

ANNUAL

REPORT

YEAR ENDED 30 JUNE 2011



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Photo: Rowan Butler, INF

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A MESSAGE FROM OUR

Chair of the Board



We are grateful for the continuing support of the Baptist community and our other supporters as we all work together to advance the mission of Baptist World Aid Australia through prayer, giving, advocacy and lifestyle choices.

FY2010/11 was an exciting year marked with the commencement of John Hickey as Baptist World Aid Australia's new Chief Executive Officer in July. Working with John, the Board has approved a short term strategy to expand Baptist World Aid Australia's overseas programs, especially its SAO Child Sponsorship program, and to further increase our relevance to churches and supporters.

Significant progress was made on implementing this strategy during the financial year. Baptist World Aid Australia's revenue has increased after falling for two consecutive years. Progress has been made on developing new high capacity partners for the child sponsorship program and strengthening the capacity of our existing partners to further improve the quality of our development programs. Our Community Engagement team has been restructured and we have focused on providing services to our churches and supporters.

John has worked tirelessly as have all at Baptist World Aid Australia. We are grateful to John for his leadership and for the commitment of our staff and volunteers as they adjust to the new directions.

During the year, Philip Hopkin left the Board and we thank him for his service. Mick Turnbull was appointed to the Board.

DAVID CLARK
CHAIR OF THE BOARD

Chief Executive Officer



What an exciting, challenging privilege I have had in the past year to become part of Baptist World Aid Australia! In this Annual Report, you can read about the different elements of our activities here in Australia and around the world, as we serve

God's call to help eradicate suffering from poverty and marginalisation.

The depth and value of the support we receive from our Baptist constituency and the quality and professionalism of our Board, staff, volunteers and overseas partners has a significant impact:

- Of all the denominational agencies in Australia, Baptist World Aid Australia ranks second in revenue and project scale overseas.
- We are the largest established international development agency in the Baptist movement globally, by a significant margin.
- In Australia, we are one of the leading advocating organisations on issues surrounding global poverty and justice from local to federal government level. We are a founding member of, and provide administrative oversight for Micah Challenge, as well as coordinating Catalyst groups around Australia.

I can personally testify that our work is dramatically transforming communities, bringing hope and tangible results to thousands of people.

Thank you to each one of our supporters - your contribution is making a tremendous difference. Our work is a marathon, not a sprint, but well worth the effort!

JOHN HICKEY
CHIEF EXECUTIVE OFFICER

FY2010/11 In Review

Total income was \$12.55 million, an increase of \$558,000 on FY2009/10.

78 projects were implemented across 20 countries.

These included over \$600,000 for two emergency relief and rehabilitation projects in Pakistan following the devastating floods in August and September.

6,564 children were child partners in our SAO Child Sponsorship program at June 30, with 1,800 more to join over FY2011/12.

The Community Engagement team was restructured and a number of new strategic initiatives planned.

With the involvement of our supporters we have been a part of three advocacy campaigns speaking up for the poor and marginalised.



About Baptist World Aid Australia

Our Vision A world where poverty has ended and all people enjoy the fullness of life God intends.

Our Mission

- Partner with like-minded agencies overseas to empower communities to lift themselves out of poverty, challenge injustice and build resilience.
- Partner with Christians and churches in Australia, particularly those from the Baptist movement, in generous giving, ethical consumption, courageous advocacy and faithful prayer in order to achieve justice for people living in poverty.
- Create a professional and enriching environment for staff and Board as they serve in the name of Jesus.

Our Core Values

As an organisation we are:

- Motivated and directed by Christian principles and values;
- Committed to using resources with transparency, accountability and integrity;
- Committed to excellence and quality by being a creative and learning organisation;
- Committed to valuing all who work for the organisation.

In our development work we are committed to:

- Holistic development as an expression of the Christian gospel;
- Working for justice, equity and equality;
- Working in partnership with communities in developing countries;
- Economic, social and ecological sustainability in all our activities.



About Baptist World Aid Australia

A concern for those living in poverty has always been at the heart of Biblical faith. Scripture declares that God “secures justice for the poor and upholds the cause of the needy” (Ps 140:12) and expects his people to do the same.

Thus Jesus comes proclaiming “good news for the poor” (Luke 4:18) and the constant call through both the Old and New Testaments is for believers to be generous towards those living in poverty and, recognising that poverty all too frequently has its roots in oppression and injustice, to be agents of liberating justice (e.g. Is 58; Matt 25:31-48; 1 Tim 6:17-19).

Baptist World Aid Australia exists to help Baptist churches and those who attend them fulfil this mandate. We are a vehicle by which Baptists can give expression to this Biblical passion for justice for the poor through effective, accountable and well-managed partnerships. And given the extent of poverty within our world—more than 1.4 billion people are unable to meet their most basic needs—the call of God is as urgent as ever.

Our Partners

In his book *Walking with the Poor* Brent Myers makes the point that Biblically shaped transformation

occurs when communities are able to imagine the better future God wants for them and are able to pursue it for themselves. He reminds us that genuine transformation cannot be imposed by outsiders but occurs as people living in poverty take concrete action to address the causes of their poverty.

This is why Baptist World Aid Australia chooses to work in partnership with indigenous Christian organisations overseas. We work with Christian partners because they share with us a Biblically framed understanding of the better future God wants for people living in poverty. We work with indigenous partners because they are best placed to understand the communities in which they work and to help facilitate the process by which poor communities own and pursue that better future.

In FY2010/11 Baptist World Aid Australia had 46 partners running 78 projects in 20 countries. Baptist World Aid Australia offers

these partners financial support, accountability and opportunities to build their capacity to be effective agents of change. In return our partners offer us opportunities to learn, to be accountable and to grow in our effectiveness.

Our Areas of Work

Community Engagement – in Australia we work closely with Baptist and other churches. We encourage churches and Christians to respond to global poverty in five ways: Listening Carefully to God’s word and the voices of the poor, Consuming Ethically, Speaking Courageously to stand up for the poor and oppressed, Giving Generously, and Praying Faithfully for our world.

Education and Advocacy – we provide resources and information to equip churches and Christians to better understand global poverty and advocate on behalf of the poor to both the Australian Government and to private companies.

Community Development – our projects overseas follow a community development model, working alongside communities and empowering them to be the drivers of their development.

Child Sponsorship – we also operate through child centred community development projects funded by child sponsorship. These programs follow community development principles and focus on initiatives that improve the well-being of all children within the community.

Emergency Relief – when disasters strike we fund emergency relief work and rehabilitation with affected communities. This also includes disaster preparedness measures and training amongst vulnerable communities.

Our Supporters

In FY2010/11 75% of our funding was donated by our individual supporters and Baptist churches across Australia. Their commitment and generosity enables Baptist World Aid Australia to reach out to thousands of people living in poverty and supports life transforming work among poor and marginalised communities across Eastern Africa, Asia and the Pacific.

Many Baptist churches across Australia choose to support and promote our work by running our appeals in their church. During the Christmas Appeal, many churches give their Christmas day offering. Many churches also celebrate SAO Sunday in September each year to highlight the plight of children living in poverty and to promote SAO Child Sponsorship as a way of helping these children live life to the full. In this past year we have also rolled out our new Church Partnership Program where churches can support a particular project overseas.

A further 23% of our funding is received from AusAID, the Australian Government’s overseas aid program. Baptist World Aid Australia is fully accredited with AusAID so we can receive funds towards our projects that qualify as ‘recognised development expenditure’. To secure this funding, we must report on how money is spent and the outcomes from these programs. Every five years, the organisation must also be reaccredited, and AusAID conducts a thorough audit of all our policies, practices and programs before the organisation can continue receiving funding.

The Australian Government has a commitment to increase overseas aid to 0.5% of Australia’s gross

national income by 2015/16 and they recently accepted the Independent Review of Aid Effectiveness’ recommendation to increase funding through non-government organisations. This confirms that continuing to receive these funds is reasonably reliable.

Our Associates

Baptist World Aid Australia is a member of the Australian Council for International Development (ACFID) and a compliant signatory to its code of conduct. Several staff members serve on ACFID working groups and the organisation benefits from training and sharing of experience with other agencies in the council.

Baptist World Aid Australia is also proud to be associated with the Asia Pacific Baptist Federation, Australian Baptist Ministries, Baptist World Alliance and its aid arm, Baptist World Aid, the Micah Network, Micah Challenge and the Church Agency Network of Australian Christian development organisations.



Our People

Baptist World Aid Australia is committed to valuing all who work for the organisation - our employees and our volunteers. It is part of our mission to “create a professional and enriching environment for staff and Board as they serve in the name of Jesus”.

At June 30 2011, Baptist World Aid Australia had 40 employees, with six working in part time roles.

Organisational Structure

The Executive team collectively has over 90 years experience in fields including community development, church ministry, business and financial management, strategic planning and organisational change and development. The team manages and directs the organisation and works closely with the Board.

