

ANDIAL ANDIAL BANDAR BANDAR BANDED 30 JUNE 2020

Our Vision

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

Our Mission

Building partnerships to generate lasting solutions to global poverty.

Our Values

We are **Called** We are **Caring** We are **Together** We are **Innovative** We are **Dedicated**



CONTENTS

- 3 : Message from CEO and Chair of the Board
- 5 : About Transform Aid International
- 6 : Our Governance

- 7 : Advocacy
- 8 : International Programs
- 22: FY2020 Financial Summary
- 24 : FY2020 Financials
- 33 : Legal and Regulatory

Message from CEO and Chair of the Board



John Hickey CHIEF EXECUTIVE OFFICER



Tara Reid CHAIR OF THE BOARD

On behalf of The Board, Executive, staff, and volunteers, it is our privilege to present the FY2020 Annual Report for Transform Aid International Ltd.

Through our mission, churches and supporters generously give to bring transformation to the lives of people, supporting work to take families beyond a life of poverty and vulnerability. We engage with this work from a country which enjoys enormous privilege, wealth, high standards of education, health care, and other public services. And yet, in the past year, we as Australians have experienced our own collective vulnerability: firstly, with the catastrophic bushfires which raged across extensive parts of the nation, and secondly, with the threat of the COVID-19 global pandemic.

2020 may well constitute the most challenging year of our lifetimes. With substantial economic and social impact ikely to continue for a number of years, in Australia and beyond.

Accordingly, the process of adaptation Transform Aid International has had to undertake was necessarily rapid, caring, and multifaceted. We are thankful that our global partners, our local constituencies, and our staff have collaborated magnificently to enable us to meet the challenges of this pandemic as effectively as possible.

Like most other organisations across almost every sector, Transform Aid International shifted into crisis management earlier this year. Some of our key actions included:

Working from home. Thanks to the quality and adaptability of our systems, and the cooperation of our staff, we were able to rapidly shift to remote work with minimal fuss in mid-March.

Humanitarian shift. When COVID-19 hit, we transitioned our international program to humanitarian mode — education, relief, recovery, and preparedness. Our standard community development model would be impossible to sustain given the current context and restrictions on community gathering.

Partner collaboration. We worked with all our partners on the ground globally, to consider their organisational survival and staff safety. We helped determine feasible and creative methods to support communities and refugee groups with public health education, food security, and other health support. Our aim was to ensure that we were all 'on the same page' in order to slow the spread of COVID-19 as much as possible, as well as identify and support those made most vulnerable by lockdown and loss of income.

Leadership. Transform Aid International plays a key role in the leadership of the global Baptist movement, building the standard of aid and development in concert with fellow denominational agencies. Working closely with the General Secretary of the Baptist World Alliance (BWA) and through the With our tremendous supporters, our wonderful partners and alliances in Australia and across the world, talented staff, and committed governance, we believe we are operating in this period of challenge with strength.

BWA Forum for Aid and Development, we helped to form a global COVID-19 taskforce. This taskforce provides funding, expertise, and training tools for local churches, and has now led to the facilitation of Baptist COVID-19 relief projects across Latin America, Africa, Asia/Pacific, and Europe/ Middle East.

Advocacy. Our ethical research looks a little different this year, with the October 2020 publication of a special edition COVID Fashion Report. This builds on and follows our COVID Fashion Commitments campaign to encourage Australian and international fashion companies to sustain their care for vulnerable workers in the global supply chain throughout this pandemic. Transform Aid International has also worked closely with Micah Australia and the Australian Council for International Development, seeking to encourage public engagement in the End Covid For All campaign and to encourage the Australian government to sustain its foreign aid support during the pandemic.

Supporter care. Transform Aid International has sought to walk alongside our constituency in Australia as everyone grapples with the impact of COVID-19 on our daily lives. We've endeavoured to give particular support to church leaders made vulnerable to the closure of their churches, as well as our elderly and vulnerable supporters.

And our amazing supporters and churches have answered the challenges of 2020 with a generous and passionate response. In the period to 30 June, almost \$1 million was raised by our firstphase COVID-19 Global Emergency Appeal and the Stand Together church campaign. \$2.4 million was given to our annual Matching Grant Appeal, making it the most successful one ever. This incredible generosity has enabled Transform Aid International to achieve a revenue of \$19.7 million in FY2020, for which we feel blessed and grateful. It means we can continue our impact work with more capacity and confidence.

Over the course of the year, our Board and leadership group have worked together to consider how COVID-19 will affect our organisation's immediate future, as well as the vision we seek to fulfil: to see the transformation of millions of people out of poverty and into fullness of life. We've used this season to review our strengths and weaknesses and to redouble our efforts over the next year and beyond. With our tremendous supporters, our wonderful partners and alliances in Australia and across the world, talented staff. and committed governance, we believe we are operating in this period of challenge with strength, rather than fragility.

We are both optimistic and realistic. COVID-19 is virulent around the world. And though most mainstream media reports little of what is happening in the most vulnerable regions, we know the struggle is far greater than our experience of this pandemic in Australia. After almost thirty years of continued and significant progress in the reduction of global poverty, the trend is now regressing. Rapidly. Because of this global pandemic, it is estimated at least 50 million more people are living in extreme poverty — living on less than US\$1.90 per day. And more than 500 million people are now experiencing food insecurity.

We are deeply concerned by the economic and social impacts of the COVID-19 pandemic in Australia, too. We are yet to see how it will play out for churches and communities, or how it will affect their capacity to support the most vulnerable across the world. However, for now, Transform Aid International is making a difference in this most challenging of times — staying focussed on our collective calling to love and empower the world's most vulnerable. It is more vital now than ever.

