BAPTIST WORLD AID AUSTRALIA

Be love. End poverty.

ANNUAL REPORT

YEAR ENDED 30 JUNE 2012

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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 and Australia;
- Economic, social and ecological sustainability in all our activities.

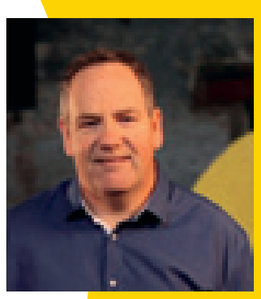
MICK TURNBULL
CHAIR OF THE BOARD

Our organisation remains very grateful for the generous support of our Baptist family and other key supporters of Baptist World Aid Australia. Together with these supporters, our partners and our friends, we stand to be an organisation that seeks to be love and to contribute towards ending poverty within our world.

It has been my privilege to take over the role of Chair during this last year from David Clark whose contribution and passion over the previous four years has been exceptional. Thank you David!

Under the leadership of John Hickey, our professional and amazing staff, together with our committed volunteers, have helped steer our organisation to greater levels and impact during the year. Our financial stewardship of the organisation's resources has resulted in an increase of funds, which has allowed for increased program engagement and achievement of a number of our key short-term goals. Our improving contributions in areas of Community Engagement, Child Sponsorship and Advocacy continue to have significant and lasting impact on the lives of those we seek to assist.

I am sure that the following pages in this report will give you some greater insight into our work and progress as we continue to make a difference in the lives of many.



JOHN HICKEY
CHIEF EXECUTIVE OFFICER

The financial year 2011/12 has been a year of amazing blessing for Baptist World Aid Australia and our partners overseas. Inspired by Jesus' calling, we have pursued our passion for the transformation of individuals, communities and nations out of poverty. Praise God!

We have experienced double-digit percentage growth in financial support, despite an uncertain economic and political climate. Even as the Federal Government announced a freeze in its overseas aid budget for 2012/13, we received a strong increase in grants for our programs. During the year we were reaccredited by AusAID (the overseas aid arm of the Australian Government) for a further five years, which was a tremendous vote of confidence for us.

All this has enabled us to engage in a record scale of overseas programs this past year, with further growth anticipated for the year ahead. This is a testament to the commitment and professionalism of our Board and staff, and the quality of our field partners who are achieving significant, tangible results.

As you read our Annual Report, I hope you will be inspired by the stories of transformation for many thousands of people across the globe.

On behalf of the leadership team at Baptist World Aid Australia, thank you to every person who contributes to this great cause.

2011/12 and Beyond

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 an interconnection of the relationships we build and the results we facilitate in the field with our implementing partners; the awareness and commitment built amongst church leaders, congregations and individual supporters; and the mobilisation of our supporters through advocacy to encourage further federal government commitment to international aid and corporate engagement in ethical practices.

Baptist World Aid has progressed through an exciting stage of transition over the past two years. In the next year or so we will further refine our strategies to be as effective as possible in facilitating transformational change with people living in poverty. We believe we can enhance the application of our mission, challenge complacency and explore new and emerging ideas to deepen the positive impact we achieve.

In the words of some experts in the sector, Baptist World Aid "punches well above its weight" as an international aid and development organisation:

- We have a very proud history of professional and effective development work with our field partners across Africa, Asia and the Pacific.
- After almost a year of exhaustive preparation and detailed review, we have been reaccredited for a further five years by AusAID, the Australian Government's Overseas Aid Program. The process of accreditation and meeting government and sectoral standards is increasingly challenging, but Baptist World Aid continues to be regarded as one of the stronger participants in the sector.
- We are in a financially sound position, having achieved record revenue of AUD$13,830,000 in 2011/12, an increase of 10% over the previous year. This is despite a softening trend in financial support across the not-for-profit sector in the wake of the global financial crisis. We also have sound cash and liquid reserves to provide contingencies against financial shocks in the medium-term.
- We are an admired and effective voice advocating in Australia and internationally on issues of social and economic justice and funding for aid. We do so through our Catalyst Groups, which are active in many Baptist churches in Australia, and also in coalition with leading Australian and international campaigns, such as the Micah Challenge.
- We have developed cutting-edge educational materials for churches, individuals and ministry colleges across Australia, such as "50:50" (now "Be Love") and, recently, "The End of Greed". These are having a significant impact on the awareness and attitude of churches about the theological and practical need to engage more deeply with issues of justice and poverty.
- And then, of course, we have thousands of loyal supporters, some of whom have faithfully contributed to the work of Baptist World Aid for a number of decades.

Moving Forward

The centre of our strategic direction is to purposefully bring all the above elements together into a stronger and closer interrelationship.

We want to keep shifting from the trend in the charity and development sectors where the average supporter sees themselves primarily as a donor. Our aim is to build a deeper sense of understanding and commitment amongst our supporters and the wider Baptist churches rather than a purely "transactional" approach to global poverty.

The recent refreshing of the Baptist World Aid brand issues the challenge to "Be Love, End Poverty". This has been used as a way for us to communicate how we, as Australians blessed with our relative wealth, education and resources, can and should think beyond just a financial gift (although that is vital!) and go much further.

The way we do this is through action in five key areas:

Be Open...

listen to God's heart for people living in poverty and to the stories of those who are poor.

Be Vocal...

raise our voices to speak on behalf of people living in poverty.

Be Generous...

support projects that are sustainably transforming lives.

Be Fair...

shop in a way that helps rather than harms workers in poorer nations.

Be Prayerful...

pray thoughtfully for people living in poverty and those working alongside them.

Baptist World Aid is a healthy organisation with strong capacity and a deep Christian and Baptist identity. We are by far the largest international aid and development organisation in the Baptist movement globally and therefore, we see a responsibility to also help build capacity for the wider movement to engage effectively with eradicating poverty.

We have set a course to keep equipping ourselves with highly skilled staff and volunteers, robust systems, and a strong spiritual and professional culture. This will help add capacity to our supporters, our field partners and community participants, as well as engage governments and businesses, all cooperating towards a shared vision of "a world where poverty has ended and all people enjoy the fullness of life God intends".

JOHN HICKEY
CHIEF EXECUTIVE OFFICER

Our total income was $13,830,000, up 10% on the previous year.

We worked with 44 partners running 75 projects in 19 countries.

By year end we had 2,737 extra Child Partners in our Child Centred Community Development (CCCD) Program for a total of 9,301 Child Partners and many more families participating.

We responded to five emergency situations, most significantly the drought and famine in East Africa. We raised $1.12 million from our supporters and $223,000 was contributed by the Australian Government's Dollar for Dollar Matching Scheme.

We were reviewed and reaccredited with AusAID, the Australian Government's Overseas Aid Program, to continue to receive funding as part of Australia's federal aid budget. This process also allowed us to improve many of our processes and policies.

A 'Learning Project' to encourage sharing of ideas amongst our CCCD partners was funded by an AusAID Innovations Grant and afforded many opportunities for learning and improvement of our CCCD program.

We worked towards the launch of our new visual identity and website in July 2012, to position the organisation for future growth, especially with younger generations

We were encouraged by announcements from two major companies and the Australian Government in response to our advocacy campaigns.

About Baptist World Aid Australia

Across the world today there are 1.29 billion people living in extreme poverty, struggling to survive on less than $1.25[1] each day. They miss out on security, education, health care, decent work and the opportunity to improve their lives. Many live without any hope for a better future.

At Baptist World Aid Australia, we dream of a world where poverty has ended and all people enjoy fullness of life. We believe this is God's heart for every person on the planet and we praise God as this becomes a reality for children, families, and communities around the world.

The mission of the churches is to be servants of God as he brings his kingdom into being. This means God works through Christians to restore people to right relationships with himself, with one another, with creation and within themselves. Baptist World Aid exists to be a vehicle by which Baptist churches and people who are part of the Baptist movement can fulfil this mission towards those people in our world who live in poverty.

This gives Baptist World Aid a two-pronged focus. First, we mobilise Australian churches and individual Christians to hear God's call to do justice and show mercy to the world's poor. To discover they can do far more than they ever imagined in bringing blessing to people living in poverty through their giving, through advocacy, through ethical consumption and through prayer.

Second, we form partnerships with indigenous groups overseas who are well-placed to facilitate community development programs in poor communities. We provide ongoing support to these partners by way of funding, accountability, capacity building, encouragement and prayer. Through these partnerships we see God doing more than we ever imagined in lifting households and communities out of poverty. In 2011/12, we worked with 44 partners running 75 projects in 19 countries.

