



Transform Aid

INTERNATIONAL

For a world without poverty



ANNUAL REPORT

YEAR ENDED 30 JUNE 2019



Our Vision

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

Our Mission

Building partnerships to generate lasting solutions to global poverty.

Our Values

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

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Message from CEO and Chair of the Board

Our passion is to lead a movement — in Australia and beyond — to support people of all backgrounds, ethnicities, and faiths to transform their lives and communities by ending poverty.



John Hickey
CHIEF EXECUTIVE OFFICER

On behalf of the Board, Executive, Staff, and Volunteers, it is our privilege to present the FY2019 Transform Aid International Annual Report.

It has been another effective year for our mission. Two of our key catchcries are 'impact' and 'change at every level'. These are goals which involve working with those who are impacted by poverty to change their lives sustainably. However, they also require others from economically rich societies to transform their actions in order to become aware, passionate, and proactive about contributing to transformative change.

2019 marks the 60th anniversary since our founding in 1959, when Baptist World Aid (and now Transform Aid International) was birthed by a group of passionate volunteers in a garage in the northern suburbs of Sydney. This year, we have had the opportunity to celebrate together and reflect on the positive impact that this journey has had on millions of lives across the world.

During our history, many have served as leaders, staff, and volunteers. Thousands have been faithful supporters, who have generously provided financial support through child sponsorship, appeal and disaster donations,

legacies in their wills, and (more recently) business partnerships. Thousands have participated in Catalyst groups and various advocacy campaigns, from petitioning companies with postcards, to meeting with politicians to push for change.

And then, of course, there have been the many dozens of partnerships we have had with likeminded organisations overseas (some of which have lasted decades!) spanning Africa, Asia, the Middle East, the Pacific, and beyond. These local leaders have worked tirelessly to empower communities for sustained transformation out of poverty and recovery from disasters.

As in any other industry or sector, we continue to learn on our journey. Conditions change and complexities shift. That's why our Board is committed to thinking and acting with energy for the now, while keeping our vision on the long term.

The factors which perpetuate poverty globally are complex and changing. Additionally, they are reinforced by long held systems, practices, and cultures. Sustainable transformation in this climate takes consistency and persistence. History has demonstrated that the most extreme levels of poverty have reduced significantly over the past



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

twenty years... our organisation is passionate about what can be achieved during the next twenty! And we know we can't do this in isolation.

Collaboration with like-minded bodies is key to leveraging our capacity. That's why we are active participants in several key alliances and partnerships across the world, dramatically increasing our mutual capacity for acceleration and scale of impact.

With the talent and commitment of our Board and staff, the generosity of our supporters and the Australian Government, as well as the ongoing strength of other corporate and government relationships, we

remain dedicated to using our capacity to seek out new and better ways to address poverty, globally.

We give thanks, firstly, to our God, who inspires and guides us. Thanks also to all our individual and church supporters, overseas partners, alliance members, sectoral colleagues, corporate participants, and the Australian government, all of whom enable us to pursue a passionate and ambitious agenda for change. We are also very grateful for a visionary Board, and talented and committed leadership and staff, who work tirelessly to facilitate lasting transformation out of poverty, for people right across the world.

2019 marks the 60th anniversary since our founding in 1959, when Baptist World Aid (and now Transform Aid International) was birthed by a group of passionate volunteers in a garage in the northern suburbs of Sydney.



Community Development Project, Cambodia, PNKS. Source: ©Transform Aid International / Antoine Raab, 2017.



Building Global Baptist Capacity Education and Movement

Transform Aid International (and its primary subsidiary, Baptist World Aid Australia) is an affiliated agency of Australian Baptist Ministries.

As the largest specialist Baptist agency in the world addressing poverty through aid, development, and advocacy, we recognise the potential of the global Baptist movement to engage in justice for the poor and vulnerable. Across the world, local Baptist churches can be found in many vulnerable areas and are well situated to make a positive difference to their wider communities in a far greater way.

That's why we are taking leadership to assist more than 50 million Baptists, in more than 230 conventions and unions across the world, to play a more active positive role in justice for those who are poor, marginalised, and vulnerable. This is taking place under the banner of the Baptist World Alliance and through the formation of a global Baptist Forum for Aid and Development.

We also continue to play a key role in mobilising Australian Baptists through initiatives such as Catalyst and Converge (read more on page 11), and through our involvement in the Asia Pacific Baptist Federation and Asia Pacific Baptist Aid.

About Transform Aid International Ltd Group

(including Baptist World Aid Australia Ltd)

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

Transform Aid International facilitates on the ground disaster response and community development, however we know that it takes more than strong project work to achieve change at every level.

Sustainable transformation takes a collective and strategic effort made by parties from both the developed and the developing world — individuals, businesses, churches, organisations,

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

FY2019 was a year that brought fresh purpose to the goals of Transform Aid International. With our mission, "Building partnerships

to generate lasting solutions to global poverty" now firmly entrenched, we set about carrying it out. The appointment of two new members to the Transform Aid International Executive Team is crucial to the success of this endeavour, with Miriam Sherwin the Associate Director for Strategic Development responsible for driving our mission and culture internally, and Karen Wilson, the Director for Strategic Relationships charged with driving our mission externally.

Ultimately, we know it is the commitment, effort, and talent of individuals that will allow us to work together to achieve our goal of ending poverty. And in FY2019, a cross-team process, led by Miriam Sherwin, resulted in a set of five values that truthfully embody the work ethic of this wonderful organisation: we are called, caring, together, innovative, and dedicated.

In a year that has very much been about investing in the future of Transform Aid International, we have also continued to actively develop the following innovations:

- **The pilot of social enterprise investments** — for larger-scale, economic development and employment opportunities, particularly in the rural and regional centres in developing countries.
- **A new, grassroots empowerment and training platform** — (to be piloted in 2020 in the Asia Pacific Region) to enable local church groups and communities in vulnerable regions to be disaster-ready

and equipped for local development. This pilot is linked to our leadership engagement with the Baptist World Alliance Forum for Aid and Development.

- **The growth of our advocacy capacity** — for greater research and policy capability, and wider corporate and supporter engagement. This includes the review and development of the next iteration of fashion supply chain and consumer advocacy research.
- **Investment in new education resources, corporate partnerships, and church partnerships** — to grow awareness and engagement around issues of poverty.

Transform Aid International is a signatory to 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.

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 skill sets, and the Committees report to and provide recommendations to the Board. This assists the Board to discharge its duties efficiently, with each Committee specialising in key areas, but with the Board retaining the responsibility to make decisions collectively.

Our Board Committees are: Board Executive Committee, Programs Performance Committee, Finance and Risk Committee, Nominations and Governance Committee, and Stakeholder Engagement Committee. Further details of the function of each Board Committee are available on both our websites: www.transformaid.org and www.baptistworldaid.org.au.

Annual General Meeting

The Annual General Meeting was held on 30 November 2018.

OUR BOARD



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



TARA REID
Vice Chair of the Board; Member of Board Executive Committee; Chair of Finance and Risk Committee.



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



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



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



MICK TURNBULL
Member of Finance and Risk Committee.



HEIDI TAK
Member of Finance and Risk Committee.



ALLAN DEMOND
Member of Nominations and Governance Committee.



MEREDITH DOWNEY
Member of Programs Performance Committee.



MICHELLE FARRALL
Member of Stakeholder Engagement Committee.



NISHA GRAHAM
Specialist Advisor to the Board.



PETER LEAU
Company Secretary.

Further information about our Board Members, including their qualifications and memberships, can be found on both our websites: www.transformaid.org and www.baptistworldaid.org.au.



Syrian Crisis Disaster Response, Syria, Merath.
Source: ©World Renew / Helen Manson, 2019.

Your Advocacy

It's been another big year of advocacy. Thank you for your passionate support and for your commitment to being vocal. Our voices are stronger together!