The Management Team consists of the manager from each team and the executive. They are responsible for the day to day running of the organisation and contributing to and implementing the strategic plan.

The Administration Services Team is the point of contact for all our supporters. They provide high quality service over the phone to supporters from across Australia; coordinate our team of volunteers;

processes all donations; and provide support to the Programs Team in administering our child sponsorship program.

The Community Relations Team

manages relationships with Baptist churches and other community groups. These groups are vital in providing the funds for work overseas and Baptist World Aid Australia provides support, speakers, education resources and advice on how Christians can respond to poverty.

The Finance Team

manages all accounting and financial systems within the organisation. This includes relationships with banks, auditors and foreign currency exchanges for providing funds to our partners overseas.

The Programs Team

manages and administers our programs and relationships with our partner organisations overseas. Project Coordinators visit each project around once a year for monitoring and evaluation and to provide face

to face support and training to the partner staff.

The Publicity and Marketing Team

is responsible for fundraising and reporting to our supporters on the programs we deliver. The team also produces our quarterly magazine and all other publications.

Volunteers play an important role at Baptist World Aid Australia; their contribution is greatly appreciated and helps keep administration costs to a minimum.

Volunteers support all teams at Baptist World Aid Australia taking care of a number of responsibilities including financial administration, business mail processing, HR support, program administration, collating and organising our databases of stories from the field, coordinating the letters between sponsor children and their sponsors, and administration of SAO Child Sponsorship. For some of these roles specific skills and training are required; all volunteers receive on the job training and orientation.

Each year volunteers have a support meeting with our Volunteer Program Coordinator to provide feedback. Responses from these meetings showed

that all volunteers were satisfied, felt valued and were finding the experience of volunteering to be very rewarding.

The contribution of volunteers is recognised each year by celebrating National Volunteers week and an end of year thank you luncheon. Significant anniversaries of service and birthdays of volunteers are also celebrated.

During FY2010/11 57 volunteers contributed 7,091 hours of work. The estimated financial value of this work is \$166,369.

Micah Challenge

Baptist World Aid Australia also supports the work and employees of Micah Challenge. The Micah Challenge office was located at Baptist World Aid Australia until October 2009, when the team moved to a more central location in Sydney city.

Employee Care

New staff attend four days of orientation, including an introduction to the organisation, our theology of development, our programs and our advocacy work. Staff development is also highly

valued and all staff are encouraged to pursue further training in their field.

Each year every employee has a performance appraisal, to assess work over the past year and set goals for the year ahead. This process also allows employees to provide feedback to the organisation on their experience of work. The Chief Executive Officer is appraised by a committee of the Board.

The safety of children is of the highest importance and a working with children police check is applied to all new staff and volunteers. Child Safe training is also given to all employees and volunteers biannually.

From July 2010 the employee assistance program (EAP) came into effect, providing the opportunity for all staff to receive supervision or counselling for matters related to their work. Feedback from staff who accessed the EAP have found the program beneficial to their overall well-being.

continued...



Nerissa Prangnell, Program Coordinator

Nerissa first joined our team as an intern in the Programs Department in 2002, before moving into the role of Administration Officer for two years. After a few years away, she rejoined the Administration Services team and then in 2009 moved to the Programs Team.

Nerissa oversees programs in Cambodia and Thailand and is completing a Masters in International and Community Development. “I feel blessed to work with Baptist World Aid Australia and our partners overseas, who work with such a variety of families and communities in some pretty challenging circumstances as they help to bring justice and restore shalom. It is a privilege to be able to travel to communities and learn from both our partners and the people they work with.”

Occupational Health and Safety is managed by the an active OH&S Committee, who are responsible for health and safety risk management, including a quarterly inspection and mitigation of real or potential OH&S risks. Staff travelling overseas take advice from the Department of Foreign Affairs and Trading and the assessments of in-country partners on travel safety. In October 2010, Baptist World Aid Australia engaged SOS International to provide emergency medical assistance to staff wherever they are in the world.

Meet the Executive

John Hickey, Chief Executive Officer

John joined Baptist World Aid Australia in July 2010, after accumulating over two decades of international business experience. He worked as a General Manager and member of the Executive Board of ING Bank Australia and CEO of financial services institutions, including Newcastle Permanent. With postgraduate qualifications in financial services and international business leadership, John's specialities are organisational leadership and the development and implementation of vision and strategy.

John and his family attend Thrive Church (a Baptist Union NSW member), where he serves as Treasurer and a member of the Church Advisory Committee.

"As I have matured as a Christian, I have focused on being obedient to God's call. To apply my gifts and experience and facilitate a great team to alleviate poverty around the world is a tremendous and humbling privilege."

Peter Leau, Director of Business

Peter was appointed as Director of Business in January 2009 after more than 20 years of business and financial management experience in corporate and not-for-profit sectors. With postgraduate qualifications in Business Administration and currently completing a Master of Marketing, his skills and experience include strategic planning, financial management, project management, human resource management and organisational change and development.

Peter is a Fellow of the Institute of Public Accountants, a Fellow of the Association of Taxation and Management Accountants, an Associate Fellow of the Australian Institute of Management, and a Member of the Australian Human Resources Institute.

"I am passionate about making a difference in the lives of children living in poverty."

Anthony Sell, Director of Programs

Anthony joined our team as a Project Coordinator in January 2009. After acting as Programs Manager he was appointed Director of Programs in October 2010.

For ten years he worked as the Founding Director and CEO of a church based community ministry. He has also served in a senior position in a local Baptist church with a focus on mission. He has worked in overseas project development and management since 2004. Anthony has postgraduate training in counselling and is currently doing further post graduate work in international community development.

"I feel honoured to lead a team of highly trained professionals committed to seeing sound community development implemented through our local partners."

Scott Higgins, Director of Community Engagement

Scott joined Baptist World Aid Australia as Education and Advocacy Coordinator in 2006 after 17 years serving as a Pastor in Baptist churches. In 2009 he became the manager of the Community Relations Team and in 2010 a new director position was created and Scott became the Director of Community Engagement. In his various roles, Scott has established our Catalyst advocacy program and authored the very successful 50:50 program.

Scott has a Bachelor and Master of Theology and a Graduate Certificate in Social Change and Development. He is a lecturer in aid and development at three theological colleges and a member of the National Steering Committee for Micah Challenge.

"I believe extreme poverty is the scandal of our age. I'm passionate to help churches and individual Christians make a compassionate, just and Biblical response. I believe that response has to move beyond opening our wallets to the construction of lifestyles in which we live out God's heart for the vulnerable in generous giving, courageous advocacy, ethical consumption and faithful prayer."



**Bernie Alexander,
Administration
Volunteer**

Bernie works in our Administration Services Team one day a week helping with mail opening, checking and updating supporter contact details, database maintenance and creating child profiles for the SAO Child Sponsorship program.

"I heard the story of a man involved in one of the projects who gets up early every morning to chop wood, push it 10km in his wheelbarrow and sell in bundles for just 50 cents. It really made me stop and think how "lucky" we are to live the life we do. If I am looking for inspiration to come here, I only have to think of this man. If what I do contributes to help Baptist World Aid Australia achieve its goals, I am happy to play that very small part."



THE BAPTIST WORLD AID AUSTRALIA MANAGEMENT TEAM

**BACK ROW: PETER LEAU, KIM VANDEN HENGEL, ANTHONY SELL, MICHELLE DOBBS, SCOTT HIGGINS, YONG TANG
FRONT ROW: REBECCA ROBERTS, JOHN HICKEY, SARAH FOXE, FELICITY WEVER.**



Our Governance

The Board of Baptist World Aid Australia is responsible for the governance of the organisation. The Board meets together regularly to evaluate the performance of Baptist World Aid Australia and provide strategic direction.

Board members serve for a maximum period of six years. New members are selected based on their skills and approved by Australian Baptist Ministries (formerly the Baptist Union of Australia), as Baptist World Aid Australia acts on its behalf. Service on the Board is voluntary, although expenses are paid for travel to the quarterly Board meetings.

The Board sets the strategic direction for Baptist World Aid Australia and reviews the performance of the organisation against set targets. Each year the Board approves the annual budget and is also responsible for appraising the performance of the Chief Executive Officer.

Priorities for the year

The strategic priorities of the last financial year have centred on rebuilding the SAO Child Sponsorship program. Between 2008 and 2010 a number of SAO Child Sponsorship projects in different countries closed and

the numbers of children involved in the program were significantly reduced. Over the past few years efforts have focused on building new partnerships and improving the capacity of our existing partners to implement our enhanced development model called Child Centred Community Development. Much progress has been made on this goal in the past year with new high capacity partners and existing partners preparing to implement SAO Child Sponsorship projects (see page 26 for more details). The groundwork has also been laid for further growth and in FY2011/12, 1800 new children will be involved as representatives of their communities.

