

Transform Aid

INTERNATIONAL
For a world without poverty



ANNUAL REPORT

YEAR ENDED 30 JUNE 2016

Our Vision

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



Transform Aid

INTERNATIONAL

For a world without poverty



**BAPTIST
WORLD AID
AUSTRALIA**

Be love. End poverty.

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 the 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.

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Message from Chair of the Board

I am pleased to be able to share some comments with you as Board Chair of Transform Aid International concerning our organisation during the last year.

Despite the very difficult environment in which not-for-profit organisations in our sector have operated in recent times (particularly in the areas of fundraising and government support) I am pleased to be able to report to our many supporters that our organisation has completed another positive year. Our revenues were very close to budget expectations and we have achieved a surplus slightly ahead of our financial plan, which was assisted by good cost control. This outcome is the result of the hard work and determination of the Transform Aid International team, the ongoing generosity of a range of donors across our Baptist family in Australia, and continued funding from the Australian Government through its Australian Aid program.

Our strong financial result means that Transform Aid International can continue the delivery of important aid and development programs in the countries in which we operate (page 30). It allows us to assist quickly and effectively during times of disaster (page 40). And it enables us to provide important leadership in the area of advocacy on behalf of the poor and marginalised - as we were able to do again this year through

the release of our third Fashion Report (page 28).

During the year under review we said goodbye to some of our Board Members. We would like to thank Andrew Ellis, Deanne Firth, Heather Coleman, Susan Campbell and Dave Rowe for their years of faithful service to Transform Aid International. We are pleased to welcome four new Board Members: Julie Lawrie, Paul Oates, Allan Demond and Heidi Tak, whose experience and skills will add great value to our organisation's governance.

Our team at Transform Aid International, under John Hickey's leadership, does amazing work. The Board is so grateful for the commitment and care that they show in the work they carry out.

As you read this Annual Report, you will learn more about the important work of Transform Aid International. Without your support, we would not be able to make such a difference in the lives those who are oppressed by poverty in this world. I would personally like to thank all donors, supporters, prayer warriors and friends of Transform Aid International. Lastly, I wish to acknowledge and thank our Lord God for His graciousness and for the blessing our organisation enjoys, because of Him, every day.

Blessings,



Mick Turnbull
CHAIR OF THE BOARD

Our strong financial result means that Transform Aid International can continue the delivery of important aid and development programs in the countries in which we operate.



John Hickey

CHIEF EXECUTIVE OFFICER

Throughout the year, there have been a myriad of causes for celebration... and the journey has certainly held its challenges too! But, through it all, God has been faithful. And I am thankful for His guidance and provision.

Message from our CEO

We have ended FY2016 as though we have rolled into the station after an exhilarating (and sometimes unnerving) roller coaster ride! Throughout the year, there have been a myriad of causes for celebration... and the journey has certainly held its challenges too! But, through it all, God has been faithful. And I am thankful for His guidance and provision.

Financially, we have concluded the year in excellent shape. Our revenue result of A\$19.23 million is another record achievement. This outstanding outcome has been made possible thanks to our committed individual supporters and to Australian Baptist Churches. It is your incredible generosity that makes so much of the work you will read about in this report possible. Thank you.

Our FY2016 surplus stands at \$1.055 million but I should note a “technical point” here: while Transform Aid International has achieved successive record revenue results, it is not our policy to generate large surpluses.

As a not-for-profit organisation, we budget to cover our operating costs and to maximise our financial commitment to our programming, both domestic (advocacy and discipleship) and overseas. But sometimes, we receive significant income in one financial year that we expend over a number of following years. This usually occurs in the wake of a major disaster, or as a result of major lump-sum grants and donations. In each of these cases, the income received is typically intended to fund projects over a number of years. Even so, the total value of the income is taken into account in the year that it is received, which accounts for this year’s surplus.

The strength of our financial position is a great encouragement. It sets a strong platform to increase the effectiveness of our work here in Australia and in our programming around the world.

As you read this Annual Report, you will learn more about the work of Transform Aid International. You will also read incredible stories of transformation. Your support helps empower people to free themselves from poverty, vulnerability and marginalisation. But more than that, it helps them spread change and end poverty for others in their community as well.

I give thanks for the faithfulness, persistence and overall efforts of all our field partners around the world, as well as our collaborators across the various alliances with whom we commit to make a difference in the lives of the poor.

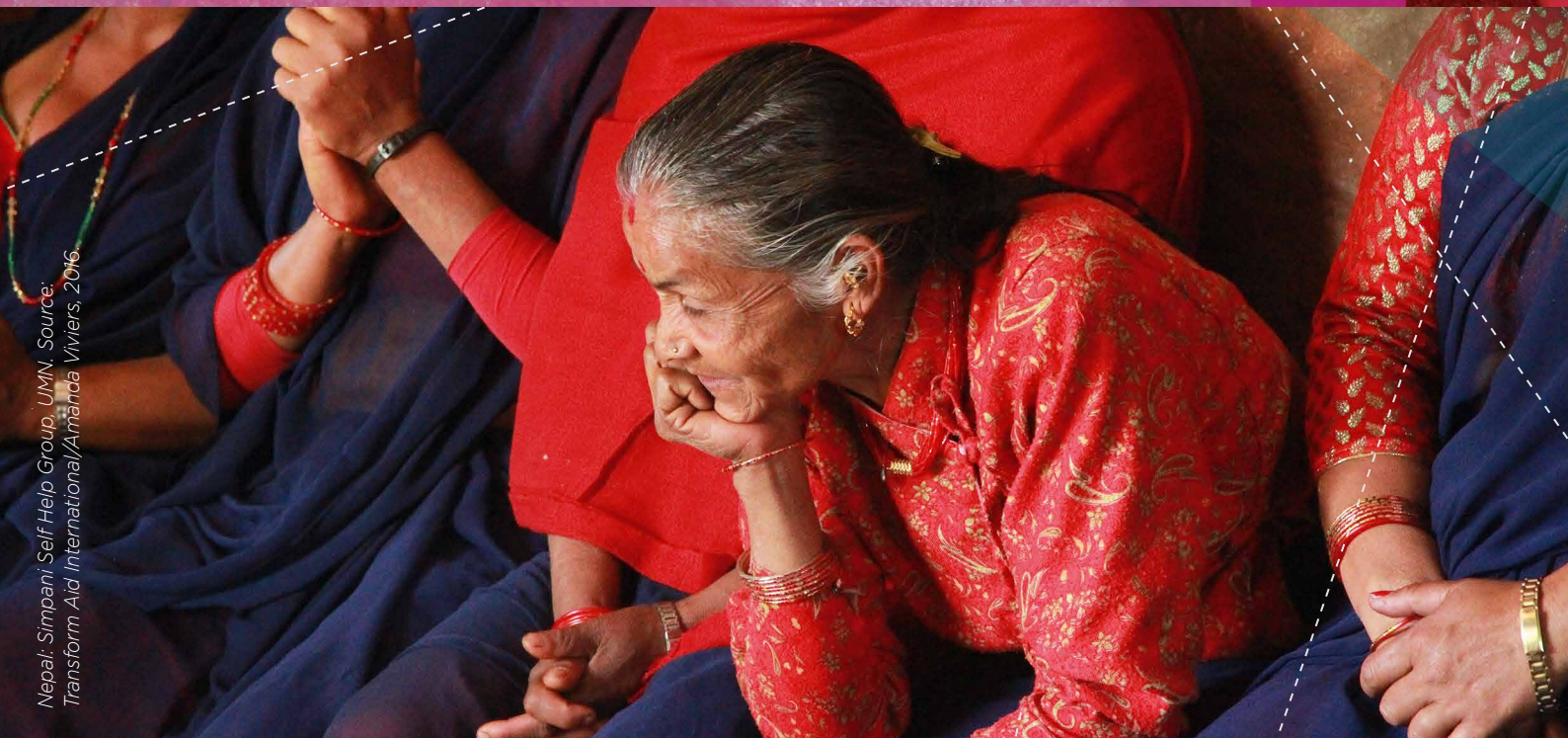
As a leader in the world of Baptist Development, not only in Australia but around the world, it is important for Transform Aid International to be an organisation that seeks continual improvement. FY2016 has been a year of investment and integration, driven by the desire to refine our approach across all areas of operation.

In all of this, I am grateful for an exceptionally talented team of people – our highly committed staff, volunteers, Executive Team, and Board, led with great wisdom by our Board Chair, Mick Turnbull. It is a tremendous privilege to share achievements with each other; as, together, we seek to serve God in our mission to address the challenges of poverty.



Vanuatu: Cyclone Pam Recovery. Nasi Tuan. Source: Tearfund NZ, 2015.

With your support,
we partner with local
Christian organisations
to work alongside poor
communities and help
them end poverty.



About Transform Aid International Ltd Group

(including Baptist World Aid Australia Ltd)

At Transform Aid International, we dream of a world where poverty has ended and all people enjoy the fullness of life that God intends. As followers of Jesus, our work is motivated by the belief that this is God's heart for every person on the planet. We are committed to transforming the lives of vulnerable people around the world, holistically and sustainably.

Not only do we facilitate a path out of extreme poverty, but we also seek to influence the policies and practices of those whose power impacts on people living in extreme poverty.

In many ways, the advancement towards ending global poverty has been exciting, particularly over the past twenty years.

The Millennium Development Goals (MDGs), agreed upon by world leaders at the UN-sponsored Millennium Summit in September 2000, set an important and time-bound standard of focus. The MDGs acted as a useful measurement of progress and success. In some cases, the goals were exceeded. For instance, the number people living in extreme poverty (surviving on less than US\$1.90 per day) was

more than halved between 2000 and 2015.

But the experience of poverty cannot be reduced to a matter of economics. And poverty continues to impact on billions of lives in our world today.

People are cast into poverty because of their belief systems, ethnicity, conflict, embedded corruption, caste systems, gender, the environment in which they live, disability, a lack of resources, poor education and training, unemployment, limited rights, and the list goes on. It is a complex field in which positive, and sometimes dramatic, change is possible. But for change to occur there needs to be a collective, persistent, and strategic effort made by many parties from both the developed and developing world.

The Sustainable Development Goals (which were adopted in 2015 after the conclusion of the MDGs) recognise that poverty is complex, and that a lasting solution involves



the important interaction of many factors requiring the collaboration of many groups: governments, non-government organisations (NGOs), civil society, the private sector, and community organisations like churches.

Transform Aid International (and its primary subsidiary, Baptist World Aid Australia) is an affiliated agency of Australian Baptist Ministries. The umbrella of Australian Baptist Ministries draws together various state and national ministries to represent the Australian Baptist movement, which is one of the largest Christian denominations in Australia. In 57 years our organisation has evolved from a handful of volunteers to a globally recognised and respected international NGO. Transform Aid International is a signatory of the Australian Council for International Development (ACFID) Code of Conduct. Transform Aid International is also fully accredited, and partially funded, by the Australian Government's Department of Foreign Affairs and Trade (DFAT) through the Australian Aid program.

We seek to define ourselves as change agents; facilitators in the fight against global poverty and human vulnerability. To play our role effectively and maximise our global impact, we are deliberately strategic, innovative, adaptive, collaborative, and relational. Our approach to development integrates a number of different elements: humanitarian programs, advocacy to government and private sectors, the building of a grass roots movement of engaged supporters across our church network, and increasing awareness and action through the provision of education and resources. This is further outlined below:

We seek to help Australian Christians and churches to hear and understand God's call to do justice and show mercy to the world's poor.

We are committed to educating our supporters and mobilising them to live a whole of life response to poverty. We aim to help our supporters discover that they can do far more than they ever imagined, to bless people living in poverty when they hear God's heart; and respond through their financial generosity, through joining in advocacy, through ethical consumption, and through prayer. We primarily undertake this work through our Australian subsidiary, Baptist World Aid Australia.

Advocacy to government on issues pertaining to its long-term commitment to aid and justice for the world's poorest people.

We mobilise church communities, particularly through our Catalyst groups, to engage local politicians on these issues. We also partner with Micah Australia and other coalitions and agencies on larger-scale campaigns.

Advocacy to the corporate sector, comprising grass roots campaigns and major industry research reports (particularly in the fashion and electronics industries).

We seek to encourage ethical practices in product sourcing from the developing world. In particular, we target the eradication of slave labour and other forms of exploitation, which rob workers of dignity and prevent living wages.

Transform Aid International forms partnerships with local organisations overseas, that are well-placed to facilitate longer term community development programs in particularly disadvantaged regions.

We support our partners through organisational development, project design, implementation and evaluation, encouragement, and prayer. These partnerships enable whole communities to identify the causes of their poverty and discover ways in which to use their strengths to build sustainable solutions.

We utilise different models of community development to address the specific contexts and needs of particular communities. Our range of development platforms include both general and specialised development models, as well as Child-Centred Community Development (CCCD) which focuses on enabling communities to support and listen to children's voices. CCCD aims to improve health, education, household income, and protection. In FY2016 we worked with 33 partners across 53 community development and CCCD programs in 15 countries.

Building a platform of resilience, particularly in the face of natural and conflict-based disaster.

This is a vital component to long term sustainable community development. Transform Aid International, through its Integral Alliance membership and its leadership role in the recently-formed international BReAD Network (Baptist Relief and Development Network), invests heavily in the training and support of communities to effectively prepare for disaster impact. Additionally, Transform Aid International responds to disaster after it occurs with initial relief and also assists with the longer-term recovery and rehabilitation of communities. In FY2016 we worked with 16 partners across 30 disaster management and recovery programs in 14 countries.

Finally, we invest in high quality staff, leadership, volunteers, and underlying robust systems to ensure that we are able to achieve and sustain best practice.

We continue to learn and innovate so that we can maintain our place among sector leaders, who share our goals to see justice achieved for the world's poor.



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FY2016 and Beyond

FY2016 has been a year of further significant development in our mission, continuing our focus and desire to be effective change agents for the conditions of poverty and human vulnerability globally. We represent the Australian Baptist movement in doing this, but we also see it as our responsibility as a Christian agency. Through our work we are following Jesus's call to love all people, supporting those who sustainably seek to transform their own lives out of poverty, vulnerability, and marginalisation regardless of their race, faith, or culture.



John Hickey
CHIEF EXECUTIVE
OFFICER

Our Strategic Journey

Our strategic approach has emerged deliberately over the past few years. Rather than addressing the various elements of global poverty through a series of disparate activities, we have embraced an integrated approach to change. We emphasise this integrated approach utilising the strengths that we have, and those which can be enhanced through various partnerships and alliances with like-minded groups in Australia and internationally. In all this, we seek to consider how we can facilitate various groups to work together for lasting impact and to achieve justice for those living in poverty.

So how do we see integrated change working in the context of the injustices which embed poverty across the less developed nations of the world? How do we see integrated change working to improve the lives of the world's most vulnerable people?

There are many players who we believe should be vitally engaged in the process of taking responsibility for and participating in, the process of change. These include:

Governments The governments of more developed countries, like Australia. Governments should take proactive, moral, and principled stances on policies and financial commitments, to impact positively on the poorest and most vulnerable people of less developed nations.

Corporate/Private Sector Those entities in Australia, and globally, which source products and services from the developing world, should take responsibility for reasonable livelihoods and the welfare of workers in their supply chains, as well as the sustainability of the communities and environment in which they engage commercially.

Churches and People Members of communities, and particularly Christians, across Australia who appreciate their biblical responsibilities and look beyond their own borders. These people participate in addressing the injustices which embed poverty and vulnerability.

Partners These include the local organisations that we work with in various countries. Through our partners we can work with local

communities in a number of ways: encouraging self-sustained longer-term development; preventative development to reduce disaster impact risk in more vulnerable communities; response and rehabilitation when natural or conflict-based disasters occur; and advocacy to help communities address injustice.

Individuals and Families To address poverty, the individuals and families with whom we work play a crucial role. By participating in our programs, they work to steer their own path of change out of dependency into self-sustained transformation. Each community has its strengths and opportunities which can be identified and utilised. Marginalised groups (typically women, children, people living with disability, and ethnic or faith minorities) are empowered and lead lives with greater dignity in an environment of greater social inclusion and respect.