Gabriel Lacoba
DIRECTOR OF COMMUNITY
ENGAGEMENT

Brand new research

In September 2018, you helped launch the Global Neighbour Index at Parliament House in Canberra.

The Global Neighbour Index ranks the 20 richest OECD nations on their contribution to achieving the Sustainable Development Goals (SDGs). Each nation was assessed against a set of 10 criteria, representing the five pillars of the SDGs — People, Planet, Prosperity, Peace, and Partnership.

The Global Neighbour Index not only analyses our nation's current performance against these criteria, but also provides a pathway for Australia to improve its performance in the future.

With the help of your Australian Baptist leaders at the annual Converge conference, this research reached the hands of nearly 60 politicians and is still making its way into local MP offices, thanks to grassroots Catalyst advocates.

2019 Ethical Fashion Report

Published in April, the 2019 Ethical Fashion Report sheds light on the efforts of 130 companies (representing more than 400 brands) to mitigate the risks of forced labour, child labour, and exploitation in their supply chains — helping the global fashion industry to uphold worker rights. And for the first time, companies were also assessed on their environmental management systems.

Since the launch, the Ethical Fashion Guide has been ordered 34,460 times. The Ethical Fashion

Guide was also made available on the new 'End Poverty' app! The launch generated more than 300 pieces of media coverage, including print and online news, radio, and television.

In the six years since the publication of the first Ethical Fashion Report, there has been real change. From engaging collaboratively with the research process, to making their supplier lists public, more and more companies are working to improve practices and better protect workers... and it's largely because you've told them that it's important by using this research. Thank you!

Grassroots action

Your Catalyst groups and grassroots advocates have had another busy year campaigning against slavery, poverty, and the damaging impact of consumerism.

In FY2019, over 100 churches held an advocacy event to promote the Ethical Fashion Guide and 454 schools and churches have downloaded the 'Who makes my Clothes?' simulation game! We joined Micah Australia's Voices for Justice conference in December last year where there were 95 meetings with politicians.

In February 2019, End Poverty launches were held around the nation.

We continue to be encouraged by the new and creative ways that your churches are speaking up for justice.

International Programs

for Transform Aid International

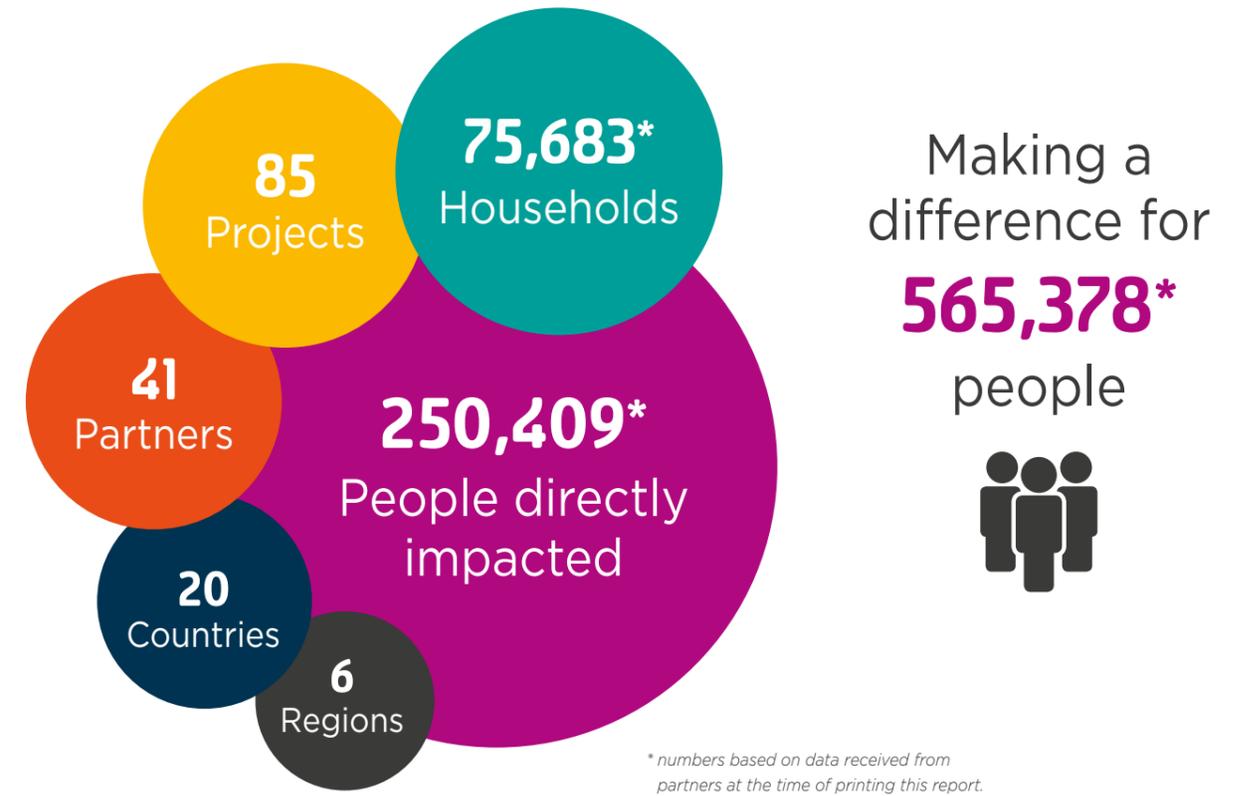
In FY2019, Transform Aid International worked with 41 Christian partner organisations to implement 85 projects in 20 countries. Over 250,409 people were reached by these projects, enabling them to build on their own strengths and tackle complex underlying drivers of poverty and injustice, and pursue long-term sustainable approaches to development. This happened with a total program investment that grew to \$10,947,714.



Child and Youth Project, Uganda, SAO Uganda. Source: © Transform Aid International/ Agnes Burrell, 2018.

Total Beneficiaries FY2019

In FY2019, your generosity helped to make a difference for 565,378 people... thank you!



Investment by Region FY2019

In FY2019, our total program investment was implemented across six regions.

4,773,388	43%	South Asia
3,241,918	30%	Africa
1,795,352	16%	South East Asia
947,641	9%	Middle East
123,605	1%	Pacific
65,810	1%	Rest of the World

Total investment: \$10,947,714





Community Development Project, Nepal, INF. Source: ©Transform Aid International, 2017.

IMPERATIVE 1
Enable community-led transformation

Our approach to development remains grounded in the biblical vision of 'shalom' (or wellbeing) and a commitment to recognising the dignity and utilising the strengths of the people and communities we serve. Full participation of the community is critical in every aspect of the project cycle if this work is to be relevant, timely, effective, and efficient. Transform Aid International will continue to ensure that all people are included within community-led processes of transformation and that no one is left behind. This requires a commitment to identifying the groups at risk of marginalisation or exclusion and the barriers they face.

IMPERATIVE 2
Deepen localised partnerships

Our International Programs are implemented through a model of long-term, sustainable partnership with national churches and other local faith-based implementing partners and churches. We believe that partnering with local organisations is the most effective and sustainable way of achieving our vision.

IMPERATIVE 3
Know our impact

As part of Transform Aid International's broader accountability to our stakeholders, we are committed to knowing and demonstrating impact. We believe measuring impact is the most effective way of determining the long-term and sustainable changes, catalysed by our local partners through their interventions in the lives of beneficiaries and communities.

IMPERATIVE 4
Become future ready

Transform Aid International recognises the importance of building sustainable, long-term solutions to poverty. As in all sectors, many of the practices in community development and the humanitarian sector are built on conventions. We pursue proven practices developed through reflective application, wisdom drawn from local knowledge, academic rigour, and replicable successes.

A new strategic direction

In FY2019, Transform Aid International commenced a new strategic period for its International Programs.

