provided humanitarian aid in Asia for over a decade. Through the years, we have invested in communities and worked alongside survivors to help them rebuild their lives. Here are some key events in the history of Mercy Relief Limited since its inception in 2003.

YEAR	KEY MILESTONES
2003	<p>Mercy Relief was officially launched by then-Deputy Prime Minister Lee Hsien Loong as Singapore's first independent, non-government charity.</p> <p>The first Mercy Relief disaster response team was deployed to Bahorok in North Sumatra, Indonesia, which had been hit by devastating flash floods.</p>
2004	<p>Then-President of Singapore, His Excellency S R Nathan, presented Mercy Relief with the Singapore International Foundation Award in recognition of the goodwill Singapore had demonstrated abroad.</p>
2005	<p>Mercy Relief's international programme expanded to include sustainable development and risk mitigation projects centering on five key areas: water and sanitation, shelter, healthcare, basic education and sustainable livelihood. Mercy Relief implemented its first projects in Indonesia and China, with projects in the Philippines, Vietnam, Laos and Cambodia planned over the following five years.</p>
2006	<p>Mercy Relief responded to the Aceh Floods by deploying a 4-men medical team to provide 40 water filter systems, medical supplies and assistance to the victims.</p>
2007	<p>In response to the Jakarta Floods, Mercy Relief, with the help of ARUS, sent close to \$67,000 worth of aid supplies to the flood victims.</p>
2008	<p>UN and Canada's IDRC invited Mercy Relief to share its reflections and analysis of its experiences on the ground in a book titled "Peacetime Strategies for Disaster Risk Mitigation". Mercy Relief submitted five articles</p>
2009	<p>Mercy Relief responded to the Sumatra Earthquake, by supporting evacuation services, distributed food supplies and water to victims of the quake, and partnered with SingHealth to deploy a medical relief team to the region.</p>
2010	<p>Mercy Relief collaborated with Singapore Polytechnic to launch Singapore's first dedicated course for training humanitarian aid workers. The Diploma-Plus Certificate Programme in Humanitarian Affairs provided an understanding of how the sector works and promotes civic and social responsibility.</p>
2011	<p>In light of the Japan Earthquake and Tsunami, Mercy Relief raised \$2.6 million, deployed a disaster response team camped out in disaster-stricken regions for 5 months, and implemented the Tohoku Livelihood and Recovery program to train individuals to operate heavy machinery.</p> <p>Mercy Relief dispatched 15 water filtration systems and about 30,000 Meals-Ready-to-Eat to the victims of the floods in the Philippines caused by massive floods across Southeast Asia.</p>

KEY MILESTONES

YEAR	KEY MILESTONES
2012	Mercy Relief hosted the President of Singapore, His Excellency Dr Tony Tan Keng Yam, at a project site in Magelang, Indonesia, which had been badly hit by the 2010 eruption of Mt. Merapi. It was the first time a Singapore Head of State had visited one of Mercy Relief's overseas projects.
2013	<p>Mercy Relief was officially appointed as one of 10 national Civil Society Organisations (CSO) under the ASEAN Committee on Disaster Management (ACDM) – Civil Society Organisation Partnership Framework. This Framework defined the 'rules of engagement' between the ACDM and CSOs, and enabled CSOs like Mercy Relief to play a bigger role in the delivery of programmes that support disaster risk reduction and management in the region.</p> <p>In response to the Super Typhoon Haiyan, in the Philippines, Mercy Relief sent 6 relief missions and 1 medical team across 7 provinces in the Visayas Region that were affected by the typhoon. 21,000 relief food packs were distributed and 6 mobile water purification systems were deployed to meet the basic survival needs of the affected communities. \$1.5m was raised to support the communities during acute relief and rehabilitation projects.</p>
2014	Mercy Relief disbursed S\$400,000 worth of aid to victims of the Gaza Conflict, by working with the Palestine Red Crescent Society and the Palestinian Wefaq Association.
2015	<p>In response to the Nepal Earthquake, Mercy Relief sent its first medical mission and disaster response team to the country, raised \$1.5 million in donations, distributed emergency supplies and completed a transitional shelter project, which benefited more than 2550 people in Nepal.</p> <p>The first humanitarian run in Singapore - Ground Zero Run for Humanity, was organised by Mercy Relief on 10 October 2015, where it simulated the experiences of the survivors of natural disasters for the participants.</p>