The other strategic focus area has been increasing our relevance to churches and supporters. Our Community Engagement team has been restructured and a new Director of Community Engagement position was created. This team have focused on providing excellent services to our churches and supporters and have

developed strategies for improving engagement (outlined further on page 18).

A major Board objective is to continually improve its role in Baptist World Aid Australia's mission through review and training. During the year an independent review of the Board's operations was carried out by Ivan James AO based on governance principles developed by Christian Management Australia. Utilising these principles and his considerable experience, Ivan made many recommendations to enable the Board to improve its governance function. The Board has embarked on a priority determined program to implement these recommendations.

Continual improvement also involves a commitment to learning. This year, the Board has participated in training on occupational health and safety, marketing to under 35s, financial forecasting, and the legal responsibilities of directors. In addition, several Board members are completing the Australian Institute of Company Directors course.

Looking Forward

In FY11/12, the Board will commence development of a longer term strategy to further grow and improve the impact of Baptist World Aid Australia in all its work.

Governance Committees

Each Board member sits on a governance committee to provide direction to particular teams within the organisation. All the committees report directly to the Board and support the Board in discharging its governance duties through monitoring and reviewing key strategic initiatives and organisational policies and proposing recommendations to the Board for approval.

The Finance and Investment Committee is responsible for budgeting, financial reporting and financial risk management and ensuring a system of internal control is in place.

The Marketing and Communications Committee (MarComms) provides policy advice to the Board on marketing and communications issues arising

from the organisation's strategic and operational plans and monitor the organisation's performance in this area.

The Programs Performance Committee ensures the effectiveness and outcomes of community development programs are monitored and reviewed and that the Board is advised of areas of potential risks.

The Governance and Human Resources Committee is responsible for reviewing the CEO's performance; determining remuneration, development and staff conditions policy for the CEO and senior managers; identifying potential new Board members and interns; identifying major organisational risks and putting in place policies and mitigating systems to manage the risks.

Annual General Meeting

The Annual General Meeting of Baptist World Aid Australia was held on Friday 22nd October 2010.



THE BOARD OF BAPTIST WORLD AID AUSTRALIA

BACK ROW: DAVE ROWE, BRAD ENTWISTLE, KEITH JOBBERNS, ANDREW ELLIS. MIDDLE ROW: DANIEL WALLIS, SIMON LYNCH, PAUL OATES, ANN HERBERT, JOHN HICKEY. FRONT ROW: PHIL NEWMAN, GWYN MILNE, MICK TURNBULL, DAVID CLARK.



Members of the Board

Our Board is made up of dedicated and qualified professionals who help Baptist World Aid Australia work towards fulfilling our mission.

Note: Attendance at Board meetings is displayed in brackets as a fraction indicating number of meetings attended out of the number of meetings held during the term served in FY2010/11.

Mr David Clark (5/5)

BEC; GradDipEc

Chair of the Board; Programs Performance Committee

David has many years experience in the aid and development sector. He has worked for AusAID and the World Bank in various roles over his career. He joined the Board in 2006 and has served as Chair since 2007.

Mr Andrew Ellis (5/5)

BEng (Mech); MProjMgmt; MBA

Chair of Marketing and Communications Committee

Andrew joined the Board in February 2010 having previously participated in an 18 month Board internship program (2008-2009). Andrew has worked for a number of years in engineering construction and is currently in a global role as Director, Sales and Strategy Administration within KBR's Infrastructure and Minerals Business Unit. His skills and experience include strategic planning, sales and marketing and risk management.

Mr Brad Entwistle (5/5)

Marketing and Communications Committee

Brad is the founder and Managing Director of marketing communications firm imageseven. He also serves on the board of the Baptist Churches of Western Australia and a number of Baptist secondary schools. He is a member of the Australian Institute of Company Directors and joined the Board in 2008.

Ms Ann Herbert (5/5)

BArts (Hons); GradCert Public Sector Leadership; Dip Freelance Journalism; Dip Company Directors

Co-Vice Chair of the Board; Chair of the HR and Governance Committee

Ann has many years experience working in social policy and project management, including in the areas of health, education, poverty and equity, passenger transport, positive ageing and multicultural issues. She is currently a Principal Policy Analyst in the Social Inclusion Unit of the Tasmanian Department of

Premier and Cabinet, with a focus on developing policy and whole-of-community responses to complex social issues. She has served on the Board since 2007.

Rev Keith Jobberns (4/5)

BEC; BTh; DipMin; DipEd

Programs Performance Committee

Keith is the General Director of Global Interaction, the mission arm of Australian Baptist Ministries. He also serves on the boards of Service Fellowship International, National Council Baptist Union of Australia, General Council Baptist World Alliance. He joined the Board in 2004, and continues to serve beyond six years as the representative for Global InterAction, the Baptist mission organisation.

Mr Simon Lynch (3/5)

BEC

Chair of the Programs Performance Committee

Simon has extensive experience in consulting in corporate and non-profit sectors and as a country and regional director in the aid and development sector. He serves as an advisor to the board of the TLM Foundation in West Timor and has helped establish and develop the boards of numerous other overseas development organisations in the region. Simon joined the Board in May 2009.

Mrs Gwyn Milne (5/5)

TPT C Theological Studies

HR and Governance Committee

Gwyn has completed many years service in leadership of the Baptist church. As a former president of the Baptist Union of Victoria and a past president of Australian Baptist Ministries, she has represented them on the Board since 2002. She also has experience as a teacher and pastor and is currently on the pastoral team at Bendigo Baptist Church.

Mr Phil Newman (3/5)

Dip Fin Planning; CFP

HR and Governance Committee; Finance and Investment Committee

Phil works as a Certified Financial Planner and is currently on extended leave, based in Vietnam, completing studies in Social Anthropology and Development. He joined the Board in May 2009.

Mr Paul Oates (5/5)

BComm; Chartered Accountant

Treasurer; Chair of Finance and Investments Committee

Paul has worked for many years as the Business Manager of Carey Baptist College and also has experience in audit and corporate finance with Deloitte. He has previously served on a number of church based boards. Paul joined the Board in May 2009.

Mr Dave Rowe (5/5)

BEC; GradDipMin

Finance and Investments Committee

Dave joined the Board in August 2010. He has served as Senior Pastor of Seaforth Baptist Church since 2001 and works as a Senior Consultant with Noah's Rule risk advisory as well as having his own consultancy business. Prior to that Dave was Director and Treasurer at Rothschild Australia.

Mr Mick Turnbull (1/1)

Cert Business; GradDip Mgmt

Co-Vice Chair of the Board; Marketing and Communications Committee

With 30 years experience in business and management, Mick joined the Board in May 2011. Mick has been the Regional CEO for North Asia and Australasia of a top ten global logistics company since 1998, and sits as a member of the Asia Pacific Management Board as well as Director of two

associated joint venture companies. He is a fellow of the Australian Institute of Management, Member of Company Directors Institute, Fellow Customers Brokers Council of Australia and Member Australian Institute of Export. Mick is also Chairman and Director of Tabor Victoria and Director of Business for Millennium Development.

Mr Daniel Wallis (5/5)

BMin; Post Grad Pastoral Min (current)

HR and Governance Committee

Daniel joined the Board in August 2010 and took up the position of Senior Pastor at South Toowoomba Baptist Church earlier this year. Daniel has prior experience in business and human resources.

Board Interns

Elissa Newall and Adam Walker completed their 18 month Board internships in November 2010, and Matthew Hawke completed his at the May 2011 meeting.



Where We're Going

Baptist World Aid Australia's mission is to partner with like minded agencies overseas and Christians in Australia—particularly those from the Baptist movement—to empower communities to lift themselves out of poverty, challenge injustice and build resilience.

Success in our mission is the interconnection of:

- The relationships we build and the results we facilitate in the field with our implementing partners;
- Building the awareness and commitment of supporters including church leaders, congregations and individual supporters within a solid Biblical framework;
- Mobilising our supporters through education and engagement in grass roots advocacy. This advocacy encourages the federal government to increase its commitment to international aid and business enterprises to engage in ethical practices which do not resort to exploitative labour in developing countries.

Baptist World Aid Australia is by far the largest aid and development organisation in the Baptist movement globally. Therefore, we feel a very strong sense of responsibility to take a leadership role in building greater engagement with issues of justice, poverty alleviation and sustainable transformation from both Biblical and practical standpoints across the world.

Given our passion to further build on our rich heritage and experience to achieve long-term excellence, we have carefully reviewed where we are as an organisation and what we should focus on in the years ahead.

Over the past several months we have spent significant time considering the following:

- How effective are our development programs around the world? What more can we do to help our partners around the world to alleviate poverty and marginalisation of families

and communities at a grass-roots level?