In all of this, we give thanks. Firstly, to our God, who inspires and guides us. And then to our generous supporters and churches, international partners, alliance members, sectoral colleagues, corporate participants, and the Australian government, all of whom enable Transform Aid International to pursue a passionate and ambitious agenda for change. We are also very grateful for a visionary Board, talented and committed leadership, and dedicated staff, who collectively hold the responsibility of facilitating lasting transformation across the world.



About Transform Aid International Ltd Group

(including Baptist World Aid Australia Ltd)

We are a Christian agency and take a lead role in the Baptist movement, both in Australia and globally. While our faith motivates us, we seek to work with all faith and secular groups, for the success of this vital cause: eradicating poverty across the world.

Transform Aid International facilitates on the ground disaster response and community development; however we know that it takes more than strong project work to achieve change at every level. Sustainable transformation takes a collective and strategic effort made by parties from both the developed and the developing world — individuals, businesses, churches, organisations, communities, societies, governments, and communities.

That's why our work not only seeks to facilitate a path out of extreme poverty, it also seeks to influence the policies, practices, systems, and attitudes of those whose power impacts on people living in extreme poverty.

Our Governance

The Board of Transform Aid International is responsible for the governance of the organisation. Board Members serve for a standard period of six years. New Board Members are selected based on their skills, with consent for Board appointments received from Australian Baptist Ministries as Transform Aid International acts on its behalf. Service on the Board is voluntary. Further details are available on our website: www.transformaid.org/board

OUR BOARD



PHIL NEWMAN Chair of the Board; Chair of the Board Executive Committee; Chair of Nominations and Governance Committee; Member of Programs Performance Committee; Member of Finance and Risk Committee: Member of Stakeholder Engagement Committee.

Resigned from the Board in May 2020.



TARA REID Chair of the Board (appointed Feb 2020), Chair of the Board Executive Committee. Member of the following committees; Nominations and Governance, Programs Performance, Finance and Risk. Stakeholder Engagement.



ALLAN DEMOND Vice Chair of the Board (appointed Feb 2020), Chair of the Nominations and Governance Committee, Member of the Board Executive.



JOHN HICKEY Member of Board Executive Committee; Member of Nominations and Governance Committee; Member of **Programs Performance** Committee: Member of Finance and Risk Committee: Member of Stakeholder Engagement Committee



PAUL OATES Member of Board Executive Committee; Chair of Programs Performance Committee.

Resigned from the Board in May 2020.



TABITHA MATHEW Member of Board Executive Committee; Chair of Stakeholder Engagement Committee.



MICK TURNBULL Member of Finance and Risk Committee.



HEIDI TAK Member of Finance and Risk Committee.



MEREDITH DOWNEY Chair of the Programs Performance Committee. Member of the Board Executive



MICHELLE FARRALL Member of Stakeholder Engagement Committee.

Annual General Meeting The Annual General Meeting was held on 29 November 2019.

Thank you to Phil Newman,

Paul Oates and Peter Leau.

We are grateful for their

faithful service.



SUSAN CAMPBELL Member of Nominations and Governance Committee



NISHA GRAHAM Specialist Advisor to the Board.



PETER LEAU Company Secretary. Resigned from the Board in August 2020.



Advocacy

From ethical fashion to grassroots mobilisation...it's been another big year of advocacy at Transform Aid International



Peter Keegan DIRECTOR OF ADVOCACY

Ethical Fashion and COVID-19

Standing up for the rights of workers and the sustainability of the environment through ethical fashion supply chains continued to be a major focus of our advocacy in FY2020. Early in the year we reviewed and reaffirmed our commitment to the Ethical Fashion Report — deciding to shift its publication to October.

In March 2020, the impacts of COVID-19 on the global garment industry — and particularly on the workers in global supply chains became clear. In Bangladesh alone, more than a million garment workers lost their jobs within a month. Similarly, lockdown measures in Australia meant retail trade was significantly impacted and major fashion brands sent staff into furlough. The massive and immediate challenges meant our advocacy and research needed to adapt.

We launched the COVID Fashion Commitments in April 2020 and our research shifted to identifying the measures brands were taking to protect the most vulnerable workers in their supply chains. More than 400 brands are covered in this research and published in a special edition COVID Fashion Report and COVID Fashion Guide in October 2020.

Advocating for solidarity with vulnerable communities

We also sought to advocate for a strong and generous response of solidarity as our regional and global neighbours faced the impact of COVID-19. As the first wave spread across the world in March, we started daily news updates as well as occasional videos and longer articles to bring attention to the impact of the virus on refugees, children, women and vulnerable communities globally; we wrote to the Minister for International Development to advocate for a meaningful Australian aid response; and we were part of the Micah Australia-led coalition that developed the End COVID For All campaign.

Grassroots mobilisation and policy advocacy

Together with amazing Catalyst advocates, Baptist leaders, and our coalition partners, we were busy with both grassroots and policy advocacy before the COVID-19 crisis hit:

- We were in Canberra speaking up for global justice to Federal Parliamentarians as part of the Converge gathering of Australian Baptist leaders and the Micah Women Leaders' Delegation

 both in September 2019 – as well as Voices for Justice in December 2019.
- We hosted Creative Conversations in Adelaide and Perth as part of the Consumed campaign.
- In January 2020 we wrote or contributed to the Australian Baptist Ministries, Church Agencies Network, and Micah Australia submissions to the government's International Development Policy Review.
- For the first time, Catalyst launches were held in every state in February 2020 with Tasmania joining the list for the first time.