The International Programs Strategy 2019-2023 guides our organisation to:

- leverage its partnerships and alliances to amplify our impact;
- build capacity for communities and the Baptist movement in the countries where Transform Aid International works;
- seek innovation and (in so doing) learn; and
- seek transformation that leads to sustainable change.

As well as being guided by these areas, the International Programs Strategy also draws from four key strategic imperatives:

IMPERATIVE 1	Enable community-led transformation
IMPERATIVE 2	Deepen localised partnerships
IMPERATIVE 3	Know our impact
IMPERATIVE 4	Become future ready

The International Programs Strategy 2019-2023 has four key strategic imperatives.

Striving to learn

Transform Aid International is committed to being a learning organisation. We believe this involves continually working to generate knowledge and know-how through research, reflection, review, and application.

Part of this includes identifying areas where we must improve or direct our attention. In FY2019, we focussed to better achieve our aims in the following ways:

- As an organisation, and as individuals, we sought to develop a deeper understanding of our theology of development and what it means for our partners, supporters, and those we serve. **Transform Aid International hosted one workshop for faith-based organisations looking at a Theology of Development.**
- We invested more in our design, monitoring, evaluation, and learning practices — as well as those of our partners — both for greater accountability and also to ensure we can accurately demonstrate our impact and effectiveness in qualitative and quantitative performance measurements. **Transform Aid International ran two effectiveness forums in Uganda and Bangladesh, as well as hosting a technology forum in Asia for our partners.**
- We continue to deepen our partnerships, developing detailed strategies for specific partnerships and moving away from a more transactional approach. **42% of our partnerships now have a specific partnership strategy in place, with the remainder to be completed in FY2020.**
- We improved our approach to systematic data collection and management, in order to

strengthen accuracy and confidence on the impact we report.

- Finally, we conducted ten project evaluations (listed in the table opposite).

Furthermore, the development of our new International Program Strategy was carried out through a lens of learning, in consideration of the effectiveness and impact of our previous five year strategy. In summary the key learnings were:

Programming continuity

We must continue to invest in child-focussed programming with a greater emphasis on youth. We must also increase efforts in mainstream social inclusion and equity, as well as disaster risk reduction.

Sustainability

We must continue to focus on community linkages to government structures, particularly for marginalised groups. A growing focus on livelihood inequality is addressed by new collective action initiatives that leverage market opportunities and engage the landless in fresh income generation opportunities through job readiness.

Risk Management

We aim to strengthen risk management across a number of areas of our International Programs so we minimise waste, ensure efficiency and sustainability, and mitigate the risk of beneficiaries being harmed by our efforts to support change.

Advocacy

Transform Aid International will aim to strengthen our program impact on systems, both in the overseas contexts where we work and back home in Australia.

Social inclusion and gender equity

We will increase our intent toward vulnerable and marginalised people — especially women, girls, boys, and people with disabilities. This will ensure that vulnerable and marginalised groups have opportunity to fulfil their potential on an equal basis with others, in households and communities which are safe, resilient, and actively reducing barriers. This will be achieved through increased access to resources and services, improved participation in decision-making, and leadership.

Amplification

Given our extensive church and faith-based INGO networks, we will seek increased collaboration and leverage reach within the Integral Alliance, Global Baptist Alliance, Church Agencies Network consortium, and local partners based in country.

FY2019 Project Evaluations

Country	Partner	Project	Type of Evaluation
Bangladesh	Participatory Action for Rural Innovation	50222 Participatory Action for Rural Innovation	End of Phase Evaluation
Kenya	Anglican Development Services-Eastern	52125 Integrated Initiatives to Combat Food Insecurity	End of Project Evaluation
	Nakuru Region Inter Diocesan Christian Community Services	52151 Elementita Integrated Program	End of Phase Evaluation
Malawi	Church and Society Program (CSP)	52075 Promoting Child Well-being through Child Centred Community Development Approach	Project End Cross Learning Evaluation
Nepal	United Mission to Nepal	52080 Integrated Sustainable Livelihood Program	End of Project Evaluation
		52100 Community Health program	End of Project Evaluation
	International Nepal Fellowship (INF) Nepal	52154 Mountain Livelihoods Project	Impact Evaluation
	Welfare Association for Children Tikapur	52203 Improving Children's Well-being through Community Partnership	End of Phase Evaluation
	United Mission to Nepal	52243 Achieving Inclusive Development through community Based Rehabilitation	Mid-term Evaluation
Uganda	SAO Uganda	50238 Child Centred Community Development	Project End Cross Learning Evaluation

Annual investment FY2019

Transform Aid International addresses poverty in various ways — structurally, systemically, and by working directly with communities and individuals. Our interventions include health, learning, livelihoods, disaster management and advocacy.

HEALTH

With your generosity, \$1,406,288 was invested through 19 partners in 28 projects... so families could physically thrive, discover wellbeing, and lead healthy lives. Thank you!

LEARNING

With your generosity, \$2,577,936 was invested through 27 partners in 40 projects... to provide families and communities with the opportunity to learn new skills; and children and youth the opportunity to continue their formal education and build quality into that education. Thank you!

LIVELIHOODS

With your generosity, \$3,380,779 was invested through 28 partners in 49 projects... to help families begin new livelihoods that will help lift them from poverty. Thank you!

DISASTER MANAGEMENT

With your generosity, \$2,286,396 was invested through 20 partners in 42 projects... to help protect and save lives before, during, and after disaster. Thank you!

ADVOCACY

With your generosity, \$743,624 was invested through 13 partners in 17 projects to enable communities to find their voice and organise and challenge those forces and structures that keep people in poverty.

The work is all achieved by investing in and building resilient local partners who develop sustainable solutions to poverty.

PARTNER DEVELOPMENT

With your generosity, \$552,690 was invested in implementing partners... to help them mature in organisational capacity, so they can continue to deliver effective programs in the future. Thank you!

Outcomes in Health, Learning, Livelihoods, Disaster Management, and Advocacy are achieved by investing in local partners who develop lasting solutions to poverty.

Annual Investment FY2019

3,380,780	31%	 Livelihoods
2,577,936	23%	 Learning
2,286,396	21%	 Disaster Management
1,406,288	13%	 Health
743,624	7%	 Advocacy
552,690	5%	 Partner Development

Total investment: \$10,947,714



Programs Investment FY2019

5,033,035	46%	 Community Development
3,628,284	33%	 Child & Youth
2,286,396	21%	 Disaster Management

Total investment: \$10,947,714



Impact FY2019

The new International Program Strategy for 2019–2023 measures impact in six, key areas that we believe directly relate to ending poverty and bring the fullness to life that God intends. And in its first year, we have been blessed to see the impact of our program investment across each of these six impact areas.



IMPACT AREA 1

CHILD AND YOUTH WELLBEING

Girls, boys, and youth are safe, protected and actively participating in families and communities that value and enable their social, emotional, spiritual, physical and economic development.

3,449
Children
+ Youth

In the reporting period, 3,449 children and youth actively participated in decision-making in the household, school, or community level.

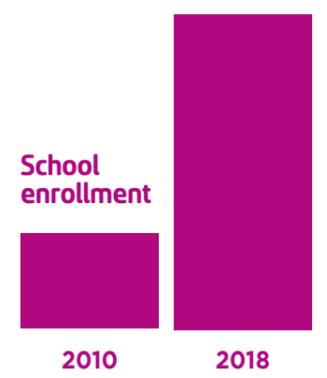
826 children and youth reported feeling safer in their communities.



54
Schools

There has been an increase in schools providing quality, child-friendly education.

We continue to see rapid increases in school enrollments with one project in Uganda seeing primary school enrollment up from 2,109 in 2010 to 6,989 in 2018.



“We are very happy to do activities of this project. Due to this project activity domestic violence, child labour, bad practice of dowry system etc. are decreasing. Discrimination between sons and daughter are in decreasing trend and every child is going to school on a daily basis.”