Our Areas of Work

Lasting solutions to extreme poverty involve whole communities. We support work that enables communities to identify God's better future and to take action together to create that future.

Community Development

Our projects work with communities to identify the causes of their poverty and discover ways to use their strengths to build sustainable solutions. Our partners support, resource and train communities as they put their plans to overcome poverty into action.

Child Centred Community Development

If children are to enjoy God's better future, they need to live in safe and nurturing communities that listen to children's voices, in households with secure and nutritious food and enough income to meet their needs, and so much more.

Our Child Centred Community Development programs work with children, families and communities to help them create places that nurture children's wellbeing, bring about long-term change and create a better future for all children.

Disaster Management

When disasters strike, we fund our partners to carry out emergency relief work and rehabilitation in affected communities. Another important aspect of this work is supporting and training vulnerable communities to prepare for potential disasters.

Advocacy

We mobilise Australian supporters and churches to 'defend the rights of the poor and needy' (Pr 31:9) through giving, advocacy, ethical consumption and prayer.

Our supporters

In 2011/12, 74% of our funding was donated by our individual supporters and Baptist churches across Australia. Their generosity and commitment to love those living in poverty enables Baptist World Aid to reach out to thousands of people and support life transforming work among poor and marginalised communities in 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 our Christmas Appeal, many churches give their Christmas Day offering. This year we were greatly encouraged by the number of churches who took part in our 'SAO1800 campaign' highlighting the plight of children living in poverty and promoting Child Sponsorship, which funds our Child Centred Community Development programs.

A further 25% of our funding is received from AusAID, the Australian Government's Overseas Aid Program. Baptist World Aid was reaccredited with AusAID in this past financial year, after a thorough audit of all our policies, practices and programs. Reaccreditation allows us to continue receiving government funds towards our projects for the next five years. Baptist World Aid provides comprehensive reports to AusAID on the use on these funds and the outcomes achieved.

Our Associations

Baptist World Aid is a member of the Australian Council For International Development (ACFID) and we are committed to complying with the Council's code of conduct. Several staff members serve on ACFID working groups and the organisation benefits from training and sharing of experience with other agencies.

Baptist World Aid 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 (Intl), the Micah Network, Micah Challenge Australia and the Church Agency Network.

[1] 2008, http://web.worldbank.org

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 as they serve in the name of Jesus".

At June 30 2012, Baptist World Aid had 40 employees, with six working in part-time roles and 35 regular volunteers.

Employee Care

All new staff attend orientation, including our theology of development, our programs and our advocacy work. Staff development is highly valued and all staff are encouraged to pursue further training in their field.

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 run for all employees and volunteers biannually.

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

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.

Workplace Health and Safety is managed by an active committee, who are responsible for health and safety risk management, including a quarterly inspection and mitigation of real or potential risks. Staff travelling overseas take advice from the Department of Foreign Affairs and Trading and in-country partners on travel safety. Medical and emergency assistance overseas is facilitated by SOS International.

This year, an environmental sustainability committee was established. They have conducted an audit of our carbon footprint, maintained our commitment to recycling and sustainably-sourced paper and updated our vehicle policy to preference more environmentally friendly cars.

Micah Challenge

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

Volunteers

Volunteers play an important role at Baptist World Aid; their contribution is greatly appreciated and helps lower administration costs.

All volunteers receive on the job training and each year volunteers have a support meeting to provide feedback. Responses from these meetings showed that all volunteers were satisfied, felt valued and were finding the experience of volunteering to be rewarding.

The contribution of volunteers is recognised by celebrating National Volunteer Week and a Christmas thank you luncheon. Significant anniversaries of service and birthdays are also celebrated.

During 2011/12, 58 volunteers contributed 7,012 hours of work. The estimated financial value of this work is $176,323.

Our Board

Chief Executive Officer *John Hickey*

Director of Business
Peter Leau

Business Team
Our Business Team supports the operations of all other teams with Human Resources, IT and Systems Operations. This team also manages the volunteer program.

Finance Team
Manager, Reg Sinha
Our Finance Team manages all accounting and financial systems within the organisation, including relationships with banks, auditors and foreign currency exchanges for providing funds to our partners overseas.

Director of Community Engagement
Scott Higgins

Advocacy Team
Manager, Gershon Nimbalker
The Advocacy Team equips our supporters and Catalyst groups to speak up about issues of poverty. They also work with coalitions such as Micah Challenge and Stop the Traffik.

Community Relations Team
Manager, Kim Vanden Hengel
Our Church Relations Team manage relationships with Baptist churches and other community groups, equipping Christians to be love and help end extreme poverty.

Publicity Team
Manager, Rob Lutton
Our Publicity Team is responsible for fundraising and reporting on the programs we deliver. The team produces our publications and manages our website and social media.

Supporter Services Team
Manager, Rebecca Roberts
Our Supporter Services team provides high quality service to supporters from across Australia; processes all donations; and administers our Child Sponsorship program.

Director of Programs
Anthony Sell

Programs Team
CCCD Manager
Natalie Abel
Our Programs Team manages our relationships with partner organisations overseas. Project Coordinators visit each project around once a year for monitoring and evaluation and to provide support and training.

The Executive Team has over 90 years experience in community development, church ministry, business and financial management, strategic planning, 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.

Volunteers are a part of all teams, taking care of a wide range of tasks including financial administration, business mail processing, HR support, program administration, collating and organising our story databases, coordinating the letters between sponsor children and their sponsors, and administration of Child Sponsorship.

Sian Jeffries, Supporter Services Officer

Sian first joined our team as Office Manager in 2000. Since this time she has worked in a number of roles including Assistant to the Executive Team. Sian returned to her current, part-time role after maternity leave earlier this year.

"I continue to consider it a real blessing and true privilege to work with Baptist World Aid, a journey that has stretched and encouraged me, many a time."

Mark Kelan, Volunteer Researcher

Mark is part of our team researching the supply chains of companies in Australia. This research aims to arm Australian customers with knowledge about the ethical practices surrounding the goods they buy.

"After visiting developing countries, I have been inspired to pursue a career in development. I see my volunteering role as a first step towards this goal, as well as a contribution to social justice. Each time I leave the office, I feel positive about myself and the contribution I've made."

Meet the Executive

John Hickey, Chief Executive Officer

John joined Baptist World Aid in July 2010 after accumulating more than two decades of business leadership experience. He has been CEO of leading Australian financial services institutions, including Newcastle Permanent Building Society. For seven years he served as a General Manager and Executive Board member of ING Bank Australia.

John has an honours degree in Political Science, focusing on international relations. He also has postgraduate qualifications and further studies in financial services and international business leadership. His specialties are organisational leadership, and the development and implementation of vision and strategy.

John also serves as a Director and former Chair of Christian Education Foundation Ltd, which operates Charlton Christian College in the Hunter Region of NSW. He and his family are members of Thrive Church (a Baptist Union NSW affiliate), where he serves as a member of the Church Council and as Treasurer.

"As I seek to listen to and obey God's call on my life, I feel constantly privileged by the opportunities I have to serve with wonderful people to make a difference to end poverty. I am constantly inspired and encouraged by the progress we are making together, but there is much more to do and I am passionate about this challenge."

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. Peter holds a Master of Business Administration (MBA), Master of Marketing and is currently pursuing a Master of Strategic Organisational Development. His skills 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. He was appointed Director of Programs in 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 study work in international community development.

"I feel honoured to lead a team of highly trained professionals committed to see 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, 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 (now known as "Be Love – 5 ways to love the poor") and "The End of Greed" book and Bible study series.

Scott has a Bachelor and Master of Theology and a Graduate Certificate in Social Change and Development. He lectures in aid and development at Baptist theological colleges, is a member of the National Steering Committee of Micah Challenge Australia, and sits on the Board of Stop The Traffik Australia.

"I believe extreme poverty is the scandal of our age. I'm passionate about helping 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, by being generous in our giving, vocal in advocacy, fair in the way we consume and prayerful in our worship."

Our Management Team, L - R: John Hickey, Katrina Protze, Peter Leau, Rebecca Roberts, Reg Sinha, Kim Vanden Hengel, Roger Burton, Natalie Abel, Anthony Sell, Rob Lutton, Gershon Nimbalker, Scott Higgins.

Our Governance

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

The Board sets the strategic direction for Baptist World Aid 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.