International Programs for Transform Aid International

The COVID-19 pandemic has had, and will continue to have, a massive impact on the world's poor and vulnerable. It is estimated that up to 500 million people, globally, will be forced back into poverty. Not only is this a health crisis, but it is one where the already poor and vulnerable are suffering massive socio-economic hardship. Our prayers go out to all communities that have been impacted by COVID-19.



Total Impact



In FY2020, your generosity helped to make a difference for 742,153 people. Thank you for ensuring even more people can have the fullness of life God intends.



* Numbers based on data received from partners at the time of printing this report.

Investment by Program

In FY2020, our total program investment was implemented across four program areas.

4,945,954	51%	Community Development
3,435,270	35%	Child & Youth
797,003	8%	Disaster Management
520,904	6%	COVID-19

Total investment: \$9,699,131



In FY2020, our total program investment was implemented across six regions.





Highest Partner Investments

In FY2020, the following five partners received the highest program investment.



This represents 48% of our total investment.







Solidarity. Courage. Action.

I want to acknowledge all our local partners who have done an excellent job responding to this global pandemic. Their staff have demonstrated amazing courage to support vulnerable communities.



Dan Skehan DIRECTOR OF PROGRAMS

Our local partners have shared hygiene awareness and important public health information, set up hand washing facilities, distributed personal protective equipment to heath care workers, and assisted with health service delivery. They have distributed food to families who had none.

In response to COVID-19, we supported all partners to move towards a humanitarian footing, where community development projects were paused and adapted for the new context. In the absence of being able to meet as a small group, a central element to our group-based model of community empowerment and development, I was impressed by the ingenuity and innovation demonstrated by our partners.

At the end of the financial year, we had spent \$797,003 AUD on Disaster Management programming, which includes our COVID-19 humanitarian response projects. The ANCP team and the Australian Government have been extremely supportive in relation to COVID-19 and its impacts. Their continued support has been extremely welcome.

A few noteworthy milestones include:

• Prior to COVID-19, we held our inaugural Global Partner Forum, bringing together CEOs and Board Chairs from each of our local partners. After COVID-19, we continued this support by hosting a series of webinars on topics that were partner-initiated.

- We conducted a significant review into our work on inclusion, giving us a great platform to enhance programming into this area in years to come. This came about as part of a necessary strategy review prompted by the global pandemic.
- There has been significant leadership and management change in our team. Our thanks and well wishes to outgoing Director of Programs, Anthony Sell. Anthony did an amazing job in this role for over 10 years, leaving our Programs team in a strong position to continue delivering impactful work. His passion, leadership, authenticity, and pursuit of excellence embody many characteristics that we seek to pass on to our development projects.

Finally, as we look ahead, Joshua 1:9 comes to mind: "Be strong and courageous. Do not be afraid; do not be discouraged, for the Lord your God will be with you wherever you go".

With your continued support, Transform Aid International can continue to grow our impact, supporting the Baptist denomination and our local partners to respond to COVID-19.

Disaster Management

In FY2020, Transform Aid International pivoted its program to a largely humanitarian footing, as local partners developed strategies to respond to COVID-19. Its Disaster Management program reached 77,044 direct beneficiaries.

FY2020 COVID-19 Projects Impact

	COVID-19 specific project beneficiaries	Integrated project beneficiaries	Total COVID-19 beneficiaries
Households directly impacted	8,660	12,569	21,229
People directly impacted	32,452	44,592	77,044
People impacted indirectly	55,685	64,087	119,772



Vulnerable and marginalised people reached with messages on prevention and access to COVID-19 related services.¹



42,721

People reached with critical **COVID-19 related WASH supplies and hygiene items** (soap, hand sanitiser, safe water, masks etc.)²

6,990 Households affected by COVID-19

receiving support to meet their family's basic needs³





Local health care workers and/or health institutions

(government and nongovernment) provided with Personal Protective Equipment and other items needed for COVID-19 response.⁴

Data reported by 9 COVID-19 projects & 9 integrated projects.
 Data reported by 6 COVID-19 projects & 5 integrated projects

3 Data reported by 5 COVID-19 projects & 3 integrated projects4 Data reported by 8 COVID-19 projects & 2 integrated projects

We continued working with refugees through our Rohingya and Middle East responses, as well as completing recovery work in the wake of the Sulawesi Tsunami. Additionally, we conducted a number of smaller, local responses to smaller disasters.

Country: Bangladesh. Photo: © World Concern.

\$797,003 AUD

Total spending in the Disaster Management program for FY2020, reaching 52,660 humanitarian response direct beneficiaries.

25,772 PEOPLE provided with non-food Items.¹

12,197 PEOPLE

exposed to awareness-raising campaigns/ activities highlighting **environmental issues including climate change**.²



3,613 Number of vulnerable women, men, girls and boys provided with life-saving assistance in conflict and crisis situations.³



205 Communities assisted to develop community disaster risk

reduction plans.⁴

1 Data reported by 6 projects.

2 Data reported by 16 projects.

3 Data reported by 2 projects. 4 Data report

4 Data reported by 10 projects.

Hana's Story

Hana is a single mother living in Lebanon. Her husband left her and their three children two years ago. This is what your generosity means to Hana ...

Sixteen-year-old Jamal, Hana's oldest son, lives and studies for free at school, visiting his family every three weeks. He wants to study so he can help his mother and siblings live a better life. Ali, nine, couldn't join Jamal at school — he has missed too many years and doesn't know how to read and write. Rama, the youngest, is now two years old.

Hana earns some extra money by helping her neighbours clean their houses. It's just enough to buy the essentials like bread and rice.

Hana's family was one of the families that our Lebanon field partner, Medair, met during their emergency response in Lebanon. Through the support of Transform Aid International, Medair was able to go into communities to raise awareness about COVID-19, to distribute emergency hygiene supplies and food rations to keep families safe and fed throughout the devastating crisis.