- How good are we at connecting with our field implementing partners, listening to their views and improving our mutual alliances and how can we improve?
- How well engaged are we with our "moral owners" across Baptist churches in Australia? What do we need to do to ensure we can justify our status as the natural first choice partner with Baptist churches on international aid and development programs?
- How engaged are our existing and potential supporters with the theological and best-practice principles for effective aid and development as part of our Christian mission? How can we improve our communications and education programs to deepen understanding spiritually and practically?
- How can we utilise our expertise to build our scale and capacity in conjunction with the Baptist denomination beyond Australia?

We are in the early stages of addressing these questions and formulating them into our longer-term strategy. Initially, our focus is on the following:

1. Significantly increasing our commitment to Child Centred Community Development (CCCD) programs, funded by rebuilding the SAO Child Sponsorship support in Australia. In FY2010/11 the "SAO1800 Campaign" is the focus across Australian Baptist churches, with our overall goal to achieve at least 5,000 new child sponsorships in

the next three years. In the field, we are establishing ten new partnerships for CCCD programs across Africa, South Asia and South-East Asia, which are being rolled out on schedule.

2. Significantly increasing our Community Development programs in several countries, primarily funded by Commit to Community Partnerships between Australian churches and specific field programs. We are also developing major donor support for specific programs.
3. Developing an enhanced global disaster relief policy to assist our ready response to major emergencies.
4. Investing further in our internal systems, policies and procedures, to enhance our financial efficiency, risk management, supporter responsiveness and overall effectiveness in all areas of our operations.

In all of this, as a Board and staff team, we commit our strategies and activities to prayer, seeking to humbly follow God's will. We believe we are being called to increase our scale responsibly and therefore to increase the impact of programs around the world.

Community Engagement

The key aim of our engagement is to see churches and individuals develop lifestyles that reflect God's concern for people living in poverty.

In FY2010/11 Baptist World Aid Australia restructured its Community Engagement team. The Community Relations team was split into two—Church Relationships and Education and Advocacy and Major Gifts—and a Director of Community Engagement position was created to provide overall leadership to these two teams and the Publicity and Marketing Team. Scott Higgins was appointed Director of Community Engagement, Michelle Dobbs continued as Publicity and Marketing Manager, Kim Vanden Hengel was appointed Church Relationships Manager with responsibility for cultivating relationships with churches in NSW and ACT and overseeing our state Church Relationship Coordinators, and Jules Parker's position was redefined to allow for the development of our major donor and bequest programs. This restructuring has strengthened Baptist World Aid Australia's capacity to grow its support base and improve its engagement with churches and individual supporters.

The restructure also allowed for significant strategic planning to occur in the second half of the financial year. We refined our church relationship strategy, developed a new major donor approach, redesigned 'SAO Sunday', developed an exciting new church based volunteers program

called '58ers', and began work on a new website and a refreshing of our brand. These new initiatives will be rolled out in FY2011/12.

The key aim of our engagement is to see churches and individuals develop lifestyles that reflect God's concern for people living in poverty. We believe such lifestyles will be marked by five characteristics:

- 1) listening to God's heart for justice for people living in poverty;
- 2) consuming in ways that help rather than harm people living in poverty;
- 3) giving generously to support community development and emergency relief programs;
- 4) speaking up for justice for people living in poverty; and
- 5) praying faithfully around the issue of poverty.

The Community Engagement team aims to increase the number of churches and individuals responding to poverty, to *broaden* their response so that they are engaging across each of the five areas, and to *deepen* their response so that they are listening more, consuming more ethically, giving more, advocating more and praying more.

One of the excellent outcomes in this area has been the Commit to Community Church Partnerships program, officially launched

at the beginning of 2010. This sees a church adopt a particular community development project and make a three year financial and prayer commitment to it. In FY2010/11 20 churches were Commit to Community Church Partners, raising over \$185,000. A strong relationship has also been built with many of the state Baptist women's conferences, who are supporting one of our projects in India.

Pleasing also was the response to the Matching Grant campaign run in June 2011. For the first time in a number of years income from this campaign exceeded \$1 million, which was an outstanding result in view of the general downturn in revenue since the global financial crisis and the succession of natural disasters that saw donor generosity redirected to emergency relief. Unfortunately this was the last year we will be able to offer the Matching Grant campaign. The Australian Government has advised that they will continue to increase funding to accredited aid agencies such as Baptist World Aid Australia but no longer wish agencies to run matching grant style campaigns to raise the funds they are required to spend on AusAID funded projects. A new campaign will therefore be developed for the June 2012 period.

Advocacy and Education

Despite our relatively small size and limited resources, Baptist World Aid Australia continues to be a leader when it comes to advocacy. We owe this to the commitment and passion of our supporters who take action against issues of injustice.

Baptist World Aid Australia supports three different advocacy campaigns through financial support, leadership, lobbying expertise and most significantly through the ongoing action of our supporters and Catalyst advocacy groups.

Micah Challenge – an anti-poverty campaign focused on halving poverty by 2015 with two main aims:

1. To prayerfully encourage Christians to walk humbly with God and seek His heart for people in poverty.

2. To inspire and equip Christians to do justice and love kindness by being prophetic voices to our government and community on behalf of the poor and oppressed.

Baptist World Aid Australia is Micah Challenge's single largest financial supporter and also plays a significant role in campaigns leadership.

Stop the Traffik – an anti-slavery campaign that fights to prevent the sale of people, protect the trafficked and prosecute traffickers.

Behind the Barcode – Baptist World Aid Australia's own ethical consumption and corporate social responsibility campaign has two main aims:

1. To raise awareness of supply chain labour practices and ethical sourcing considerations amongst Australian Baptists, leading to changed purchasing behaviour.
2. To change the labour practices of corporations in Australia so they support the poor and disempowered.



Voices for Justice in the Halls of Parliament

'Voices for Justice' is Micah Challenge's annual conference, where supporters from across the country converge upon Parliament House to ask our leaders to do Australia's fair share to halve poverty by 2015. Baptist World Aid Australia staff helped write reports, formulate policy asks, lead workshops and coordinate lobby groups. The conference was attended by many of our supporters, who came to ask for action from their politicians. Some supporters were veterans, leading lobby groups and taking charge, others were getting their first taste of political lobbying.

Narelle from Essendon Baptist Catalyst group commented, 'I was scared knowing that we'd have to walk into Parliament House and talk to a politician ... but after our first meeting, I realised that they were willing to listen and hear our concerns, by the end of Voices for Justice I walked out confident that we'd made a difference'.

Kevin Rudd agreed. After delivering the AusAID budget earlier this year, he commented that it was only thanks to all the hard work of people who had passionately advocated on behalf of the poor that we continue to see the aid budget increase and improve.



Our Overseas Programs

One of the great inevitabilities of any healthy, growing organisation is change. Baptist World Aid Australia is no exception to this reality. It is also fair to say that with every change comes new possibilities as well as loss.

In FY2010/11 we have experienced significant changes in our programs department. A number of key staff have left after making significant contributions towards Baptist World Aid Australia's community development approach and practice. We have also overseen the conclusion of a long term partnership in Kenya. What has opened up in terms of new opportunities however is very promising.

We have a new leadership team and a number of new team members. We also took the opportunity to consider the structure and productivity of the team also and have reengineered the department to meet the demands of our strategic growth and emerging sector challenges. In terms of our strategic growth we are at the critical point of fully transitioning our SAO Child Sponsorship programs to a Child Centred Community Development (CCCD) approach. New

partnerships have been developed in Nepal, Cambodia, Sri Lanka, Bangladesh and Zambia, which will result in substantial expansion of the CCCD program to include approximately 3,900 more children in the coming 24 months. The extent of our child focused programs will be greater than any other period in our organisational history and we have dedicated a highly trained team to focus directly on achieving this goal.

Our broader community development programs and emergency relief projects also needed to be resourced more appropriately. We have consolidated our community development projects portfolio to ensure that we made the most of the funds generously given by targeting projects we saw as most efficient and effective. Meanwhile our resources were once again stretched to our utmost capacity to respond to the unimaginable catastrophes

like the flooding in Pakistan, Sri Lanka and Bangladesh, along with earthquakes in Indonesia and many other disasters that effect our ongoing operations around the world.

Learning is something that also accompanies change. We have undertaken a number of strategic reviews and learning events among our partners and internally. Our aim is to ensure that we fully comprehend the changes and ensure these moments deepen our maturity as organisation; that they build our capacity to be a best practice organisation that offers effective and efficient approaches to alleviating poverty in the regions we are committed to.

As an organisation accredited by AusAID we are also required to undergo a reaccreditation process every five years. The Programs Team has been further developing policies, systems and tools for managing our program in ways that meet growing sector standards and compliance with AusAID. This has involved consultation with other agencies and AusAID to ensure we are both learning from and contributing to sector developments.

In April, with great anticipation we commenced the process of developing our longer term strategic approach for our program with the Board. This naturally builds on much of the work already completed. We have renewed

our commitment to the regions in which we have been working and we will consider how we can increase our impact on a number of focus countries. We will also be considering how a rights based approach to development will more deeply inform our practice. Partner acquisition and management will be also considered carefully as we plan for expansion not only across our CCCD program but in our broader community development and emergency relief program.