BOARD MESSAGE

Dear Friends, 2016 has been a year of growth and rejuvenation for Mercy Relief, and on behalf of my team, I would like to say a huge thank you to everyone who has been a part of our collective journey.

This past year, we developed a whole new look to represent the modernization and direction of our charity yet retained the core values of compassion and care. This included a rebranding and upgrade of our infrastructure from technology to office space. We even changed the way we report to stakeholders and donors to ensure timeliness and transparency. We forged over 14 new partnerships and set a record high of 220 training hours to up skill our team as we prepare for the latest industry challenges.

We began this year excited to work harder and smarter, with a focus on increasing the impact of our mission in providing timely and effective aid when disasters strike, and empowering communities in Asia.

Once again, from all of us here at Mercy Relief, thank you for your ongoing support.

Regards,

Zhang Tingjun, Executive Director

MAJOR ACTIVITIES AND HIGHLIGHTS

LOCAL PROGRAMMES

FLAG DAY 2016

On 22nd May, 300 volunteers went to the streets to share the mission of Mercy Relief and collected small change for our cause, providing timely and effective aid across Asia. Our dedicated volunteers raised \$18,500 in just one day.



GROUND ZERO RUN 2016

More than 1200 participants took part in the Ground Zero Run for Humanity 2016, which took place at Casuarina Grove on 14 August 2016. Held in observance of World Humanitarian Day, Mercy Relief and its supporters aimed to celebrate this indomitable human spirit as we stand in solidarity with the survivors who have inspired humanitarian work around the world.



MAJOR ACTIVITIES AND HIGHLIGHTS

FUNDRAISING AND OUTREACH

The Chain Reaction Project (TCRP) – team of 7 trekked over 1.4 KM on the ground in Lantang Valley. They raised over \$11,000 donations to Mercy Relief via crowdfunding.



CROWD FUNDING FOR ACEH

In 7-10 days the campaign on Giving.sg raised over \$30,000. By the end of the fundraising period, the campaign collected \$46,570 from over 450 individual donors. Additionally The Rahmatan Lil Alamin Foundation conducted a mosque collection (which often occurs when a disaster strikes) and collected \$168,756. MR was featured on Channel NewsAsia for our response efforts directed people to Giving.sg.



SPEAKING ENGAGEMENTS

We were invited to present our perspectives at over 35 speaking opportunities including TedX, Women in Leadership Summit, Responsible Business Forum and variety of local schools



INTERNATIONAL PROGRAMMES

JAPAN EARTHQUAKE RELIEF 2016

Mercy Relief distributed critical aid essentials to the quake-hit communities to support immediate disaster relief efforts in the Kumamoto prefecture of Japan, where two powerful earthquakes of magnitudes 6.5 and 7.3 hit in April 2016.

Emergency Relief efforts include:

- Setting up of hot kitchens to provide cooked meals for evacuees in emergency shelters with Association for Aid and Relief (AAR) Japan.
- Providing Medical care services including TCM treatments with Association of Medical Doctors of Asia (AMDA) at evacuation centres.
- Providing psychosocial activities and Healthcare services for evacuees including for people with disabilities, together with Cannus Japan.

In the long term, Mercy Relief also provided support for reconstruction efforts of Social welfare facilities through Japan Disability Forum (JDF) to repair damaged infrastructure (roof/walls/water supply system) at 6 disability care facilities.



TYPHOON HAIMA RELIEF 2016

Typhoon Haima ripped through the province of Cagayan on 19 October 2016 with torrential rain and maximum sustained winds of up to 225 kilometres per hour (kph). According to the Philippines National Disaster Risk Reduction and Management Council (NDRRMC), over 61,000 people were affected in the regions of Ilocos, Cagayan, Central Luzon, Bicol and Cordillera.