During the year, David Clark stepped down as Board Chair and Mick Turnbull took over this leadership role. Two further long-term Board members, Keith Jobberns and Gwyn Milne, also completed their time with us and we thank them all for their diligent service. We have welcomed two new members to the Board in Heather Coleman and Susan Campbell.

Governance Committees

Each Board member sits on a governance committee to provide input to the Board. 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.

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 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.

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 also monitors 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.

Annual General Meeting

The Annual General Meeting of Baptist World Aid Australia was held on Friday 19th October 2011.

BOARD MEMBER PROFILES

Board Members

Mr Mick Turnbull

Chair of the Board; Marketing and Communications Committee

Cert Business (RMIT); Grad. Dip. Management (USQ)

Joining the Board in 2011, Mick has 30 years experience in business and management, and is currently the Regional CEO for a large global logistics company. He is a Fellow of the Australian Institute of Management, Member of the Company Directors Institute, Fellow of the Customs Brokers Council of Aust and Member of the Australian Institute of Export. Mick is also Chair and Director of Tabor Victoria, and Director of Business for Millennium Development (assisting business to support developing countries to reach their targets).

Ms Ann Herbert

Vice Chair of the Board; Governance and Human Resources Committee

B. Arts Sociology (Hons); Grad. Cert. Public Sector Leadership; Dip. Company Directors (GAICD); Dip. Freelance Journalism

Ann has many years experience working in social policy. She has worked in the Tasmanian State Government as a Project Manager and is currently a Principal Policy Analyst in the Social Inclusion Unit. She has served on the Board since 2007.

Mrs Susan Campbell

Marketing & Communications Committee

BA; Dip Ed; Grad. Dip. Theology

Susan has a background as a primary school teacher and has worked since 2005 for Global Interaction. She also owns a small business and serves on the board of Wellspring Centre. Susan joined the Board in May 2012.

Mrs Heather Coleman

Ex Officio GIA Board Member

Ass. Dip. Business Management; BA (Administration); Grad. Dip. Industrial Relations; B Ministry (partly completed)

Heather is the General Director of Global Interaction and acts as their representative on the Board. Prior to her time at Global Interaction she worked for over 30 years in various government departments. She also serves on the boards of Global Interaction, the National Council of the Baptist Union of Australia and the General Council of the Baptist World Alliance. Heather joined the Board in February 2012.

Mr Andrew Ellis

Marketing and Communications Committee

BE(Mech), MProjMgmt, MBA

Andrew is a former Board Intern, appointed as a Board Member in 2009. He is a Director of an Australian Holding Company, and works as the Director of Sales and Strategy at the same company. His skills and experience include risk management, strategic planning, and quality, health, safety and environment processes.

Mr Brad Entwistle

Marketing and Communications Committee

Brad is the founder and Managing Director of marketing communications firm imageseven. He also serves on the boards of several Colleges and the Baptist Union of Western Australia. He joined the Board in 2008.

Mr Phil Newman

Governance and Human Resources Committee

Dip. Financial Planning; Certified Financial Planner (CFP)

Phil works as a Certified Financial Planner. He is currently on extended leave from his role as a Practice Manager with the BT Financial Group whilst he completes studies in Social Anthropology and Development. Phil joined the Board in 2009.

Mr Paul Oates

Treasurer; Finance and Investments Committee

B. Commerce; Chartered Accountant

Paul has worked for many years as the Business Manager of Carey Baptist College and also has experience in auditing with the Deloitte group. He is a Member of the Association of Independent Schools of Western Australia. Paul joined the Board in 2009.

Mr Simon Lynch

Programs Performance Committee

B. Economics

Simon has extensive experience in consulting in the corporate and non profit sectors and as a Country and Regional Director in the aid and development sector, especially in Indonesia and Timor Leste. He serves on the Board of the TLM Foundation in West Timor and is a Board Advisor to the Hunter Christian School and Cornerstone Community. Simon joined the Board in May 2009.

Pastor Dave Rowe

Finance and Investments Committee

B. Ec, Grad. Dip. Christian Ministry (Morling)

Dave's skills are in the area of finance, having formerly served as Head of Treasury and Head of Risk Management for an international investment bank. Dave currently works as a Senior Consultant with Noah's Rule Risk Advisory and serves as Senior Pastor with Seaforth Baptist Church (NSW). Dave joined the Board in 2010.

Pastor Daniel Wallis

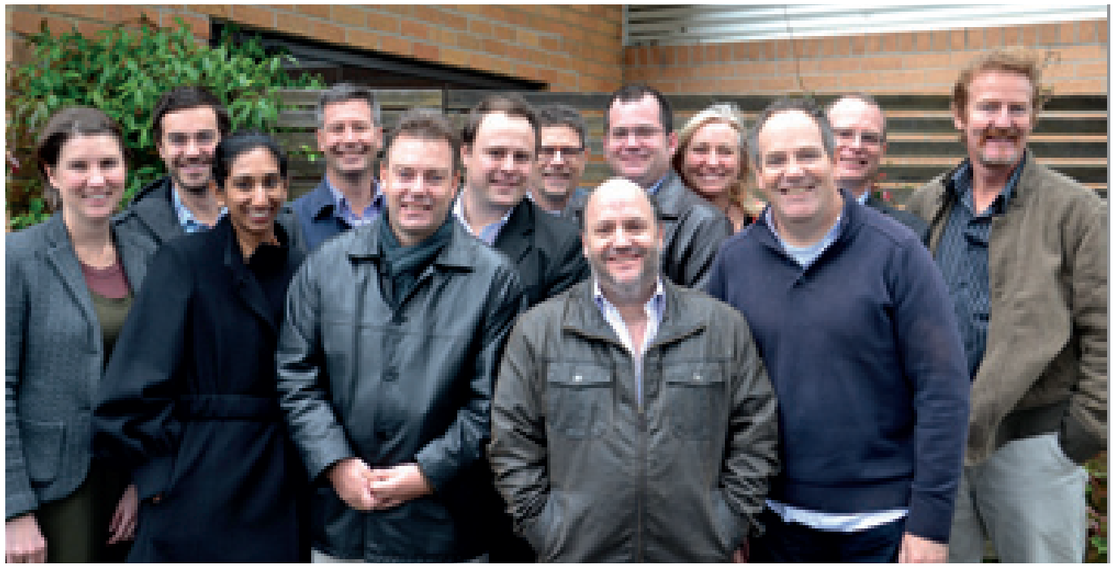
Governance and Human Resources Committee

B. Ministry

Daniel's interests and skills are in the area of hospitality management, governance and human resources. He currently serves as Senior Pastor at South Toowoomba Baptist Church. Daniel joined the Board in 2010.

Board Interns

Baptist Wold Aid's Board offers 18 month internships to people interested in gaining experience in governance. Interns contribute to Board meetings and complete a research project in an area of interest to the Board. The current Board interns are Nisha Graham and Mark Peacock.



L - R: Susan Campbell, Mark Peacock, Nisha Graham, Dave Rowe, Phil Newman, Andrew Ellis, Brad Entwistle, Mick Turnbull, Daniel Wallis, Ann Herbert, John Hickey, Paul Oates, Simon Lynch. Not pictured: Heather Coleman.

Community Engagement

2011/12 was a big year for Community Engagement. Our aim is to see churches and individual Christians be open to God's call to love the poor; be generous in sharing their resources with the poor; be vocal in advocacy around issues impacting the poor; be ethical in their consuming so that their actions are of benefit to the poor; and be prayerful for justice for the poor.

Be Open and Be Fair

We released a book and multimedia Bible study series titled "The End of Greed". This helps Christians explore their response to consumerism and has been well received, with hundreds of copies sold or downloaded and some very encouraging feedback.

Be Generous

In an environment where aid agency income was flat, Baptist World Aid set ambitious growth goals. To achieve these goals we undertook some new initiatives which were met with varying degrees of success. Particularly pleasing was the response of our major donors as we sought to know them better and be responsive to their interests. Also encouraging was the very generous response across our supporter base to both the East Africa Famine crisis, where over $1 million was raised, and our end of financial year appeal, where our budget goal was exceeded and over $1 million was raised.

We were also excited to see over 1100 new sponsorships taken up. While below our target of 1800, it was the greatest number of sponsorships we have attained in a single year and reversed a declining trend.

At Christmas, 428 churches participated in the Christmas Appeal, including 88 which had not participated in the previous year. With Christmas falling on a Sunday, some churches elected not to participate in the appeal, or to allocate only some of their offering to Baptist World Aid, which meant we fell short of our target for the appeal.