UMN, Sunsari Annual Report



Child and Youth Project, Uganda, SAO Uganda. Source: © Transform Aid International/ Agnes Burrell, 2018.

Johnson's story

Johnson* is 14 years old and lives in Uganda. Poverty has meant that he and his family have always struggled to meet their basic needs.

“Life was difficult because I did not have anything to eat,” he says. “When there is no food, I have no energy. When I don’t have school fees, I try to go to school even though they send me away, I come back.”

But that was not the only weight on this young boy’s shoulders.

“My brother suffers from epilepsy,” explains Johnson. “I knew there was nothing to use for treating him and I knew that he would die.”

But that was before his family joined a SAO Uganda project funded by Transform Aid International.

“Through the project, my brother was identified among the children with disabilities,” said Johnson. “We were able to receive a goat, which produced. And we sold one of the offspring for treating my brother.

“I was so happy.”

Johnson’s mother also joined a project savings group, where she was able to take small loans and receive valuable training on how to farm and run a small business.

“This helps me because she can get some money to pay for my school fees,” said Johnson.

Now Johnson can attend school without being sent home. And his brother receives the treatment he needs. With more food to eat, Johnson has the energy to study and to pursue his dream of becoming a teacher.

And that is the incredible impact of work such as this: not only happy children, but stronger families and flourishing communities.

*Name changed for child protection reasons.

IMPACT AREA 2

HUMAN CAPITAL

Women, men, girls and boys are experiencing improved physical health, employment opportunities and ability to make decisions that improve their own lives through access to effective services and meaningful knowledge that fosters new skills and healthy behaviours.



20,838

In the reporting period, 20,838 people (including children) adopted improved positive health practices.



“Over 900 children who would drop out of school, have been equipped with various technical vocation skills, such as carpentry, motorcycle and bicycle repair, shoe making, welding, baking, & hair dressing.”

SAO Uganda Evaluation Report



5,455 people acquired new social and life skills that enabled them to actively participate productively in community life.

Disability or HIV/AIDS

Of greatest encouragement, the highest adoption rate of new skills was among people living with a disability or HIV/AIDS.



6,463 people began applying techniques they had learned within a year of completing technical/vocational training. This is critical to the quality of the learning programs we fund.

IMPACT AREA 3

SOCIAL CAPITAL

Communities have deepening social connections and shared positive social norms and are engaging in collective action to claim rights and access opportunities, through strong community structures.

4,908
Community Structures



In the reporting period 4,908 community structures were established and strengthened. This includes Self Help Groups, Saving Groups, Child Clubs, Youth Clubs, Child Protection Committees.

579

579 of those groups have participated actively in undertaking action to improve their communities in ways beyond the project’s designed activities.

Women play a critical role in alleviating poverty at a household level. In one project in Nepal, female participants made up 85%, or 4076 of the 4772 members.

85%



More than 80% of Focus Group Discussion participants said:

“We are now more united than in the past and that community solidarity has been fostered, discrimination reduced, and joint social action initiated. The unity among us, SHG member, increased once the groups had been institutionalized. Community solidarity was further fostered though the joint social actions prompted by capacity-building initiatives.”

INF, Evaluation Report

Sharon's story

"My name is Sharon. I am 34 years old and I have four children.

When I was young, my life was full of hardships. I never finished school due to lack of school fees. I felt very troubled for it was like I was the only breadwinner in the family, everyone looked upon me, but I had not much to offer them.

This led me into an early marriage and having children while I was struggling to start a life which I was not yet fit for. I was only seventeen years old.

I had a lot of problems and always thought back about my life and

how I started as a young girl. I thought if I had finished school, maybe I would be a better person. But when I heard about Anglican Development Services Eastern starting a development project, I thought about how my life would be in the future... and with courage and determination, I believed this could change our lives.

I have now been able to receive a lot of trainings that have really transformed the life of my family.

For example, after training on energy-saving stoves, I started constructing them for community

members and they would pay me up to eight hundred Kenyan Shillings (\$11.30AUD) per stove. I constructed up to ten stoves, saving the money I earned.

After training on raising goats, my community was supported with improved goats to change our local breeds — the subsequent goats would be of great value in the market! I sold some of the goats I bred and saved the money.

I have doubled our household income."

IMPACT AREA 4

ECONOMIC CAPITAL

Women, men and youth have income, assets, and market access to provide for their basic needs, withstand shocks and disasters, and pursue entrepreneurial ideas.



In the reporting period, 10,599 households reported having their basic needs met throughout the year.

“

“Through the self-help approach, the caregivers were able to save together, borrow money from their savings, and then establish income generating ventures. With increased income, they continued to adequately support children with basic needs such as clothes, food, school fees, and shelter improvement.”

Project Manager,
SAO Uganda



3,420 Families

3,420 families reported increases in their household income.



9,490 households are storing food and fodder for the future.



Community Development Project, Kenya, ADS Eastern. Source: © Transform Aid International/Agnes Burrell, 2018.

IMPACT AREA 5

INCLUSION AND EQUITY

Vulnerable and marginalised people — especially women, girls, boys and people with disabilities — have opportunity to fulfil their potential on an equal basis with others in households and communities that are safe, resilient and actively reducing barriers. This will be achieved through increased access to resources and services, improved participation in decision-making and leadership.

776



In the reporting period, 776 vulnerable and marginalised people reported overcoming barriers (including social, physical, and legal) to gain access to services.

398
People

398 vulnerable and marginalised people reported that they were represented and/or actively participated in decision-making processes and bodies at local and district levels.



"In the child club reformation, we girls were given priority to be involved in key positions. The participation of boy and girl in 41 child clubs are 291 (44.8%) boys and 359 (55.2%) girls."

UMN, CCCD Annual Report



The inclusion of woman and girls

remained a strong focus of our programs in FY2019.



14 of our community structures reported that they have taken active steps to become more inclusive of vulnerable or marginalised people.

IMPACT AREA 6

PARTNER CAPACITY BUILDING

Partner organisations have growing capacity and deepening relationships with Transform Aid International that result in good governance and management, effective delivery of impactful projects, and stronger capability to act as catalysts for positive change.

In the reporting period, Transform Aid International invested in an independent review of our partnership management. According to our theory of change, the stronger our local partners are as organisations, the higher the quality of their programs. We are pleased to note that the consistent feedback is quality and strong technical capacity.

A majority of 96% of local partners felt that their partnership with Transform Aid International has increased their organisational capacity, with 60% reporting a major change in capacity.

96%

80%
Local partners

80% of local partners identified improved financial systems or processes as the most significant change.



64% of local partners surveyed indicated that they had new and/or improved policies as a result of their partnership with Transform Aid International.



During Focus Group Discussions, more than 90% Self Help Group members said:

"We were satisfied with the quality and timely delivery of project services. The project was both accommodative and flexible and, as a result, throughout the project period modified its approaches and strategies based on community feedback, learning from implementation, and the recommendations of mid-term evaluation in order to increase its impact."

INF, Evaluation Report

Disaster Management

In FY2019, Transform Aid International responded to disasters in 14 countries through 42 Disaster Management projects. Your generosity in times of disaster helped us to invest \$2,286,396 to reach over 70,163 people... thank you!

For some time, Transform Aid International has been investing in Disaster Risk Reduction. These activities are crucial. The UN has noted that many countries are still not investing enough in prevention and preparedness, and that many development actors are not prioritising enough such support to poverty contexts. The result is another stark reality of our times – that striking inequalities persist, with global disaster risk disproportionately concentrated in poorer countries with weaker governance.