Mercy Relief distributed emergency food supplies and essentials such as rice, oil, dried foods and blankets as well as 100 water filtration kits to communities who were affected by Typhoon Haima in the Philippines. In total, 3,750 beneficiaries were reached in the municipalities of Amulung and Rizal in the Cagayan region.



INTERNATIONAL PROGRAMMES

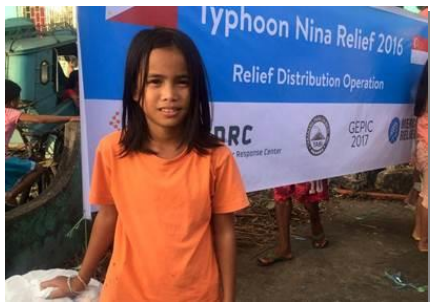
ACEH EARTHQUAKE RELIEF 2016

On 7 Dec 2016, an earthquake of magnitude 6.5 struck Pidie Jaya regency in Aceh Province. This resulted in more than 91,000 displaced persons and over 100 fatalities in the area. Mercy Relief supported community kitchens with rice, fresh produce and utensils over 3 days for 700 villagers. The team also led a Maternal and Child Health programme to provide 217 pregnant, lactating mothers and their children with nutritional meals as well as health clinics. 266 mosquito nets were also distributed to the affected villagers to prevent the spread of diseases.



TYPHOON NOCK-TEN (NINA) 2016

Typhoon Nock-Ten made landfall 8 times over eastern Philippines on 25th Dec 2016 and caused devastation to electrical services and housing infrastructure. Mercy Relief's distribution operation reached a total of 505 households or more than 2,500 beneficiaries altogether, in the Polangui and Libon municipalities of the Albay Province. Each beneficiary received an emergency relief pack containing rice, dried fish and canned goods.



SOUTH INDIA FLOODS RELIEF 2015

From Dec 2015 to Feb 2016, Mercy Relief reached out to 627 households during the acute relief phase with SGD \$20,066 worth of emergency food relief and hygiene supplies that were able to last a family of 6 persons for up to 15 days. Subsequently, Mercy Relief has been engaged with 2 long-term recovery projects in Cuddalore district.

1) Goat Based Livelihood Project with Rapid Response

The project aims to restore and raise the sustainable supplementary source of household income to equip beneficiaries with relevant expertise for better livestock management and care. Each beneficiary was provided with 1 female goat as well as training workshops on goat management and market linkages. The income generated from sale of livestock offspring thus becomes a sustainable source of additional income for the beneficiaries.

INTERNATIONAL PROGRAMMES

2) Building Resilient Communities towards Community-Managed Disaster Risk Reduction with Kalvi Kendra.

The project focuses on Building Resilient Communities towards the adoption of a CMDRR (Community Managed Disaster Risk Reduction) approach which looks to reduce the negative impacts from disasters. To achieve this, intensive training and DRR education is carried out to community stakeholders with task-forces formed to implement DRR plans.



NEPAL EARTHQUAKE 2015

Post the relief phase, Mercy Relief continued to work with local partners on reconstruction projects-building resilient schools and transitional shelters. Rehabilitation projects include masonry trainings which have equipped local masons with knowledge and skills to construct earthquake resilient shelters. Mercy Relief consultant regularly visits the construction sites to audit the construction process as part of Mercy Relief quality assurance work.