WE WORKED ON REVITALISING OUR LOOK AND FEEL TO CAPTURE THE DYNAMIC OF OUR WORK AND BETTER ENGAGE YOUNGER GENERATIONS.

Be Vocal

This year, Baptist World Aid has seen its advocacy program continue to grow and deliver exciting outcomes. Active advocacy groups (Catalyst groups) have increased from 43 to 55 in this past year, and these groups, combined with our broader supporter network, have sent tens of thousands of letters, postcards and emails, calling on governments and corporations to change their practices and policies to bring about transformation in the lives of the poor and oppressed.

To tackle slavery and forced labour, Baptist World Aid partners with Stop the Traffik. This year we have seen both Cotton-On and Pacific Brands make commitments to avoid using cotton from Uzbekistan, which is harvested using forced child labour. We have also seen chocolate companies take action to address the ongoing use of child labour in West Africa; Lindt and Ferrero outlined a timetabled public commitment to certify 100% of their chocolate by 2020. While even more impressively, Nestle, the world's largest food company, committed to having 100% of their cocoa in Australia certified by the end of the 2012.

To tackle poverty, Baptist World Aid partners with Micah Challenge. Working together, our supporters have coordinated events to raise awareness about water and sanitation funding and called on the Australian Government to continue to increase funding to aid. Reports from a number of parliamentarians have suggested that without such support for aid funding, the cuts to the aid program made this year would have been much more significant. Finally, we have also called for measures to stop billions of dollars being leaked out of developing countries through illegal tax evasion.

Refreshing Our Look

During the 2011/12 financial year Baptist World Aid worked on revitalising our look and feel. This was completed in the launch of a new logo, new tag line, new colour palette, new design to our collateral and new website in July 2012. We see God doing amazing things through our work but our visual identity was confused by having too many 'sub-brands', was not appealing to the younger generations and did not capture the dynamic of our work. The end result is a consistent look and feel across our communications that will help us engage a new generation of supporters.

To facilitate more effective engagement with churches and supporters, the end of the financial year saw the Administration Services Team brought into the Community Engagement Department as 'Supporter Services'. This is part of a strategic plan to create an environment where we are better able to respond to supporter needs.

All in all, this was a busy year filled with a lot of change, but one in which we were excited to see God doing more than we imagined.

Be Vocal
Advocacy in Action

In 1975, Pol Pot seized control of Cambodia and set up a genocidal government. Within four years approximately two million of the 7.3 million people in the country had been killed.

The echoes of this tyranny are still felt throughout Cambodia. Despite making substantial progress, Cambodia still ranks as one of the poorest nations in our region and opportunities to exploit the vulnerable are rife. Many men, and even more women and children, are trafficked into slavery every year, where they are often forced to do hard labour or are used as sex slaves.

In 2010, Gateway Baptist Church's Catalyst group wrote to us and asked if there was anything that the Australian Government could do to address the systemic problems of slavery in Cambodia.

Together with Stop the Traffik, a new campaign was designed. It requested that the Australian Government provide skills training and funds to help equip the Cambodian judicial system to deal with the problem of trafficking, and ensure those responsible are properly prosecuted and convicted.

Between the members of Gateway Baptist and supporters of Baptist World Aid, thousands of postcards were sent to the Minister for Foreign Affairs. In response, the Australian Government made a commitment to fund a multimillion dollar program to build the capacity of not just the Cambodian judiciary, but of judiciaries throughout South East Asia[1].

[1]At the time of printing, exact details were not yet disclosed.

COMMUNITY ENGAGEMENT

Overseas Programs Report

This year, growth has been a significant feature of Baptist World Aid Australia's overseas program with an increase in funding from the previous financial year. As we focus on that growth and the significant achievement associated with it, we also consider another important element to growth: growth through learning.

In the complexity of the aid and development environment, Baptist World Aid is strongly committed to learning as we go. As we work towards our vision of a world where poverty has ended, we look at the root causes of poverty, the context in which poverty seems to be more prominent and carefully consider how changes in behaviour and community occur.

In the last year we have implemented our tactical growth strategy in the regions of Africa, South Asia and the Pacific. One example is the increased investment in Kenya in response to the Horn of Africa famine. Not only have we responded through relief programs on the Kenya-Somalia border, we have also begun to support longer-term programs that will build resilience and greater resistance to future shocks and droughts.

THE PROCESS OF REACCREDITATION WITH AUSAID PROVIDED MANY OPPORTUNITIES TO REVIEW OUR APPROACH, POLICIES, PROGRAMS, SYSTEMS AND PROCEDURES AND BUILD OUR CAPACITY TO GROW IN THE FUTURE.

Reaccreditation with AusAID

One significant achievement noted earlier in this Annual Report is our successful reaccreditation with AusAID. This process has enabled Baptist World Aid to extensively review our approach, policy, programs, systems and procedures. As a result Baptist World Aid has significantly increased our capacity to manage the growth expected in our programming in the coming years.

Project Evaluations

In the last financial year Baptist World Aid has invested time developing our knowledge and building stronger policies around issues that cut across all development activities. One exciting example is properly considering people living with a disability within our programs.

Over the last five years, our partner Protibondhi Community Centre in Bangladesh has produced some impressive outcomes in their disability work in community mobilisation, capacity building and leadership development in self-help groups. In a recent evaluation it was noted that their program has raised awareness on disability issues, including understanding of rights amongst persons with disabilities, families and other stakeholders in the community. We have seen improved mobility and daily living skills in persons with disabilities; access to education for children with disabilities; and access to livelihoods for persons with disabilities and their families. This is a tremendous result for many people living with a disability in the Mymensingh region and we celebrate families becoming independent self advocates, capable of addressing their problems and enjoying inclusion in their communities.

Another cross-cutting issue is making sure that programming reaches the most vulnerable within target communities. In a recent evaluation of our partner Bangladesh Association for Sustainable Development, it was observed that their efforts to "help underprivileged people establish human dignity so that they can live in a more just society, free from oppression" are meeting many of the expected outcomes. It was especially noted that women had some of the greatest gains, particularly in the area of improved recognition of their status and role in society. They have become more active members of the community, taking leadership roles, contributing towards food security and family income, and being active in asserting their rights and expressing their concerns about child marriage, dowry, child labour and domestic violence. However it was also noted that the staff needed to develop more specific skills to deepen the impact on the most vulnerable women in those communities, being women in the sex industry. Baptist World Aid will target some key capacity building objectives to strengthen our partner's work in this regard so that the gains already achieved can be extended in the next phase of the project.

Rights-based Approach

Baptist World Aid has been increasing our learning around the central tenets of a rights-based approach to community development, particularly in the areas of empowerment, sustainability and participation. Across our program we have focused heavily on how we ensure communities targeted are fully involved in all aspects of their development. That means from the design of the project, planning of activities, monitoring and evaluation, through to phase out of the project, the communities are given every opportunity to participate and guide their development. One of the greatest ways to restore dignity and build confidence is the opportunity to choose and participate in overcoming that which oppresses. The reports on our specific programming areas that follow show how participation is a central feature of everything we do.

	Partners	Child Centred Community Development (CCCD) Projects*	Child Partners (at 30 June)	CCCD Expenditure	Community Development (CD) Projects	CD Expenditure	Disaster Management (DM) Projects	DM Expenditure
				$'000		$'000		$'000
Pacific								
Papua New Guinea	1				7	$962		
Solomon Islands	1				1	$121		
Vanuatu	2				2	$360		
South-East Asia								
Burma	1						1	$26
Cambodia	6	2	500	$131	5	$371		
Indonesia	1				1	$115		
Malaysia	1	1	-	$16	1	$17		
Philippines	2	1	3,816	$1,158	1	$53		
Thailand	3				3	$29		
Timor Leste	1				1	$65		
West Papua	1				1	$22		
South Asia								
Bangladesh	9	4	1,445	$536	11	$1,056	1	$6
India	4	1	-	$14	3	$162		
Nepal	3	2	399	$223	9	$884	1	$15
Sri Lanka	1	1	205	$61	1	$245	2	$30
Africa								
Kenya	2				1	$103	3	$297
Malawi	1	1	425	$166				
Uganda	2	1	2,198	$657				
Zambia	2	2	313	$273				
Other								
Cross-regional activity		2		$216				
Donor Driven Projects					1	$159		
Total	**44**	**18**	**9,301**	**$3,452**	**49**	**$4,723**	**8**	**$373**

Expenditure in this table consists of funds to international programs and program support costs as presented in the Income Statement on page 39. *Includes our Vulnerable Children Fund Projects.