"I went to the market, and with the little money I had, I was able to buy a detergent bottle and soap. I got back home, cleaned the house and closed the door. I asked myself, what is going to happen?"

"We heard a lot about COVID-19 and what matters most was to stay at home, and so we did."

Because of your support, families like Hana's were able to receive emergency supplies and education to help them combat the devastating impact of the coronavirus on their already fragile country. According to Hana, it's not just the emergency support that helped, but the knowledge that someone out there cared about her and her family.

"Do you know what I enjoy most when I see them? It is not the food — even though we really need it it is the feeling that someone really cares, someone comes to talk to us and leave some hope. "My kids may not grow in an optimal family, but when they see you, when they see caring hearts and souls, they will grow to mirror this kindness."

Thank you bringing hope, and survival, to families like Hana's throughout COVID-19 and beyond.



Impact Snapshot

In FY2020, we continued to work with partners to implement quality community development and child and youth programming. What follows is a snapshot of their impact.

224,481

CHILDREN indirectly impacted



in target population who are currently enrolled in school¹



health services

including WASH.²

10,220 HOUSEHOLDS

with access to financial services³





reporting an increase in household income⁴

4,274 HOUSEHOLDS reporting that their basic needs are met⁵

Data reported by 8 projects
 Data reported by 18 projects

3 Data reported by 15 projects4 Data reported by 18 projects

5 Data reported by 11 projects

.....

Violet's Story

Violet is a single mum living in Malawi. Ever since her husband died fourteen years ago, she has been raising their seven children alone. She has also taken in two other orphaned children, and cares for her elderly father-in-law.

Life has been a continuous struggle for Violet. Resourceful and resilient, she survived through subsistence farming and selling maize and groundnuts.

"My children did not have school uniforms or other school materials. I could only pay for school fees when I had sold groundnuts. This meant that during the farming season, my children were chased away from school because they had not paid the school fees."

Violet made just enough to feed her family, rationing their meals to once or twice a day.

Violet explains, "I am a farmer, but I had never seen farming as a business that had the potential to change my story."

But that quickly changed once Violet joined the Lukamo cooperative.

In the last year, the cooperative made a conscious effort to include members of the community who were particularly vulnerable and had not been able to access support. Because of this, widows and other marginalized members of the community were given hope they never had before!

"The project conducted training for women and business, and I was among the participants. We were trained on how to start, manage and improve businesses. Since then, I have learned to view challenges as opportunities."

Since putting her learnings into action, Violet's business has continued to grow steadily. Now she makes enough money to provide for her children and pay their school fees. She is negotiating with companies to buy her groundnuts for a good price.

Because of her story, Violet is passionate about the inclusion of other vulnerable people.

"It is helping my community change its mindset, where vulnerable people do not have a say or get

involved in most development activities.

"Being part of a cooperative means we have a chance to make our voices heard."

Your support gives women like Violet the chance to change her life, the lives of her family, and her whole community.



IMPACT SNAPSHOT continued



established and strengthened (Saving's Groups, Child Clubs, Youth Clubs, Child Protection Committees, Networks, and other Community Based Organisations)¹

82,887 Women directly reached



21,782 PEOPLE with disability reached

4,015 VULNERABLE AND MARGINALISED PEOPLE

overcoming barriers (including social, physical, legal) to gain access to services²





VULNERABLE AND MARGINALISED PEOPLE

represented and/or actively participating in decision-making processes and local and district organisations³

66

"I am grateful to the project because it has supported in having our own business rather than going to the other people for daily wage labour. This not only has helped us for improved earning but also to live with dignity."

(Gita, Nepal)

1 Data reported by 37 projects

2 Data reported by 18 projects3 Data reported by 13 projects

Krishna's Story

Krishna grew up in rural Nepal. Born without the use of his right hand, his disability made life hard for him. Living with a disability can be extremely isolating and even though Krishna was from a large family of 12, he felt very alone.

"There were times when I felt left out and excluded. I thought I was good for nothing and I loved to hide behind the shadow," says Krishna.

When Transform Aid International's local partner, United Mission to Nepal, first met Krishna, they invited him to disability orientation sessions where he learned about disability rights and what kind of government support was available for people like him.

Gradually, Krishna became more independent, informed and confident to talk about issues and his interests. Our partners encouraged Krishna to speak in public forums that related to disability rights, laws and policies developed by the government.

Later, Krishna was elected as the Chairperson of the child club at

his school! The name of the club is, 'Voice of the Disabled'.

Today Krishna actively participates in school activities. Teachers also include Krishna when they make school decisions and include him in extracurricular activities.

Krishna has connected with many different people in his community and school. His family are proud of him!

Krishna explains, "After I became the chairperson of my school club, I felt that I was important. Everyone respects me and listens to my voice now. Today we make collective decisions. The best thing is that people around me are redefining what disability is in their minds. They are becoming more positive about it. I feel respected when I interact with people.

I feel loved and cared for — it makes me so happy."

Through UMN, Transform Aid International also provided support for Krishna's family. They were very poor, with the only income for the entire family coming from a small tea shop run by Krishna's father.

After receiving income generation support, Krishna's family extended the tea shop to an entire grocery shop! Profits increased, and today they have enough money to buy medicine, food and study materials for Krishna and their other children.

Because of your support, Krishna and his family received the tools they needed to alleviate their poverty and are flourishing the way God intends.



A Global Baptist Response

COVID-19 has accelerated our work in partnership with the Asia Pacific and Global Baptist network. Already, the Baptist denomination has supported 1,046,913 direct beneficiaries across 126 countries through its COVID-19 response, demonstrating the reach of the global Baptist movement.