TIMOR LESTE DEVELOPMENT PROJECT – WATER FOR LIFE (INTERNATIONAL DEVELOPMENT)

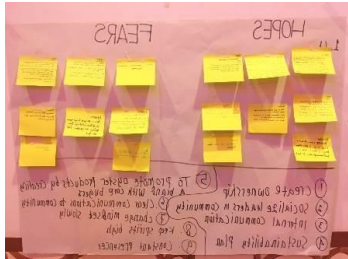
Mercy Relief also partnered the Ministry of Foreign Affairs of Singapore (MFA) to deliver a Water, Sanitation and Hygiene-based (WASH) “Healthy Community Project” in Timor-Leste. Launched in 2016, the six-month project shared solutions with local Timor-Leste communities on challenges such as access to safe drinking water, better sanitation and hygiene. The partnership aims to enhance access to water, sanitation and hygiene in the region, and demonstrates Singapore’s continued commitment to Goal 6 of the UN’s 17 Sustainable Development Goals (SDG), which focuses on clean water and sanitation.



INTERNATIONAL PROGRAMMES

HAZE SCOPING STUDY

The 2 months study (\$15,000) in Indonesia, with Singapore Institute of International affairs and the Ministry of the Environment and Water Resources aimed to propose longer-term programmes for haze prevention at the community level.



INTERNATIONAL PUBLICATIONS

- Contribution to UN OCHA's publication Together We Stand at World Humanitarian Summit 2016; Recovery Resilience: empowerment in the face of adversity
- Mercy Relief's team members attended 3rd AADMER Partnership Conference 2016 (29th April, Semarang, Indonesia) and ASEAN Strategic Policy Dialogue on Disaster Management (18-19th August, Singapore)

Recovery resilience: empowerment in the face of adversity

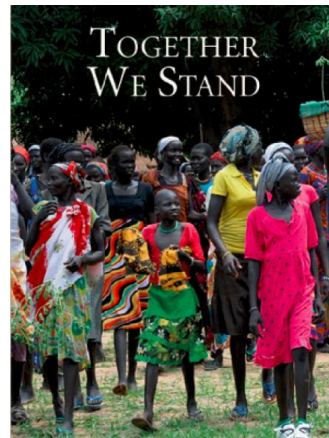
Stella Ali, Carol Lee and Massimo Bignotti, Mercy Relief

In the aftermath of disasters, communities often come to the grips of realisation that surviving is only the beginning. The road ahead is an uphill journey to rehistoric a sense of normalcy into their lives, both physically and psychologically, with vulnerable communities searching for recovery resilience as essential to empowerment and well-being. Despite the challenges, the recovery phase proves to be a critical period in ensuring communities are empowered to be key change agents in building resiliency.

Programmes based on disaster risk reduction (DRR) principles, when effectively implemented, have helped reduce the loss of lives and maintain the path from natural disasters. Communities who have experienced a natural disaster are seeking a new sense of normalcy and empowerment. An essential key element when immediate services and community-managed recovery projects are in place. While the indicators for effective DRR strategies are achieved when communities are empowered, their communities are then empowered

and do not have the capacity to maintain their recovery process in the long term. There is a need for humanitarian agencies and stakeholders alike to increasingly utilize the recovery period to implement more and longer-term DRR/CDRR programmes. These programmes guide the communities not only to rehabilitation, but also to a level of recovery that is sustainable. In contrast, activities during the relief period should address the pre-emptive measures that have been resiliency and building the communities to withstand recovery post-disaster.

In Mercy Relief's disaster risk management approach, the emergency phase serves to meet the survival needs of affected communities and is an entry point for effective development planning. It allows the emergency teams to create the foundation for the integration of CDRR/DRR programmes in the recovery phase, which encompasses a range of activities, beyond disaster preparedness. A key feature of these CDRR/DRR programmes is the adoption of participatory processes that enable community members, who are seen as equal stakeholders and whose knowledge are



25 UNDP LEADERS LKY SCHOOL VISIT

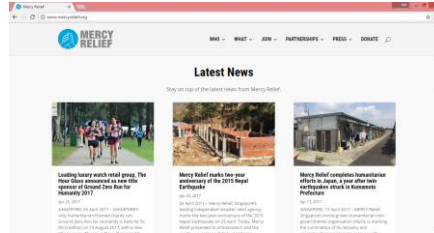
In November 25 UNDP leaders visited MR office and we shared our views on the changing face of disaster governance.