Community Development

Baptist World Aid Australia's community development program works with local indigenous partners supporting communities to make positive, lasting changes for the future. Our approach is one of integrated community development, recognising that poverty and oppression are influenced by a wide range of factors and that community development responses must be multidimensional. This approach also recognises that people are complex beings with multiple concurrent needs and that they are individuals who live within families, communities and societies that all impact on their wellbeing.

Our community development program also recognises that there are issues that cut across all projects, no matter their individual focus. We continue to work with our partners to ensure these issues – such as child protection, gender relationships and the empowerment of women, inclusion and access for those living with a disability, consideration of environmental impacts of project work, and the rights of those living with HIV and AIDS – are also addressed through our partners' work.

ACROSS ALL REGIONS WE HAVE SOUGHT TO BROADEN OUR WORK THROUGH SOME KEY TACTICAL EXPANSIONS WITHIN CERTAIN CORE COUNTRIES

Across all regions we have sought to broaden our work through key tactical expansions within certain core countries, namely Cambodia, Bangladesh, Nepal and Kenya. Some new partners, plus the expansion of ongoing partners' work to neighbouring areas, will open up new opportunities in communities experiencing extensive poverty.

We are also concentrating more resources into the issue of human trafficking. We are now investing in three partnerships with quite different approaches to the issue. These approaches cover the full spectrum of responses from prevention, through to caring for those who have been caught up in this 'trade'. One of our new partners in India, Emmanuel Hospitals Association, has begun a three year project targeting children, who are most vulnerable to trafficking.

In the last year Baptist World Aid conducted evaluations with three of our partners in Bangladesh. These evaluations were carried out by independent consultants and were designed to recognise and celebrate the achievements of our partners' projects over recent years and to provide insight which will inform planning for the next phase of their work. In one case, the evaluation then led to Baptist World Aid supporting a new strategic planning process to help the partner revise and clarify their organisational values and to cast their vision for their future.

The Pacific

This year in the Pacific, Vanuatu programs have seen the end of the first phase of funding through the AusAID-sponsored Church Partnerships Program (CPP). Our partner, the Churches of Christ Conference in Vanuatu (CCCV), received good feedback from an AusAID evaluation of the program, which subsequently recommended another three to five year phase for the CPP. In this first phase, our partnership with the CCCV has focused on building the capacity of the leaders to run development programs in preparation for further engagement with communities. This year they began implementing specific community development projects, focusing on improving health and livelihoods for families.

The Baptist Union of Papua New Guinea (BUPNG) Education Department has been involved in some significant activities this year, including setting up classrooms as special learning environments for students with disabilities. This is a first for PNG and is an exciting development. School Management Committees in the Baiyer River area have become forums for dealing with both school and community issues, helping to strengthen the peace in the communities as people put more value on education and therefore don't want to see schools affected by conflict.

Project: Vanuatu Churches of Christ Partnership-Vanuatu Church Partnership Program

Partner: Churches of Christ Conference in Vanuatu

Project year: 3 of 3, Phase I.

Overall project goals:

- Institutional strengthening of churches and the Church of Christ Conference.
- Building the capacity of community leaders to mobilise their communities to resolve social issues.

Main activities for 2011/12:

- Leadership and governance training for boards, church councils and staff.
- Youth Leadership training.
- Training on environmental issues; youth urban drift; family planning; health and sanitation; gender and reproductive health; and disaster risk reduction.
- Small-scale projects in community hygiene and income generation.

Key outcomes:

- Knowledge and skills in the principles of good governance, financial management and leadership have improved.
- Youth leadership training equipped and empowered young people who will be the leaders of tomorrow.
- HIV training equipped women to discuss HIV openly with teenagers.

Impact:

"...the program is already having an impact on teaching methods, children's health, office management and accountability, and rural livelihoods" (AusAID Review 2012).

South-East Asia

In South-East Asia we began supporting a new project through our partner FH Cambodia in north-west Cambodia. They work with rural communities in a poor and transient area of the country, which was the final stronghold of the Khmer Rouge. The project we are supporting focuses on community-led development programs and building local leadership to catalyse change in areas of health and sanitation, agriculture, savings and child development.

Africa

In Africa we began a new partnership with Ukamba Christian Community Services in Kenya, who are seeking to combat food insecurity in communities affected by the recent drought. The project aims to build the knowledge of drought-resistant farming methods and resilience towards future famines and food shortages.

South Asia

In South Asia a lot of focus has been on the environment and the impacts of disasters. Bangladesh has seen an increased level of flooding over the last year and has also shivered through one of its coldest winters ever. In response, our partners in Bangladesh have all been involved in CEDRA training (Climate change and Environmental Degradation Risk and Adaptation Assessment), out of which they will develop action plans for their future work with target communities.

Project: Raptipari Community Health & Development Project

Partner: International Nepal Fellowship

Project year: 1 of 3, Phase II

Overall project goal:

To empower the target communities to take collective action to transform their own society.

Main activities for 2011/12:

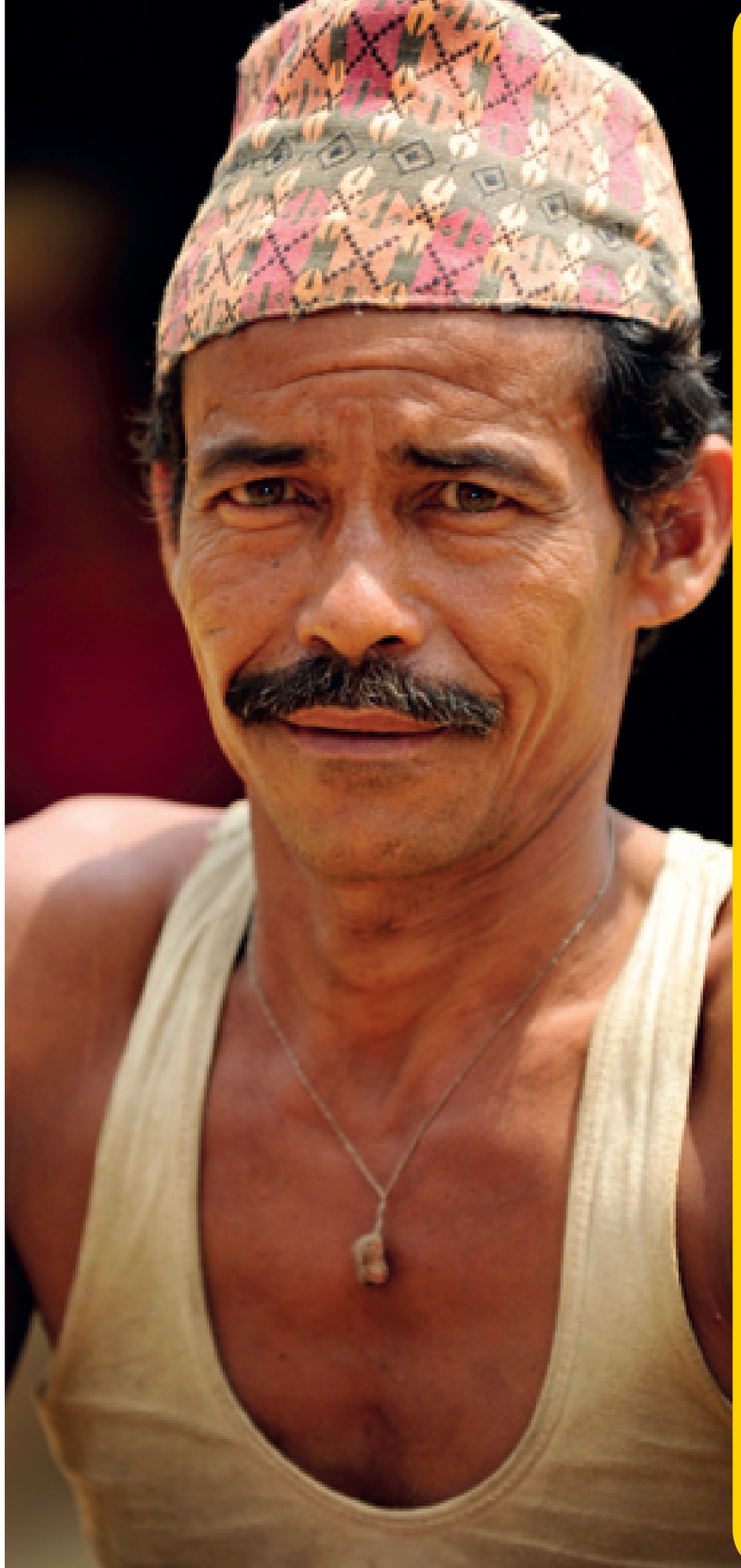
- Formation and facilitation of Self Help Groups. (Currently 41 groups representing 1,213 households.)
- Business creation and skills development training.
- Health education and women's literacy classes.
- Disaster awareness including climate change.
- Coordination with local Village Development Committees.
- Capacity building through supporting local grassroots organisations.