Asia Pacific

We have been working closely with Asia Pacific Baptist Federation and Asia Pacific Baptist Aid on the Asia Pacific Holistic transformation Strategy (APHTS).

APHTS aims to empower the local church by developing a platform to resource, capacity build, and facilitate shared learning for 62 regional conventions and 33,000 local churches across the Asia Pacific. This will mobilise the local church as change agents, and help them to fight poverty and injustice in their communities.

This is a truly exciting pillar of work and will drive both Transform Aid International and the Baptist denomination forward in years to come.

Global Baptist Response to COVID-19*



Monitoring and Evaluation

In the last reporting year, 13 evaluations were conducted. This includes 12 project evaluations and one meta evaluation on the key impact area area of Inclusion and Equity.

The purpose of the meta evaluation was to gain an understanding of best practice in the sector and review our partners' approaches to including vulnerable and marginalised people in their projects. This will give us the platform to continue to enhance our approach towards Gender Equality and Social Inclusion (GESI) for the years ahead.

The review found that while all partners have some understanding

of the importance of including the most vulnerable and marginalised in development activities, there is a need to continue to support partners in this area, especially in understanding the intersection of gender, age, disability, and other factors.

All partners report targeting women, children and persons with disability in their programs, however they are not always participating as active decision-makers. Data shows that people with disability are not being reached in representative proportions, and girls with disabilities are particularly under-represented. Going forward, the review recommended that Transform Aid International strengthen the capacity of international program staff and our partners on intersectional power analysis, support partners to socialise and implement gender policies, improve tracking of progress on gender and social inclusion targets, and establish learning platforms which bring partners and experts together to share approaches towards GESI. We also intend to learn from like-minded organisations at the regional and global levels by participating in CAN DO, Integral, and sector learning events.

FY2020 Evaluations

Partner	Country	Project name
Peace Bridges Organization	Cambodia	Peace Bridges
South Seas Evangelical Church	Solomon Islands	Solomon Islands Capacity Building
PARI Development Trust	Bangladesh	Child-Centred Community Development (CCCD)
United Mission to Nepal	Nepal	Child-Centred Community Development (CCCD) Sunsari
FH Cambodia	Cambodia	Child-Centred Community Development (CCCD)
Reformed Church in Zambia Diaconia Department	Zambia	Child-Centred Community Development (CCCD)
United Mission to Nepal	Nepal	Far Western Education Project
United Mission to Nepal	Nepal	UMN disaster response review
Chab Dai Coalition	Cambodia	Ethnic Community Prevention Project
United Mission to Nepal	Nepal	Child-Centred Community Development (CCCD) Dhading
Multipurpose Community Development Services (MCDS)	Nepal	Community Health and Development Project Lalitpur
Rebana Foundation	Indonesia	Sulawesi response
TAI Initiated	Global - meta evaluation	Inclusion and Equity

Deepening Partnership

In FY2020, before COVID-19 halted international travel, we hosted our first ever Global Partner Forum in Bangkok. The theme of the forum was "Solidarity - Courage - Action", challenging us as leaders to lead courageously ... something which COVID-19 has given us the opportunity to do.

Furthermore, the relationships established and strengthened at the forum have enabled us to stand in solidarity with each of our partners this year. The Global Partner Forum was an excellent event and we would like to acknowledge the ANCP and thank the Australian Government for its support.

In FY2020, we invested \$454,815 AUD in Partner Organisational Development, enabling our partners to develop their strengths in key areas aligned with capacity assessment processes.

Thank you to all our partners

Bangladesh

- Bangladesh Association for Sustainable Development
- Bangladesh Baptist Fellowship
- PARI Development Trust
- Protibondhi Community Centre
- World Concern
- World Renew

Cambodia

- Chab Dai Coalition
- FH Cambodia
- International Cooperation
 Cambodia
- Peace Bridges Organization
- Ponleu Ney Kdey Sangkhum
- Viva Network

India

• Asia Pacific Baptist Federation

Indonesia

- Integral Alliance
- Yayasan Rebana Indonesia

Kenya

- Anglican Development Services -Eastern
- Anglican Development Services Central Rift

Lebanon

- Merath
- Medair

Malawi

• Church and Society Program CCAP Synod of Livingstonia

Malaysia

Alliance of Chin Refugees
 Malaysia

Mozambique

• FH Mozambique

Nepal

- International Nepal Fellowship
- Multipurpose Community Development Services
- United Mission to Nepal
- Welfare Association for Children Tikapur

Papua New Guinea

• Baptist Union of PNG

Philippines

- Asia Pacific Baptist Federation
- Share An Opportunity Philippines

Solomon Islands

• South Seas Evangelical Church

South Africa

- Fisantekraal Centre for Development
- Learn to Earn

Sri Lanka

• Lanka Evangelical Alliance Development Service

Syrian Arab Republic

• Medair

Uganda

- African Evangelistic Enterprise, Uganda
- FH Uganda
- Share an Opportunity Uganda

Vanuatu

• Asia Pacific Baptist Federation

Yemen

• Medair

Zambia

• Reformed Church in Zambia Diaconia Department

FINANCIALS FY2020

FY2020 Financial Summary



Peter Leau DIRECTOR OF FINANCE AND OPERATIONS The fundraising climate continued to prove challenging throughout FY2020. Despite this fact, Transform Aid International has managed to finish the year with a Total Revenue of \$19.9 million and a Net Surplus of \$0.93 million. When compared to the previous financial year, Total Revenue increased by \$1.15 million — a 6.16% growth in the face of the COVID-19 global pandemic.