Effectiveness and accountability are issues that must also be given attention as we continue to ensure the funds entrusted to Baptist World Aid Australia are appropriately administered with the greatest possible impact.

International Programs

	Partners	CCCD Projects	Child Partners (at 30 June)	CCCD Expenditure	Community Development Projects	CD Expenditure	Emergency Relief Projects	Emergency Relief Expenditure
				\$'000		\$'000		\$'000
Pacific								
Papua New Guinea	1				8	\$1,013		
Solomon Islands	1				1	\$87		
Vanuatu	2				2	\$233		
South-East Asia								
Cambodia	6	2		\$62	4	\$343		
Indonesia	1	1		\$224	1	\$39	2	\$144
Malaysia	1	1		\$11	1	\$31		
Philippines	2	1	2,857	\$1,239	1	\$51		
Thailand	6				7	\$108		
Timor Leste	1				1	\$73		
West Papua	1				2	\$58		
South Asia								
Bangladesh	11	3	1,355	\$490	13	\$1,062	1	\$89
India	3	1		\$18	4	\$189	1	\$17
Nepal	3	1		\$106	7	\$483	1	\$17
Pakistan	2						2	\$603
Sri Lanka	1	1		\$11			2	\$159
Africa								
Kenya	1	1		\$98				
Malawi	1	1	200	\$163				
Uganda	1	1	2,023	\$768				
Zambia	1	2	129	\$297				
Other								
Cross-regional activity				\$139				
Donor Driven Projects					1	\$78		
Total	46	16	6,564	\$3,626	53	\$3,848	9	\$1,029

Expenditure in this table consists of funds to international programs and program support costs as presented in the income statement on page 35.



Community Development

Over the last 12 months, Baptist World Aid Australia has continued to operate a diverse community development program across 14 countries. Our partnership approach, working with 32 local partner organisations, enables our development programs to be responsive to the local context.

Community development projects seek to address root causes of poverty, recognising that all issues of poverty are interrelated and can impact the effectiveness of the project. As a result, projects can include a variety of focus areas such as: savings based micro-finance, income generation, non-formal education, health, agriculture, gender equality, disability, human rights, environmental sustainability, peace building, water and sanitation and disaster risk reduction.

Pivotal to our project approach is high level of community participation and ownership to ensure sustained positive impact for target communities. This year we witnessed the successful phase out of a project in Nepal. After five years of project support by HELP Nepal, a community experienced significant improvements in their standard of living and are now managing their own development initiatives.

Baptist World Aid Australia seeks to recognise and build on the current capabilities of the communities in which we work and to respect their dignity by using processes that take time to understand their experience and needs. Hope grows from

communities' own efforts to meet the challenges they face.

Good stewardship of funds is also of central importance to our program management; we consistently seek ways to multiply the benefit of the projects we fund through good planning, accurate targeting and best practice approaches. The following examples highlight our holistic and comprehensive approach to our community development partnerships.

Capacity Building of Church Partnerships

We continue to work through local church partners in the Pacific to build their capacity to lead and implement effective community development programs. Civil society organisations in the Pacific deliver around 50% of total services in the fields of education and health and it is widely recognised that working with these organisations is critical to good development.¹

Baptist World Aid Australia have partnered with the Baptist Union of Papua New Guinea (BUPNG) since its inception in 2000 and have now supported them through the first and second phase of the Church Partnership Program which is funded

by AusAID. Initially we supported 90% of BUPNG's development programs, however as their organisational capacity has increased, BUPNG now receives 70% of funding from other donor agencies, including the European Union.

We also partner with the South Seas Evangelical Church (SSEC) in the Solomon Islands. Since 2006 our support has enabled SSEC to grow and expand the impact of their programs. Currently SSEC are implementing a new project that seeks a grass-roots integrated approach to building community capacity in governance, development and health of remote communities in the Solomon Islands. As some of these communities rely on radio communication, SSEC has set up the inter-island radio network, which enables community health volunteers to coordinate with regional medical facilities, as well as build linkages between remote island communities and the outside world with access to transport and market opportunities.

¹ UNESCO, 2009, Country Programming Document PAPUA NEW GUINEA 2008-2013

Empowerment of the Vulnerable and Disadvantaged

Our community development programs incorporate key program principles of equity and non-discrimination and seek to include the marginalised in any given community. Baptist World Aid Australia projects reach people living with disabilities, refugees and ethnic minority groups.

Cambodia is a country with significant numbers of people living with disabilities as a result of its traumatic history, landmine injuries, and poor access to basic medical care. The National Centre for Disabled Persons (NCDP) in Cambodia works alongside communities to promote the rights of people with disabilities to live as full, productive members of their community. NCDP trains small disabled peoples' community groups to support those living with disabilities and their families through networking them with basic medical services or more advanced therapy services as needed, as well as advocating for their involvement in community activities.

During FY2010/11 NCDP worked with 2,759 people living with disabilities and their families and communities and 144 assistive devices were distributed including crutches, wheelchairs and glasses. Nineteen disability awareness sessions were conducted in as part of the wider strategy of development and poverty reduction for people living with disabilities. This education is just as important as building income generating skills and therapy for improving the acceptance and inclusion of people living with disabilities. NCDP also helps enable children with disabilities to attend school by constructing ramps and railings, and through training special

education teachers to run classes for children with intellectual disabilities.

All our projects in Bangladesh promote gender and human rights through ensuring equal participation of both men and women in all of their activities. The Symbiosis project has a women's advocacy and gender equality component which motivates the community to change their negative attitudes toward women. Symbiosis facilitates women's rights courses for program participants, women's rights seminars for the community and publishes and distributes booklets about women's rights issues. Symbiosis staff also write theatre and folk songs about women's rights which they perform to the community as it is an effective and popular way to communicate ideas.

Because of her participation in Symbiosis' activities, Jahanara Begum is committed to ensuring her daughter Rumela attends school. In spite of pressure from her family and neighbours to organise the early marriage of her daughter, Jahanara would not agree to this. Citing that it is illegal she convinced her husband to agree that Rumela can finish school and must be of legal age before she is married.

Innovative Partnerships

Baptist World Aid Australia has established its first partnership with a social enterprise—Freeset—which is based in Kolkata, India. Freeset focuses on providing a sustainable and integrated response to the issue of human trafficking and the sexual exploitation of women. The move into this partnership was motivated out of a strategic interest to gain a better understanding of how urban and rural development programs can effectively address the global

issue of human trafficking. Our partnership with Freeset is a unique project to build its capacity to offer a quality, holistic response to the needs of women wanting to leave the sex trade. As part of this project we funded field research to investigate the causes of trafficking of women and girls from a rural area in India, where 25% of Freeset staff originate. Both Freeset and Baptist World Aid Australia have found this partnership to be a valuable learning experience.



Community Inclusion in Cambodia

Sou Soeun is a widow with six children. Three of her children, all boys, were born with cerebral palsy. For many years, the boys spent much of their lives helping their mother around the house with basic tasks such as collecting firewood and carrying water. They never had an opportunity to go to school or take part in normal activities for children.

When Baptist World Aid Australia's partner National Centre of Disabled Persons (NCDP) began working in their community a number of years ago, they began advocating for the inclusion of children with disabilities in the local school. NCDP began a special class in the Serey Dey Doh Primary School for children with an intellectual disability and her three sons were all accepted into the class three mornings a week. NCDP also installed a ramp and toilet facilities to enable wheelchair access for those who may require it.

The teacher of this class was trained by a volunteer from Australia in teaching children with special needs. She has worked with the same class of students for a number of years and has also trained another teacher to begin a similar special needs class in another area. NCDP provide the salaries for these teachers as they work in the local schools.

Sou Soeun has seen many changes in her sons since they have been attending school, as they have learned to be more self-sufficient. They have learnt to dress themselves and perform basic personal care activities as well as be more helpful around the house and importantly, hang their own mosquito nets and prepare their own beds.

The boys really enjoy attending school and want to attend even on days when there are no classes. Although they are older than school age, the teacher is happy for them to continue attending classes as long as they wish to.

Sou Soeun has also seen community attitudes changing toward her sons as a result of community advocacy that has happened through the local NCDP community group. Her sons are now more widely accepted by the community and are included in community activities.



Child Centred Community Development

In FY2010/11 the Child Centred Community Development program (known in Australia as **SAO Child Sponsorship**) continued to improve and expand to nine implementing organisations and a further two in assessment phase.

Child Centred Community Development (CCCD) works to build community structures, capacities and resources to achieve improvements in children's overall health, development, protection and participation.

The focus for new partnerships has been undertaking thorough assessment in new communities and designing appropriate projects to address the specific needs and priorities for child well-being in each area. Our long time partners also continued their projects, with partners in the Philippines and Uganda expanding to new communities and transitioning to the CCCD approach.