Our Own Organisational Capacity: Transform Aid International and Baptist World Aid Australia We need to continually invest in the quality of our governance, financial sustainability, our people, and our systems to deliver best practice as we seek to constructively work with these groups, both separately and together. Our strategic mindset should consistently be effective and impactful in addressing poverty and vulnerability across the world.

Other Like-Minded Agencies and Groups We respect the limitations in our own financial and professional capacities and scope as we pursue our mission. Therefore, it is imperative that we invest our own strengths and utilise the strengths of others to leverage our mutual capacity to do more through advocacy, education, humanitarian programs, and development programs.

A key foundation of this integrated process of change is that it needs

to operate at several levels, from very high level – government to government and multilateral bodies – through to grass roots community and individual transformation.

Also, the processes which are used in this integrated process of change are varied: humanitarian and development programs, advocacy, discipleship and education, as well as partnerships and alliances. However, we believe that they can, and should, work together to leverage the greatest positive sustained changes to poverty.

In the pages that follow you will read various stories of change which have been a result of our efforts to connect these various groups and stakeholders at various levels, with an integrated approach in mind.

Achievement Highlights FY2016

We encourage innovation and leadership at Transform Aid International. We believe that, although we may be a not-for-profit organisation with finite resources, we should still be bold enough to perceive trends and opportunities, and to pioneer new ideas, taking initiatives that will potentially achieve greater sustained impact in our mission. Some key examples include:

Co-leadership in the formation of the Church Agencies Network – Disaster Operations consortium.

A number of denominational agencies have collaborated to form this group, which in September was approved as a consortium to participate with the Australian Department Foreign Affairs and Trade (DFAT) and some of Australia's leading humanitarian agencies in the Humanitarian Partnership Agreement. Initially, this consortium will have the opportunity to develop a disaster risk reduction and management platform across the Pacific, one of the most disaster-prone regions of the world. This



Solomon Islands: Community Development Project, SSEC. Source: Transform Aid International/Robert Taupongi, 2013.

platform will build the capacity of our local church partners to deal with disaster.

Co-leadership of the Baptist Relief and Development (BReaD) Network.

A breakthrough initiative to form an international collaborative approach for development and disaster response globally within the Baptist movement. Under the Baptist World Alliance there are more than 100 million Baptist members globally, but there have been limited resources to collaborate locally and regionally. Negotiations are ongoing to develop this initiative further in the next year. The BReaD Network is intended to mobilise the Baptist movement far more significantly to address poverty across the world.

Launch of the second Ethical Electronics Report and the third Ethical Fashion Guide.

Major changes are now occurring in the ethical supply chain practices of Australian and international companies. Baptist World Aid Australia is considered the sectoral leader influencing this change, reporting on it and engaging with both the corporate sector and consumers. We are in advanced negotiations to extend this report to New Zealand, with further plans to expand into the North American market in the next two years. We are also working on further collaborative ideas with the corporate sector, particularly in the fashion industry, to increase the rate of positive change. This may include further specific development programming in supply chain communities and an expanded scope of issues to address in the corporate ethical space.

Collaborative Advocacy – the first Converge Event in Canberra.

Baptist World Aid, A Just Cause, and Baptist Care combined resources to plan an initial Baptist leaders' advocacy event in Canberra in March 2016. Across three days, pastors and leaders from around Australia met with more than 30 politicians from various parties to advocate for improved policies on foreign aid, refugee and asylum seekers, and domestic homelessness. This has lifted the profile of the Baptist movement and will occur again in February 2017.

New Church Partnerships.

With the trend of many church communities seeking to form direct relationships with communities in the developing world, but often lacking expertise to address some of the complex issues of development programming, we have commenced a pilot partnership with one Australian church to form a three-way partnership between the

church, a local partner community, and ourselves. The partnership works collaboratively to address development needs and form close community relationships over the longer term. The pilot will be expanded to three churches in the upcoming financial year.

Child and Youth Programming Review – Next Generation.

The primary platform for our child-based programming for the past six years has been Child-Centred Community Development (CCCD), which is closely linked to our child sponsorship program. A series of review projects have been undertaken, leading to a revamp and potential diversification of our programs impacting on children and youth. In the years ahead, we intend to target specific vulnerable groups and effect greater changes. This will involve initiatives beyond the traditional effective programs we are currently undertaking.

Discipleship / Education – “The Single Thing That Can Change the World”.

During the course of FY2016 we developed a new and substantive preaching and Bible study series for Australian churches. It is focussed on God's call to generosity. This series was launched in August 2016, and is impacting church communities across Australia.

Next Generation Website and Operating Systems.

This project has run for more than nine months, culminating in its launch in September 2016. Our new state-of-the-art website engages with our supporters and stakeholders in Australia and internationally. Our underlying operating systems will enable far greater administrative efficiency and high quality reporting, which in turn will enhance our communications with supporters and help us to target our efforts more effectively.

These are just some of the notable achievements which we believe will further enhance our impact in the years ahead.

In conclusion, I want to acknowledge the incredible generosity of our supporters. Most organisations in our field have had a challenging year financially. We felt a similar stress during the course of the year, but we achieved a record result in our Matching Grant campaign in June 2016, with more than \$2 million donated by our faithful supporters. We have also received unprecedented major donations, both before and since our balance date, enabling us to expand our development programming in Africa over the next five years, and to also pay out the debt on our office premises in North Ryde (where we moved in 2013). We are truly blessed by this support, but I want to also particularly thank each faithful supporter who sacrificially gives. I am sure your generous sacrifice is a struggle at times, but I am humbled by your commitment to partner with us to end poverty. Each decision to provide support in whatever way, no matter how big or small, is absolutely precious... and it does make a tremendous difference.

I would also like to thank all our partners and alliance peers, both across the world and here in Australia. Of course, this includes our gratitude for an ongoing accredited relationship with DFAT, which continues to constructively partner with us and other non-government organisations.

Finally, I want to thank our staff, volunteers, and Board again. Our team is exceptional, committed, professional and faithful.

JOHN HICKEY
CEO



Ethiopia: Drought, Relief and Recovery, FH Ethiopia. Source: FH Ethiopia, 2016.



Our People

Learning and Development

Transform Aid International continues to create an enriching environment for employees through professional development. A number of initiatives have continued in the past year. The formal training phase of the Leadership Development Program concluded at the end of 2015, and 2016 saw the beginning of the consolidation phase.

Our leadership group continues to develop individually and as a team. Our external Women's Mentoring Program has also continued, with six women currently participating.

This is an invaluable experience for participants who are linked with external support as they work towards their career goals.

A new program called the "Professional Development Journey" was launched for all employees, with eleven females and one male taking part. Its goal is to enhance the participants' performance and effectiveness in their roles, and provide them with insight to understand themselves and others.

The program provides opportunities for members of the Leadership Group to partner with participants, offering coaching and mentoring. This has been positive as participants have drawn on the experience of our current leaders and developed relationships across the organisation.

Diversity and Inclusion

This year we undertook the strategic review of our existing diversity and inclusion profile. We seek to build a workforce that reflects the profiles of our supporters and the local and international communities with whom we partner. Building a diverse workforce enhances relationships with supporters and enriches our work and impact.

The review included employee perceptions of diversity and inclusion; practices, policies and procedures that support diversity and inclusion; and recommendations to address employee perceptions and increase diversity and inclusion. All our employees are supportive of greater diversity at Transform Aid International.

Board Staff Retreat

Our biennial Board Staff Retreat was held in August 2015, with the theme “God’s Faithfulness Over Time”. The Retreat honoured key people who have been integral to the organisation’s success over the past 56 years. We reflected on God’s faithfulness towards our organisation through times of growth and change.

Staff Engagement Survey 2016

59 employees responded to the 2016 Staff Engagement Survey. Employees described our culture as “inclusive”, “friendly”, “passionate”, “professional” and “caring”. Questions about our work culture, commitment to quality work, and explaining and understanding roles were met with further positive feedback. What a reflection on our staff’s commitment to our mission to end poverty!

Volunteers

As always, the work of Transform Aid International this year was largely supported by a large number of dedicated volunteers. Without their help, our organisation could not operate as efficiently, nor as effectively, as it does.

The invaluable contribution of the volunteers include: regular mail opening, screening of children’s mail, administration, project support, and specialist assistance. Our volunteers help lower our administration costs so that a greater proportion of donations can go directly to our international projects.

We greatly value our volunteers and recognise them by: celebrating National Volunteers Week, providing an annual volunteer appreciation lunch, and celebrating significant birthdays and anniversaries.

During the year ended 30 June 2016, 76 volunteers contributed 10,042 hours of work at a commercial value of \$247,961 (FY2015: \$315,060). Of this amount \$39,404 is considered recognised development expenditure for the purpose of assessing our entitlement for Government funding (FY2015: \$42,684).



Jane Alfred Information Systems Manager

Jane joined Transform Aid International in August 2010 as a Marketing Analyst. She moved into her current role in October 2015. Prior to starting with us, Jane was a Revenue Analyst at Qantas where she worked for 13 years.

“I became a Christian around the time I left Qantas. And Transform Aid International has been an important part of that journey. It’s a great, encouraging environment where you can live out your faith through your work. I’ve been here for a while now, but the more I learn about our work, the more I feel it’s great to be part of it.”



Janani Kularajah Volunteer, Human Resource

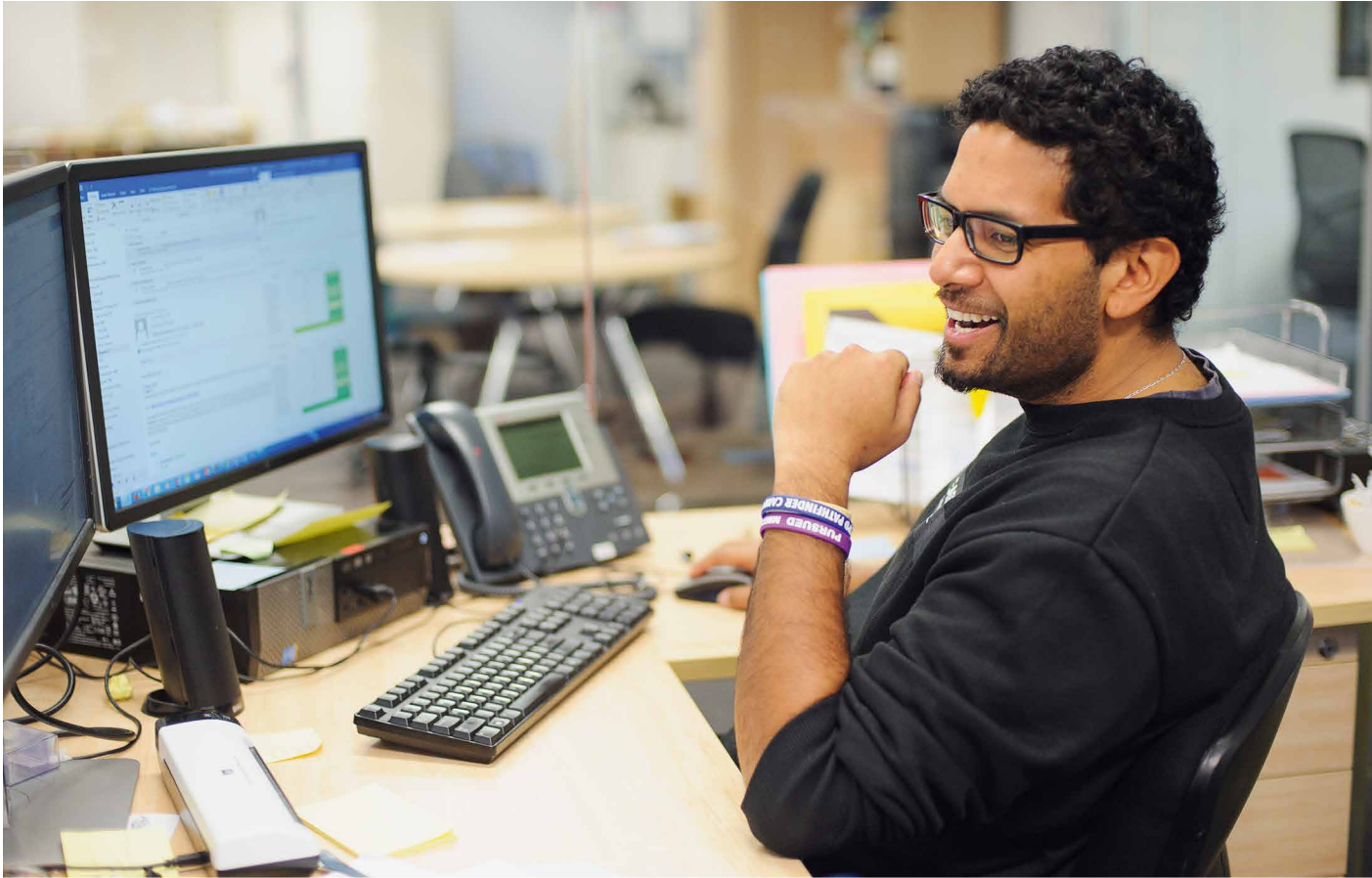
Janani has been volunteering with Transform Aid International since August 2014 when she joined our Human Resource (HR) department. She studies HR at university and volunteers once a week.

Janani is a valued member of our team. She has provided excellent assistance in reviewing and drafting policies and procedures, and assists with recruitment processes. She has also completed a research project regarding changes to the Working With Children Check.

“I started volunteering mainly for work experience, but I have found that volunteers are appreciated a lot. I’ve gained a variety of HR skills while contributing to an important cause. It keeps me motivated to help.”

Organisational Structure

OUR BOARD			
Chief Executive Officer <i>John Hickey</i>			
Director of Business <i>Peter Leau</i>	Director of International Programs <i>Anthony Sell</i>	Director of Community Engagement <i>Glen Richardson</i>	Overseen by <i>John Hickey</i>
<p>Finance <i>Manager, Daniel Tan</i></p> <p>The Finance Team manages all financial and accounting systems within our organisation. This includes: relationships with banks, auditors, and foreign currency exchanges for the provision of funds to our partners overseas.</p> <p>HR & Organisational Development <i>HR Advisor (Job Share), Lana Kularajah and Miriam Sherwin</i></p> <p>This team provides advice and support in HR management and organisational development strategy, as well as overseeing our Volunteer Program.</p> <p>Information Systems <i>Manager, Jane Alfred</i></p> <p>The Information Systems Team manages organisational information infrastructure and systems, and is responsible for important data analysis.</p> <p>Governance & Compliance <i>Specialist, Lyndelle Taylor (Solicitor and Chartered Secretary)</i></p> <p>Assists the Director of Business in his role as Company Secretary, ensuring the quality and continuous improvement of governance, compliance, and policy development systems and standards.</p>	<p>International Programs (Private Funding) <i>Manager, Daniel Norris</i></p> <p>Responsible for the implementation of our International Programs Strategic Framework where our programs are funded by private supporters, churches, foundations and other non-institutional donors.</p> <p>International Programs (Grants) <i>Manager, Steve Hamlin</i></p> <p>Responsible for the implementation of our International Programs Strategic Framework where our partnerships and projects are funded by grants.</p> <p>Specialists <i>Disaster Management, Dan Skehan</i></p> <p><i>Child & Youth Programming (Consultant), Jackie Robertson</i></p> <p><i>Partner Organisational Development, Lana Hanley</i></p>	<p>Marketing <i>Manager, Greg Wood</i></p> <p>This team is responsible for the marketing of Baptist World Aid via all communications channels. Including: campaigns, appeals, magazines and publications; as well as all digital channels such as website and social media.</p> <p>Strategic Relations <i>Manager, Annette Pereira</i></p> <p>Strategic Relations is responsible for defining, understanding and engaging with significant supporter segments such as major donors, large churches, corporations, trusts, foundations, wills and bequests. Also manages relationships with women's ministry, youth and supporter travel experiences.</p> <p>Supporter Engagement <i>Manager, Mel Hatton</i></p> <p>This team provides high-quality services to supporters, including donation processing, mail, database management and child partnership support. Our Tele-servicing team also contacts supporters for campaign and product engagement, and pastoral care.</p> <p>State Representatives <i>Manager, Cameron Eccleston</i></p> <p>State Representatives engage with Baptist Church pastors and congregations, as well as other community groups across Australia, educating and inspiring supporters to be love.</p>	<p>Advocacy Team <i>Manager, Gershon Nimbalker</i></p> <p>Reporting to the CEO, the Advocacy team mobilises Australian supporters and Catalyst groups to "defend the rights of the poor and needy" (Pr 31:9) through giving, advocacy, ethical consumption and prayer. They produce research reports about social justice issues in the fashion and electronics industries. The team also works with coalitions such as Micah Challenge and Stop the Traffik.</p>



Australia: Head Office, North Ryde. Source: Transform Aid International, 2016.