It is worth noting some positive growth in revenue due to the following appeals and programs:

a) the COVID-19 Global Emergency Appeal, which brought in \$910,000 in response to the ongoing pandemic;

b) our Matching Grant Appeal continued to grow, achieving 7.4% more than in the previous financial year; and

c) Major Donors gave 11.6% more than in the previous financial year.

COVID-19 has had a significant impact on our local partners. Although Transform Aid International intended to increase its impact expenditure (which includes work across the areas of international programs, advocacy, and education), we saw a decrease of 8.8% when compared to the previous year, ending up with a total of \$12.24 million in overall impact expenditure for FY2020. This was largely due to COVID-19 restrictions in different countries. With the majority of our local partners in lockdown from April to June 2020, regular community development programming was impossible. Instead, we had to re-calibrate and pivot our strategy

to handle programming in this different climate, shifting activities to aid our local partners to meet the challenges of COVID-19 in their communities.

Our Impact Expenditure

FY2020 saw a growth of 16.9% in funding from Department of Foreign Affairs and Trade to support the work of Transform Aid International across the Pacific, Southeast Asia, South Asia, and Eastern Africa. One project that benefited from the Australian NGO Coopration Program (ANCP) funding is the Integrated Livelihood Improvement Project implemented by our partner Anglican Development Services - Eastern, in Kenya. This project contributes to improving the living conditions of target communities and supports community-based organisations to oversee community development; increase water access; improve hygiene and sanitation; increase incomes; and improve environmental conservation. For FY2020, the project budget was \$0.48 million, directly impacting 7,990 people through the mobilsation of four community-based organisations, 65 savings groups, and eight child clubs. As a result, 5,732 people have increased access to drinking water. 987 people have adopted innovative agricultural and fisheries practices, and 1,306 people have been trained in good hygiene practices. The project also implemented specific COVID-19 related activities, in which 7.620 people participated in awareness-raising sessions related to COVID-19 public health measures and prevention and 4,000 people received personal protective equipment.

We are also grateful for the continuing and generous support of the Australian Government and the faithful provision of our sovereign God.

Our Investments

In FY2020, Fundraising Costs increased by 11.03%. Taken at face value, this result seems unusual, but is primarily due to the previous year's lower than expected expenditure — the result of a number of key fundraising staff roles remaining unfilled.

It was also necessary to increase our Total Accountability and Administration Expenditure by 11.24%, to manage the transition of Customer Relationship Management Program to the cloud and integration of all systems. This was also a response to the growing complexity of external legal, compliance, and accountability requirements, especially in the areas of prevention of financial wrongdoing and the safeguarding of children and vulnerable people.

Our Health

Our Balance Sheet continues to be solid and healthy, with no large, long-term liabilities or borrowings and total Net Assets of \$10.36 million. Our overall reserves continue to be strong.



This includes \$1.02 million designated for humanitarian crisis projects, \$0.82 million funding for work in Africa, \$1.36 million for strategic initiatives in the Asia-Pacific region, and over \$3.4 million earmarked for general, multi-year community projects.

Our Future Direction

We continue to work with strategic alliances and networks, taking the lead role in the aid and development space for the global Baptist community. To that end, we will continue to strengthen relationships and collaboration with a number of like-minded organisations, including

a) Integral Alliance, a global alliance of 22 high-capacity, Christian agencies with presence in over 100 countries;

b) Baptist World Alliance Forum for Aid and Development (BFAD), a network of Baptist conventions and development agencies; and

c) Asia-Pacific Baptist Federation (APBF), a coordination body for the Asia-Pacific region, with a constituency of over 60 Baptist conventions and 33,000 churches.

Our Gratitude

Once again, we are very thankful for the incredible generosity shown by Australian Baptist churches and you, our wonderful supporters. We are also grateful for the continuing and generous support of the Australian Government and the faithful provision of our sovereign God.

Responsible persons' declaration

- 1. In the opinion of the Responsible Persons' of Transform Aid International Ltd, the consolidated financial statements and notes are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012, including:
 - i. Giving a true and fair view of its financial position as at 30 June 2020 and of its performance for the financial year ended on that date.
 - ii. Complying with Australian Accounting Standards Reduced Disclosure Requirements (including the Australian Accounting Interpretations); and the Australian Charities and Not-for-Profits Commission Regulation 2013.
 - iii. There are reasonable grounds to believe that Transform Aid International Ltd will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Responsible Persons:

Tara Reid Chair/Responsible Person

Dated the 28th day of October 2020



Level 17, 383 Kent Street Sydney NSW 2000

Correspondence to: Locked Bag Q800 QVB Post Office Sydney NSW 1230

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

Independent Auditor's Report

To the Members of Transform Aid International Ltd

Report on the audit of the financial report

Opinion

We have audited the financial report of Transform Aid International Ltd (the "Registered Entity") and its subsidiaries ("the Group") which comprises the consolidated statement of financial position as at 30 June 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Responsible Persons' Declaration.

In our opinion, the financial report of Transform Aid International Ltd has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- giving a true and fair view of the Registered Entity's financial position as at 30 June 2020 and of its financial а performance for the year then ended; and
- b complying with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Registered Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information other than the Financial Report and Auditor's Report

The Responsible Persons for the Group are responsible for the other information. The other information comprises the information included in the Registered Entity's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Grant Thornton Audit Pty Ltd ACN 130 913 594 a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Ltd is a member firm of Grant Thornton International

and/or refers to one or more member firms, as the context requires. Grant I nomton Australia Ltd is a member firm of Grant I homton international Ltd (GTIL), GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thomton' may refer to Grant Thomton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. GTIL is not an Australian related entity to Grant Thomton Australia Limited.