The assessment and design phase with new CCCD partners usually

takes three months and then a further six months of foundational work in communities is done before child partners are selected. As a result, this year's growth in new projects will yield large increases in child partners available to be sponsored in the coming year. It's an exciting time for our partners and the communities as they select the children to represent them as child partners and be linked with our generous Australian supporters.

To manage the increasing number of child partners and associated data and photographs, Baptist World Aid Australia developed and began using a specialised IT system. This was a significant project to introduce to the

implementing partners but it is already paying dividends in terms of efficiency and accuracy of information.

In May 2011, partner staff from across eight countries joined with the CCCD team in Singapore for three days of sharing and learning together. With so many new partner organisations involved in running the CCCD program it was an excellent opportunity for those with different levels of capacity and experience to reflect on their own projects and learn from others about what improvements could lead to better outcomes for children.

In FY2011/12 we look forward to introducing still more new partners. Organisations in Sri Lanka and

CCCD Implementing Partners

- South East Asia**
 - SAO Philippines
 - FH Cambodia
- South Asia**
 - Baptist Aid (Bangladesh Baptist Church Fellowship)
 - PARI Development Trust, Bangladesh
 - United Mission to Nepal
- Africa**
 - SATHI Bangladesh*
 - LEADS Sri Lanka*
 - SAO Uganda
 - SAO Zambia
 - Reformed Church of Zambia
 - Church and Society Program, Malawi

*These partners are currently in the assessment and design phase.

Bangladesh will complete their assessment and project design phase and begin implementation around October 2011.

The CCCD team is also excited to have received a grant through AusAID to fund further cross-partner learning and research. The grant will be used to send partner staff to visit other CCCD projects, as they seek to learn and improve their projects in key areas.

Empowering Children to be Agents of Change

The CCCD project implemented through United Mission to Nepal in Dhading District began in October 2010. Within the first six to nine months, significant foundational work has been undertaken and the community members and children themselves are starting to initiate and see change.

One community-based and seven school-based child clubs have been formed in the target area, involving 84 children aged between eight and 16 years. The child clubs have begun meeting monthly, playing a role in school sanitation and discussing child rights issues. To develop the capacity of the children to decide on, plan and implement their own small projects, two child clubs were facilitated to organise a quiz contest and song competition. This is a small start but in time activities like this will ensure children have the skills and confidence to participate in the development of their communities in meaningful ways.

Some of the child clubs organised interaction programs with the School Management Committee and school teachers to discuss children's issues. One club was concerned with teacher absenteeism. In a statement given by the chairperson they shared,

"Teachers are our guides, they always inspire and show the right way but some of our teachers play cards in public places. How can we learn new and good things from them?" Participants agreed and committed themselves to change. Another child club raised the issue of library management, where the library had been closed for a long time. In this instance the school management committee and teachers have committed to re-establish the library as soon as possible.

In the target area, 23 women's self-reliant groups have also been formed involving over 380 women; many are the mothers of children involved in the child clubs and around 50% women are from the Chepang ethnic minority group. The groups meet monthly to receive training and are beginning a savings fund, which will be mobilised to give loans for income generating activities. Groups will become increasingly self-managed, but at this early stage project staff are still required to run the meetings and assist with election of group leaders.

Mobilising Civil Society

In the past year the CCCD project implemented by Church and Society Program in Malawi has established and strengthened various community structures critical to achieving their goal of improving children's well-being. Mobilisation and empowerment of civil society is a key strategy of the project in order to ensure ownership and sustainability of the outcomes. Currently the project is working with a total of 17 committees, focused on the key goals of reducing malnutrition, increasing awareness of and responding to child protection issues, improving

health and sanitation and establishing community libraries.

Four of the groups are Village Committees, each comprised of ten community members and four children. They are responsible for establishing and looking after community gardens. So far 32 community gardens have been established with maize and soya beans to help boost the nutritional status of malnourished children. The gardens demonstrate use of modern farming techniques and most village members attended the on-farm trainings. Many of the local farmers are also replicating the farming techniques in their own fields and it is hoped that this will improve household food security and good nutrition.

To complement the initiatives on improving food availability, the health and sanitation committees also carried out awareness sessions on nutrition and monitoring of good household practices, including the consumption of a healthy diet and use of iodised salt.



Transforming Communities in the Philippines

Not so long ago there were many dangers and hurdles facing children in one of the communities in the Philippines involved with Baptist World Aid Australia's SAO Child Sponsorship program.

Some of the children missed days of school each year because their parents couldn't afford the cost of excursions and extra activities, or because children were needed to work for extra income. Many had poor health due to a lack of variety in their diets and limited healthcare facilities and knowledge. And many children called themselves shy and had little confidence that they could make any difference in their own lives and the lives of their families.

SAO Philippines, Baptist World Aid Australia's partner, have worked closely with this community for several years and many transformations have taken place. As part of the project, a Community Based Organisation (CBO) made up of members of the community, was formed to implement many of the initiatives of the project. This means that the work is really being done by the community themselves and they are being equipped to take responsibility for their own development.

One of the most influential programs has been a series of workshops for families to help them improve the way they communicate and interact with one another. This involves effective parenting workshops, helping parents and children to understand their responsibilities; marriage enrichment courses, helping parents learn how to communicate and solve conflicts better; and money management courses to help parents deal with pressures on the family budget. All of these initiatives go toward creating a safer and more congenial environment for the development of children in the community.

Roselyn's family are one example of the way this program has transformed lives. For many years Roselyn's father had an alcohol problem, which had many negative effects on his wife and two children. After attending the family workshops, he was able to see the impact of his alcoholism and he resolved to give up drinking and work on fulfilling his responsibilities as a father and a husband. This has completely changed Roselyn's home life by making the family closer and much happier.

Many other programs have also made a difference to the lives of families in this community including training in establishing small projects for extra income and turning a rubbish dump into a communal vegetable garden. Programs for children have helped them build their team work skills and understand good nutrition and healthcare. In short, the program has helped to build an environment that nurtures children in every aspect of their lives.

Roselyn's name has been changed.



Photo: Conscience International

Emergency Relief

There is a strong link between poverty, vulnerability and relief situations. Often the poor are forced to live in areas that are prone to natural and man-made disasters because of lack of access to land and inadequate housing.

Communities prone to disaster are often locked into a cycle of poverty, where any progress towards an improved standard of living can be lost in an instant.

In FY2010/11 Baptist World Aid Australia partnered with seven organisations who responded to floods, earthquakes and a tsunami in communities in Bangladesh, Indonesia, India, Nepal, Sri Lanka and Pakistan. We also supported one partner in Assam, India, to assist communities in the recovery from civil unrest which was fuelled by ethnic tensions. All projects were guided by key humanitarian principles as outlined in SPHERE and International Red Cross Code of Conduct.

In addition to disaster response, Baptist World Aid Australia is supporting disaster risk reduction (DRR) projects. In 2011 we will be looking to increase our DRR support. This will ensure that at risk communities are prepared and equipped to implement risk reduction activities and or respond to a disaster. Recovery after a disaster is important and communities who have been involved in DRR activities prior to disasters often recover faster.

With the growing awareness and generosity of our donors, Baptist World Aid Australia is increasingly engaging in relief in countries where we have had no previous involvement. We are currently working to identify prospective partners in regions prone to disasters where strong partner relationships are not yet established.

Disaster Response Pakistan Floods

It has been a year since devastating floods swept through Pakistan, affecting 20 million people and submerging one-fifth of the country. Baptist World Aid Australia received a remarkable response to the crisis from our supporters and we are partnering with two agencies in our emergency relief efforts: Conscience International and TearFund UK.

Through Conscience International and their local team in Pakistan, Baptist World Aid Australia's support transitioned from immediate emergency relief to longer term rehabilitation needs. Conscience International has worked intermittently in Pakistan for over a decade and during the floods in 2010 organised two teams, one in Islamabad to serve the

frontier areas around Peshawar in the north and one in Lahore, Punjab to respond to needs in the centre of the country. Initially, Baptist World Aid Australia supported teams provided life-saving emergency interventions in food security, mobile medical clinics and water purification. Local officials were very appreciative of the efforts of the teams, with one reporting, "This is the best relief package provided for flood victims by any organisation or government agency."

In the project's second phase, 1,000 displaced families were provided with cold weather items, including bedding and clothing for children. The project's third phase moved towards reconstruction and longer term skills training in order to empower communities to provide for themselves into the future. Twelve schools were reconstructed in flood-affected villages. A training program also provided women with skills in tailoring and beauty therapy, dramatically increasing the earning power of trainees and enabling the women to support their families.

Through TearFund UK's local partners and operational program, Baptist World Aid Australia supported water and sanitation

projects. These provided over 160 hand pumps bringing clean water to communities, constructed over 500 emergency latrines, and trained 1,400 women at community hygiene sessions. Child friendly spaces and mother support groups in Punjab focused on improving the physical well-being and nutrition of mothers and children as well as their emotional recovery from the trauma of the floods. Food and temporary shelter materials were also distributed.