Meet the Executive

John Hickey **Chief Executive Officer**

John joined our organisation in July 2010, after more than 20 years in leadership roles including CEO of Newcastle Permanent Building Society and General Manager and Executive Board member of ING Bank Australia. John has a Bachelor of Arts (Honours) with majors in political science and law, and postgraduate qualifications in financial services and international business leadership. He is also a Member of the Australian Institute of Company Directors (MAICD).

John specialises in organisational leadership and the development and implementation of vision and strategy. As part of his role as CEO, John serves on the Board of Integral Alliance (also as Executive Committee member); on the National Council of Australian Baptist Ministries; is Co-Chair of the BReaD Network (Baptist Relief and Development Network); is a member of the Baptist World Alliance Commission on Social and Economic Justice; and sits on the Baptist World Alliance Aid Committee.

John was formerly Director (and, before that, Chair) of Christian Education Foundation Ltd, which

operates Charlton Christian College in the Hunter region of NSW.

John and his family have been based in the western Lake Macquarie area for more than 14 years. He has been active in church council leadership and treasurer roles in local churches, and remains committed to participating in Baptist Church life, health and local community.

"As I seek to listen to and obey God's call on my life, I am constantly inspired and encouraged by the progress we are making to end poverty. But there is much more to do and I'm passionate about this challenge."

Anthony Sell **Director of International Programs**

Anthony joined our organisation as a Programs Coordinator in January 2009 and was appointed Director of International 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 post-graduate training in Humanities.

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

Peter Leau **Director of Business**

Peter was appointed as Director of Business in January 2009 after more than 25 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 a Master of Strategic Organisational Development.

Peter is a Fellow of the Institute of Public Accountants, an Associate Fellow of the Australian Institute of Management and a Certified Professional of the Australian Human Resources Institute.

Peter and his wife attend Central Baptist Church in Sydney.

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

The Executive Team manages and directs the organisation and works closely with the Board.

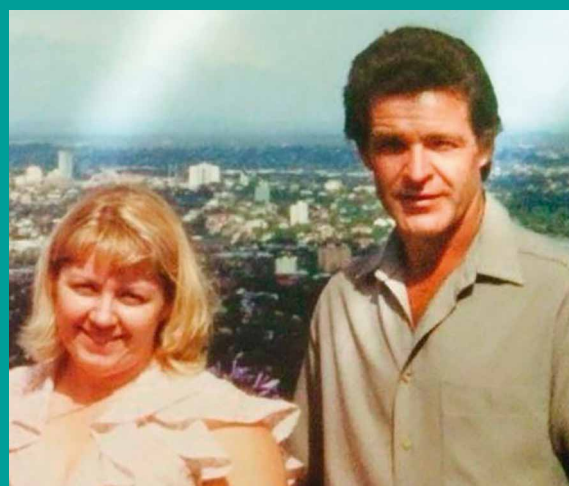


Glen Richardson
Director of Community Engagement

Glen joined our organisation in March 2014 after an extensive career in the corporate and not-for-profit sectors. For over 20 years he worked in sports marketing and management, television advertising sales, PR and, most recently, in digital website and online development. His earlier experience also includes direct marketing in the financial services industry.

Glen is a graduate of the University of New South Wales with a Bachelor of Commerce (Marketing). As a representative of our organisation, he sits on the Board of Micah Australia where he can exercise his passion for social justice being integrated as an essential part of our Christian faith.

"It is humbling to work alongside so many gifted and passionate colleagues all seeking to obey God's call. I'm especially grateful to all our wonderful supporters for their generosity and trust in the work we are doing to end poverty."



Baptist World Aid Australia
Supporter and Child Sponsor:
Roslyn Beazley

When they first sponsored a child through Baptist World Aid Australia in 2004, Ros and Wayne Beazley were teachers who believed in a child's right to education.

That same year, they changed careers and bought a bus company.

It wasn't long before Wayne realised that the drive between Brisbane and Byron Bay gave him a captive audience. He would spend the journey telling people about the work of Baptist World Aid and his sponsored child.

One day, Wayne came home energised by an idea. He wanted to sponsor more children - as many children as there were windows on the bus! He'd stick their photos up and use the business to fundraise, inviting passengers to donate small change to help pay for sponsorship.

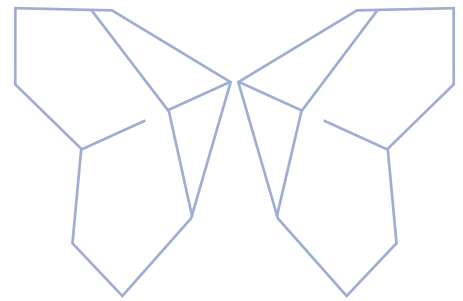
Wayne was a great communicator and a passionate supporter of our work. Within 18 months, he and Ros had gone from sponsoring one child to Wayne's goal of 14.

And then, the unthinkable happened. Wayne passed away.

Nearly six years on, now working for her church, Ros was struggling to support the 14 sponsorships by herself. She could easily have sponsored less children... but instead, Ros called a family meeting.

Together, they decided to forgo Christmas and birthday celebrations in order to keep sponsoring 14 children. Wayne's legacy is important to them. And through this sacrifice they can continue honouring it.

"What you give makes a huge difference. There are probably very few of us in Australia who really can't find enough money to sponsor a child, even though we might think we can't. Just going without a hot coffee occasionally is usually enough to help change a child's life."



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.

Our Board

Our Board establishes the strategic direction for Transform Aid International and reviews the performance of the organisation against set targets. The Board approves the annual budget and is also responsible for appraising the performance of the Chief Executive Officer.

Board Members sit on Board Committees according to their skillset and the Committees report to and provide recommendations to the Board. This assists the Board to discharge its duties effectively with each Committee specialising in key areas but with the Board retaining the responsibility to make decisions collectively.



Board Executive

The Board Executive Committee is comprised of the Board Chair and Chairs from each Board Committee. It is responsible for Board Executive matters including:

- acting as a first level of review and feedback for key issues and new ideas;
- ensuring all relevant key issues and content arising from Board Committee meetings are discussed comprehensively prior to Board Meetings;
- setting the Agenda to ensure all key issues are considered by the Board
- and ensuring good Board meeting practice including monitoring actions arising from Board Meetings.

HRGC

The Human Resources and Governance Committee (HRGC) is responsible for governance and human resource matters including:

- developing and reviewing policy and governance systems and processes;
- ensuring regulatory compliance;

- identifying organisational risks and providing recommendations on policies and systems to mitigate risk;
- Board performance and Board Member/Intern recruitment;
- and executive recruitment including reviewing the CEO's performance, remuneration, employment conditions and professional development.

FIC

The Finance, Audit and Investment Committee (FIC) is responsible for financial matters including:

- monitoring the financial stability, viability and health of the organisation;
- assessing and reviewing financial reporting, budgeting and financial risk management;
- ensuring that a system of internal financial control is in place;
- and reviewing delegated authority approval levels for the Executive and relevant Board Committees.

PPC

The Programs Performance Committee (PPC) is responsible for programs matters including:

- assessing the performance, quality and outcomes of international development programs;
- developing and implementing programs strategy;
- reviewing resource utilisation;
- and identifying and managing risk.

MARCOMS

The Marketing and Communications Committee (Marcoms) is responsible for marketing, communications and advocacy matters including:

- developing and implementing marketing, communications and advocacy strategies including branding, donor and stakeholder relationships and public relations;
- ensuring the organisation's legal and regulatory compliance in these areas;
- and monitoring the organisation's performance in these areas including identifying industry trends and strategies.

Annual General Meeting

The Annual General Meeting was held on Friday 30th October 2015.



Board Members



From left to right: Phil Newman (Board Vice-Chair), Heidi Tak (from November 2016), Tabitha Mathew (Intern), Simon Lynch, Julie Lawrie, Brad Entwistle, Mick Turnbull (Board Chair), Paul Oates, John Hickey (CEO), Dr Ray Bartell, and Rev Dr Allan Demond.

Board Member Profiles

Mick Turnbull

Chair of the Board; Chair of the Board Executive Committee;

Member of Human Resources and Governance Committee; Programs Performance Committee; Finance and Investment Committee; and Marketing and Communications Committee.

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

Mick joined the Board in May 2011. He has over 35 years of business and management experience. For 18 years, until the end of 2015, Mick was Regional CEO (Australasia and North Asia) of Agility Logistics, a global top 10 logistics company. Mick now spends his time as an Advisory Board Member and Director of a number of private companies involved in industries including building materials, agriculture,

technology and logistics. He also serves on the Ambassador Council for “Business for Development” (supporting businesses to pursue the Sustainable Development Goals, particularly where businesses operate in developing countries). Mick was a Director and Vice Chair of Business for Millennium Development from 2010 to 2015, and Chair of Eastern College Australia (previously “Tabor”) from 2009 to 2014. Mick is a Member of the Australian Institute of Company Directors and a Fellow of Australian Institute of Management. Mick and his wife, Annette, worship at Syndal Baptist Church, Melbourne.

John Hickey

CEO; Member of Board Executive Committee; Human Resources and Governance Committee; Programs Performance Committee; Finance

and Investment Committee; and Marketing and Communications Committee.

BA (Hons); Grad. Dip. Financial Services; MAICD.

John joined Transform Aid International as CEO and Board Member in July 2010, after more than 20 years in leadership roles working in Australia and internationally. His roles have included CEO of Newcastle Permanent Building Society, and General Manager and Executive Board Member of ING Bank Australia. John has a degree in Political Science (Hons) focusing on International Relations and has postgraduate qualifications in Financial Services and International Business Leadership.

John specialises in organisational leadership and the development and implementation of vision and

strategy. He is a Member of the Australian Institute of Company Directors, and he also serves on a number of Boards and has governance and strategic leadership roles in Australia and internationally, including:

- Board Member of Baptist World Aid Australia Ltd.
- Member of the National Council of Australian Baptist Ministries
- Board Member and Executive Committee Member of Integral Alliance, a global alliance of 23 leading Christian relief and development agencies from North America, Europe, Asia and Australasia, that collaborates in the area of international disaster management.
- Co-Chair of the BReaD Network (Baptist Relief and Development Network) an international collective of agencies and conventions that combine their resources to address poverty and disaster relief for the Baptist movement globally.
- Committee Member of the Baptist World Alliance aid arm: BWAid
- Member of the Baptist World Alliance Social and Economic Justice Commission
- Member of the CEO's Group of the Church Agencies Network, a collaborative framework for Australia's denominational aid and development agencies.

Paul Oates

Chair of Finance and Investment Committee

B. Commerce, (UWA) Chartered Accountant.

Paul originally joined the Board in May 2009. In May 2014 he resigned to work in India. Upon his return to Australia, he was re-appointed as a Board Member in November 2015. Paul has over 20 years of accounting

and finance experience spanning audit and assurance, corporate finance with Deloitte, and business management in the independent school sector. Paul is currently the Director of Business at South Coast Baptist College.

Phil Newman

Vice Chair of the Board; Chair of Human Resources and Governance Committee and Member of Finance and Investment Committee

B. Arts (Social Anthropology & International Development); Dip. Financial Planning; Certified Financial Planner (CFP); MAICD.

Phil joined the Board in 2009. He has over 20 years of experience in the financial services sector and recently returned from seven years based in South East Asia working with civil society and the private sector to promote integrity, transparency and accountability. Phil is the CEO of Transparency International Australia, an Accredited Member of Transparency International - the leading global NGO focused on fighting corruption. He is a Member of the Australian Institute of Company Directors.

Simon Lynch

Member of Programs Performance Committee

B. Economics.

Simon joined the Board in May 2009. In addition to his corporate experience, he has over 20 years of experience in the aid and development sector during which time he has helped establish and support numerous organisations with a particular focus on Board strengthening and senior management.

Dr Ray Bartell

Chair of Programs Performance Committee

B. Business (Accounting), PhD.

Ray joined the Board in 2013. He is a governance and business development specialist. Ray has over 20 years of experience working in senior roles in the education sector and business management in Australia. He also has community development experience, having worked with remote communities in Papua New Guinea. He has served on a number of local and international Boards over the course of his career. Ray is the founder and Director of Aeikon and has recently completed a PhD in Philosophy (Education).

Julie Lawrie

Chair of Marketing and Communications Committee

B. Business Management (Marketing); Associate Diploma in Business (Human Resource Management/ Industrial Relations); MAICD.

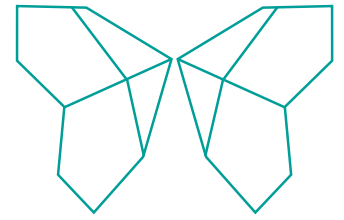
Julie joined the Board in November 2015. She is the founder and Director of "The Marketing Box" and has a corporate marketing and business consulting background. Julie also serves as Deputy Chair of the Board of Baptist Care South Australia. She is a Member of the Australian Institute of Company Directors.

Brad Entwistle

Member of Marketing and Communications Committee
MAICD.

Brad joined the Board in 2008. He is the founder and Managing Director of marketing communications firm "imageseven". Brad's professional expertise includes brand and marketing strategy, reputation management, and marketing governance. He also serves as a Member of the Baptist Union of

Board Members
serve for a standard
period of six years.



Western Australia Council. Brad is a Member of the Australian Graphic Design Association, Public Relations Institute of Australia, and Chamber of Commerce and Industry WA. He is a Member of the Australian Institute of Company Directors.

Allan Demond

B.A. (Hon), M.Div. (Hon), Th.M., Ph.D.

Allan joined the Board in 2016. He is the Senior Pastor of NewHope Baptist Church in Victoria, where he has served since 1995, and the Executive Director of NewHope Community Care Inc. Allan has served on various Boards in Canada and Australia. He is currently a Member of the Union Council of the Baptist Union of Victoria and an adjunct lecturer at Whitley College.

Heidi Tak

Member of Finance and Investment Committee (from November 2016)

B Commerce, CA, MAICD.

Heidi will be joining the Board in November 2016. She is an accounting professional with 15 years of hands-on experience in the not-for-profit industry. She is currently the Associate Director of Finance and Administration at the Baptist Churches of NSW and ACT where she supports over 300 churches to meet complex compliance requirements and adhere to not-for-profit specific rules and legislation. Previously, Heidi was a Member

of the not-for-profit specialist group at Deloitte for over 7 years, providing audit, financial advisory and other services to not-for-profit organisations. Heidi is a Member of the Australian Institute of Company Directors.

Ann Herbert

Specialist Advisor to the Board

BA Hons (Sociology); Grad. Cert. Public Sector Leadership; GAICD.

Ann became a Specialist Advisor on governance in February 2014. From 2008 to 2013 she served as Member of the Board. She was the Board's Vice-Chair from 2010 to 2013, and Chair of the HR-Governance Committee from 2008 to 2013. Ann has over 20 years of experience in social policy and public sector management. She is currently the Manager of Policy in the Communities, Sport and Recreation Division of Tasmania's Department of Premier and Cabinet. Ann is a Graduate Member of the Australian Institute of Company Directors. She is a member of Citywide Baptist Church in Hobart.

Nisha Graeme

Specialist Advisor to the Board

Bachelor Information Technology (BIT); Graduate Diploma Applied Finance and Investment (Grad Dip App Fin & Inv); Graduate Diploma Psychology (Grad Dip Psych.); GAICD.

Nisha became a Specialist Advisor in 2016 after having served as a Board intern from 2012 to 2013. Nisha has over 15 years of experience in risk management and governance across a range of industries including financial services, technology, and not-for-profits. Nisha is currently the Chief Risk Officer at the University of Sydney. Nisha also serves as an Advisory Board Member for Habitat for Humanity Australia. Previously, Nisha was the Chief Risk Officer at The Salvation Army, Australia Eastern Territory and, in that capacity, was a Director on several affiliated Boards. Nisha is a Graduate Member of the Australian Institute of Company Directors.