CORPORATE UPDATES

REBRANDING

Launched the Mercy Relief website with new brand identity conceptualized by The Brand Union and developed by Incubed.



ENHANCED INFRASTRUCTURE

Mercy Relief office renovations began in June 2016 and the team relocated temporarily into the office of MES Logistics, who kindly offered to host us. After three months the team moved back into the newly renovated office, with new collaborative work space and upgraded shared digital infrastructure. This is expected to increase the operational efficiency and communication.

In October Mercy Relief hosted office launch party and raised over \$83,000.



CORPORATE INFORMATION

INSTRUMENT	CONSTITUTION OF MERCY RELIEF LIMITED
UNIQUE ENTITY NUMBER	200306035Z
INSTITUTION OF A PUBLIC CHARACTER	IPC000076 (DECEMBER 2016 TO NOVEMBER 2018)
REGISTERED ADDRESS	160 TOA PAYOH LORONG 1 #01-1568 SINGAPORE 310160

GOVERNING BOARD OF DIRECTORS

- Mercy Relief is governed by a Board of Directors comprising corporate and social leaders from diverse religious and racial backgrounds.
- The Board takes a non-executive role, providing advice and overseeing the direction and governance of Mercy Relief. It meets quarterly and appoints a standing Executive Committee to advise the Executive Director.
- Separate committees (with approved terms of reference) made up of Board Directors oversee the internal process systems of the organisation.
- Board Directors take turns to visit project sites overseas to understand the projects implemented and their impact on our beneficiaries.
- The Chairman of the Board serves a maximum of two terms, each lasting two years. Mercy Relief is audited annually by external auditors whose service term is limited to five years.

Advisor



Abdullah Tarmugi

Chairman



Suhaimi Rafdi
Director
Our Tampines Hub

Secretary



Satwant Singh
Partner
Satwant & Associates

Deputy Chairman



Nicholas Fang
Supervising Editor, Singapore
News, MediaCorp
Executive Director, Singapore
Institute of International
Affairs

Board Member



Loh Lik Peng
Founder and Director
Unlisted Collection

Board Member



Dr Mukhlis Abu Bakar
Associate Professor
National Institute of
Education

CORPORATE INFORMATION

GOVERNING BOARD OF DIRECTORS (cont'd)

Board Member



Michael Tay

Group Managing Director
The Hour Glass Limited.

Board Member



Saiful Saroni

Partner, Assurance
PricewaterhouseCoopers LLP

Board Member



Dawn Westerhout

Director, Markets
KPMG Singapore

Board Member



Thali Koattiath Udairam

Chief Operating Officer
Sheares Healthcare
Management Pte Ltd

Board Member



Vincent Ling

Managing Director
JCB International Asia Pacific

KEY POSITION HOLDER

Executive Director



Zhang Tingjun

STAFFING

As at 31 December 2016, a total of 8 staff is employed by Mercy Relief, including the Executive Director. Staff of the Company shall not be appointed as Directors.



Front left anticlockwise -Masahiro, Ting, Zhofry, Faridah, Saleha, Carol, Melissa and Andy

PRINCIPAL BANKER

- DBS Bank Limited

CORPORATE SECRETARIAL SERVICE

- FMG Corporate Services Pte Ltd

INDEPENDENT AUDITORS

- Suhaimi Salleh & Associates
Public Accountants and Chartered Accountants, Singapore
UEN : S88PF0247L

FINANCIALS

KEY INFORMATION FROM AUDITED FINANCIAL STATEMENT FY 2016

INCOME AND EXPENSE STATEMENTS FOR YEAR ENDING:

Income	2014 S\$	2015 S\$	2016 S\$	Increase/ (Decrease) 2016 on 2015
Donations in Cash				
- Tax Deductible	482,662	900,373	402,900	(55%)
- Non-Tax Deductible	843,902	2,007,042	1,345,208	(33%)
Donations in Kind				
- Tax Deductible	na	na	na	
- Non-Tax Deductible	22,235	0	0	0
Value of Sponsorships	na	na	na	
Grants	72,242	50,000	125,000	150%
Investment income	na	na	na	
Others (please specify if material)	58,230	69,721	31,314	(55%)
Total Income	1,479,271	3,027,136	1,904,422	(37%)

Expenses	2014 S\$	2015 S\$	2016 S\$	Increase/ (Decrease) 2016 on 2015
Direct Fund-raising Expenses	41,166	28,085	40,327	44%
Value of Sponsorships	na	na	Na	na
Direct Charitable Expenses				
- Local	238,255	187,788	194,189	3%
- Overseas *		764,321	663,062	(5%)
	1,097,036			
Staff Salaries and Allowances	936,120	617,863	583,022	(6%)
Other Operating & Administration Expenses	55,079	55,440	37,111	(33%)
Others (please specify if material)	na	na	na	na
Total Expenditure	2,367,656	1,653,497	1,517,711	(8%)
Surplus / (Deficit)	(888,385)	1,373,639	386,711	(72%)

- These are expenses incurred for overseas beneficiaries, in line with the COC disclosure & reporting requirement on overseas spending via OFS (Online Financial Summary) with effect from 1 Jan 2016. Prior year numbers have been restated to align with the new definitions

FINANCIALS**KEY INFORMATION FROM AUDITED FINANCIAL STATEMENT FY 2016****BALANCE SHEET AS OF:**

Balance Sheet	2014 S\$	2015 S\$	2016 S\$	Increase/ (Decrease) 2016 on 2015
<u>ASSETS</u>				
Land and Buildings	na	na	na	
Other Tangible Assets	46,744	32,791	197,123	500%
Investments	na	na	na	
Inventories	99,975	86,400	86,400	0
Accounts Receivable	511,221	391,107	512,544	31%
Cash & Deposits	1,057,185	2,557,114	2,659,002	4%
Others (please specify if material)	na	na	na	
Total Assets	1,715,125	3,067,412	3,455,069	13%
<u>FUNDS</u>				
Unrestricted General Fund	505,957	1,143,059	1,192,428	4%
Restricted Fund	1,144,825	1,881,362	2,218,704	18%
Endowment Fund	na	na	na	
Total Funds	1,650,782	3,024,421	3,411,132	13%
<u>LIABILITIES</u>				
Long-Term Liabilities	na	na	na	
Current Liabilities	64,343	42,991	43,937	2%
Total Liabilities	64,343	42,991	43,937	2%
Total Funds and Liabilities	1,715,125	3,067,412	3,455,069	13%

FINANCIALS

KEY INFORMATION FROM AUDITED FINANCIAL STATEMENT FY 2016

OTHER KEY FINANCIAL INFORMATION FOR THE YEAR OF:

Other Information	2014	2015	2016	Increase/ (Decrease) 2016 on 2015
Donations/Grants and Sponsorships given to other Charities (S\$'000)	na	na	na	
Number of Staff (of the top 3 Executives) with Total Annual Remuneration within the following bands ¹ :				
- S\$100,001 to S\$150,000	3	-	1	
- S\$150,001 to S\$200,000	-	-	-	
- S\$200,001 to S\$250,000	-	-	-	
Number of Board Members with Total Annual Remuneration above \$5,000	na	na	na	
Total Related Party Transactions ² (S\$'000)	1	0	0	
Ratio of Direct Fund-raising Expenses to Total Donations & Sponsorships	3%	1%	4%	
Ratio of Operating Reserves to Operating Expenditure	0.50	1.83	1.75	

RESERVES POLICY

- The primary objective in the management of the Company's reserves, particularly Cash is to ensure that the Company is able to support and sustain its operational and future growth.
- The Board of Directors has agreed to maintain a Cash cover of 18 months, which is equivalent to the ratio of 1.5. This applies to the Reserve ratio, as the Company's Reserve is predominantly Cash, ie bank balances plus net current assets.