From a development perspective, therefore, disaster risk reduction is vital for building a more equitable and sustainable future. Investing in prevention and preparedness – including mitigation, contingency planning, and awareness raising – is a necessary part of systematic efforts to increase resilience to disaster. In the reporting period, 11,443 people were exposed to awareness raising campaigns/activities highlighting environmental issues including climate change. 3421 participated in community-based disaster response simulations, and 135

communities developed community disaster risk reduction plans. Sadly, though, disasters will still heavily impact communities. In FY2019, Transform Aid International assisted 8,696 vulnerable women, men, girls, and boys with life-saving assistance in conflict and crisis situations. 38,796 people were provided essential items to sustain their lives post a disaster with 3,052 being assisted with temporary shelters, 10,406 given emergency food items, and child safe environments in disaster contexts being created for 6,074 children.



Adelina's story

In March 2019, Cyclone Idai made landfall in Mozambique, before cutting its destructive path through Malawi and Zimbabwe... claiming the lives of more than 1,300 people and leaving widespread disaster in its wake.

Adelina is 50 years old and a disabled, widow from Beira City, Mozambique. Adelina has three young children and she was severely affected by Cyclone Idai.

Cyclone Idai brought with it heavy winds and rain that eventually destroyed Adelina's home.

"It looked like the end of the world because I had never seen a similar phenomenon," she recalls of the night the storm hit.

Once the storm hit, Adelina and the children struggled to escape the house. Eventually, they had to improvise, exiting via an opening in a wall which made of reed.

When they finally made it outside, Adelina watched the iron sheets from her roof detach and get carried away by the wind. And all she and the children could do was weep.

Not only had they lost their home, but food, utensils, and clothing were destroyed. Left unguarded and uninhabited, what belongings that survived the storm, were robbed in its aftermath.

Transform Aid International, through its partner on the ground, Food for the Hungry, responded quickly to the needs of families like Adelina's, supporting 4,150 affected households in the Beira, Nhamatanda and Dondo districts. Relief included borehole drilling for the provision of safe drinking water, kitchen and hygiene sets, as well as hygiene training to keep communities safe from disease.

For Adelina, the blankets arrived just in time, as their distribution coincided with the winter season.

"I had been using a cloth as a blanket, but now the whole family sleeps covered with warm blankets," she says with a wide smile. Adelina also told us that,



with the buckets received, it is now easier for her family to fetch and store safe drinking water from the drilled boreholes.

This means she no longer relies on water from unprotected wells which have been contaminated by flooding and spread diarrheal disease.

Additionally, Adelina also received hygiene training from our partner field staff. Now she and her family know the importance of handwashing before and after using the toilet, and before and after eating meals.

As a result of this support, the health of Adelina's family has greatly improved.



Above: Community Development Project, Mozambique, FH Mozambique. Source: ©FH Mozambique, 2019.

Top: Community Development Project, Mozambique, FH Mozambique. Source: ©Food for the Hungry/Sean Sheridan, 2019.



Child and Youth Project, Cambodia, FH Cambodia.
Source: ©Transform Aid International/Antoine Raab, 2017.

Thank you to all our partners

Bangladesh

- Bangladesh Association for Sustainable Development (*Community Development*)
- Bangladesh Baptist Fellowship (*Child & Youth, Community Development*)
- Medair (*Disaster Management*)
- PARI Development Trust (*Child & Youth, Community Development*)
- Protibondhi Community Centre (*Community Development*)
- Symbiosis (*Community Development*)
- Viva Network (*Disaster Management*)
- World Concern (*Disaster Management*)
- World Renew (*Child & Youth*)

Cambodia

- Chab Dai Coalition (*Community Development*)
- FH Cambodia (*Child & Youth, Community Development*)
- International Cooperation Cambodia (*Community Development*)
- Peace Bridges Organization (*Community Development*)
- Ponleu Ney Kdey Sangkhum (*Community Development*)

India

- Emmanuel Hospital Association (*Community Development, Disaster Management*)

Indonesia

- Yayasan Rebana Indonesia (*Disaster Management*)

Kenya

- Anglican Development Services - Eastern (*Community Development, Disaster Management*)
- Anglican Development Services - Mount Kenya (*Community Development*)

- Anglican Development Services – Central Rift (*Community Development*)

Lebanon

- Merath (*Community Development, Disaster Management*)

Malawi

- Church and Society Program CCAP Synod of Livingstonia (*Child & Youth, Community Development*)
- Viva Network (*Disaster Management*)

Malaysia

- Alliance of Chin Refugees Malaysia (*Community Development*)

Mozambique

- FH Mozambique (*Disaster Management*)
- Integral Alliance (*Disaster Management*)
- Medair (*Disaster Management*)

Nepal

- International Nepal Fellowship (*Community Development, Disaster Management*)
- Multipurpose Community Development Services (*Community Development, Disaster Management*)
- Palmera (*Community Development*)
- United Mission to Nepal (*Child & Youth, Community Development, Disaster Management*)
- Welfare Association for Children Tikapur (*Community Development*)

Papua New Guinea

- Baptist Union of PNG (*Community Development*)

Philippines

- Asia Pacific Baptist Federation (*Disaster Management*)
- Share An Opportunity Philippines (*Child & Youth, Disaster Management*)

Solomon Islands

- South Seas Evangelical Church (*Community Development*)

South Africa

- Fisantekraal Centre for Development (*Community Development*)
- Learn to Earn (*Community Development*)

Sri Lanka

- Lanka Evangelical Alliance Development Service (*Child & Youth, Disaster Management*)

Syrian Arab Republic

- Merath (*Disaster Management*)

Uganda

- African Evangelistic Enterprise, Uganda (*Community Development*)
- FH Uganda (*Child & Youth, Disaster Management*)
- Share an Opportunity Uganda (*Child & Youth*)

Yemen

- Medair (*Disaster Management*)
- ZOA (*Disaster Management*)

Zambia

- Reformed Church in Zambia Diaconia Department (*Child & Youth*)



Child and Youth Project, Philippines, SAO Philippines. Source: ©Transform Aid International, 2015.

Financials FY2019

The fundraising climate continued to be tough in FY2019. Despite this, Transform Aid International has managed to finish the year with a Total Revenue of \$18.75 million and a Net Deficit of \$0.54 million. When compared to the previous financial year, Total Revenue has actually increased by \$0.65 million — a 3.6% growth in the face of continuing reduction in government grants and fewer major international humanitarian emergencies.



Peter Leau
DIRECTOR OF FINANCE
AND OPERATIONS

Worth noting, is some positive growth in revenue due to the following appeals and programs: a) the Matching Grant Appeal result was 5.3% better than the previous financial year; b) Child Sponsorship increased by 2%; c) Major Donors gave 27.9% more than in the previous financial year; and d) Gifts in Wills grew by 29.3%.

In FY2019, we continued to purposefully increase our impact expenditure, which includes work across the areas of international programs, advocacy, and education. Our impact expenditure, totalling \$13.42 million, represents a

5.2% increase on the previous year and was the primary reason for the deficit result, due to previously recognised income (for multi-year projects) being expended from our strong cash reserve.

Our Impact Expenditure

This financial year, we achieved a record 5.8% growth in our Total Programs Expenditure when compared to the previous year. The Department of Foreign Affairs and Trade (DFAT) provided total grants of \$3.31 million to support the work of Transform Aid International across the Pacific, Southeast Asia, South

Asia, and Eastern Africa. One project which benefited from this support is implemented by our Christian partner, United Mission to Nepal, and seeks to improve community health.

Throughout the project area, there is low level of health knowledge, extremely poor health service options, and high levels of illness. The project is focussed on building the capacity of individuals, community groups, and service providers to meet community health needs. The project addresses both preventative and curative aspects of health, thus enhancing sustainability, and seeks to create communities where health-seeking behaviour and the utilisation of quality health services is improved among children and their carers, adolescent girls, and women of childbearing age. In FY2019, the project budget was \$0.55 million, directly impacting 14,700 beneficiaries through the mobilisation of 170 mothers' groups, 40 public schools, and 27 health posts.