Disaster Risk Reduction Rapti River Control

Our partner, International Nepal Fellowship (INF), is well respected for its long running service to the

most marginalised people of Nepal. This year Baptist World Aid Australia partnered with INF in two projects to assist very vulnerable rural communities to prevent or lessen the impact of natural disasters.

One of these projects was with a community in Fattepur, a very remote part of Banke district. During the wet season each year the river would flood and wash away or flood the crops and homes of thousands of families living on the river plains. These people have little choice but to live in this area due to their poverty and the scarce availability of land.

INF facilitated training on how to reduce the risk to lives, homes,

and livelihoods. From this new knowledge a committee formed and took the initiative to get together and find a solution to the flooding. With the assistance of INF, the community built a 300m long, four foot high sand bag wall along one stretch of the river, covered it with soil and planted trees on top. It was a community effort with over 400 people pitching in. The dedication of the community was evident; some community members could be seen working into the night to do their fair share. INF plans to continue providing training and advice on how to mitigate local disasters so vulnerable communities are empowered to take positive action to build their resilience to natural disasters.



Financial Report

At 30 June 2011 total income was \$12.55 million, \$558,000 better than the same period last year.

This was despite well-publicised donor fatigue as a result of an extraordinary number of natural disasters in Australia (Cyclone Yasi and the floods in Queensland and Victoria), and various parts of the world including the massive floods in Pakistan that affected 20 million people, the earthquakes and tsunami in the north-eastern coast of Japan and the earthquakes in Christchurch, New Zealand. This is a reflection of the strong commitment of our supporters in Australia.

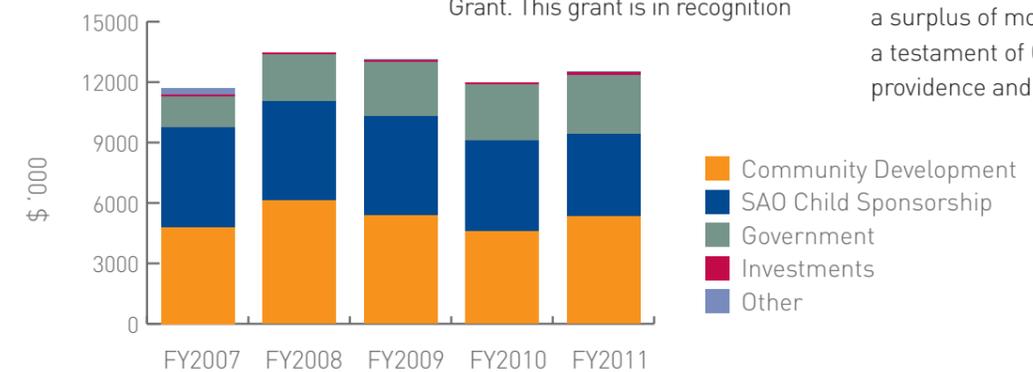
In addition to the \$2.8 million annualised funding provided by AusAID, Baptist World Aid Australia received a further \$150,000 Innovation Grant. This grant is in recognition

of the successful development and implementation of the Monitoring, Evaluation and Learning (MEL) project, developed by Baptist World Aid Australia to streamline processes with our Child Centred Community Development programs.

Total expenditure at 30th June was \$12.12 million. Although funds to overseas programs decreased by \$78,000 from FY2009/10, due to favourable exchange rates Baptist World Aid Australia was able to deliver further projects, additional disaster relief work and an increase to some of our partner's local currency funding in FY2010/11.

We finished the financial year with a surplus of more than \$400,000; a testament of God's consistent providence and faithfulness.

INCOME HISTORY



Disaster Response Pakistan Floods

“We never expected to be flooded by the river as it's such a huge distance away,” explained Rozi, a farmer from Sindh province in Pakistan.

During the floods in August and September 2010, everyone in their village had to evacuate for two months while their homes were submerged under almost 2.5 metres of water.

“When we returned we found our homes had been damaged and were unfit to live in. We also lost some of our animals,” said Rozi.

The flood also washed away the crops, leaving many families in debt and unable to repay the loans they took to buy the original seeds or to purchase new seeds for the next season's crop.

Mr Rozi was one of 60 farmers in this area who received 4.5kg of sunflower seeds from TearFund UK, one of Baptist World Aid Australia's partners responding to the Pakistan floods. TearFund UK also employed local tractor drivers to prepare the fields of these farmers so they would be able to get the seeds into the soil before the end of January.

These seeds were enough for Rozi to plant two acres of sunflowers, which were then harvested in April to make sunflower oil. With this income, he and the other 60 farmers will be able to pay off their debts and invest in seeds for next season.

Independent Auditor's Report
To the Directors of Australian Baptist World Aid Inc.

Report on the concise financial report

The accompanying concise financial report of Australian Baptist World Aid Inc. comprises the balance sheet as at 30 June 2011, the income statement and table of cash movements for the year then ended and related notes, derived from the audited financial report of Australian Baptist World Aid Inc. for the year ended 30 June 2011. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Directors responsibility for the concise financial report

The Directors are responsible for the preparation and presentation of the concise financial report in accordance with the ACFID Code of Conduct. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Australian Baptist World Aid Inc. for the year ended 30 June 2011. Our audit report on the financial report for the year was signed on 28 October 2011 and was subject to the following qualification:

"Our audit procedures with respect to revenue from these sources had to be restricted to the amounts recorded in the financial records. As a result, we are unable to express an opinion as to whether revenue from cash donations and other fundraising activities is complete.

In respect to the qualification, based on our review of the controls in relation to revenue transactions once received, nothing has come to our attention which would cause us to believe that the internal controls over income from fundraising and donations by the association are not appropriate."

The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year.

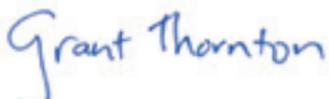
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we complied with applicable independence requirements of the Professional and Ethical Standards Board and the ACFID Code of Conduct.

Auditor's opinion

In our opinion, the concise financial report of Australian Baptist World Aid Inc. for the year ended 30 June 2011 is consistent with the full report referred to above from which they are derived. For a better understanding of the scope of our audit this report should be read in conjunction with our audit report on the annual statutory financial report referred to above.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



A G Rigele
Director - Audit & Assurance
Sydney, 28 October 2011

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Income Statement

For the year ended 30 June 2011

	FY 2011 \$'000	FY 2010 \$'000
REVENUE		
Donations and gifts		
• Monetary	8,904	8,840
• Non-monetary	133	-
Bequests and legacies	420	281
Grants		
• AusAID		
Grants	2,888	2,762
Interest on grants	33	6
• Other Australian	-	-
• Other overseas	-	-
Investment income	133	68
Other income	41	37
TOTAL REVENUE	12,552	11,994
EXPENDITURE		
International Aid and Development Programs Expenditure		
International programs		
• Funds to international programs	7,507	7,585
• Program support costs	996	892
Community education	655	674
Fundraising costs		
• Public	920	838
• Government and multilaterals	-	-
Accountability and administration	1,918	1,653
Total International Aid and Development Programs Expenditure	11,996	11,642
Domestic programs expenditure	128	101
TOTAL EXPENDITURE	12,124	11,743
EXCESS / (SHORTFALL) OF REVENUE OVER EXPENDITURE		
Funds held at the beginning of the financial year	5,098	4,847
Transfer direct to Reserves	85	-
BALANCE HELD AT END OF FINANCIAL YEAR	5,611	5,098

NOTE

Non-monetary gifts received in the year relate to the donation of shares. No non-monetary expenses were expended during the year. The contribution of volunteers is not included in the Income Statement - refer note 3 to the special purpose accounts and page 9 of this Annual Report. No revenue or expenditure was received/spent for International Political or Religious Proselytisation Programs.

Balance Sheet

As at 30 June 2011

	FY 2011 \$'000	FY 2010 \$'000
ASSETS		
Current assets		
Cash and cash equivalents	3,426	3,216
Trade and other receivables	29	46
Investments	214	73
Other financial assets	156	42
	<u>3,825</u>	<u>3,377</u>
Non current assets		
Property, plant and equipment	1,942	1,845
Intangibles	306	245
Other non-current assets	91	91
	<u>2,339</u>	<u>2,181</u>
Total Assets	<u>6,164</u>	<u>5,558</u>
LIABILITIES		
Current liabilities		
Trade and other payables	124	35
Tax liabilities	13	-
Borrowings	3	3
Provisions	168	188
Other	178	163
	<u>486</u>	<u>389</u>
Long Term Liabilities		
Provisions	67	71
	<u>67</u>	<u>71</u>
Total Liabilities	<u>553</u>	<u>460</u>
NET ASSETS	<u>5,611</u>	<u>5,098</u>
EQUITY		
Retained Earnings		
General Funds	38	200
Designated Funds	148	141
Restricted Funds	1,501	1,635
	<u>1,687</u>	<u>1,976</u>
Reserves	3,924	3,122
TOTAL EQUITY	<u>5,611</u>	<u>5,098</u>

At the end of the financial year, Baptist World Aid Australia had no balances in the inventories, assets held for sale, investment property, and other financial liabilities categories.