Liability limited by a scheme approved under Professional Standards Legislation

www.grantthornton.com.au

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsible Persons' Responsibility for the financial report

The Responsible Persons of the Group are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, the Code of Conduct for the Australian Council for International Development (ACFID) and the Australian Charities and Not-for-Profits Commission 2012. This Responsible Persons' responsibility includes such internal controls as the Responsible Persons determine are necessary to enable the preparation of the financial report to be free from material misstatements, whether due to fraud or error.

In preparing the financial report, the Responsible Persons for the Group are responsible for assessing the Registered Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intend to liquidate the Registered Entity or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Registered Entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

Grant Thornton

Grant Thornton Audit Pty Ltd Chartered Accountants



A G Rigele Partner – Audit & Assurance

Sydney, 28 October 2020

Financials at a glance

Source of income FY2020*

13,844,037	69%	Donations & Gifts Monetary
100,070	1%	Donations & Gifts Non-Monetary
1,104,008	6%	Bequests
3,875,004	19%	Australian Government Grants
83,884	1%	Other Non-Government Grants
894,676	4%	Investment & Other Income

Total revenue: \$19,901,680



Use of Funds FY2020*



Total expenditure: \$18,808,571

* These graphs are derived from figures in Transform Aid International's Consolidated Financial Statement.

A copy of the statement is available at: https://transformaid.org/wp-content/uploads/2020/11/2019-2020-TAI-Financial-Statements-Final.pdf.

Consolidated statement of profit and loss and other comprehensive income

for the year ended 30 June 2020

	Notes	2020	2019
REVENUE			
Donations and gifts:			
Monetary Non-monetary	4	13,844,037 100,070	13,322,374 172,267
Non-monetary		13,944,107	13,494,641
Bequests and legacies		1,104,008	1,458,617
Grants:		7 075 00 4	7 715 0.07
Department of Foreign Affairs and Trade Other Australian		3,875,004	3,315,667
Other overseas		83,884	107,636
		3,958,888	3,423,303
Investment income		303,405	360,632
Other income	5	591,271	9,057
TOTAL REVENUE		19,901,679	18,746,250
EXPENDITURE			
International Aid and Development Programs Expenditure	e:		
International programs:			
Funds to international programs Programs support costs		9,699,131 1,397,907	10,947,714 1,456,579
		11,097,038	12,404,293
Community education	6	1,143,519	1,014,234
Fundraising costs:			
Public Government, multilateral and private		2,658,924 59,729	2,397,080 51,521
Government, muthateral and private		2,718,653	2,448,601
Accountability and administration		3,749,291	3,370,410
Non-monetary expenditure	4	100,070	172,267
Total International Aid and Development Programs Expenditure		18,808,571	19,409,805
TOTAL EXPENDITURE		18,808,571	19,409,805
Unrealised fair value on foreign exchange contracts Share of loss in Associate		(90,679) (5,207)	(102,088)
EXCESS OF REVENUE OVER EXPENDITURE		997,222	(765,643)
Other Comprehensive Income Items that will not be reclassified subsequently to profit or loss:			
Gain/(loss) from revaluation of assets	11,14	(64,683)	221,920
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		932,539	(543,723)

This statement should be read in conjunction with the accompanying notes to the Consolidated Financial Statement. Access it here: https://transformaid.org/wp-content/uploads/2020/11/2019-2020-TAI-Financial-Statements-Final.pdf.

.....

Consolidated statement of financial position

as at 30 June 2020

	Notes	2020	2019
ASSETS			
Current Assets			
Cash and cash equivalents	7	5,347,669	3,498,624
Trade and other receivables	8	749,048	586,248
Financial assets	9	439,056	1,068,087
		6,535,773	5,152,959
Non-Current Assets			
Property, plant and equipment	10	3,619,705	3,717,840
Investment property	11	1,040,000	1,120,000
Intangibles	12	464,525	449,358
Right of use assets	13	91,175	-
Investment in Associate	14	286,593	276,484
		5,501,998	5,563,682
TOTAL ASSETS		12,037,771	10,716,641
LIABILITIES			
Current Liabilities			
Trade and other payables	15	564,217	473,187
Provisions	16	659,310	562,675
Financial liabilities	10	69,277	19,620
Lease liabilities	18	36,947	-
Tax liabilities	19	111,978	63,853
Other current liabilities	20	98,456	65,860
	20	1,540,185	1,185,195
Non-Current Liabilities			
Non-current provisions	21	77,346	100,296
Other Non-current liabilities	18 _	56,551	-
		133,897	100,296
TOTAL LIABILITIES		1,674,082	1,285,491
NET ASSETS		10,363,689	9,431,150
EQUITY			
Retained earnings Reserves	22 23 (d)	5,328,396 5,035,293	5,152,870 4,278,280
TOTAL EQUITY		10,363,689	9,431,150

This statement should be read in conjunction with the accompanying notes to the Consolidated Financial Statement. Access it here: https://transformaid.org/wp-content/uploads/2020/11/2019-2020-TAI-Financial-Statements-Final.pdf.

.....

Consolidated statement of changes in equity

for the year ended 30 June 2020

	Notes	General Funds 23 (a)	Designated Funds 23 (b)	Restricted Funds 23 (c)	Reserves 23 (d)	TOTAL
Balance as 1 July 2018		3,731,777	20,002	2,711,734	3,511,360	9,974,873
Excess/(shortfall) of revenue over expenditures Other comprehensive income		(159,327)	6,998	(613,314)	-	(765,643)
for the year Transfer of funds		(545,000)	-	-	545,000	-
Balance at 30 June 2019		3,027,450	27,000	2,098,420	4,278,280	9,431,150
Excess/(shortfall) of revenue over expenditures		1,210,361	(2,769)	(210,370)	-	997,222
Other comprehensive income for the year		-	-	-	(64,683)	(64,683)
Transfer of funds		(821,696)	-	-	821,696	-
Balance at 30 June 2020		3,416,115	24,231	1,888,050	5,035,293	10,363,689

.....