In FY2019, Fundraising Costs increased by 28.7%. Taken at face value, this result seems unusual, but is primarily due to the previous year's lower than expected expenditure — the result of a number of key fundraising staff roles remaining unfilled.

It was also necessary to increase our Total Accountability and Administration Expenditure by 4.2%, to manage the growing complexity of external legal,

compliance, and accountability requirements; including additional resources to help manage a number of newly introduced compliance requirements, especially in the areas of prevention of financial wrongdoing and the safeguarding of children and vulnerable people across the breadth of our international program.

Our Health

Our Balance Sheet continues to be solid and healthy, with no large, long-term liabilities or borrowings and total Net Assets of \$9.43 million. Our overall reserves continue to be strong. This includes \$0.66 million designated for humanitarian crisis projects, \$1.19 million funding for work in Africa, \$0.54 million for strategic initiatives in the Asia-Pacific region, and over \$3 million earmarked for general, multi-year community projects.

Our Investments

In this financial year we have continued to invest in our people and organisational systems to ensure a strong future. This includes: a) developing specialist knowledge and skills, for example, preparing Transform Aid International to better manage large-scale, natural disasters; b) developing cloud-based platforms for greater efficiency and real-time access; and c) developing user-friendly apps which help deepen engagement with our supporters and stakeholders.

Our Future Direction

In Australia, we will continue to develop our relationship with supporters and stakeholders, through more effective technologies (such as social media and user-friendly apps) and face-to-face engagement through churches and advocacy.

In the international arena, we have been working with strategic alliances and networks, with the goal of playing a leading role in the aid and development space for the global Baptist community. To that end, we will continue to strengthen relationships and collaboration with a number of like-minded organisations, including a) Integral Alliance, a global alliance of 22 high-capacity, Christian agencies with presence in over 100 countries; b) Baptist World Alliance Forum for Aid and Development (BFAD), a network of Baptist conventions and development agencies; and c) Asia-Pacific Baptist Federation (APBF), a coordination body for the Asia-Pacific region, with a constituency of over 60 Baptist conventions and 33,000 churches.

In the coming years, Transform Aid International will be looking to invest in a service hub in the Asia-Pacific region – a region which accounts for 61% of the world's population, where a significant number of people still live in extreme poverty. This strategic direction will enable greater effectiveness in cooperation and collaboration, both for us and our international partners.

Our Gratitude

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



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Independent Auditor's Report

To the Members of Transform Aid International Ltd

Report on the audit of the financial report

Opinion

We have audited the financial report of Transform Aid International Ltd (the "Registered Entity") and its subsidiaries ("the Group") which comprises the consolidated statement of financial position as at 30 June 2019, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Directors' declaration.

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

- giving a true and fair view of the Registered Entity's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

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

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

Information other than the Financial Report and Auditor's Report

The Responsible Persons for the Group are responsible for the other information. The other information comprises the information included in the Registered Entity's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsible Persons' Responsibility for the financial report

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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



- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

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

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

A G Rigele
Partner – Audit & Assurance

Sydney, 29 October 2019

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 2018 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:

Philip Newman
Chair/Responsible Person

Dated the 29th day of October 2019

Financials at a glance

Source of income FY2019

13,322,374	71%	Donations & Gifts Monetary
172,267	1%	Donations & Gifts Non-Monetary
1,458,617	8%	Bequests
3,315,667	17%	Australian Government Grants
107,636	1%	Other Non-Government Grants
369,689	2%	Investment & Other Income

Total revenue: \$18,746,250



Use of Funds FY2019*

5,105,077	26%	Community Development
2,986,791	16%	Child Centered Community Development
656,526	3%	Children, Youth, and Communities for Change (CYCC)
2,199,321	11%	Disaster Management
1,456,579	8%	Other Programs Costs
1,014,234	5%	Community Education
2,448,601	13%	Fundraising
3,370,410	17%	Accountability & Administration
172,267	1%	Other

Total expenditure: \$19,409,806



* 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 2019

	Notes	2019	2018
REVENUE			
Donations and Gifts:			
Monetary		13,322,374	12,438,086
Non-Monetary	4	172,267	180,058
		13,494,641	12,618,144
Bequests and Legacies		1,458,617	1,127,924
Grants:			
Department of Foreign Affairs and Trade		3,315,667	4,146,282
Other Australian		-	-
Other Overseas		107,636	46,489
		3,423,303	4,192,771
Investment Income		360,632	147,188
Other Income	5	9,057	9,369
TOTAL REVENUE		18,746,250	18,095,396
EXPENDITURE			
International Aid and Development Programs Expenditures:			
International Programs:			
Funds to International Programs		10,947,714	10,391,820
Programs Support Costs		1,456,579	1,336,439
		12,404,293	11,728,259
Community Education	6	1,014,234	1,030,985
Fundraising Costs:			
Public		2,397,080	1,848,948
Government, Multilateral and Private		51,521	54,181
		2,448,601	1,903,129
Accountability and Administration		3,370,410	3,234,217
Non-Monetary Expenditure	4	172,267	180,058
Total International Aid and Development Programs Expenditures		19,409,805	18,076,648
TOTAL EXPENDITURE		19,409,805	18,076,648
Unrealised Fair Value on Foreign Exchange Contracts		(102,088)	193,804
EXCESS OF REVENUE OVER EXPENDITURE		(765,643)	212,552
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss:			
Revaluation of Investment Property	11	221,920	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(543,723)	212,552

This statement should be read in conjunction with the accompanying notes to the financial statements.

Consolidated statement of financial position

as at 30 June 2019

	Notes	2019	2018
ASSETS			
Current Assets			
Cash and Cash Equivalents	7	3,498,624	3,748,454
Trade and Other Receivables	8	586,248	701,528
Financial Assets	9	1,068,087	1,568,765
		5,152,959	6,018,747
Non-Current Assets			
Property, Plant and Equipment	10	3,717,840	3,844,810
Investment Property	11	1,120,000	898,080
Intangibles	12	449,358	565,138
Investment in Associate	13	276,484	-
		5,563,682	5,308,028
TOTAL ASSETS		10,716,641	11,326,775
LIABILITIES			
Current Liabilities			
Trade and Other Payables	14	473,187	727,948
Provisions	15	562,675	397,326
Financial Liabilities	16	19,620	29,074
Tax Liabilities	17	63,853	80,189
Other Current Liabilities	18	65,860	-
		1,185,195	1,234,537
Non-Current Liabilities			
Provisions	19	100,296	117,365
		100,296	117,365
TOTAL LIABILITIES		1,285,491	1,351,902
NET ASSETS		9,431,150	9,974,873
EQUITY			
Retained Earnings	20	5,152,870	6,463,513
Reserves	21 (d)	4,278,280	3,511,360
TOTAL EQUITY		9,431,150	9,974,873

This statement should be read in conjunction with the accompanying notes to the financial statements.

Consolidated statement of changes in equity

for the year ended 30 June 2019

Notes	General Funds 21 (a)	Designated Funds 21 (b)	Restricted Funds 21 (c)	Reserves 21 (d)	TOTAL
Balance as 1 July 2017	3,419,970	144,486	2,686,505	3,511,360	9,762,321
Excess/(shortfall) of revenue over expenditures	311,807	(124,484)	25,229	-	212,552
Other comprehensive income for the year	-	-	-	-	-
Transfer of funds	-	-	-	-	-
Balance at 30 June 2018	3,731,777	20,002	2,711,734	3,511,360	9,974,873
Excess/(shortfall) of revenue over expenditures	(159,327)	6,998	(613,314)	-	(765,643)
Other comprehensive income for the year	-	-	-	221,920	221,920
Transfer of funds	(545,000)	-	-	545,000	-
Balance at 30 June 2019	3,027,450	27,000	2,098,420	4,278,280	9,431,150

This statement should be read in conjunction with the accompanying notes to the financial statements.

