

FINANCIAL YEAR 2020

Compassion Australia

Annual *Impact* Report 2020



See how you're helping to release
children from poverty in Jesus' name.





ASHA AND BHORSHA, BANGLADESH

YOUR 2020
IMPACT STORY

Board Chair Isaac Moody	7
CEO Clare Steele	8
The Impact of COVID-19	10
Creating Impact	15
The Movement Is Growing	17
Australian Churches Changing Lives	18

THE *CHILDREN'S*
STORY

Compassion and Child Protection	21
Mums and Babies	23
Sponsorship	29
Critical Needs	33

THE *GLOBAL*
STORY

Countries Raising Support	42
Countries Delivering Program	43
Africa	44
Asia	45
Central America	46
South America	47

THE *STEWARDSHIP*
STORY

COO Deb Adams	52
Meet the Board	53
Accountability and Transparency	56
Risk and Auditing	57
Financials	58

COMPASSION AUSTRALIA

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Your 2020 *Impact* Story



How you're helping to release children from poverty in Jesus' name

2020 has been *turned upside down*
by a global pandemic.

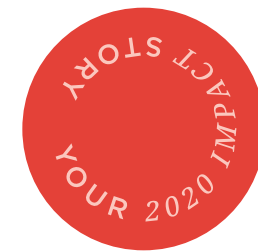
In these turbulent times, your support
for vulnerable children is vital—and
your *impact is undeniable.*

This is the story of *God's Church* rising
as one in 2020, united to see vulnerable
children receive the spiritual, physical,
socio-emotional and economic support
they need to thrive.



ASHA AND BHORSHA, BANGLADESH

Welcome to Compassion Australia's 2020 *annual report* Board Chair Isaac Moody



This is a story of God's unfailing love for His children—even when life as we know it has been turned upside down by the COVID-19 pandemic.

The pandemic's effects have been felt around the planet but especially on families living in poverty, including the 2.1 million children that we serve together.

This year marked a new season for Compassion Australia. We said goodbye to CEO Tim Hanna after a decade of service and welcomed new CEO Clare Steele. There were changes at a Board level, too, with Sam Valich resigning from the Board and accepting a position as Executive Director: Brand Experience.

2020 also marks a season of change for the global Compassion community—and the pace of those changes around the world has been accelerated by the COVID-19 pandemic.

As we steward every dollar to bless the children we serve, lockdowns, travel restrictions and the associated economic impact in Australia has necessitated some difficult decisions for our team here. We are grateful to Clare for her leadership in challenging circumstances and we are thankful to all Compassion Australia staff and volunteers who have given so much in this season.

On the field, social distancing and other restrictions have meant more than 8000 local churches have had to quickly adapt as they reach out to children.

New circumstances have prompted new innovations to engage Australian Christians and churches to further the mission of releasing children from poverty in Jesus' name.

And yet, through this time of immense change, some things have remained steadfast.

God's love for His precious children has not changed—nor will it ever. His heart is to see children everywhere, in all circumstances, come to live life to the fullest. The creativity and passion of His Church to serve the poor has not diminished. In Australia and across the world, His people remain generous and open hearted.

The pandemic has made life even more complicated and difficult for millions of people living in poverty. But it has also revealed the strength of His Church as we rise as one to follow God's leading. We do so with faith that He is sovereign over whatever may come next.

Through it all, the generosity of supporters like you is truly inspiring. Your impact in children's lives is undeniable.

Thank you for your partnership, your prayer, and your passion for seeing children released from poverty in Jesus' name.

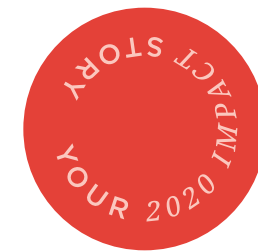


Isaac Moody

COMPASSION AUSTRALIA
BOARD CHAIR

Your support at work in the new of 2020 *Compassion Australia*

CEO Clare Steele



This year for me personally was always going to be different and full of change. A new role as Compassion Australia CEO, a new home in a new city, new people and experiences.

I did not anticipate that 2020 would be so different for all of us, right across the world.

The COVID-19 pandemic has plunged us into new ways of working, interacting, shopping and studying. New ways of living.

And the new of 2020 has not spared the children we serve. Their lives have been radically altered by COVID-19 and the response to the virus.

For families like 14-year-old Alvin's in the Philippines, quarantine measures hit hard.

Businesses closed across the country, including the junk shop where his mother worked to earn a daily wage. Alvin was desperate to help—but he didn't know what to do.

"I thought of looking for work or begging in the streets for money, but quarantine meant I couldn't do either," he says.

Just in time, the staff of his local Compassion centre arrived with a relief bag of rice, noodles, milk, vegetables, canned goods and other essentials.

"I don't need to beg because I know God will supply for my family through the church and my sponsor," says Alvin.

His story is a timely reminder of the importance of what we do in a Compassion neighbourhood that stretches around the world. There have been hundreds of stories of great struggle like his—but also stories of great generosity and impact as churches reach out to meet the most urgent needs and support children and families in new ways.

That's why I'm so pleased to report that Australians and the worldwide Church have responded with such generosity to our first ever global disaster relief campaign.

So far, local church partners have delivered more than 3.9 million food packs, over 2.5 million hygiene kits, and reached more than 170,000 children and family members with medical support.

As extreme poverty increases for the first time in many years, these interventions are essential in supporting vulnerable children and their families. And now, more than 124,000 children are sponsored and have the support they need to thrive, thanks to generous Australians like you.

As we travel the new together, I'm so encouraged by your words of support, your generosity and your great desire to continue to see children released from poverty in Jesus' name. Thank you!

And in a year of great uncertainty, I am thankful and full of praise that we can rest on the unfailing love and mercy of our God, who has compassion for those in need and longs for justice.