Tabitha Mathew

Board Intern

BA (Media & Communications).

Tabitha became a Board Intern in November 2015. She is the Head of Community Engagement at PR and content marketing agency "Keep Left". Her specialties include communications strategy and messaging, crisis management, digital communication, and public relations. She has served as a Strategic Committee Member and Communications Advisor for a body-image charity movement and has served as a Committee Member for a Melbourne performing arts company.



Iraq: Emergency Relief Health Services, Medair. Source: ©Medair/Bethany Williams, 2016.



Australia: Revive 2016. Dural. Source: Transform Aid International, 2016.

Community Engagement

The Community Engagement team serves our supporters and others in our community. But their work is far more than just a service, it is really about relationship. Our team seeks to understand, explain, and engage as they connect with you. Through that connection we hope to encourage you to live out God's heart for all people, especially the poor, oppressed, and marginalised whom we serve.



Glen Richardson
Director of Community Engagement

In FY2016 the Community Engagement team continued to align key activities to deliver a more integrated approach to change. Fundraising, marketing, communications, supporter engagement, strategic relations, and our network of State Representatives have all worked closely together to build a Strategic Framework which will inform and guide the team's key activities through to 2018. It was an encouraging process which saw all areas of the Community Engagement team work together to provide mutual support, share ideas, and combine their resources. The

Strategic Framework will be a vital reference point for our team as we endeavour to keep improving the end-to-end supporter experience whilst retaining our unique pastoral care philosophy.

At Transform Aid International, we see our work as a ministry. Key to this ministry is our commitment to listen. We listen to our overseas partners, who know better than anyone the needs that exist. We are thankful for the feedback we receive from our supporters, which helps us continually improve our service and deepen relationships. And this year we participated in a broad, longitudinal research study about charities, Christians, and the wider community. Analysing the findings of this research study has helped us to better understand how we, as an organisation, are seen. And knowing our place in the broader not-for-profit landscape allows us to confidently implement positive change.

Discipleship and Education

We were proud and excited this year to develop a discipleship series ambitiously titled *"The Single Thing That Can Change the World"*. In close collaboration with Rev. Scott Higgins, we created sermon notes and DVD presentations, bible study guides, worship resources, and children's activities. The resources were made available to churches and supporters to encourage congregations, small groups, and individuals to connect with God's heart of generosity in a practical way. Participation and feedback have been highly encouraging to date, and we look forward to an extended period of community engagement on this important topic.

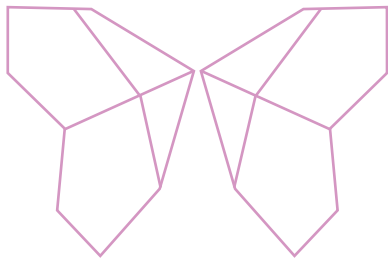
Major Projects

Based on our unflagging commitment to the importance of Child Centred Community Development, we completed

a comprehensive review and subsequent modification of our Child Sponsorship model. Now confident we're in step with our supporter expectations and market realities, we have redeployed significant internal resources to develop a new look and feel for the program; to improve communications between partners, children and supporters; and to sharpen our metrics to better understand the impact of our development activities in sponsored communities. Achieving these objectives will confirm us as a leader in this vital area of international development.

Throughout this year Community Engagement also played an important role in a major IT system integration project that launched in September. Our website has been completely re-vamped, with a cleaner design and enhanced functionality. It has also been more effectively integrated into an upgrade of our Customer Relationship Management database, as well as our financial accounting system. This major piece of work will not only improve the supporter experience, but it also saves costs. The website re-design means that it can now be maintained by our team in house, greatly reducing the cost of third party services. And the integration project makes possible more relevant marketing, improving record keeping, and streamlined reporting.

We are continuing to significantly expand our digital engagement capacity. A digital strategy developed last year included dedicated in-house resources, which means the digital component of our campaigns and appeals is delivering better results at a lower cost. We are now able to provide a wider range of communications in a digital format. This helps to broaden our influence through a rapidly growing presence on social media such as Facebook, Twitter, and Instagram.



GyMEA Baptist Church, NSW
Community Engagement is always seeking to deepen relationships with key churches, and GyMEA Baptist in Sydney's south is a great example. Having participated in our advocacy work for many years through a strong Catalyst group, this year GyMEA also raised over \$66,000 in support of our Middle East appeal. Recently, key leaders also met with Khmer partners, preparing GyMEA to engage in a long term Cambodian Church Partnership.



Cameron Eccleston
State Representatives Manager

Church Relations

The local church is a vital component of our community engagement work. Cameron Eccleston has led our seven-person team of State Representatives to connect with over 540 Baptist churches around Australia in the last 12 months. Their program includes Sunday deputations and hundreds of mid-week meetings, workshops, school visits, conferences, and seminars which strengthen our relationships with vital communities of supporters. The State Representatives have also led overseas field visits and encouraged over 60 Catalyst groups. Their creative use of our innovative resources plays a vital role in mobilising many people to take action on behalf of the world's poor.



Greg Wood
Marketing Manager

Fundraising, Marketing & Communications

The Fundraising, Marketing & Communications team has had an outstanding year in terms of results and learning. Our ongoing plan for an integrated "Supporter Journey" has continued its development, allowing us to be more targeted and efficient with our supporter communications. Greg and his team have streamlined our calendar of campaigns and appeals with a more logical distinction between church and individual activities and are implementing a more robust campaign planning model.

In April, our Marketing team also instigated and delivered the inspiring "30 Days of Thanks" campaign. Our staff spent 30 days thanking God for His provision and thanking our faithful supporters, our passionate partners, and each other for their commitment and faithfulness to our work.

Our membership of the international disaster relief network Integral Alliance has also been invaluable in sharing marketing content and keeping our supporters up to date with our international disaster management work.



Annette Pereira
Strategic Relations Manager

Strategic Relations

As the newest group within Community Engagement, Annette's team has made huge progress in connecting with key segments of our supporter base. They have generated significant support by their active participation in several women's conferences around the country. By arranging various events, and through proactive personal contact, they have built solid relationships with a number of key supporters. They have also organised various overseas travel experiences to immerse supporters and key Baptist leaders in our fieldwork. This area is full of potential, and we are excited about future prospects.



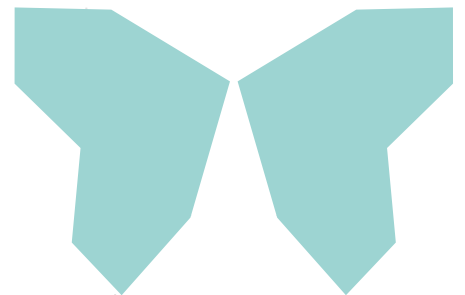
Mel Hatton
Supporter Engagement Manager

Supporter Engagement

During the year we altered the structure of this important team to be more focused on improving the end-to-end supporter experience. Advanced metrics guided the measurement and streamlining of tasks such as inbound telephone and email responses, donation processing, and pledge management. The long and complex process of upgrading our Customer Relationship Management software has been enthusiastically supported by Mel and her dedicated team. This team also includes our Child Partner Advocates who offer pastoral support in the context of each outbound phone call, which is highly valued by our supporters.

Through all these Community Engagement activities, we are becoming an increasingly significant player on the Baptist development landscape, driving growth and change not only in Australia, but also internationally.

It has been a year of outstanding success, and we are thankful to our gracious God for His provision. Our wonderful supporters have partnered with us in generous giving, ethical consumption, courageous advocacy, and faithful prayer. They are a constant blessing and source of inspiration and motivation to the Community Engagement team as, together, we address the causes of poverty and vulnerability around the world.





India: Transform Aid International Advocacy Trip, EHA. Source: Transform Aid International, 2015.

Be Vocal: Advocacy

FY2016 was a big year for our organisation's advocacy. We continued to produce world-leading corporate research and support a powerful grassroots advocacy movement. These actions have helped strengthen the international justice movement's efforts to shift government and corporate policy.

Behind the Barcode — Labour Rights in Corporate Supply Chains

We have published two new reports examining industry practices to mitigate the risk of forced labour, child labour and exploitation in the global supply chain. Increasingly, people are realising that one of the most significant ways that they come into contact with the exploitation of others is through their shopping. The corporations that sell us our goods and services have supply chains that cross national boundaries. Too often these chains are tainted by the terrible and exploitative treatment of workers.

We have been producing world-leading research that grades companies on their efforts to ensure that the rights of workers are upheld since 2013. In February 2016, Baptist World Aid released its second Electronics Industry Trends Report and in April 2015 we released our third Australian Fashion Report.



Gershon Nimbalker
Advocacy Manager



Transform Aid
INTERNATIONAL
For a world without poverty



**BAPTIST
WORLD AID**
AUSTRALIA
Be love. End poverty.

The momentum of this project continues to grow, along with increasing public interest, advocate support and corporate engagement. The publication of the last electronics report set off a series of enquiries regarding the production processes of the much-loved brand Thermomix, and pressure was also felt by the other D and F graded brands such as Nutri-Bullet and JB Hi-Fi's Soniq.

The 2016 Australian Fashion report was bigger than ever before. It had more corporate engagement and the highest level of media coverage in the project's history. We increased the number of companies graded by 50%; and, significantly, 8 out of 10 brands chose to actively engage in the research process. We had interviews on every major TV station in Australia bar one, and widespread coverage on radio and in print. The report also reached the international media, with a particularly strong following in New Zealand.

Additionally, tens of thousands of people downloaded the Ethical Fashion Guide (which is published as a companion to the report) and engaged with our findings over social media.

Corporates continue to tell us the quality of the research, the strong public support for action, and the engagement process itself are all actively helping to change supply chain practices and improve working conditions. Major Australian firms like Cotton-On, Woolworths, Kmart, Coles, Target, and David Jones continue to shape their supply chain practices in line with our engagement.

Catalyst

In FY2016 our organisation deepened engagement with our grassroots advocates in the Catalyst Program. We've created new social media channels for communication, organised regional network gatherings around the country, and bolstered the quality and frequency of our email communications with groups.

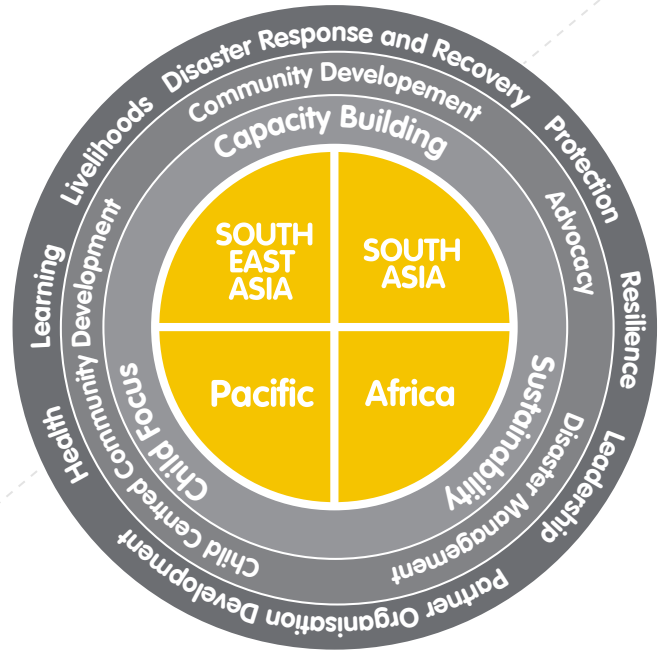
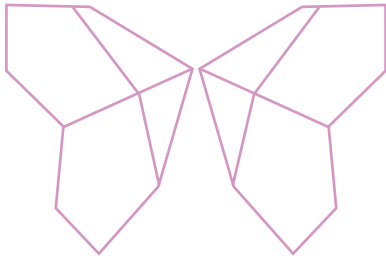
In a big election year, marked by uncertain and rapidly shifting politics, Catalyst groups have continued to engage positively with their federal members of parliament while also pressuring companies to improve their practices. To raise awareness of justice issues in their communities, our advocates have organised fair-trade expos, screenings of fashion documentaries, run election forums, coordinated aid-focused community awareness events, hosted trivia nights, and more! To connect their churches with God's heart for justice, they have held justice-themed services, sermons, worship and Bible studies. And in order to change the policies and practices that fail to empower the poor and lift them out of poverty, they have written letters, lobbied corporates, spoken out at conferences, and met with their members of parliament.

We continue to hear from politicians that this community based engagement approach, made up of passionate and committed individuals from across Australia, is one of the most powerful tools to challenge and transform corporate policy.

Converge

This year, in addition to our church-based Catalyst program, we collaborated with A Just Cause and Baptist Care Australia to run a lobbying conference for Australian Baptist leaders. It was a positive first step to strengthen the public voice of our Baptist community, and it will serve as a powerful compliment to the strong, grassroots advocacy which already exists in churches through our Catalyst program.

With the help of our world-leading corporate research, our grassroots advocacy program, and the rising voice of Baptist leadership in our nation, Australian Baptists continue to punch above their weight in generating change for the oppressed and marginalised!



International Program

For Transform Aid International

In FY2016 we implemented our international program through a total of 40 local partners overseas, across 22 countries. The total investment into projects was \$11.92 million which was a decrease of 0.38% on the previous reporting year. Through 83 projects, Transform Aid International is providing long-term change in the lives of children, families and communities in some of the poorest nations.

These efforts aim to build long term sustainable solutions, which are developed at the community level and address the complex and multifaceted dimensions of poverty. Of the 83 projects funded by Transform Aid International in FY2016, 30 were disaster management projects. Our disaster management projects provided life-saving interventions to thousands of people through timely and coordinated responses through 16 local partners across 14 countries.



Anthony Sell
 Director of International Programs

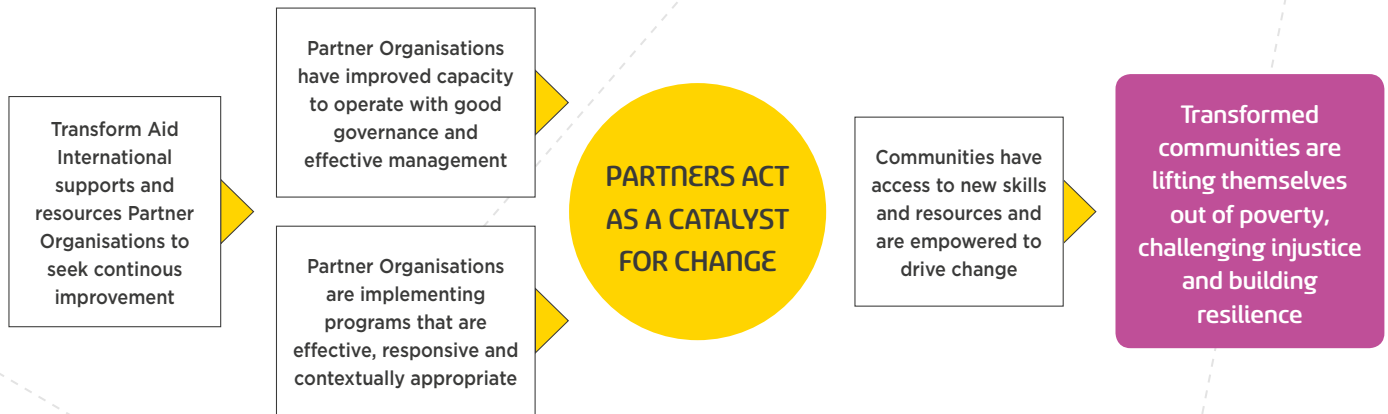
Our International Program

Our vision is for a world where poverty has ended and all people enjoy the fullness of life God intends. We strive to achieve this vision through a diverse range of approaches, mobilising long-term community transformation through village savings and loans associations, cooperatives, farmer groups, and people institutions. We continue to invest in sector-specific projects such as child centred community development (CCCD), which focuses on the four pillars of the convention of the rights of children: survival, development, participation and protection. Disaster management, another sector-specific focus, encompasses emergency relief, disaster recovery, and disaster risk reduction projects. Through all our projects, we seek to see impact in seven development outcome areas that include health, learning, livelihoods, protection, resilience, and leadership, and partner organisational development.