Consolidated statement of cash flows

for the year ended 30 June 2019

Notes	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Donations received	13,322,374	12,438,086
Bequests and legacies received	1,458,617	1,127,924
Operating grants received	3,489,163	4,192,771
Other income received	240,372	22,537
Payments to suppliers and employees	(8,004,832)	(7,078,229)
Distributions to overseas partners	(10,817,416)	(10,289,053)
Interest received	24,471	19,491
Net cash provided by (used in) operating activities	(287,251)	433,528
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash received/ (paid for) from property, plant and equipment	(39,456)	7,218
Net cash received from investment property	53,606	51,429
Net cash paid for intangible assets	(139,204)	(154,970)
Net cash received from investment in financial assets	162,475	364,499
Net cash provided by (used in) investing activities	37,421	268,176
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash received from (repaid to) NAB secured loans	-	-
Net cash provided by (used in) financing activities	-	-
NET INCREASE IN CASH HELD	(249,830)	701,704
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR	3,748,454	3,046,750
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	3,498,624	3,748,454

This statement should be read in conjunction with the accompanying notes to the financial statements.

Notes to the Consolidated Financial Statements

for the year ended 30 June 2019

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 Entities ('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 Group has adopted all applicable standards which became effective for the first time during the period ended 30 June 2019. There has been no material impact resulting from the adoption of these standards.

The consolidated financial statements for the year ended 30 June 2019 were approved and authorised for issue by the board of Responsible Persons on 29th October 2019.

NOTE 2 SUMMARY OF 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 July 2018. Information on these new standards is presented below.

AASB 9 Financial Instruments

AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for impairment of financial assets.

The Group has adopted AASB 9 Financial Instruments starting 1 July 2018 and has determined as at 1 July 2018, there is no effect in relation to classification, measurement, and impairment of financial instruments recognised in opening retained earnings as at 1 July 2018. No 'expected credit loss' has been accounted for as the Group believes minimal credit risk attributed to its financial assets. The Group applies a simplified model of recognising lifetime expected credit losses as these do not have a significant financing component.

2.2 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 described in the accounting policies below.

2.3 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 2019. 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.

2.4 Historical cost convention

The consolidated financial statements have been prepared on the basis of historical cost except for the following:

- Investment property is measured at fair value.
- Available-for-sale financial assets are measured at fair value.

The methods used to measure the fair values of these assets are discussed in notes 2.7 and 2.13. Cost is based on the fair values of the consideration given in exchange for assets.

2.5 Investments in associates

Associates are those entities over which the Group is able to exert significant influence, but which are not subsidiaries.

Investments in associates are accounted for using the equity method.

Any goodwill or fair value adjustment attributable to the Group's share in the associate is not recognised separately and is included in the amount recognised as investment.

The carrying amount of the investment in associates is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate, adjusted where necessary to ensure consistency with the accounting policies of the Group.

Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

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

i. Donations, fundraising and bequests

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

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.

Where a grant is received on the condition that specified services are delivered, to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year-end until the service is delivered.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the Group obtains control of the funds, economic benefits are probable and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

Where the Group receives a non-reciprocal contribution of an asset from a government or other party for no or nominal consideration, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

iii. Interest and dividends

Interest and dividends are recognised when received/receivable.

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks, and other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

2.8 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.

2.9 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.

2.10 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 Statement of Profit and loss.

Rental income and operating expenses from investment property are reported within other income on the face of the Statement of Profit and loss.

2.11 Intangible assets

i. 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.

ii. 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 2.8. 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.

2.12 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.

2.13 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.

2.14 Financial Assets

The Group classifies its financial assets into the following categories:

1. financial assets at fair value through profit or loss,
2. amortised cost, and
3. financial assets at fair value through other comprehensive income (previously available-for-sale financial assets).

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through profit or loss in which case the transaction costs are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Purchases and sales of investments are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance date. The quoted market price used is the current bid price.

The categories of financial assets are:

a) Financial assets at fair value through profit or loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the Statement of Financial Position date.

After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

b) Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL or FVOCI): they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows, the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial recognition, these are measured at amortised cost using the effective interest method. 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 as well as any long-term deposit that were previously classified as held-to-maturity under AASB 139.

c) Financial assets classified as fair value through other comprehensive income (FVOCI)

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVOCI. Under FVOCI, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividend from these investments continue to be recorded as other income within the profit or loss unless the dividend clearly represents return of capital. This category was previously classified as 'available-for-sale'.

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date.

On adoption of AASB 9, the following has been reflected.

	AASB 139 Recognition	AASB 9 Recognition
Trade and other receivables	Amortised cost	Amortised cost
Forward exchange contracts	FVTPL	FVTPL
Term deposits	Amortised cost	Amortised cost
Financial liabilities	Amortised cost	Amortised cost

2.15 Impairment of financial assets

At each balance date the Group assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income. The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and

supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between: financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1'), and financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2'). 'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date. '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

2.16 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.

2.17 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.

2.18 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.

i. Estimation uncertainty

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

ii. 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.

iii. 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.

iv. 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.

v. 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 2018, there is no significant risk identified in relation to these assets.

vi. Provisions, contingent liabilities and contingent assets

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there is a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligation is not probable. Such situations are disclosed as contingent liabilities, unless the outflow of resources is remote in which case no liability is recognised.

NOTE 3 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 4 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 2019 (FY2019), 6,190 volunteer hours were provided to the Group by 49 volunteers (FY2018: 6,719 hours provided by 53 volunteers) at a commercial value of \$172,267 (FY2018: \$180,058). Of this amount \$24,376 is considered as Recognised Development Expenditure (RDE) for the purpose of assessing the Group's entitlement for Government funding (FY2018: \$34,250).

NOTE 5 OTHER INCOME

Total other income for the year is \$9,057 (FY2018: \$9,369). Other income comprises of income from deputations and resource sales.

NOTE 6 COMMUNITY EDUCATION

Community education expenditures include 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 \$1,014,234 (FY2018: \$1,030,985) are classified as Recognised Development Expenditure (RDE).

NOTE 7 CASH AND CASH EQUIVALENTS

The cash and cash equivalents amount in the balance sheet is represented by:

	2019	2018
• Cash at bank	2,781,026	2,358,152
• Cash on hand	12,916	15,016
• Cash on restricted accounts	159,682	200,593
• Cash on short-term deposits	545,000	1,174,693
	<u>3,498,624</u>	<u>3,748,454</u>

Transform Aid International Ltd has in place a secured bank overdraft facility of \$500,000. The facility was not utilised during 2018 and 2019 and remains unused at the reporting date.

NOTE 8 TRADE AND OTHER RECEIVABLES

Trade and other receivables amount in the balance sheet, accounted for at amortised cost, is represented by:

	2019	2018
• Accounts receivables	20,074	6,634
• Project prepayments	422,415	579,786
• Prepaid expenses	51,679	27,829
• Prepaid corporate cards	29,343	14,507
• Sundry debtors	499	2,868
• Un-acquitted travel	259	259
• GST paid	61,979	69,645
	<u>586,248</u>	<u>701,528</u>

NOTE 9 FINANCIAL ASSETS

Financial assets in the balance sheet is represented by:

Current financial assets

	2019	2018
• Provision on forward exchange contracts (FVTPL)	27,720	129,807
• Restricted term deposit (amortised cost)	1,040,367	1,438,958
	<u>1,068,087</u>	<u>1,568,765</u>

NOTE 10 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment movements during the year were as follows:

	WDV* at 1/07/2018	Additions	Disposals/ Write off	Revaluation/ (Depreciation)	WDV at 30/06/2019
Buildings**	3,686,758	-	-	(105,069)	3,581,689
Computer hardware	55,901	34,950	(1,011)	(33,459)	56,381
Furniture and fittings	56,149	10,122	-	(21,373)	44,898
Office equipment	3,706	4,675	-	(1,658)	6,723
Motor vehicles	42,296	-	(8,542)	(5,605)	28,149
	<u>3,844,810</u>	<u>49,747</u>	<u>(9,553)</u>	<u>(167,164)</u>	<u>3,717,840</u>

* WDV = written down value

**Office building (Lots 45,46,64,65,66 and 67, 32 Delhi Road, Macquarie Park 2113) are stated at cost less depreciation above but have been independently valued at \$5,300,000 as at 30 June 2019.