Table of Cash Movements for Designated Purposes

For the year ended 30 June 2011

	Cash available at beginning of year \$'000	Cash raised during year \$'000	Cash disbursed during year \$'000	Cash available at end of year \$'000
Restricted Funds *				
SAO Child Sponsorship	1,334	5,043	5,179	1,198
Vanuatu CPP Government Funds	163	390	518	35
Other Restricted Funds	254	170	149	275
Vehicle Purchase Fund	25	3	-	28
	<u>1,776</u>	<u>5,606</u>	<u>5,846</u>	<u>1,536</u>
Designated Funds				
Designated Emergency/Relief Funds	141	1,107	1,100	148
General Funds				
Total for other non designated purposes	1,299	5,839	5,396	1,742
	<u>3,216</u>	<u>12,552</u>	<u>12,342</u>	<u>3,426</u>

* Cash and investments held for restricted purposes.

Restricted funds at the end of the year include sponsorships received in advance, donations received which can be spent for a specific purpose only, and unexpended Government Grants.

Statement by the Board

The Board has determined that Australian Baptist World Aid Incorporated is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Board, the financial report, being the Income Statement, Balance Sheet, Table of Cash Movements, and Notes to the Financial Statements have been prepared in accordance with the Associations Incorporation Act 2009:

1. Comply with relevant Australian Accounting Standards as applicable;
2. Give a true and fair view of the financial position of the Australian Baptist World Aid Incorporated as at 30 June 2011 and its performance for the year ended on that date.
3. At the date of this statement, there are reasonable grounds to believe that Australian Baptist World Aid Incorporated will be able to pay its debts as and when they fall due. This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:



DAVID CLARK
CHAIR

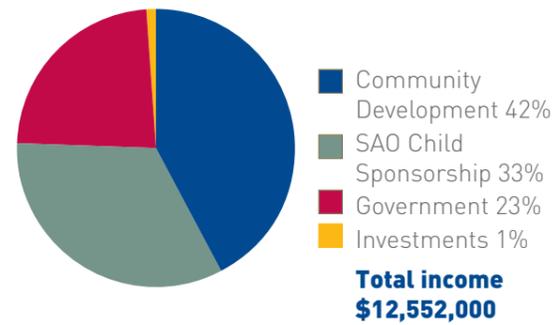
Dated this 21 day of October 2011

A copy of the complete Financial Report is available on request from the Finance Manager, Baptist World Aid Australia

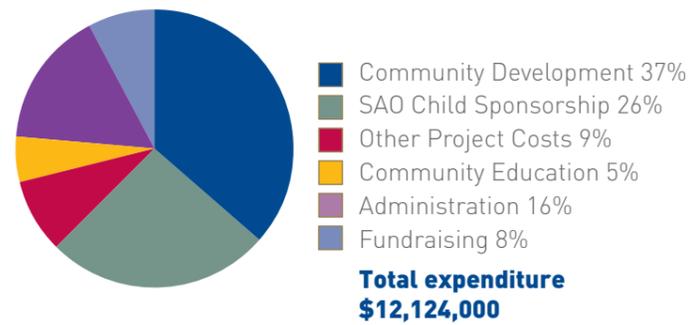
At a glance

How total funds have been used

SOURCES OF INCOME FY2011*

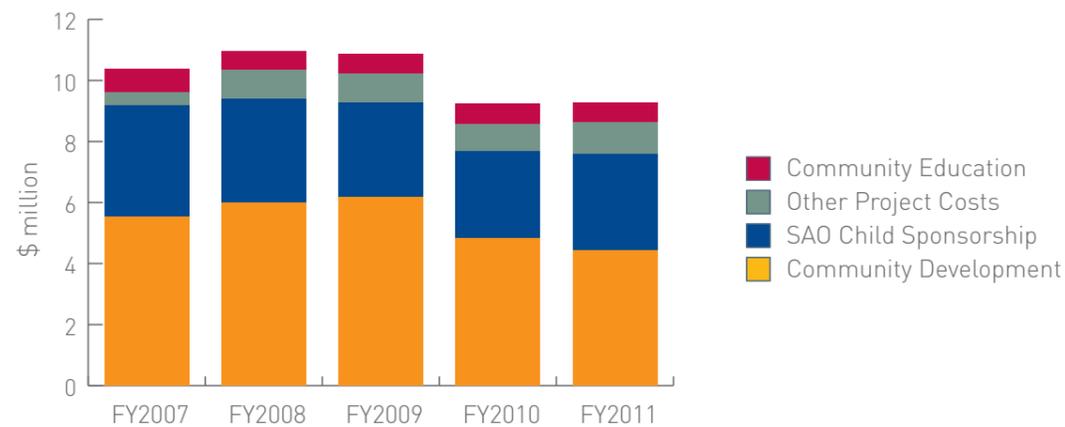


USE OF FUNDS FY2011*

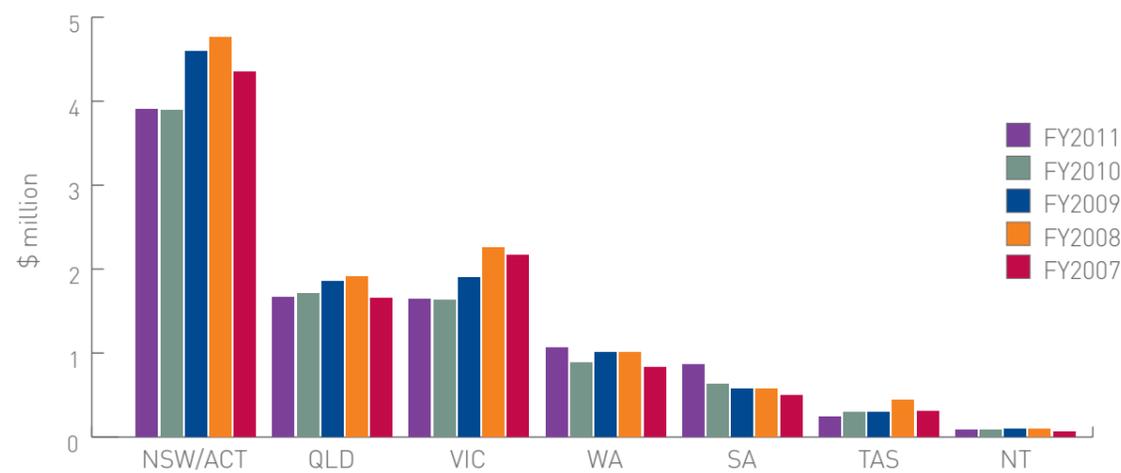


*These graphs are derived from figures in the Income Statement.

PROGRAM & COMMUNITY EDUCATION EXPENDITURE



SOURCES OF INCOME BY STATE



Baptist World Aid Australia is the aid and development agency for Australian Baptist Ministries (previously the Baptist Union of Australia) and operates as an independent association with its own Board.

Australian Baptist World Aid Inc. was incorporated on 13th June 1993 in NSW under the Associations Incorporation Act 1984. Its operating name is "Baptist World Aid Australia". The members of the Board of Australian Baptist World Aid Inc. are the only members of this Association.

Baptist World Aid Australia is a national organisation which holds fundraising licences in all Australian states where legislation requires it to do so. Licences are held under the following numbers: South Australia: cpp934; Victoria: 10918; Western Australia: 20417.

Baptist World Aid Australia engages the services of the National Australia Bank, Grant Thornton auditors and Church and Grace solicitors.

Baptist World Aid Australia is a compliant signatory of the Australian Council For International Development's (ACFID) Code of Conduct. A copy of the Code of Conduct can be obtained from www.acfid.asn.au. If you believe that Baptist World Aid Australia has breached the Code of Conduct, you can lodge a complaint with ACFID either on their website or to the Code Manager, ACFID Code of Conduct Committee, C/- ACFID, Private Bag 3, Deakin ACT 2600.

If you wish to lodge a complaint with Baptist World Aid Australia, please write to the Administration Services Manager, Locked Bag 122, Frenchs Forest, NSW 2086. The complaints handling policy and the ability to lodge a complaint are also available on our website, www.baptistworldaid.org.au.

Photographs have been taken by Baptist World Aid Australia staff, partners and associates in Africa, Asia and the Pacific unless otherwise indicated. Thanks to Patrick Bentley, Jake Lyell, Jacob Maentz, Ken Martin, Rowan Butler and Eldson Chagara. Cover image by Patrick Bentley, Zambia.





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