This statement should be read in conjunction with the accompanying notes to the Consolidated Financial Statement. Access it here: https://transformaid.org/wp-content/uploads/2020/11/2019-2020-TAI-Financial-Statements-Final.pdf.

Consolidated statement of cash flows

for the year ended 30 June 2020

Notes	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Donations received Bequests and legacies received Operating grants received Other income received Payments to suppliers and employees Distributions to overseas partners Interest received Net cash provided by (used in) operating activities	13,844,037 1,104,008 3,991,485 799,077 (8,583,932) (9,614,143) 15,168 1,555,700	13,322,374 1,458,617 3,489,163 240,372 (8,004,832) (10,817,416) 24,471 (287,251)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash received/ (paid for) from property, plant and equipment Net cash received from investment property Net cash paid for intangible assets 12 Net cash received from investment in financial assets	(63,202) 50,918 (265,825) 614,684	(39,456) 53,606 (139,204) 162,475
Net cash provided by (used in) investing activities	336,575	37,421
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease payments (principal and interest)	(43,230)	-
Net cash provided by (used in) financing activities	(43,230)	
NET INCREASE IN CASH HELD	1,849,045	(249,830)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR	3,498,624	3,748,454
CASH AND CASH EQUIVALENTS AT THE END OF YEAR 7	5,347,669	3,498,624

This statement should be read in conjunction with the accompanying notes to the Consolidated Financial Statement. Access it here: https://transformaid.org/wp-content/uploads/2020/11/2019-2020-TAI-Financial-Statements-Final.pdf.

.....

Legal and regulatory

Transform Aid International Ltd commenced operations under the new company structure from 23 July 2013 (ABN 63 430 709718). TAI is a compliant signatory of the ACFID Code of Conduct which is a voluntary, self- regulatory sector Code of good practice. As a signatory we are committed and fully adhere to the ACFID Code of Conduct, conducting our work with transparency, accountability and integrity. Baptist World Aid Australia Ltd, as a wholly owned subsidiary, was established to continue and expand its Australian operations. Transform Aid International Ltd is the aid and development agency for Australian Baptist Ministries and operates as a Company Limited by Guarantee with its own Board.

Transform Aid International Ltd is a registered charity with the Australian Charities and Not-for-profits Commission. It operates nationally and holds fundraising licences in all Australian states where required to do so. Transform Aid International Ltd is an approved Deductible Gift Recipient (DGR).

Transform Aid International Ltd engages the services of the National Australia Bank; Grant Thornton Auditors; and Church and Grace Solicitors. Transform Aid International Ltd has full accreditation from the Department of Foreign Affairs and Trade (DFAT) which enables us to receive government funds for our its programs. We acknowledge not only the funds, but also the care and support of key government staff in our work together.

Transform Aid International Ltd is a compliant signatory of the Australian Council for International Development's (ACFID) Code of Conduct. Baptist World Aid Australia Ltd, as a wholly owned subsidiary of Transform Aid International Ltd, adheres to the requirements of the same code. A copy of ACFID's Code of Conduct can be obtained from www.acfid.asn.au. If you believe that Transform Aid International Ltd or Baptist World Aid Australia Ltd have breached the Code of Conduct. you can lodge a complaint with ACFID either on their website or to the ACFID Code of Conduct Committee. Private Bag 3, Deakin, ACT 2600. If you wish to lodge a complaint with Transform Aid International Ltd or Baptist World Aid Australia Ltd, please write to our Complaints Handling Officer, Locked Bag 2200, North Ryde BC, NSW 1670. Our Complaints Handling Policy is available on both our websites: www.transformaid.org and www.baptistworldaid.org.au.

Transform Aid International Ltd is a member of Integral Alliance, a global consortium of Christian aid and development agencies with presence in 90 countries. Photographs featured in this Report have been taken by Transform Aid International Ltd staff, partners, and associates in Africa, Asia, the Middle East, and the Pacific unless otherwise indicated; and are reproduced in this Report with appropriate consent.



BAPTIST WORLD AID AUSTRALIA Be love. End poverty.









Feedback and complaints

We believe that to improve our services provided to our supporters, donors, partners, and beneficiaries we need to be open to feedback, both positive and negative, from all stakeholders. Receiving feedback is an important way of learning, so in the case of a complaint, timely and appropriate action will be taken in order to continuously improve the quality of our work and proactively develop and maintain good practice.

We also recognise that we have a responsibility to work with our

partners to ensure they also develop safe and effective feedback mechanisms that are accessible to all members of every community with whom we work. These communities should be informed of their rights and entitlements and how to provide feedback or make a complaint. We follow an established escalation procedure to ensure complaints are handled in a timely and sensitive manner. Feedback and complaints can be provided via our website, by telephone or email, or by mail addressed to: Complaints Handling Officer Locked Bag 2200 North Ryde BC, NSW 1670

We actively comply with the requirements of the Australian Council for International Development (ACFID) and the Australian Charities and Not-for-profits Commission (ACNC) and regularly review our Complaints Handling Policy, a copy of which is available on both our websites: www.transformaid.org and www.baptistworldaid.org.au.

Thank you

With your support, we partner with local organisations overseas, for a world without poverty. Thank you for giving generously and partnering with us in FY2020!



Transform Aid International Locked Bag 2200 North Ryde NSW 1670 Australia Phone 1300 789 991 International +61 2 9451 1199 Fax +61 2 9452 4720 hello@transformaid.org Transform Aid International Ltd ABN 63 430 709 718