Kenya: Community Development
Water Pan Project, ADS Mt. Kenya.
Source: Transform Aid International/
Shane Burrell, 2016.

Theory of Change



Our partnership approach

Capacity building is central to the Transform Aid International approach to achieving the vision of “a world where poverty has ended and all people enjoy the fullness of life God intends.” Capacity building and strengthening happens in the context of four core principles that inform our partnership approach:

- Respect for the autonomy of national and international development agencies with whom we partner;
- Valuing the capacities and strengths of implementing partner staff;
- Mutual accountability and learning in all our relationships;
- Integrity and transparency in the relationship and use of funds.

In FY2016 we developed our Theory of Change for partner strengthening. Theory of Change is a statement about the intended consequences of our work. It will be important as we continue to improve our approach to partnership. A Theory of Change helps Transform Aid International draw a line of sight between a specific set of activities and an end of program goal; in this case, Transform Aid International’s specific partner strengthening activities and the link with the broader Transform Aid vision.

We have identified the most critical link in the change pathway as the presence of our local implementing Partners. Partnership is core to the mission of Transform Aid International. This reflects our commitment to building local capacity and our belief that we can achieve much more, working in partnership with others.

Transform Aid International’s implementing partners are catalysts for change in communities. Drawing on their intimate knowledge of local context, language, and culture, we have the opportunity to support projects that encourage the participation of the most vulnerable, which are more likely to be sustained, and, ultimately, have a greater impact on people living in poverty.

In FY2016 we also commenced developing a framework to guide our efforts in this partner strengthening. Some of those efforts are a continuation of our learning forums for our partners. These forums offer an opportunity for our partners to learn from regional sector specialists and also from each other. In the reporting period, we conducted 2 regional learning forums. In September 2015, partners from Kenya, Malawi, Zambia and Uganda came together for one week in Kenya. And in February 2016, all of our partners from Bangladesh and India joined together for one week. Outcomes from these two forums include:

Partnership is core to the mission of Transform Aid International. This reflects our commitment to building local capacity and our belief that we can achieve much more working in partnership with others.



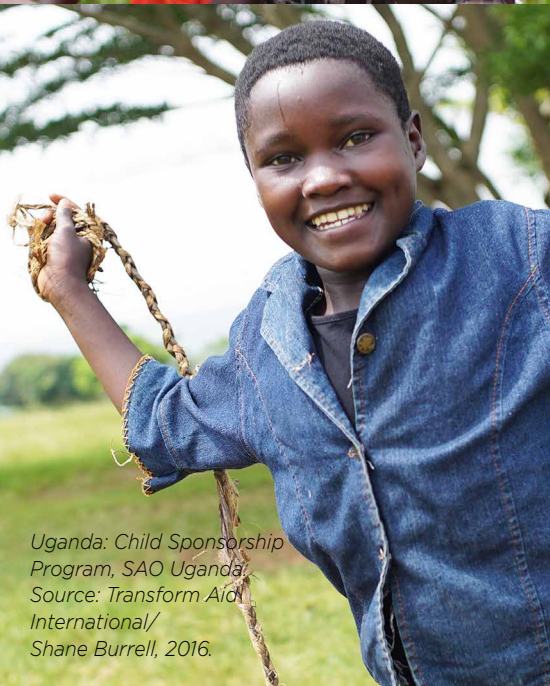
- A well-developed understanding of, and approach to, disaster risk reduction and disaster management, shared across partner organisations.
- Increased skills and knowledge regarding the assessment of project sustainability and the development of specific exit plans based on initial program design. This will lead to each partner organisation developing a context appropriate exit plan for their project.
- Increased skills and knowledge about mainstreaming cross-cutting issues and a commitment to ensure social safeguards which relate to gender equality, disability, and child protection. This will lead to each partner organisation developing an action plan identifying appropriate strategies to incorporate into their programming.
- Increased skills and knowledge that help facilitate partnerships between small-holder farmers and other stakeholders in the private sector, leading to better livelihood outcomes for the community.
- Increased skills and knowledge about leadership in organisational sustainability, good governance, and accountability.

Our development approach

Our projects aim to facilitate long-term sustainable change in communities. To achieve, this Transform Aid International aims to apply the following principles:

- Be informed by a strengths based approach that works with individuals, families, groups, organisations, and communities;
- Target poverty at its root causes, ensuring that community assessments and the ongoing monitoring and evaluation of projects focus on the complexity of issues that create and sustain poverty;
- Take an integrated approach to programming that looks not only to economic development, but also building human, natural, financial, social, and institutional capital;
- Focus on community empowerment rather than service delivery;

Transform Aid International's implementing partners are catalysts for change in communities.



Project: Child and community empowerment for the wellbeing of vulnerable children

Partner: Share an Opportunity Uganda (SAO Uganda)

Project year: Year 6 of 9 years (Phase two)

Overall Project Goals:

The project aims to improve the quality of life of vulnerable children and their families. It works to fulfil SAO Uganda's vision and mission of "a holistically developed child within the community and an empowered community that provides for holistic child development". This vision is achieved through participatory development in partnership with local community-based organisations that are set up through the project. SAO Uganda's work is based upon the core notion that, when these community organisations are healthy, children thrive.

Objectives for FY2016:

1. Communities have sustainable incomes, food security, and improved health.
2. Children are valued and living in a safe environment.
3. Children influence positive change at family and community level for their well-being.
4. Children receive quality education and complete their schooling.

Impact:

During the FY2016 project year, SAO Uganda undertook an evaluation of the first 6 years of the project. The evaluation focused on the impact achieved so far, and the future sustainability of activities initiated by the project, beyond the final 3 years of implementation.

This project works with 89 self-help groups (SHG) which enable parents in the community to save together. SHG members then borrow money from group savings at a low interest rate to do things

like fund small business initiatives and pay for school fees. These SHG are overseen by 8 regional community-based organisations called Cluster-Level Associations. Through the project, these Associations have been formally registered with local government, which gives them the means to apply for grants and funding.

This project also works with other community-based organisations including child clubs that provide children a safe space in their community to learn about their rights, child protection committees, and village health teams.

One key finding of the evaluation was that through capacity building and mobilisation activities, the project has helped to equip and strengthen these local community structures to implement and sustain long-term development.

In the areas of project effectiveness, the key achievements have included: improved community hygiene and sanitation, improvement in sustainable incomes by households participating in SHGs, and an increase in child participation in community decision making.

All of these findings have been used to inform the design for the third three-year phase of the project, with a further increased focus on the capacity-building of community-based organisations. The project is now working with each of the community organisations to ensure that the positive benefits of project activities continue to be sustained after the project phases out of the target communities.

- Build partnerships with like-minded local organisations in order to enhance local capacity;
- Ensure that minority groups, and those marginalised through disability, gender, ethnicity, HIV/AIDS, and other factors, fully participate in programming;
- Remain strongly committed to ongoing learning.

Continuous improvement

Continuous improvement is a key discipline of our International Programs team. The challenges of addressing poverty and bringing change to communities are complex and require ongoing reflection and development of our strategy, policies, and program approaches.

In FY2016 we have reviewed our policies in Gender Mainstreaming, Disability Inclusion, and Environment Safeguarding, while also increasing our efforts in Child Protection through the introduction of child protection risk assessments. These policies help us ensure that the partners, and projects we work through, achieve the best possible impacts without harming those we are trying to serve. Also, for the first time, we have developed a “Value for Money” policy. The aim of this policy is to help us better articulate and direct our programming decisions. Not just by focusing on efficiency, but also by looking at how the funds our supporters entrust us with are invested, with a particular emphasis on effectiveness, ethics and equity. We want to ensure that we are seeking to bring about transformation to those most marginalised, in places where poverty has the greatest impact — a critical component of demonstrating value for money.

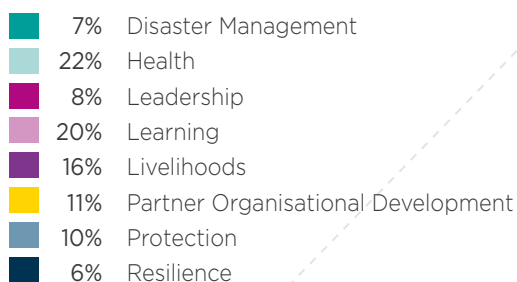
In terms of programmatic approach, Transform Aid International has been involved in two separate research projects during the reporting period. Both open up opportunities for us to look into making key improvements in practice across the core components of our programming.

The first is a research project that we are conducting in partnership with our field partner United Mission to Nepal, ChildFund Australia and Laos, Live and Learn Fiji, and the Institute for Sustainable Futures at University of Technology Sydney. The research, which is being conducted on existing child development models, looks at “exploring the link between child and youth participation and development effectiveness.” At the midpoint of this three-year research project, a review found that participants experienced significant personal development. This development is critical to children becoming change agents in their communities. Participants demonstrated a sense of ownership and mutual accountability, important precursors to project sustainability. The research also found that child and youth participation has contributed to development effectiveness outcomes. In the coming financial year, this research will be completed. We expect it will yield some important recommendations and findings that will be applicable to our sponsorship program and other programs with a child and youth focus.

The second research project is being conducted in partnership with an Australian NGO, Palmera, working in Sri Lanka. The aim of our research is to better understand how to develop effective approaches to micro and small enterprise development (MSED). Initial research objectives were: to identify and understand the critical barriers and challenges that face micro and small enterprises (MSEs) in north-east Sri Lanka; to identify and understand the critical barriers and challenges that face local grassroots NGOs in supporting MSED in vulnerable communities; to identify existing approaches to MSED that have proven to be effective and work with grassroots partners to adapt these promising MSED approaches. FY2016 was this research project's second year. Upon its completion in 2017, we hope to leverage Palmera's findings and expertise to strengthen our own approach to MSED. Our wider program throughout the South Asian context contains significant investment in MSED.

We want to ensure that we are seeking to bring about transformation to those most marginalised, in places where poverty has the greatest impact.

Annual Investment FY2016



Total investment
\$19,229,210



Through all our projects, we seek to see impact in development outcome areas including health, learning, livelihoods, protection, resilience, and leadership.

Our expected impact and outcome results

HEALTH

The Impact: Community members are leading healthy lives in supportive environments.

The outcome: TAI Invested \$2.62 million through 33 projects in FY2016. Community members have improved their knowledge of health issues. They now practise behaviours which engender good health and see lives saved. Community members have access to improved health services and enjoy healthy physical environments.

LEARNING

The Impact: Community members are engaged in meaningful learning that leads to holistic human development, vocational opportunities, and fulfilment of their potential.

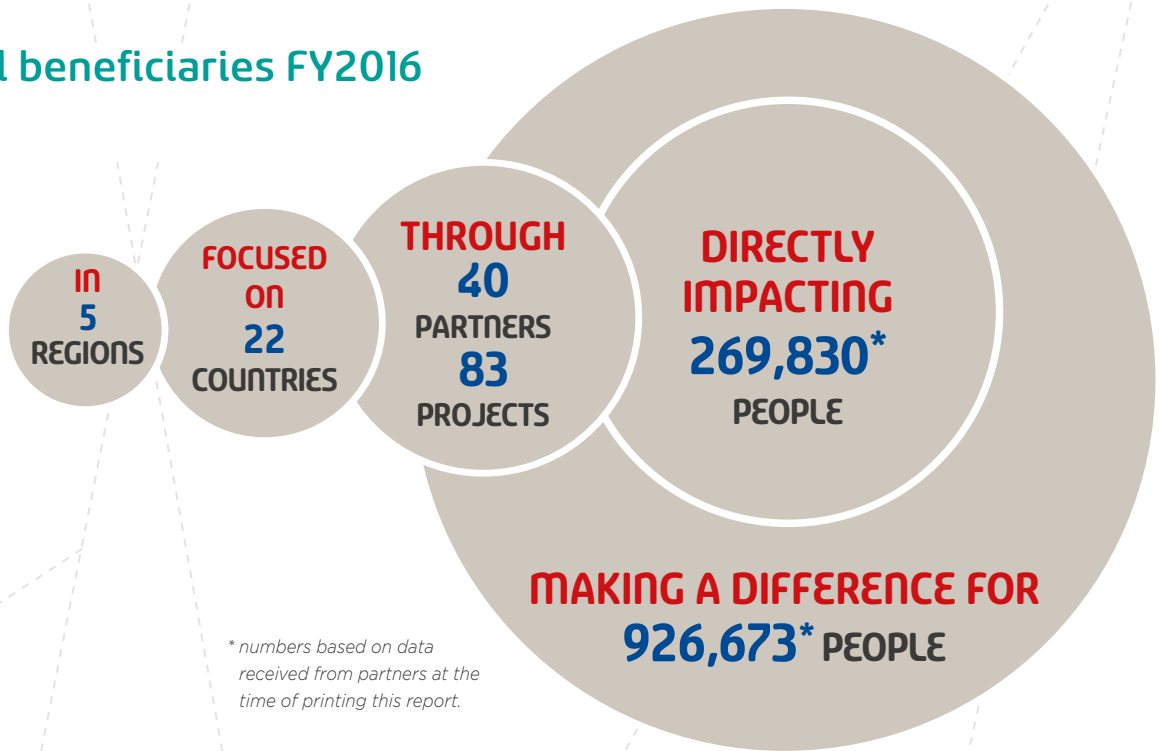
The outcome: TAI invested \$2.35 million through 24 projects in FY2016. Community members are participating in quality education and learning; and using their skills to improve their situation. Children are developing mentally, emotionally, physically, morally, and socially through participation in all levels of educational and recreational activities.

LIVELIHOODS

The impact: Community members are engaged in sustainable livelihoods that lead to increased well-being and dignity, reduced vulnerability, and the ability to fulfil family and community responsibilities.

The outcome: TAI invested \$1.94 million through 31 projects in FY2016. Community members are engaging in income generation activities that contribute towards an improved standard of living. Community members are accessing the necessary resources, capital, and markets to ensure the viability of their activities.

Total beneficiaries FY2016



PROTECTION

The impact: Vulnerable groups and individuals, particularly children, are valued members of society and enjoy lives free from fear.

The outcome: TAI Invested \$1.15 million through 16 projects in FY2016. Vulnerable groups and individuals, particularly children, are protected from human rights violations and are empowered to protect themselves. Community members are committed to protecting and upholding the rights of vulnerable groups and individuals.

RESILIENCE

The impact: Community members, including children, are physically and psychologically prepared for, and able to recover from, internal conflicts and external shocks.

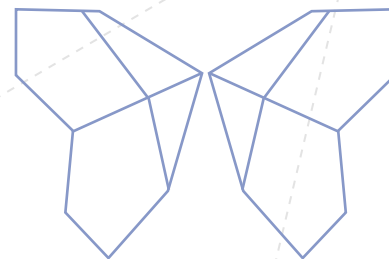
The outcome: TAI invested \$0.7 million through 13 projects in FY2016. Communities, through preparedness, are better able to mitigate the impact of local natural hazards and human conflicts. Communities have increased social capital and are able to manage community conflict, violence, and trauma.

LEADERSHIP

The impact: Communities have leadership in place that enables community members, including children, to work together to create a progressive, just, and peaceful society that is free from corruption.

The outcome: TAI invested \$0.94 million in 20 projects in FY2016. Community members, including children, are aware of their rights and responsibilities and are actively participating in their local communities. Local civil society organisations are providing and modelling effective leadership, working with communities to address their opportunities and needs.

These efforts aim to build long term sustainable solutions, which are developed at the community level and address the complex and multifaceted dimensions of poverty.



FY2016 PROJECT EVALUATIONS

Country	Partner	Project
Bangladesh	PARI Development Trust	52085 PARI Child Centred Community Development Program
		50222* Participatory Action For Rural Innovation
	Bangladesh Association for Sustainable Development	50665* Banishanta Union Integrated Livelihood Transformation Project
Cambodia	Peace Bridges Organization	50643 Peace Bridges
Kenya	Anglican Development Services—Mount Kenya	52149* Health and Livelihoods Improvement Project
	Nakuru Region Inter Diocesan Christian Community Services	52151 Elementaita Integrated Program
Malawi	Church of Central Africa Presbyterian Synod of Livingstonia	52075 Promoting Child Well-being through CCCD Approach Project
Nepal	International Nepal Fellowship	52115 Raptipari Community Health and Development Project
	United Mission to Nepal	52080* Integrated Sustainable Livelihoods Project
	International Nepal Fellowship	52154* Mountain Livelihoods
Papua New Guinea	Baptist Union of Papua New Guinea	52228 Church Partnership Program Gender Based Violence Project
		52137 Church Partnership Program Women's Association Capacity Building Project
		52057 Village Health Volunteer Training
		52039 Church Partnership Program Community Development Project
		52041 Church Partnership Program Education Project
		50708 Church Partnership Program HIV Project
Philippines	Transform Aid International	52166 Typhoon Haiyan Response Evaluation
Uganda	Share An Opportunity Uganda	52038 SAO Uganda Child Centred Community Development Program

* indicates a project which has received funding from the Australian Government.