NOTE 11 INVESTMENT PROPERTY

Investment properties movements during the year were as follows:

	WDV* at 1/07/2018	Additions	Transfers	Disposals/ Write off	Revaluation	WDV at 30/06/2019
Investment property	898,080	-	-	-	221,920	1,120,000
	<u>898,080</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>221,920</u>	<u>1,120,000</u>

* WDV = written down value

NOTE 12 INTANGIBLES

Intangibles movements during the year were as follows:

	WDV* at 1/07/2018	Additions	Transfer from WIP	Disposals/ Write off	Amortisation/ Depreciation	WDV at 30/06/2019
Computer software	442,474	-	244,987	-	(254,984)	432,477
Work-in-Progress	122,664	139,204	(244,987)	-	-	16,881
	565,138	139,204	-	-	(254,984)	449,358

* WDV = written down value

NOTE 13 INVESTMENT IN ASSOCIATE

On 26th November 2018, the Group acquired a 27.72% interest into the equity of Integra Cooperative, a social investment fund in Slovakia. Integra Cooperative was formed in 1995 and has been involved in community development in East Africa for ten years and Eastern Europe for almost 20 years. Through child sponsorship, fair trade businesses and enterprise development they provide opportunities for people to climb out of poverty.

The Group has assessed the share of the loss in associate for the period as insignificant.

NOTE 14 TRADE AND OTHER PAYABLES

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

	2019	2018
• Accounts payable	179,876	262,469
• Other short-term liabilities	129,834	125,102
• Employment liabilities	34,487	29,684
• Overseas projects short term liability	128,990	310,693
	473,187	727,948

NOTE 15 CURRENT PROVISIONS

Current provisions amount in the balance sheet is represented by:

• Provisions for annual leave	409,656	304,600
• Provisions for long service leave (short term)	153,019	92,726
	562,675	397,326

NOTE 16 FINANCIAL LIABILITIES

Financial liabilities amount in the balance sheet is represented by:

• Purchasing card payables	19,620	29,074
	19,620	29,074

NOTE 17 TAX LIABILITIES

Tax liabilities amount in the balance sheet is represented by:

	2019	2018
• GST collected	22	31,115
• PAYG/HECS withheld	63,831	49,074
	63,853	80,189

NOTE 18 OTHER CURRENT LIABILITIES

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

• Un-acquitted grants received from overseas	65,860	-
	65,860	-

NOTE 19 NON-CURRENT PROVISIONS

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

• Long service leave provisions (long term)	100,296	117,365
	100,296	117,365

NOTE 20 RECONCILIATION OF RETAINED EARNINGS

Opening balance	6,463,513	6,250,961
Surplus/(Deficit) for the year	(765,643)	212,552
Transfer to reserves	(545,000)	-
Closing balance	5,152,870	6,463,513

NOTE 21 FUNDS AND RESERVES**FUNDS****(a) General Funds**

Community development fund	116,916	1,067,252
Non-deductible giving fund	3,541	12,877
Where needed most fund	2,652,631	2,486,054
TAI income generation fund	254,362	165,594
	3,027,450	3,731,777

(b) Designated Funds

Matching grants fund	27,000	20,002
	27,000	20,002

	2019	2018
(c) Restricted Funds		
Sponsorship funds	243,738	216,372
Middle east crises projects	120,000	285,442
Cyclone Idai projects	72,606	-
Nepal earthquake projects	-	166,600
Hunger crisis: East Africa and Yemen	-	195,937
Sulawesi Tsunami projects	274,920	-
Rohingya crisis appeal	192,962	207,832
Fund for Africa	1,194,194	1,639,551
	2,098,420	2,711,734
(d) RESERVES		
Reserves	3,511,360	3,511,360
Strategic initiatives reserve	545,000	-
Asset revaluation reserve	221,920	-
	4,278,280	3,511,360

NOTE 22 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 2019. Resulting gains or losses have been recognised in determining the reported excess/shortfall recorded in the income statement.

NOTE 23 CONTROLLED ENTITIES

- 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.
- 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.
- Transform Aid International Bangladesh**
Registered in NGO Affairs Bureau Bangladesh, Registration number 1324
86 Monipuripara (1st Floor), Flat no. A5, Farmgate, Tejgaon, Dhaka 1215 Bangladesh.

The above entities are controlled by Transform Aid International Ltd.

NOTE 24 RELATED PARTY TRANSACTIONS

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

	2019	2018
Distribution received from Baptist World Aid Australia Public Ancillary Fund	13,358,061	11,333,542
	13,358,061	11,333,542

NOTE 25 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.

Total key management personnel compensation	839,515	678,532
	839,515	678,532

NOTE 26 CONTINGENT LIABILITIES

There are no contingent liabilities incurred by the Group for the years 2019 and 2018.

NOTE 27 POST-REPORTING DATE EVENTS

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

NOTE 28 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 2019, the total amount that members of the Company are liable to contribute if the Company wound up is \$100 (2018: \$100).

NOTE 29 PARENT ENTITY INFORMATION**(a) Statement of Profit and Loss and Other Comprehensive Income**

Revenues	5,106,757	6,892,487
Expenditures	5,872,400	6,679,935
Surplus for the year	(765,643)	212,552
Other Comprehensive Income	221,920	-
Total Comprehensive Income for the year	(543,723)	212,552

(b) Statement of Financial Position

Current assets	5,145,959	6,012,647
Non-current assets	5,563,681	5,308,028
Total assets	10,709,640	11,320,675

	2019	2018
Current liabilities	1,178,194	1,228,437
Non-current liabilities	100,296	117,365
Total liabilities	1,278,490	1,345,802
Net assets	9,431,150	9,974,873
Retained earnings	5,152,870	6,463,513
Reserves	4,278,280	3,511,360
Total equity	9,431,150	9,974,873

NOTE 30 OTHER DISCLOSURE

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

For the financial year 2019, Transform Aid International Ltd contributed a total of \$30,478 for the running of a school and a health clinic for Chin refugees in Malaysia and as per DFAT guideline, these program expenditures have been classified as welfare.

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



Child and Youth Project, Nepal, UMN. Source: ©Transform Aid International/Agnes Burrell, 2017.

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 required to do so. Licences are held under the following numbers: South Australia: CCP2610; Victoria: 10918.19; 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 full accreditation from the Department of Foreign Affairs and Trade (DFAT) which enables us to receive government funds

for our its programs. We acknowledge not only the funds, but also the care and support of key government staff in our work together.

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

Transform Aid International Ltd is a member of Integral Alliance, a global consortium of Christian aid and

development agencies with presence in 90 countries. Photographs featured in this Report have been taken by Transform Aid International Ltd staff, partners, and associates in Africa, Asia, the Middle East, and the Pacific unless otherwise indicated; and are reproduced in this Report with appropriate consent.



Transform Aid
INTERNATIONAL
For a world without poverty



BAPTIST WORLD AID AUSTRALIA
Be love. End poverty.



Feedback and complaints

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

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

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

Complaints Handling Officer
Locked Bag 2200
North Ryde BC, NSW 1670

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

Thank you

With your support, we partner
with local organisations overseas,
for a world without poverty.
Thank you for giving generously
and partnering with us in FY2019!



Transform Aid
INTERNATIONAL
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