Key outcomes:

- The capacity of community members to develop community projects without donor funds has been strengthened.
- A local organisation, formed by former INF Self Help Groups, demonstrated their ability to work independently with a six month grant.

Impact:

Sursota joined an INF Self Help Group to help her family financially. With a loan from the group's savings she started raising animals and leasing some land to farm. Sursota says, "INF opened our eyes and helped to change our life."



Water – the foundation for life

Mani lives with his family in a remote community in Nepal. They had no access to clean water, so they had no choice but to source all their water from an unclean stream.

Mani and his family were often sick, missing precious days of work and school. One year, the whole community caught cholera from contaminated water and 13 people died.

Working with Baptist World Aid Australia's partner International Nepal Fellowship (INF), Mani learned that it was the water making his family ill. Along with the INF facilitator, he slowly convinced his community to help install a water pump. "Now I have seen that my family members are not getting sick and I am saving my money, I can use my money for my kids," he said.

INF also trained the group in good hygiene practices. Mani carefully saved his money and invested 4000 Rupees (AUD$50) in constructing a latrine for his family and as he encourages them about good hygiene, their health has continued to improve.

One of the most exciting things for Mani is that the rest of his village are starting to notice his success. As he has worked closely with the INF staff and taken up their advice, others in his village have started to follow his example.

INF continues to work closely with Mani's community, training them to increase their incomes and address the problems they see in their community.

Child Centred Community Development

Child Centred Community Development (CCCD) is an approach that places positive and sustainable impact on children at the centre of community development activities. Child participation is key to all stages of the project cycle and intended positive impact on child wellbeing informs all decision-making.

In 2011/12 the CCCD program continued to expand and saw considerable achievements across eleven implementing partners in Africa, South and South East Asia. In the last year, one new partner in South Asia conducted child rights mapping assessments in new communities and three partners also in that region worked in partnership with Baptist World Aid Australia to finalise their design documents. Our long-term CCCD partners have continued to successfully implement their projects, with three partners selecting their first Child Partners to represent their community.

A 'learning for improvement' approach is central to the CCCD program and in the last year the program has prioritised on-going development of our specialised IT system that assists with management of the Child Partner data; strengthened our monitoring, evaluation and learning processes; and implemented the 'Child Centred Community Development Learning Project'.

This 'Learning Project' was funded through AusAID Innovations funding and its focus was facilitating exposure visits between implementing partners. The visits allowed CCCD partners to be emerged for a short time in the day-to-day operation of a CCCD project in another country. Visiting other projects provided an excellent opportunity for partners to explore the skills and understanding built through the on-going implementation of all our CCCD projects.

THE 'LEARNING PROJECT' FACILITATED EXPOSURE VISITS BETWEEN CCCD IMPLEMENTING PARTNERS, TO SHARE KNOWLEDGE AND LEARN FROM ONE ANOTHER.

Community Approach

Baptist World Aid's implementing partners use a community approach, and are working through local structures to build existing civil society capacity. The benefits of a community approach include increasing community self-reliance (such as savings groups, income generation training, credit access, etc), increasing alignment with local and national government policies, and increasing sustainability through establishing or strengthening relationships and partnerships with local institutions and local government.

Our implementing partner SAO Philippines has a strong relationship with the local government in the communities where they are working, through the establishment of 'Multi-Sectoral Duty Bearers Committees'. These committees bring together representatives from government and non-government organisations working in the area to collaborate and improve opportunities for children. Through the work of these committees, gaps are identified and SAO Philippines responds to these by designing and implementing appropriate project activities.

Child Participation

Participation is about children having the opportunity to express their views, influence decision-making and achieve change. Baptist World Aid's focus on child participation is grounded on Article 12 of the United Nations Convention on the Rights of the Child. Article 12 outlines how children, who have the capacity to form their own views, should be able to express their views freely in all matters that affect them, taking into consideration the age and maturity of the child.

In Nepal our partner, United Mission to Nepal, works through a local organisation called Prayas Nepal. The project works with communities scattered across difficult to reach terrains and project activities take place at schools as they are generally in a central location. An important activity is the facilitation of children's clubs, formed to bring together groups of children to identify and work on issues that are relevant and important to them. The goal for the clubs is that they are, to varying degrees, managed by the children themselves, with adults acting as facilitators when needed. This approach is aligned with and supported by recently introduced government policies that encourage school attendance and child club formation.

In Malawi our partner is the Church and Society Program (CSP). In partnership with the community CSP has worked to establish Child Protection Committees. In each community

Project: Five Steps of Hope

Partner: FH Cambodia

Project year: 2 of 3, Phase I

Overall project goals:

Empower community leaders and volunteers to pursue the holistic wellbeing of their communities.

Main activities for 2011/12:

- Agricultural training for the Village Development Committee and volunteers including animal raising and rice system intensification.
- Child Clubs met regularly to learn, play and socialise.
- Children's Forum held focusing on children's issues and expressing their ideas about development of the villages.

Outcomes:

- Adults recognised the contribution of children during the Forum and asked that it be repeated every year. A child representative was invited to contribute in the next village development plan.
- Greater value on education and more children are attending school.
- Communities are working to incorporate new agriculture techniques across the village development plan.

Impact:

Pisal was injured by a landmine following the war, and was considered not able to work and support his family. After training from FH in agricultural methods, he and his family have increased their income by cultivating vegetables, fruit and herbs. They provide dietary nutrients and an additional source of income.

these committees are made up of ten members including children, a teacher, a church leader and community representatives. The role of the committee is to advocate for children's rights in the community; to encourage children to participate in project activities; and to report and respond to issues raised by children in the community. These committees were formed to address child protection issues and are particularly active in discouraging child labour. The committees were trained by CSP in human rights and different kinds of violations against children. Prior to the establishment of these committees, there were high incidents of child rights violations in the village but nowhere for people to report them. Now that the committee is functioning and active there is a mechanism for open discussion and intervention.

Child Participation in Monitoring

Child participation in project monitoring is essential because the CCCD program places children at the centre of all development activities. Baptist World Aid encourages implementing partners to develop simple techniques and practical tools to engage children in the monitoring process.

In Bangladesh our partner, PARI Development Trust, has mainstreamed the use of the Happy/Sad monitoring tool in hygiene monitoring. The project is working with Child Clubs (children aged 5-12 years) to target child survival issues related to hygiene knowledge and practice. During meetings the children come together to inspect the homes of other club members. They then document the progress of the family in improving hygiene by using a tool with three faces displaying the emotions of happy, sad and neutral. PARI field staff and community volunteers then discuss with the children what can be done to help the family change their health practices.

Holistic Renewal

SAO Philippines, Baptist World Aid Australia's partner, have worked closely with Roslyn's community for several years. They established a Community Based Organisation (CBO) made up of members of the community to implement the initiatives of the project and equip the community to take responsibility for their development.

One of the most influential programs has been a series of family workshops including effective parenting workshops, marriage enrichment courses and money management courses.

For many years Roslyn's father had an alcohol problem, which had many negative effects on his wife and two children. After attending the family workshops, he saw the impact of his alcoholism, and resolved to give up drinking and work on fulfilling his responsibilities as a father and a husband. This has completely changed Roslyn's home life and she says that now her family is closer and much happier.

Many other programs have also made a difference, including training in income generating projects 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. The exciting thing about this project is that it is not only producing economic outcomes for families but also helping them to build an environment that nurtures their children in every aspect of their lives. In 2011 they even won an award for being the most child-friendly community in the region.

Disaster Management

Disasters occur when a hazard overcomes a community's capacity to cope, taking lives, destroying property and disrupting livelihoods. Naturally, disasters are far more common among vulnerable populations where the technologies and capabilities are limited.