FY2016 OVERSEAS PROGRAMS BY COUNTRY

	Partners	Child Partners	Child Centred Community Development (CCCD) Projects	CCCD Expenditure	Community Development (CD) Projects	CD Expenditure	Disaster Management (DM) Projects	DM Expenditure
				\$'000			\$'000	\$'000
Pacific								
Fiji	3	—	—	—	—	—	3	\$104
Papua New Guinea	1	—	—	—	7	\$2,320	1	\$291
Solomon Islands	1	—	—	—	1	\$200	2	\$51
Vanuatu	2	—	—	—	—	—	3	\$35
South-East Asia								
Cambodia	5	693	1	\$253	6	\$828	—	—
East Timor	1	—	—	—	1	\$102	—	—
Indonesia	1	—	—	—	1	\$187	—	—
Malaysia	1	—	—	—	1	\$23	—	—
Myanmar (Burma)	1	—	—	—	—	—	1	\$14
Philippines	1	2,314	1	\$1,007	—	—	3	\$26
South Asia								
Bangladesh	9	2,466	3	\$914	7	\$1,050	1	\$19
India	1	—	—	—	2	\$201	1	\$34
Nepal	5	1,207	2	\$454	8	\$1,352	6	\$99
Sri Lanka	2	551	1	\$250	2	\$53	2	\$26
Africa								
Ethopia	1	—	—	—	—	—	1	\$94
Kenya	3	—	—	—	3	\$474	—	—
Malawi	1	610	1	\$264	—	—	—	—
Uganda	1	1,289	1	\$596	—	—	—	—
Zambia	1	734	1	\$170	—	—	—	—
Rest of the World								
Iraq	1	—	—	—	—	—	1	\$70
Lebanon	2	—	—	—	—	—	3	\$180
Syrian Arab Republic	1	—	—	—	—	—	1	\$51
Cross-regional activity	—	—	1	\$73	2	\$43	1	\$17
Total	45	9,864	12	\$3,981	41	\$6,833	30	\$1,111

Expenditure in this table consists of funds to international programs and program support costs as presented in the Consolidated Statement of Profit and Loss and Other Comprehensive Income on page 54.



Nepal: Community Health Project, UMN. Source: UMN, 2016.

Project: Community Health Project, Nepal

Partner: United Mission to Nepal (UMN)

Project year: Year 2 of 5 year program supported by the Australian government and Transform Aid International.

Overall Project Goals:

This project aims to improve the overall health of communities. It seeks to create communities where health and hygiene practices are regularly employed by children, their carers, adolescent girls, and women of child bearing age. The project achieves this goal by focusing on changing the knowledge, attitudes and practice of individuals, community groups and service providers to meet community health needs.

Objectives for FY2016

1. To reduce the infant and neonatal mortality rate and reduce the under five malnutrition rate.
2. To strengthen local health facilities management and operation committees and improve the governance and accountability of local health services.
3. To partner with schools to train students as peer health and hygiene educators.

Impact

One of the big wins of the project year was, that through the joint efforts of local government, UMN and local communities, 19 Village Development Committees (local government areas) were declared open defecation free zones. This was achieved through a combination of public education and implementation of existing government policy.

The elimination of open defecation is a crucial step in improving health in UMN project areas. Open defecation can lead to contaminated water sources and high levels of disease and, consequently, to mortality.

The declaration of 19 Village Development Committees as open defecation free zones, is a significant step towards better public health.

Also in FY2016, your support helped six local health centres provide

24-hour birthing services. And 204 female community health volunteers have now been trained to counsel pregnant women on the benefits of institutional delivery and assist with antenatal and post-natal care.

60 malnourished children have achieved healthy weight through the UMN Positive Deviance Health program, which you support. The program works to identify positive health behaviours practised by the mums of well-nourished children, and to share them with the mums of malnourished children. It is an excellent initiative that encourages community problem-solving and builds on local strengths to reduce sustainably the rate of child malnutrition.

Also this year, 271 adolescents, and women of reproductive age were educated on menstrual hygiene management and trained to make a washable pad. In Nepal, Chhaupadi (the exile of a menstruating woman to a hut or shed away from the house due to a perceived impurity) is common practice. Community education is helping to end this practice; and the creation of reusable sanitary items is helping young girls to stay in school.

107 people living with HIV have now been supported with community and home-based care. And continued health education is helping to reduce the stigma suffered by people living with HIV. And 59 families affected by HIV have been given seeds to establish kitchen gardens that will help to improve their nutrition intake.

For health facilities in the project area, FY2016 has been marked by more regular assessment of their capacity to deliver health objectives to the community, and the development of action plans to improve their services going forward in the future.

RISK REDUCTION

Preparing communities to face disaster is the most effective way of saving lives and minimising damage.

RESPONSE

When disaster strikes we respond immediately, providing emergency water, food, shelter and medical supplies.

RECOVERY

After the initial emergency response, we invest in long-term plans for rebuilding communities and lives.

Disaster Management

Our response to disaster is an important part of our response to poverty itself because the destruction caused by disaster can halt development in communities for years to come. At Baptist World Aid, we approach disaster in three phases: risk reduction, response and recovery.

FY2016 was another exciting and challenging year for Transform Aid International's Disaster Management program.

Response

It has been marked by a continuation and escalation of our response to the Middle East crises. Our partner, the Lebanese Society for Educational and Social Development (LSESD), has continued its amazing work in Lebanon under very difficult circumstances. In FY2016, LSESD assisted 4,681 people providing informal education, health care, child protection services, and winterisation to protect refugees against harsh cold.

Also in Lebanon, our partner Medair (a specialist in emergency response) continued to give water, sanitation and hygiene, and shelter assistance to thousands of Syrian Refugees living in the Bekka Valley. Transform Aid International also supported a Medair project in Northern Iraq, providing funding to help run life-saving mobile medical clinics in hard-to-reach areas. These mobile clinics deliver basic medical assistance, vaccinations, and pre-natal care to vulnerable populations affected by the ongoing conflict with ISIL in Iraq.

It has been pleasing to see such great support for our Middle East Crises Appeal. Thank you! Sadly, the outlook for the coming year is not positive. The situation in the Middle East is likely to continue deteriorating, so please continue your generous support for families in dire need.

The global El Nino proved to be very challenging for many communities across the world in FY2016, causing drought in a number of countries.

Ethiopia was badly hit, with 10 million people suffering food insecurity due to drought. In response, we launched the East Africa Drought appeal in March. Through our partner, FH Ethiopia, we were able to provide much needed emergency water, rehabilitation for water sources like pumps and wells, and drought resistant crop seeds for replanting. In total, FH Ethiopia were able to assist 9,085 drought affected people. Recovery efforts will continue in FY2017 as more secure water sources are provided and livestock are replenished.

The Disaster Management Cycle



Papua New Guinea also suffered drought in FY2016. The El Nino caused frosts in July, damaging crops so they could not be harvested. The frosts led to a food shortage and low rainfall meant that community water sources dried up.

The Australian Government assisted the local Baptist convention, the Baptist Union of PNG (BUPNG), to employ a drought response coordinator.

With our support, BUPNG worked with local Government and other churches in Papua New Guinea, mobilising food lifts to remote communities and providing food and water tanks to communities. With the help of your generosity, BUPNG were able to assist 10,140 people.

Cyclone Winston struck Fiji in February 2016. Reaching speeds of 230 kmph, with wind gusts peaking at 335 kmph, Winston was the most powerful storm to ever hit land. In response, we were able to expedite funds immediately to our partner ADRA Fiji to assist with needs assessments and food and water provision.

We also partnered with Asia Pacific Baptist Aid (APBAid) and the Fiji

Baptist convention to provide technical assistance. Our funding also allowed the Fiji Baptist Convention to purchase a vehicle, which helped to widen its scope of relief.

This year, through our Disaster Action Fund, we were also able to support a number of smaller scale local responses. These included Typhon Komen in Bangladesh and Myanmar, Typhoon Melor in the Philippines, Manipur earthquake in India, and the Sri Lankan floods, amongst others. Without your generosity to our Disaster Action Fund, we could not provide lifesaving support for disasters of this scale that rarely reach the Australian media.

Recovery

Our partners in Nepal continue to rebuild communities, following devastating earthquakes in 2015. While their recovery efforts were hampered by the fuel shortages caused by border blockades in late 2015, our partners United Mission to Nepal, International Nepal Fellowship and Multipurpose Community Development Service (MCDS) were all able to continue their work rebuilding lives.

In February 2016 we conducted a monitoring trip to MCDS with other global Baptist partners. It was a wonderful opportunity to encourage our partner's great work following the Nepal earthquakes. It also created space for us to deepen our engagement with the Nepal Baptist Church Council.

We continued to partner with Nasi Tuan and ADRA Vanuatu to fund recovery efforts in the wake Cyclone Pam.

Disaster Risk Reduction

In FY2016 we increased our investment in disaster risk reduction programming. Our disaster risk reduction activities were mainstreamed into 15 projects. According to conservative estimates recently published by the Department of Foreign Affairs and Trade, for every one dollar invested into disaster risk reduction can be worth up to 25 dollars in response. Disaster risk reduction is a smart investment and we will continue to increase our spending in this important area in FY2017.

In September 2015, we hosted our first African partner forum.



Lebanon: Emergency Shelter Relief, Medair.
Source: ©Medair/Hiba Fares, 2016.



At the forum we trained six partner organisations in Disaster Management, in addition to other programming areas. In February 2016, we hosted a training forum in Disaster Management in Bangladesh. 8 partner organisations attended. Such forums provide important opportunities for us to continue to develop the disaster management knowledge and skills of our local partners globally.

Other news

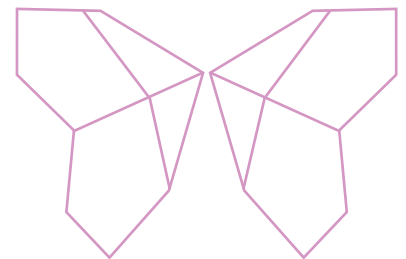
FY2016 was a big year for alliance development and collaboration in the area of disaster. Transform Aid International has been instrumental in initiating the Australian Church Agency Network Disaster Operations (CAN DO) consortium. In coming years, the CAN DO consortium will allow Australian Church agencies to respond collaboratively to disaster in the Pacific and globally. We have continued to forge deeper collaboration with Integral Alliance members, especially in the areas of early response and child protection in emergencies.

This year, Transform Aid International became an official observer on the Australian Council For International Development Humanitarian Reference Group (HRG) - a group of Australian NGOs with specialist skills in Disaster Response. This is a great step forward for our Disaster Management program.

Finally, I would like to acknowledge the great efforts of Justine Aenishaelin. Justine is the Transform Aid International Disaster Management Project Officer, a wonderful addition to our growing team! Her knowledge on the Middle East has been invaluable, and her dedication has been indispensable to our achievements in Disaster Management this year.

As always, thank you for your generous support!

DAN SKEHAN
SPECIALIST FOR DISASTER MANAGEMENT



The last financial year saw the launch of our inaugural Disaster Action Report, an exciting new initiative to help keep our disaster supporters informed about the difference they are helping to make each year.



Bangladesh: Sundarban VDCS, BASD. Source: BASD, 2011.



Bangladesh:
Disaster Proofing
Houses, BUILT
Project. Source:
BASD, 2015.

Disaster Risk Reduction in Bangladesh

Your generous contribution to our Disaster Action Fund is helping the poorest families in Bangladesh to survive disaster!

Our Christian field partner, the Bangladesh Association for Sustainable Development (BASD), works in the Khulna district – a region plagued by flooding and cyclones and tidal surges.

Located in the Sundarbans (an enormous mangrove forest and a world heritage site), hundreds of villages in the Khulna district go underwater every year. Families are left without homes and their crops and livestock are destroyed.

That's why we partner with BASD – an expert in the field of disaster!

Your donations have given 55 of the poorest families in the district training and disaster proofing

for their homes this year. With your help, these 55 families were able to raise the height of the foundations of their homes to keep them safe from rising floodwater. And they fastened the structure with strong rope so it doesn't blow away during cyclones.

And their communities are taking notice!

Other families are now following their lead, using similar techniques to disaster proof their own homes.

Because of your support, families in Bangladesh can feel safer. Thank you!

This was first published in the 2016 Disaster Action Report. To read the Disaster Action Report go to baptistworldaid.org.au/2016-disaster-action-report.



Vanuatu: Cyclone Pam Recovery. Nasi Tuan. Source: Tearfund NZ, 2015.

Thank you to all our partners

Community Development

Bangladesh

- ABMS Bangladesh (Aust. Bapt. Miss. Soc.)
- Bangladesh Association for Sustainable Development
- Bangladesh Baptist Fellowship
- Garo Baptist Convention
- Love for Distressed People Bangladesh
- PARI Development Trust
- Protibondhi Community Centre
- Sathi
- SUPOTH
- Symbiosis

Cambodia

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

India

- Emmanuel Hospital Association
- Freeset

Indonesia

- Cipta Fondasi Kommunitas

Kenya

- Anglican Development Services — Eastern
- Anglican Development Services — Mount Kenya
- Nakuru Region Inter Diocesan Christian Community Services

Malawi

- Church and Society Program CCAP Synod of Livingstonia

Malaysia

- Alliance of Chin Refugees Malaysia

Nepal

- International Nepal Fellowship

- Multipurpose Community Development Services
- United Mission to Nepal

Papua New Guinea

- Baptist Union of PNG

Philippines

- Share An Opportunity Philippines

Solomon Islands

- South Seas Evangelical Church

Sri Lanka

- Lanka Evangelical Alliance Development Service
- Palmera

Timor Lorosa'e

- Fundacao Lafaek Diak

Uganda

- Share an Opportunity Uganda

Zambia

- Reformed Church in Zambia Diaconia Department

Disaster Management

Bangladesh

- Bangladesh Association for Sustainable Development

Ethiopia

- Food for the Hungry

Fiji

- ADRA Fiji
- Fijian Baptist Convention (through Asia Pacific Baptist Aid)

India

- Emmanuel Hospital Association

Iraq

- MEDAIR

Lebanon

- Lebanese Society for Educational and Social Development

Myanmar

- Asia Pacific Baptist Aid

Nepal

- Multipurpose Community Development Services
- United Mission to Nepal
- International Nepal Fellowship

Papua New Guinea

- Baptist Union of PNG

Philippines

- Share An Opportunity Philippines

Sri Lanka

- Lanka Evangelical Alliance Development Service

Vanuatu

- Ola Fou (through Tearfund NZ)
- Nasi Tuan (through Tearfund NZ)

Financial Support Partnerships for International Programs

- Australian Government, Department of Foreign Affairs, Australian NGO Cooperation Program and Church Partnership Program

Vanuatu

- Tearfund UK
- BMS World Mission
- Asia Pacific Baptist Aid
- German Baptist Aid
- Canadian Baptist Ministries
- World Renew
- American Baptist Foreign Mission Society
- Baptist General Association of Virginia
- Baptist World Alliance



Cambodia: Somleng Community Development Program, PNKS.
Source: PNKS, 2015.

FY2016 Financial Summary

FY2016 has been another financially positive year, in the face of an increasingly challenging fundraising environment. Unlike the previous year where donations from a number of large-scale natural disasters brought about an unprecedented increase in our revenue, this year represented the third year of growth in donations from major donors; resulting in a Total Revenue of \$19.23 million, and a Net Surplus of just over \$1 million.



Peter Leau
Director of Business

The highly challenging fundraising environment made it necessary to increase our marketing and fundraising expenditure, in order for us to sustain the continuing flow of funds to support 83 projects in 22 countries.