Extreme natural events, however, do not necessarily lead to disasters. Baptist World Aid Australia recognises the importance of building vulnerable communities' capacities in disaster preparedness, mitigation and climate change adaption to minimise the potential impact of disasters. This is especially important as we currently work in six of the top ten most at-risk countries of the world according to the World Risk Index.

Disaster Response

In the last financial year Baptist World Aid worked in Bangladesh, Kenya, Myanmar, Nepal and Sri Lanka with seven implementing partners to deliver ten projects providing emergency relief, training in disaster risk reduction and increasing community capacity in disaster management.

The most significant disaster we responded to was the Horn of Africa famine, which was taking the lives of hundreds of children and adults each day. This famine was one of the worst seen in decades and tragically was not only a result of a severe drought but also the lack of global action to address the nutritional crisis in its early stages. Baptist World Aid is seeking to learn from this situation and reflect this in our programs.

In our new partnership with Ukamba Christian Community Services (UCCS) we not only provided life-sustaining provisions, but have also begun to address some of the issues of living in an arid region. This project has constructed four sand dams, established a tree nursery with drought resistant seedlings, promoted dry land farming methods through demonstration plots for drought tolerant crops, developed irrigation systems and provided training on soil and water conservation.

Baptist World Aid also responded to floods which devastated the Vavuniya District of Sri Lanka. Torrential rains and flooding affected over 4400 people, the majority of whom were internally displaced people already living in temporary shelters. Our partner, LEADS, provided emergency relief supplies to 1031 families, many living in the Kathikamam refugee camp which was damaged badly.

In Myanmar (Burma) we responded to 2800 people displaced by fighting between government forces and the Kachin Independence Organisation. The project provided essential food items plus sanitation and hygiene kits. Training in income generating activities such as weaving and other marketable crafts was also undertaken.

Other projects included the provision of shelters for families in Netrakona District in Bangladesh after fires devastated the community and our ongoing response work in the Mentawai Islands after earthquake and tsunami damage in 2010. Our partner CFK is implementing a Recovery and Rehabilitation phase which is focusing on health education and health volunteer mobilisation.

Disaster Risk Reduction

Research shows that every dollar spent on disaster preparedness saves between five and ten dollars in economic losses. Baptist World Aid is working hard to invest in more disaster risk reduction activities in many of the regions where our partners work.

In Nepal and Bangladesh, our partners are working with communities most at-risk to extreme natural events. This work ensures lives will be saved in the future and communities will be equipped to plan and respond to potential impacts and protect life and property in future events.

[1] World Risk Index 2011, viewed at http://www.ehs.unu.edu/file/get/9018

[2] A Needless Toll of Natural Disasters, Op-Ed, Boston Globe, 23 March 2006 - by Eric Schwartz (UN Secretary General's Deputy Special Envoy for Tsunami Recovery)

Project: Famine Response

Partner: Ukamba Christian Community Services

Overall project goal: To minimise suffering for drought affected households in four target areas and prepare them for the next rainy season.

Main activities for 2011/12:

- Monthly food distribution during the period of shortfall to 1675 families.
- Community construction of seven sand dams to store rainwater for irrigation.
- Training in water conserving farming techniques including terracing and zai pits.
- Installation of water tanks at schools to harvest rainwater and reduce the time children spend collecting water.
- Planting of over 33,000 trees to conserve the local environment.

Key outcomes:

- The dams are now complete and after a poor long rains season, the communities are using the retained water for domestic uses, livestock and small scale irrigation systems.
- Many families have begun growing vegetables for household consumption now that more water is available.
- Water conservation techniques have allowed farmers to maintain their crops despite the poor rains.

Better than a cure

For Hari and his village, the Chisang River is a contradiction. It is essential to their town, but also one of the village's greatest threats, with flood waters causing damage to homes and crops during the monsoon.

Working with Baptist World Aid Australia's partner, United Mission to Nepal (UMN), Hari and his community conducted an assessment of disaster risks in their area.

UMN encouraged the community that their collective voice could be a very powerful tool in addressing the issues of the river. They came up with a plan to build a gabion embankment to contain monsoonal floods and then approached a local entrepreneur, who also uses the river, with their proposal.

The owner agreed to contribute to the project and provided 40 gabion wire nets. Inspired by their success, the team also sought funding from other sources including the local government to complete their project.

The success in Hari's community has been echoed in other communities in the region. With further flood water infrastructure, construction of ponds to combat fires, and installation of water filters to provide safe water all year round, communities in Nepal are identifying risks and combating them before they become a disaster.

Thank you to all our partners

Africa

Egypt
Stephen's Children
Think And Do
Kenya
Anglican Board of Mission
Caritas Australia
Ukamba Christian Community Services
Malawi
Church and Society Program
CCAP Synod of Livingstonia
Uganda
Share an Opportunity Uganda
TraumAid International Ltd
Zambia
SAO Zambia
Reformed Church in Zambia - Diaconia Department

South Asia

Bangladesh
ABMS Bangladesh (Australian Baptist Missionary Society)
ABWAID/SAO
Bangladesh Association for Sustainable Development
Bangladesh Baptist Fellowship
Love for Distressed People Bangladesh
PARI Development Trust
Protibondhi Community Centre
Sathi
SUPOTH
Symbiosis
India
Baptist Churches of Mizoram
Emmanuel Hospital Association
Freeset
International Justice Mission
Nepal
International Nepal Fellowship
Multipurpose Community Development Services
United Mission to Nepal
Sri Lanka
Lanka Evangelical Alliance Development Service

South-East Asia

Burma
Asian Baptist Federation
Cambodia
Chab Dai Coalition
FH Cambodia
National Centre for Disabled Persons
Peace Bridges Organisation
Wholistic Development Organisation
Youth With A Mission Cambodia
Indonesia
Cipta Fondasi Kommunitas
Malaysia
Alliance of Chin Refugees
Philippines
Share An Opportunity (SAO)
Alliance for Christian Development Agencies
Thailand
Candlelight
Chiang Rai Christian Service Centre
Karen Baptist Convention
Timor Lorosa'e
Fundacao Lafaek Diak

Pacific

Papua New Guinea
Baptist Union of PNG
Solomon Islands
South Seas Evangelical Church
Vanuatu
Vanuatu Churches of Christ Conference
Vanuatu Christian Council
West Papua
Anugera Foundation

2011/12 Financial Summary

As at 30th June 2012, our total income was $13.8 million; $1.25 million more than the same period last year. The 10% improvement in total income was the result of a number of positive outcomes.

Firstly, a conscious and concerted effort to engage our church leaders and supporters saw an extraordinary growth in our child sponsorships, from an annual average of 240 new sponsored children in the last three years, to a total of 1,103 this year, an increase of 360%. Secondly, income from our End of Financial Year Appeal has grown remarkably well, increasing by 32% to $1.76 million. Thirdly, the Horn of Africa Appeal raised more than $1.2 million. Lastly, funding from AusAID increased by 16.6% to $3.6 million. These positive outcomes contributed to a healthy surplus of $330,000. AusAID's guidelines deemed it necessary to defer $770,000 expenditure to the following year, giving an extraordinary year-end surplus of $1.1 million, essentially an accounting treatment of a timing issue.

A CONSCIOUS AND CONCERTED EFFORT TO ENGAGE OUR CHURCH LEADERS AND SUPPORTERS SAW AN EXTRAORDINARY GROWTH IN OUR CHILD SPONSORSHIP PROGRAM AND A 10% INCREASE IN TOTAL INCOME ON THE PREVIOUS YEAR.

Total operating expenditure was $12.7 million, which was below budget as a result of a number of positive initiatives. We introduced a more disciplined approach in controlling costs, including the adoption of a project management methodology in planning and implementing large-scale organisational improvement projects. A revamped volunteer program provided a new approach to recruitment, resulting in our ability to attract more volunteers, which in turn enabled us to limit our reliance on new salaried personnel. Another contributing factor in cost-savings was the tightening of our procurement policy and practices, and negotiating competitive rates for commercial contracts. We also instituted prudent foreign currency exchange policies that resulted in favourable exchange gains.

Investments in the training and development of our people, as well as in our organisational systems and processes have improved our overall efficiency and effectiveness on several fronts including: innovative community development programs as a result of the application of new knowledge, enhanced customer service through the continuous development of our CRM databases, and improved accountability in our financial and risk management systems.