It was also necessary to increase our Total Accountability and Administration Expenditure to manage the growing complexity of external legal, compliance, and accountability requirements; including additional resources in managing the DFAT re-accreditation project. Our Total Programs Expenditure has been relatively constant compared to the previous year — a total of \$11.92 million. In addition, the Department of Foreign Affairs and Trade provided total grants of \$5.30 million to support our international aid and



development programs in the Pacific, Southeast Asia, South Asia and Eastern Africa. An example is an Integrated Community Development Project in Cambodia with a budget of \$157,000, which improved health and nutrition for families, and improved income opportunities leading to stronger economic security for more than 5,000 people. It also built community-level systems that are leading to ongoing and self-sustaining community development.

This year we continued to invest in our people and operational systems for the future, including the implementation of a new website and cloud-based financial/Enterprise Resource Planning and Customer Relationship Management systems, enabling both our head office and travelling staff to have 24/7 access

to critical up-to-date information and reports — a positive development in improving organisational efficiency.

We will commence 2016/17 in a financially strong position, providing a good base for growth in our programs in the coming years, enabling our organisation to target more communities that are extremely vulnerable and marginalised.

Once again, we acknowledge, with gratitude, the generosity of our Baptist churches and supporters, the continuing support of the Australian Government, and the timely providence of our sovereign God.

PETER LEAU
DIRECTOR OF BUSINESS



Paul Summers
Senior Pastor

We have a number of key Church Partnerships. One of them is with Carringbah Baptist Church in Southern Sydney. Through our Church Partnership program, Carringbah Baptist supports the work of our Behind the Barcode project.

The senior pastor is Paul Summers.

"It's not a flashy project to support, because, really, we're just funding a research role. We're not giving out mosquito nets or doing tangible things. It's very unique.

"Social action happens when we meet personal needs. Social justice is about reforming both political and business structures, creating a space where workers are treated ethically.

"The majority of local church resources seem to be spent on social action, while little is spent on social justice. But they are two wings of the same aeroplane... an aeroplane won't fly with one wing.

"That's why I'm keen for us, as we look at our giving in its entirety, to give a proportion to social justice as well as social action.

"Ultimately, that's what we do by supporting Behind the Barcode."

Carringbah Baptist has committed to supporting our Behind the Barcode project for 3 years.



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Independent Auditor's Report To the Members of Transform Aid International

We have audited the accompanying financial report of Transform Aid International (the "Company"), which comprises the statement of financial position as at 30 June 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Responsible Persons declaration of the consolidated entity (the "Group") comprising the Company and the entity it controlled at the year's end or from time to time during the financial year.

Responsibility 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 and the Code of Conduct for the Australian Council for International Development (ACFID) and the Australian Charities and Not-for-profits Commission Act 2012. This Responsible Persons' responsibility includes such internal controls as the Responsible Persons determine is necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the financial report 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 Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Responsible Persons, as well as evaluating the overall presentation of the financial report.

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 have complied with the applicable independence requirements of the Accounting Professional and Ethical Standards Board and the Australian Charities and Not-for-profits commission Act 2012.

Auditor's Opinion

In our opinion, the financial report of Transform Aid International

- i presents fairly, in all material respects, the Group's financial position as at 30 June 2016 and of its performance and cash flows for the year then ended; and
- ii complies with Australian Accounting Standards - Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Act 2012.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



A G Rigele
Partner - Audit & Assurance

Sydney, 30 September 2016

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 2016 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:



Michael Turnbull
Chair/Responsible Person

Dated the 30th day of September 2016

Financials at a Glance

Source of Income FY2016*

\$13,231,871	68.81%	Donations & Gifts Monetary
\$247,961	1.29%	Donations & Gifts Non-Monetary
\$110,516	0.58%	Bequests
\$5,301,520	27.57%	Australian Government Grants
\$113,812	0.59%	Other Non-Government Grants
\$223,530	1.16%	Investment & Other Income

Total revenue
\$19,229,210



Use of Funds FY2016*

\$6,080,111	33.46%	Community Development
\$3,580,114	19.70%	Child Centered Community Development
\$1,033,173	5.68%	Disaster Management
\$1,231,252	6.77%	Other Programs Costs
\$874,126	4.81%	Community Education
\$1,673,610	9.21%	Fundraising
\$3,355,087	18.46%	Accountability & Administration
\$346,260	1.91%	Other

Total expenditure
\$18,173,733



* These graphs are derived from figures in the Consolidated Statement of Profit and Loss and Other Comprehensive Income. A copy of the complete Financial Report is available on request from the Finance Manager, Transform Aid International Ltd.

Consolidated Statement of Profit and Loss and Other Comprehensive Income

for the year ended 30 June 2016

	Notes	2016	2015
REVENUE			
Donations and Gifts:			
Monetary		13,231,871	12,444,821
Non-Monetary	5	247,961	315,060
		<u>13,479,832</u>	<u>12,759,881</u>
Bequests and Legacies		110,516	404,178
Grants:			
Department of Foreign Affairs and Trade		5,301,520	5,474,586
Other Australian		87,825	38,300
Other Overseas		25,987	143,279
		<u>5,415,332</u>	<u>5,656,165</u>
Investment Income		212,067	350,121
Other Income	6	11,463	9,951
TOTAL REVENUE		<u>19,229,210</u>	<u>19,180,296</u>
EXPENDITURE			
International Aid and Development Programs Expenditures:			
International Programs:			
Funds to International Programs		10,693,399	10,910,677
Programs Support Costs		1,231,252	1,059,623
		<u>11,924,651</u>	<u>11,970,300</u>
Community Education	7	874,126	771,046
Fundraising Costs:			
Public		1,620,336	1,207,371
Government, Multilateral and Private		53,274	40,781
		<u>1,673,610</u>	<u>1,248,152</u>
Accountability and Administration		3,355,087	3,165,267
Non-Monetary Expenditure	5	247,961	315,060
Total International Aid and Development Programs Expenditures		<u>18,075,435</u>	<u>17,469,825</u>
TOTAL EXPENDITURE		<u>18,075,435</u>	<u>17,469,825</u>
Unrealised Fair Value on Foreign Exchange Contracts		(98,298)	139,618
EXCESS OF REVENUE OVER EXPENDITURE		<u>1,055,477</u>	<u>1,850,089</u>
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,055,477</u>	<u>1,850,089</u>

Consolidated Statement of Financial Position

as at 30 June 2016

	Notes	2016	2015
ASSETS			
Current Assets			
Cash and Cash Equivalents	8	3,887,377	5,126,895
Trade and Other Receivables	9	568,580	794,023
Financial Assets	10	1,700,000	67,758
		<u>6,155,957</u>	<u>5,988,676</u>
Non-Current Assets			
Property, Plant and Equipment	11	4,242,145	4,439,372
Investment Property	12	880,804	-
Intangibles	13	272,608	371,512
Other Non-Current Assets	14	474,174	130,655
		<u>5,869,731</u>	<u>4,941,539</u>
TOTAL ASSETS		<u>12,025,688</u>	<u>10,930,215</u>
LIABILITIES			
Current Liabilities			
Trade and Other Payables	15	477,916	496,204
Provisions	16	408,938	319,846
Financial Liabilities	17	64,599	24,544
Borrowings	18	100,000	100,000
Tax Liabilities	19	49,198	54,013
Other Current Liabilities	20	2,610	25,222
		<u>1,103,261</u>	<u>1,019,829</u>
Non-Current Liabilities			
Provisions	21	127,041	100,444
Borrowings	22	1,750,000	1,850,000
Other Financial Liabilities	23	29,967	-
		<u>1,907,008</u>	<u>1,950,444</u>
TOTAL LIABILITIES		<u>3,010,269</u>	<u>2,970,273</u>
NET ASSETS		<u>9,015,419</u>	<u>7,959,942</u>
EQUITY			
Retained Earnings	24	5,504,059	4,448,582
Reserves	25 (d)	3,511,360	3,511,360
TOTAL EQUITY		<u>9,015,419</u>	<u>7,959,942</u>

Consolidated Statement of Changes in Equity

for the year ended 30 June 2016

Notes	General Funds 25 (a)	Designated Funds 25 (b)	Restricted Funds 25 (c)	Reserves 25 (d)	TOTAL
Balance as 1 July 2014	437,898	699,468	1,461,127	3,511,360	6,109,853
Excess/(shortfall) of revenue over expenditures	1,268,219	292,110	289,760	-	1,850,089
Other comprehensive income for the year	-	-	-	-	-
Transfer of funds	-	-	-	-	-
Balance at 30 June 2015	1,706,117	991,578	1,750,887	3,511,360	7,959,942
Excess/(shortfall) of revenue over expenditures	(506,380)	(362,064)	1,923,921	-	1,055,477
Other comprehensive income for the year	-	-	-	-	-
Transfer of funds	-	-	-	-	-
Balance at 30 June 2016	1,199,737	629,514	3,674,808	3,511,360	9,015,419

Table of Cash Movements for Designated Purposes

for the year ended 30 June 2016

	Cash available at beginning of year	Cash raised during the year	Cash disbursed during the year	Cash available at end of year
DFAT Australian NGO Cooperation Program	-	3,065,783	(3,065,783)	-
DFAT Church Partnership Program	-	2,235,737	(2,235,737)	-
Middle East Appeal	83,499	384,485	(181,439)	286,545
Cyclone PAM Appeal	198,185	31,185	(109,773)	119,597
Nepal Earthquake Appeal	465,940	38,955	(53,430)	451,465
East Africa Drought Appeal	-	50,679	-	50,679
Other Non-Designated Purposes	4,379,271	13,218,112	(14,618,292)	2,979,091
TOTAL	5,126,895	19,024,936	(20,264,454)	3,887,377

Consolidated Statement of Cash Flows

for the year ended 30 June 2016

	Notes	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES			
Donations received		13,231,871	12,444,821
Bequests and legacies received		110,515	404,178
Operating grants received		5,459,020	5,559,475
Other income received		168,696	311,657
Payments to suppliers and employees		(6,735,775)	(5,594,940)
Distributions to overseas partners		(10,398,789)	(10,919,813)
Interest received		54,834	48,417
Net cash provided by (used in) operating activities		<u>1,890,372</u>	<u>2,253,795</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Net cash received from (paid for) property, plant and equipment		(23,091)	(123,738)
Net cash received from (paid for) investment property		(898,080)	-
Net cash received from (paid for) intangible assets		(408,719)	(333,040)
Net cash received from (used for) investment in financial assets		(1,700,000)	-
Net cash provided by (used in) investing activities		<u>(3,029,890)</u>	<u>(456,778)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash received from (repaid to) NAB secured loans		(100,000)	(100,000)
Net cash provided by (used in) financing activities		<u>(100,000)</u>	<u>(100,000)</u>
NET INCREASE IN CASH HELD		(1,239,518)	1,697,017
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR		5,126,895	3,429,878
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	8	<u>3,887,377</u>	<u>5,126,895</u>

Notes to the Consolidated Financial Statements

for the year ended 30 June 2016

NOTE 1 GENERAL INFORMATION AND STATEMENT OF COMPLIANCE

The financial report includes the consolidated financial statements and notes of Transform Aid International Ltd and its controlled entity ('Consolidated Group' or 'Group').

The Group has elected to adopt the Australian Accounting Standards – Reduced Disclosure Requirements (established by AASB 1053 *Application of Tiers of Australian Accounting Standards* and AASB 2010-2 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*).

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, ACFID Code of Conduct and the *Australian Charities and Not-for-profits Commission Act 2012*. Transform Aid International Ltd is a not-for-profit entity for the purpose of preparing the financial statements.

The consolidated financial statements for the year ended 30 June 2016 were approved and authorised for issue by the board of Responsible Persons on 30th September 2016.

NOTE 2 CHANGES IN ACCOUNTING POLICIES

2.1 New and revised standards that are effective for these financial statements

A number of new and revised standards are effective for annual periods beginning on or after 1 January 2015. Information on these new standards is presented below.

AASB 2015-7 Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities

AASB 2015-7 amends AASB 13 Fair Value Measurement to provide disclosure relief to not-for-profit public sector entities from certain disclosures about the fair value measurements of property, plant and equipment held for their current service potential rather than to generate net cash inflows. This includes relief from disclosures of quantitative information about the significant unobservable inputs used in fair value measurements and of the sensitivity of certain fair value measurements to changes in unobservable inputs.

This amendment has no significant impact on the entity.

NOTE 3 SUMMARY OF ACCOUNTING POLICIES

3.1 Overall considerations

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below.

The consolidated financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

3.2 Basis of consolidation

The Group financial statements consolidate those of Transform Aid International Ltd. and its fully owned subsidiary, Baptist World Aid Australia Ltd as of 30 June 2016. All transactions and balances between the Group companies are eliminated on consolidation, including



unrealised gains and losses on transactions between Group Companies. Amounts reported in the financial statements of Subsidiaries have been adjusted to ensure consistency with the accounting policies adopted by the Group.

3.3 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

i. Donations and fundraising

The Group recognises amounts donated or raised on behalf of the Group as income only when they are received by the Group.

ii. Grants

Grant revenue is recognised in the statement of profit or loss when the Group obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Group and the amount of the grant can be measured reliably. If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received where the Group incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

iii. Interest and Dividends

Interest and dividends are recognised when received/receivable.

All revenue is stated net of the amount of goods and services tax (GST).

3.4 Cash and cash equivalents

Cash includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments.

3.5 Prepayments

In order to facilitate program continuity over the year end period, a number of payments are made to overseas partners towards the following financial year's activities. These payments are separated in the accounts and included under other financial assets in the current financial year.

In some cases, a partner may have been unable to fully acquit project funds by the end of the financial year. These funds are also included under other financial assets and are expected to be fully acquitted in the following financial year.

3.6 Property, plant and equipment

Property, plant and other equipment (comprising fittings and furniture) are initially recognised at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Group's management.

Property, plant and other equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses.



Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of buildings, plant and other equipment. The following useful lives are applied:

- property: 40 years
- investment property: 40 years
- furniture and fittings: 6-8 years
- computer hardware: 4 years
- motor vehicles: 6-7 years
- office equipment: 5-6 years

Gains or losses arising on the disposal of property, plant and equipment and investment property are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

3.7 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation and are accounted for using the fair value model. Investment properties are revalued periodically and are included in the statement of financial position at their open market value. These values are supported by market evidence and are determined by external professionals with sufficient experience. Any gain or loss resulting from either a change in fair value of the sale of the investment property is immediately recognised in Profit and loss.

Rental income and operating expenses from Investment Property are reported within other income on the face of the Profit and loss.

3.8 Intangible assets

Acquired intangible assets

Acquired computer software development and licences are capitalised on the basis of the costs incurred to acquire and install the specific software.

Subsequent measurement

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in Note 3.8. The following useful lives are applied:

- Software: 3-5 years

Amortisation has been included within depreciation and amortisation.

Subsequent expenditures on the maintenance of computer software and brand names are expensed as incurred.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other income or other expenses.

3.9 Impairment of non-current assets

Cash-generating units to which goodwill has been allocated (determined by the Group's management as equivalent to its operating segments) are tested for impairment at least



annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

At each reporting date, the Group reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss.

3.10 Employee benefits

i. Wages and salaries

Liabilities for wages and salaries, including non-monetary benefits, expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

ii. Long service leave

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

iii. Annual Leave

Short-term employee benefits are current liabilities included in employee benefits, measured at the undiscounted amount that the Group expects to pay as a result of the unused entitlement. Annual leave is included in 'other long-term benefit' and discounted when calculating the leave liability as the Group does not expect all annual leave for all employees to be used wholly within twelve (12) months of the end of reporting period. Annual leave liability is still presented as current liability for presentation purposes under AASB 101 Presentation of Financial Statements.

iv. Superannuation

The Group provides post-employment benefits through defined contribution plans. Amounts charged to the income statement in respect of superannuation represent the contributions paid or payable by the Group to the employees' superannuation funds.

3.11 Income Tax

Transform Aid International Ltd is a Public Benevolent Institution and is exempt from Income Tax pursuant to section 50-5, item 1.1 of the Income Tax Assessment Act 1997.

3.12 Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are initially measured at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are



transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

3.13 Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- loans and receivables
- financial assets at fair value through profit or loss ('FVTPL')

The category determines subsequent measurement and whether any resulting income and expense is recognised in profit or loss or in other comprehensive income.

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs or finance income, except for impairment of trade receivables which is presented within other expenses.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

Financial assets at FVTPL

Financial assets at FVTPL include financial assets that are either classified as held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Classification and subsequent measurement of financial liabilities

The Group's financial liabilities include borrowings and trade and other payables.

Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognised in profit or loss.





All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income

3.14 Deferred income

The liability for deferred income is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within twelve (12) months of receipt of the grant.

Where the amount received is in respect of services to be provided over a period that exceeds twelve (12) months after the reporting date or the conditions will only be satisfied more than twelve (12) months after the reporting date, the liability is discounted and presented as non-current.

3.15 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

3.16 Significant management judgement in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Long Service Leave

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In



determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Fair Value

Investment properties and financial assets are held at fair value. Whilst professionals are used to assist in the valuation process, the models are subject to assumptions which may affect the valuation. As at 30 June 2016, there is no significant risk identified in relation to these assets.

NOTE 4 NATURE AND OBJECTS OF ORGANISATION

On the 18th April 2013, Australian Baptist World Aid Inc. changed its legal status from an incorporated association to a company structure and subsequently received approval from the Australian Government as a Deductible Gift Recipient (DGR). Transform Aid International Ltd commenced operations under the new company structure from 23rd July 2013.

Baptist World Aid Australia Ltd, a wholly-owned subsidiary of Transform Aid International Ltd, was established and registered as a Charity organisation on the 8th of August 2013.

NOTE 5 NON MONETARY GIFTS AND DONATIONS

The work of Transform Aid International Ltd is supported by a large number of volunteers each year. The contributions from volunteers, through regular mail opening, screening of children's mail, book-keeping, project assistance, etc. mean that the Group is able to deliver a greater proportion of cash donations directly to its field projects.

During the year ended 30th June 2016, 10,042 volunteer hours were provided to the Group by 76 volunteers (FY2015: 12,605 hours provided by 84 volunteers) at a commercial value of \$247,961 (FY2015: \$315,060). Of this amount \$39,404 is considered recognised development expenditure for the purpose of assessing the Group's entitlement for Government funding (FY2015: \$42,684).

NOTE 6 OTHER INCOME

Total other income for the year is \$11,463 (FY2015: \$9,951). The balance represents income from deputations and resource sales.

NOTE 7 COMMUNITY EDUCATION

Community education expenditures includes all costs related to informing and educating the Australian community of, and inviting their active involvement in global justice, development and humanitarian issues. This includes the costs of research, producing and distributing materials, the cost of conducting educational campaigns and the cost of personnel involved in these activities.

The total amount of \$874,126 are classified as Recognised Development Expenditure.



Transform Aid
INTERNATIONAL

	2016	2015
NOTE 8 CASH AND CASH EQUIVALENTS		
The cash and cash equivalents amount in the balance sheet is represented by:		
• Cash at bank	2,566,983	2,814,264
• Cash on hand	7,622	6,145
• Cash on restricted accounts	262,186	-
• Cash on short-term deposits	1,050,586	2,306,486
	<u>3,887,377</u>	<u>5,126,895</u>

NOTE 9 TRADE AND OTHER RECEIVABLES		
Trade and other receivables amount in the balance sheet is represented by:		
• Accounts receivables	2,832	6,869
• Project prepayments	444,704	639,118
• Prepaid expenses	37,281	4,625
• Prepaid corporate cards	20,215	12,305
• Sundry debtors	(1,273)	9,173
• Un-acquitted travel	-	703
• Receivables from Dhaka office	6	-
• GST paid	64,815	80,153
• Receivables from grants partners	-	41,077
	<u>568,580</u>	<u>794,023</u>

NOTE 10 FINANCIAL ASSETS		
Financial assets amount in the balance sheet is represented by:		
• Provision on forward exchange contracts	-	67,758
• Restricted term deposit	1,700,000	-
	<u>1,700,000</u>	<u>67,758</u>

NOTE 11 PROPERTY, PLANT AND EQUIPMENT					
Property, plant and equipment movements during the year were as follows:					
	WDV* at 1/07/2015	Additions/ Transfers	Disposal s/ Write off	Revaluation/ (Depreciation)	WDV at 30/06/2016
Buildings	4,001,966	-	-	(105,070)	3,896,897
Computer hardware	132,731	34,580	(708)	(56,554)	110,050
Furniture and fittings	128,154	-	-	(24,807)	103,347
Office equipment	10,799	-	(477)	(5,353)	4,968
Motor vehicles	165,722	33,091	(45,217)	(26,713)	126,883
	<u>4,439,372</u>	<u>67,671</u>	<u>(46,402)</u>	<u>(218,496)</u>	<u>4,242,145</u>

* WDV = written down value



On 10th May 2016, Transform Aid International Ltd appointed Hymans Valuers and Auctioneers to provide a valuation report on its current occupied office (Lots 45, 46 & 64 - 67) / 32 Delhi Road, Macquarie Park, New South Wales 2113. The fair value in accordance with AASB 116 and AASB 13 is valued at \$4,300,000 excluding GST.

NOTE 12 INVESTMENT PROPERTY

Investment properties movements during the year were as follows:

	WDV* at 1/07/2015	Additions/ Transfers	Disposal s/ Write off	Revaluation / (Depreciation)	WDV at 30/06/2016
Investment Property	-	898,080	-	(17,275)	880,804
	-	898,080	-	(17,275)	880,804

* WDV = written down value

NOTE 13 INTANGIBLES

Intangibles movements during the year were as follows:

	WDV* at 1/07/2015	Additions/ Transfers	Disposal s/ Write off	Amortisation/ Depreciation	WDV at 30/06/2016
Computer software	371,512	65,200	-	(164,104)	272,608
	371,512	65,200	-	(164,104)	272,608

* WDV = written down value

NOTE 14 OTHER NON-CURRENT ASSETS

Other non-current assets amount in the balance sheet is represented by:

	2016	2015
• Capital work in progress – Intangibles	474,174	130,655
	474,174	130,655

NOTE 15 TRADE AND OTHER PAYABLES

Trade and other payables amount in the balance sheet is represented by:

• Accounts payable	335,895	352,479
• Other short term liabilities	106,400	140,669
• Employment liabilities	35,621	-
• Employee car liabilities	-	3,056
	477,916	496,204



NOTE 16 CURRENT PROVISIONS

Current provisions amount in the balance sheet is represented by:

• Provisions for annual leave	345,668	295,872
• Provisions for long service leave (short term)	63,270	23,974
	<u>408,938</u>	<u>319,846</u>

NOTE 17 FINANCIAL LIABILITIES

Financial liabilities amount in the balance sheet is represented by:

• Provisions on forward exchange contracts	30,540	-
• Purchasing card payables	34,059	24,544
	<u>64,599</u>	<u>24,544</u>

NOTE 18 CURRENT BORROWINGS

Current borrowings amount in the balance sheet is represented by:

• NAB secured loan (short term)	100,000	100,000
	<u>100,000</u>	<u>100,000</u>

NOTE 19 TAX LIABILITIES

Tax liabilities amount in the balance sheet is represented by:

• GST collected	1,624	12,013
• PAYG/HECS withheld	47,574	42,000
	<u>49,198</u>	<u>54,013</u>

NOTE 20 OTHER CURRENT LIABILITIES

Other current liabilities amount in the balance sheet is represented by:

• Project vehicle replacement	-	25,222
• Un-acquitted Australian grants	2,610	-
	<u>2,610</u>	<u>25,222</u>

NOTE 21 NON CURRENT PROVISIONS

Non-current provisions amount in the balance sheet is represented by:

• Long service leave provisions (long term)	127,041	100,444
	<u>127,041</u>	<u>100,444</u>

NOTE 22 NON CURRENT BORROWINGS

Non-current borrowings amount in the balance sheet is represented by:

• NAB secured loan (long term)	1,750,000	1,850,000
	<u>1,750,000</u>	<u>1,850,000</u>



Transform Aid
INTERNATIONAL

	2016	2015
NOTE 23 OTHER FINANCIAL LIABILITIES		
Other financial liabilities amount in the balance sheet is represented by:		
• Project vehicle replacement	29,967	-
	<u>29,967</u>	<u>-</u>
NOTE 24 RECONCILIATION OF TOTAL FUNDS		
Opening balance	4,448,582	2,598,493
Surplus for the year	1,055,477	1,850,089
Closing balance	<u>5,504,059</u>	<u>4,448,582</u>
NOTE 25 FUNDS AND RESERVES		
FUNDS		
(a) General Funds		
Community development fund	437,916	638,432
Non-deductible giving fund	45,283	67,684
Where needed most fund	671,539	1,000,000
Organisational development	44,999	-
	<u>1,199,737</u>	<u>1,706,116</u>
(b) Designated Funds		
Matching grants fund	513,624	826,156
Orphans and vulnerable children fund	-	112,044
Emergency assistance to refugees' project	-	2,929
BUPNG village health volunteer training	47,094	-
Raptipari community health & development project	26,809	10,856
Ethnic community prevention project	41,987	39,593
	<u>629,514</u>	<u>991,578</u>
(c) Restricted Funds		
Sponsorship funds	820,297	881,055
Solomon Islands flash flood project	2,788	33,447
Middle east crises projects	286,545	146,028
Cyclone PAM projects	119,597	224,223
Nepal earthquake projects	451,465	466,134
East Africa drought projects	50,679	-
Fund for Africa	1,943,437	-
	<u>3,674,808</u>	<u>1,750,887</u>
(d) RESERVES		
Reserves	<u>3,511,360</u>	<u>3,511,360</u>



NOTE 26 FOREIGN CURRENCY

The Group also holds a small amount of foreign currencies for use by staff when travelling to overseas programs.

All assets denominated in foreign currencies have been restated in the accounts at their Australian dollar equivalents as at 30th June 2016. Resulting gains or losses have been recognised in determining the reported excess/shortfall recorded in the income statement.

NOTE 27 CONTROLLED ENTITIES

1. **Baptist World Aid Australia Ltd** (Company Limited by Guarantee)
A.B.N: 86 164 099 736
Suite 4.03, 32 Delhi Road, North Ryde, NSW 2113, Australia.
2. **Baptist World Aid Australia Public Ancillary Fund**
A.B.N: 77 507 629 093
Suite 4.03, 32 Delhi Road, North Ryde, NSW 2113, Australia.
3. **Transform Aid International Bangladesh**
Registered in NGO Affairs Bureau Bangladesh, Registration number 1324
86 Monipuripara (1st Floor), Flat no. A5, Farmgate, Tejgaon, Dhaka 1214 Bangladesh.

The above entities are controlled by Transform Aid International Ltd.

NOTE 28 RELATED PARTY TRANSACTIONS

During the year, Transform Aid International Ltd received donations fundraised from Baptist World Aid Australia Public Ancillary Fund.

	2016	2015
Distribution received from Baptist World Aid Australia Public Ancillary Fund	10,949,443	11,145,111
	<u>10,949,443</u>	<u>11,145,111</u>

NOTE 29 KEY MANAGEMENT PERSONNEL

Key management personnel refer to the Board of Directors and members of senior management who have the authority and responsibility to plan, direct and control the activities of the Group. All the directors with the exception of the CEO, act in an honorary capacity and receive no paid compensation for their services. The CEO is remunerated as part of the senior management group of Transform Aid International Ltd.

	2016	2015
Total key management personnel compensation	628,227	568,685
	<u>628,227</u>	<u>568,685</u>

**NOTE 30 CONTINGENT LIABILITIES**

There have been no contingent liabilities incurred by the Group for the years 2016 and 2015.

NOTE 31 POST-REPORTING DATE EVENTS

In August 2016, a large donation was received. The Board and Management of Transform Aid International Ltd decided that these funds will be used to settle all outstanding bank loan obligations related to the purchase of the current office premises in 2013.

NOTE 32 MEMBER'S GUARANTEE

The Company is incorporated under the Corporations Act 2001 and is a Company Limited by Guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2016, the total amount that members of the Company are liable to contribute if the Company wound up is \$110 (2015: \$110).

NOTE 33 PARENT ENTITY INFORMATION**(a) Statement of Profit and Loss and Other Comprehensive Income**

	2016	2015
Revenues	8,122,462	8,117,099
Expenditures	7,066,985	6,267,011
Surplus/(loss) for the year	1,055,477	1,850,088

(b) Statement of Financial Position

Current assets	6,139,336	5,978,689
Non-current assets	5,869,731	4,941,538
Total assets	12,009,067	10,920,227
Current liabilities	1,086,640	1,009,842
Non-current liabilities	1,907,008	1,950,443
Total liabilities	2,993,648	2,960,285
Net assets	9,015,419	7,959,942
Retained earnings	5,504,059	4,448,582
Reserves	3,511,360	3,511,360
Total equity	9,015,419	7,959,942

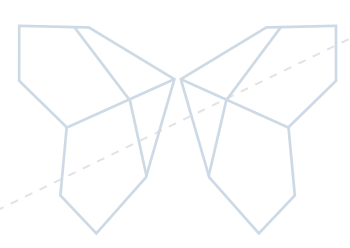
NOTE 34 OTHER DISCLOSURE

No revenue or expenditure was received or spent for international political or religious proselytisation programs.

At the end of the financial year, Transform Aid International Ltd had no balances in the inventories and assets held for sale.



Philippines: Child Sponsorship Program, SAO
Philippines. Source: Transform Aid International, 2011.



It was a group of committed volunteers who first began the poverty ending work which Transform Aid International continues today. They are a vital part of what we do!

This financial year we have been blessed by 76 volunteers who, together, have volunteered for more than 10,000 hours. These volunteers have strengthened our ability as an organisation to be love, as we work with children and families to bring an end to poverty in their communities.

From assisting with administration tasks like answering phones, maintaining our database or processing sponsored children's annual development reports, to researching information for our Behind the Barcode project, the work of our volunteers is invaluable.

Our incredible community of volunteers not only makes an impact on those Transform Aid International seeks to serve overseas but also on our staff right here in Australia... whose lives have been enriched by knowing them!

On behalf of Transform Aid International and Baptist World Aid Australia, we thank you for the time you so generously give and your faithful service!

Volunteers

Hugh Morgan
Janet Poole
Claire Mercer
Betty Helm
John Helm
Shirley Marx
Els Gell
Graham Shute
Hazel Shute
Allan Smith
Heather Martin
Ray Martin

Service

6 years
7 years
8 years
11 years
11 years
12 years
18 years
19 years
22 years
23 years
27 years
34 years!

Thank you!



Legal and Regulatory

Transform Aid International Ltd commenced operations under the new company structure from 23 July 2013 (ABN 63 430 709718). Additionally, a wholly owned subsidiary was established, namely Baptist World Aid Australia Ltd, 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 legislation requires it to do so. Licences are held under the following numbers: South Australia: CCP934; Victoria: 10918.12; Western Australia: 20417 and Tasmania: FIA-173. 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 official accreditation from the Department of Foreign Affairs and Trade (DFAT) which enables the organisation to receive government funds for its programs. We acknowledge not only the funds, but 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 Supporter Engagement Manager, Locked Bag 2200, North Ryde BC, NSW 1670. Our Complaints Handling Policy and the ability to lodge a complaint are also available on our websites, www.transformaid.org or www.baptistworldaid.org.au.

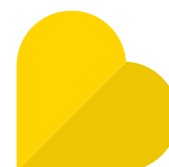
Transform Aid International Ltd is a member of Integral Alliance, a global consortium of Christian aid and development agencies with presence in 85 countries.

Photographs 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.



Transform Aid

INTERNATIONAL
For a world without poverty



**BAPTIST
WORLD AID
AUSTRALIA**
Be love. End poverty.



Integral:



ACFID
MEMBER

Feedback and complaints

We believe that to improve 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:

The Complaint Handling Officer
Locked Bag 2200
North Ryde BC, NSW 1670

In the 12 months to June 2016 we received 18 complaints, with the majority

being resolved by our Supporter Engagement team. There were three complaints resulting from the release of our Ethical Fashion Guide, two of which were escalated to the CEO. Since our response there has been no further correspondence received from any of these complainants.

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 our website.



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