We finished the year with a much stronger financial position than last year. The excellent financial results will enable us to continue building a strong foundation for growth in our overseas community development programs, which in turn empower many people to lift themselves out of the cycle of poverty. This is only made possible due to the faithfulness of our loyal supporters, the dedication of our hard-working Board, staff and volunteers, and the gracious providence of our compassionate God, which has sustained the organisation over the past 52 years.

PETER LEAU
DIRECTOR OF BUSINESS

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 2012, 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 2012. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Grant Thornton Audit Pty Ltd
ACN 130 913 594

Level 17, 383 Kent Street
Sydney NSW 2000
Locked Bag Q800
QVB Post Office
Sydney NSW 1230

T +61 2 8297 2400
F +61 2 9299 4445
E info.nsw@au.gt.com
W www.grantthornton.com.au

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 2012. Our audit report on the financial report for the year was signed on 19 October 2012 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 2012 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

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A G Rigele
Partner – Audit & Assurance

Sydney, 19 October 2012

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Balance Sheet

FOR THE YEAR ENDED 30 JUNE 2012

	2012 $'000	2011 $'000
ASSETS		
Current assets		
Cash and cash equivalents	3,686	3,426
Trade and other receivables	35	29
Investments	211	214
Other financial assets	1,086	156
	5,018	3,825
Non Current Assets		
Property, plant and equipment	1,225	1,125
Investment Properties	810	817
Intangibles	389	306
Other non-current assets	91	91
	2,515	2,339
Total Assets	**7,533**	**6,164**
LIABILITIES		
Current liabilities		
Trade and other payables	195	124
Tax liabilities	41	13
Borrowings	3	3
Provisions	240	168
Other	274	178
	753	486
Long-term Liabilities		
Provisions	76	67
	76	67
Total Liabilities	**829**	**553**
NET ASSETS	**6,704**	**5,611**
EQUITY		
Retained earnings		
General funds	595	38
Designated funds	254	148
Restricted funds	1,931	1,501
	2,780	1,687
Reserves	3,924	3,924
TOTAL EQUITY	**6,704**	**5,611**

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

Income Statement

FOR THE YEAR ENDED 30 JUNE 2012

	2012 $'000	2011 $'000
REVENUE		
Donations and gifts		
• Monetary	9,746	8,904
• Non-monetary	-	133
	9,746	9,037
Bequests and legacies	417	420
Grants		
• AusAID		
Grants	3,481	2,888
Interest on grants	27	33
	3,508	2,921
• Other Australian	-	-
• Other overseas	-	-
	3,508	2,921
Investment income	128	133
Other income	31	41
TOTAL REVENUE	**13,830**	**12,552**
EXPENDITURE		
International Aid and Development Programs Expenditure		
International programs		
• Funds to international programs	7,622	7,507
• Program support costs	926	996
Community Education	765	655
Fundraising costs		
• Public	1,087	920
• Government and multilaterals	17	-
Accountability and administration	2,227	1,918
Total International Aid and Development Programs Expenditure	12,644	11,996
Domestic programs expenditure	81	128
TOTAL EXPENDITURE	**12,725**	**12,124**
EXCESS OF REVENUE OVER EXPENDITURE	**1,105**	**428**
Funds and reserves held at the beginning of the financial year	5,611	5,098
Transfers direct to/(from) reserves	(12)	85
BALANCE HELD AT END OF FINANCIAL YEAR	**6,704**	**5,611**

NOTE

Non-monetary gifts received in the prior 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 8 of this Annual Report. No revenue or expenditure was received/spent for international political or religious proselytisation programs.

Table of Cash Movements for Designated Purposes

FOR THE YEAR ENDED 30 JUNE 2012

	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 *				
Child Sponsorship	1,198	4,996	5,066	1,128
Vanuatu Church Partnership AusAID Funds	35	390	352	73
Horn of Africa "dollar for dollar" matching grant appeal	-	1,190	1,034	156
Other restricted funds	275	87	175	187
Vehicle purchase fund	28	3	16	15
	1,536	6,666	6,643	1,559
Designated Funds				
Designated and emergency/relief funds	148	1,298	1,192	254
General Funds				
Total for other non-designated purposes	1,742	5,866	5,735	1,873
	3,426	13,830	13,570	3,686

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 and Expenditure Statement, Balance Sheet, Table of Cash Movements, Statement of Changes in Equity and Notes to the Financial Statements:

1. Presents a true and fair view of the financial position of the Australian Baptist World Aid Incorporated as at 30 June 2012 and its performance for the year ended on that date.

2. 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.

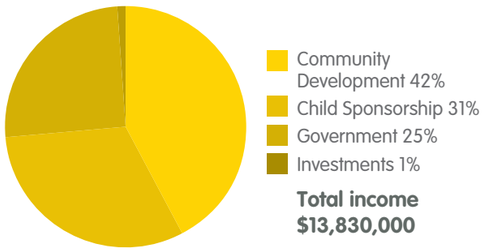
This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:

Mick Turnbull
Chair

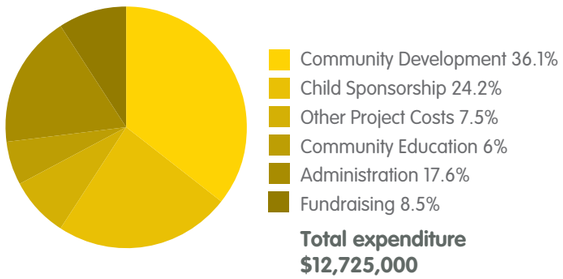
Dated this 19th day of October 2012

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

Sources of Income FY2011/12*

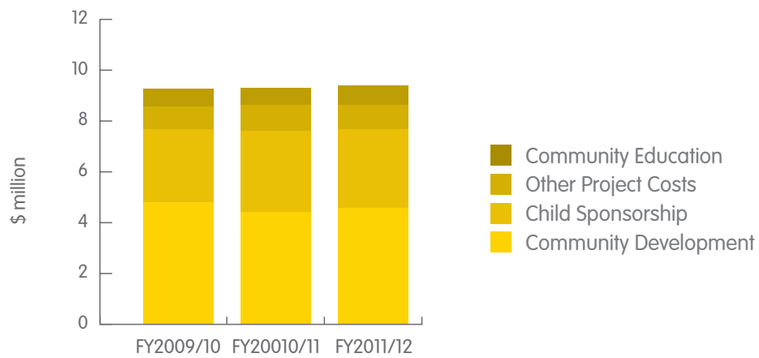


Use of Funds FY2011/12*

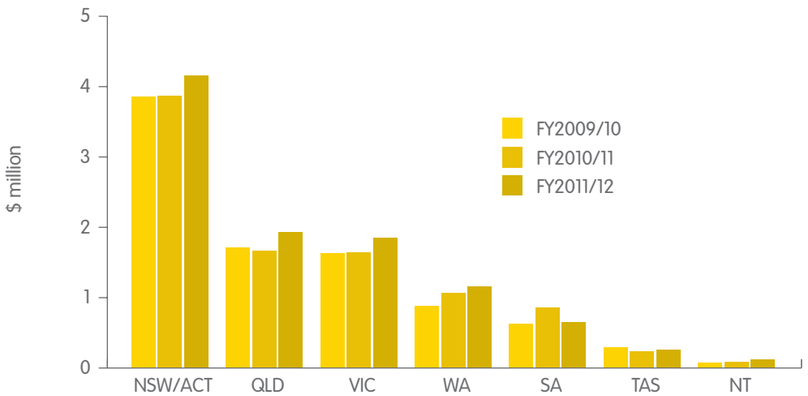


*These graphs are derived from figures in the Income Statement.

Program and Community Education Expenditure



Sources of Income by State



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.

We are the aid and development agency for Australian Baptist Ministries (previously the Baptist Union of Australia) and we operate as an independent association with our own Board.

We want to thank all our supporters, Baptist churches across Australia, our partners overseas and the many others we have worked alongside this year. In particular, we would like to acknowledge a number of foundations which support us financially including: Queensland Baptist Gift Foundation

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

Baptist World Aid 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 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, please write to the Supporter 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 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.

BAPTIST WORLD AID AUSTRALIA
Be love. End poverty.

Baptist World Aid Australia Locked Bag 122 Frenchs Forest NSW 2086 Australia
Phone: 1300 789 991 **International:** +61 2 9451 1199 **Fax:** +61 2 9452 4720
hello@baptistworldaid.org.au Australian Baptist World Aid Inc. ABN 63 430 709 718
ARBN 092 125 203 (incorporated in NSW with limited liability of its members)

www.baptistworldaid.org.au