Clare Steele

COMPASSION AUSTRALIA
CHIEF EXECUTIVE OFFICER

Stand in the Gap

Helping *Australian sponsors* affected by COVID-19



The economic impact of COVID-related restrictions hit Australia hard. As workplaces closed and the economy stalled, many supporters worried about how they would continue to sponsor the children they loved.

Yet others, including a family in Perth, saw their businesses grow—and followed God’s prompting to give generously.

They knew many Australian sponsors might be struggling and wanted to help them stay connected so they could encourage and bless their sponsored children. In their own words:

“Our businesses have been blessed significantly over this past few weeks. As a family, we have been inspired to ‘stand in the gap’ for others who have been adversely affected by COVID-19. God seemed to lay Aussie supporters and their sponsored children on our hearts. We’re excited to take the opportunity to join with Compassion and give to help others maintain their support during these tough times.”

We are so grateful to this family. Their generosity has helped hundreds of Australian sponsors to stay connected to their sponsored children and blessed countless families around the world.



DEBORA, BRAZIL

How COVID-19 is *supercharging* poverty

**For the first time in decades,
global poverty is rising.**

The COVID-19 pandemic has stolen lives and livelihoods. The financial fallout has crushed economies around the world.

COVID-19 threatens to push *millions more* children and families into poverty.

71m

COVID-19 could push **71 million more** people into **extreme poverty** (<\$1.90/day)

66m

Including 42-66 million children (<\$1.90/day)

176m

176 million additional poor at (\$3.20/day)

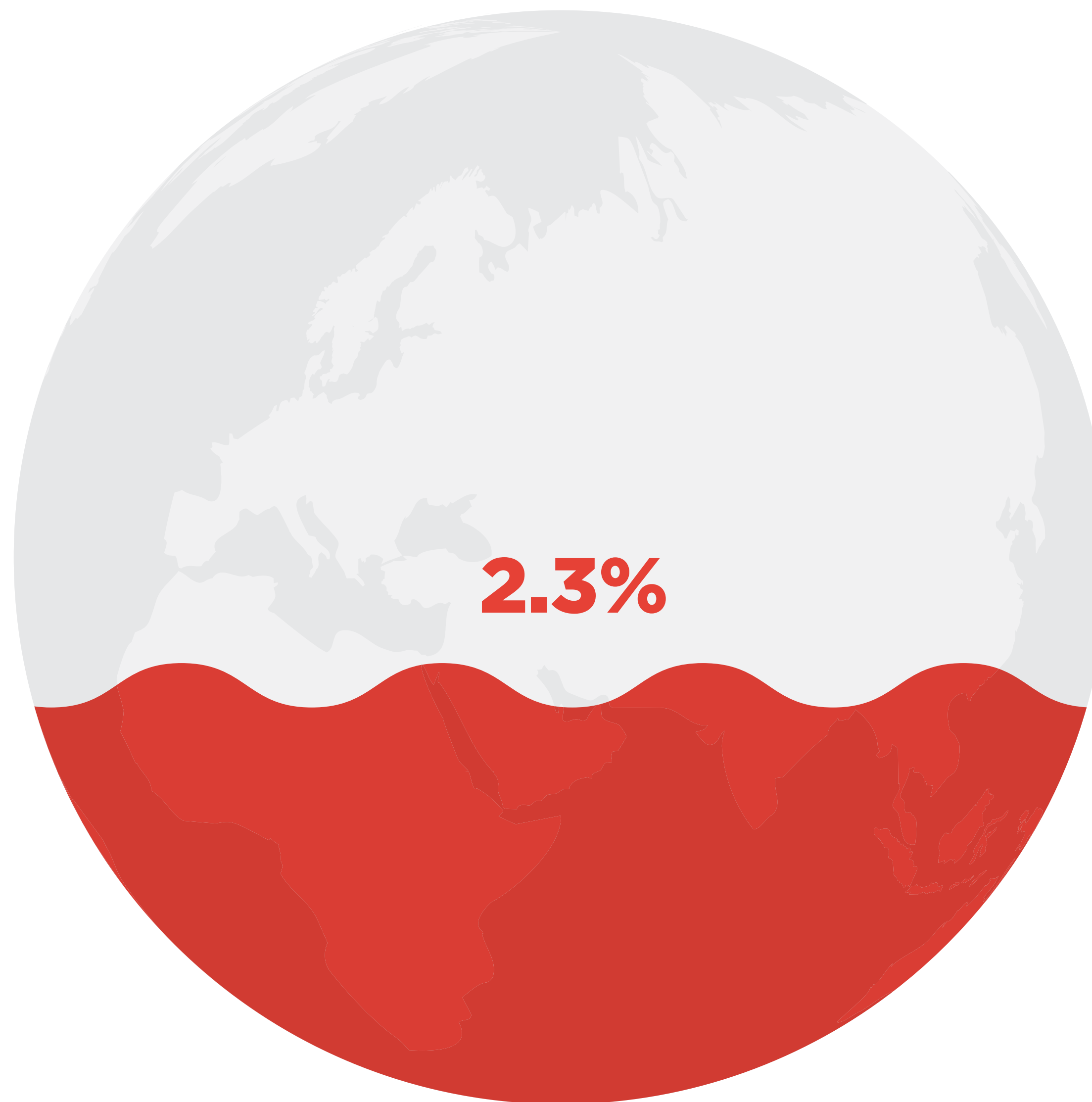
177m

177 million additional poor at (\$5.50/day)

Source: World Bank <https://www.worldbank.org/en/topic/poverty/brief/projected-poverty-impacts-of-COVID-19>

YOUR 2020 IMPACT STORY

That's equivalent to
the **global poverty rate**
rising by 2.3%

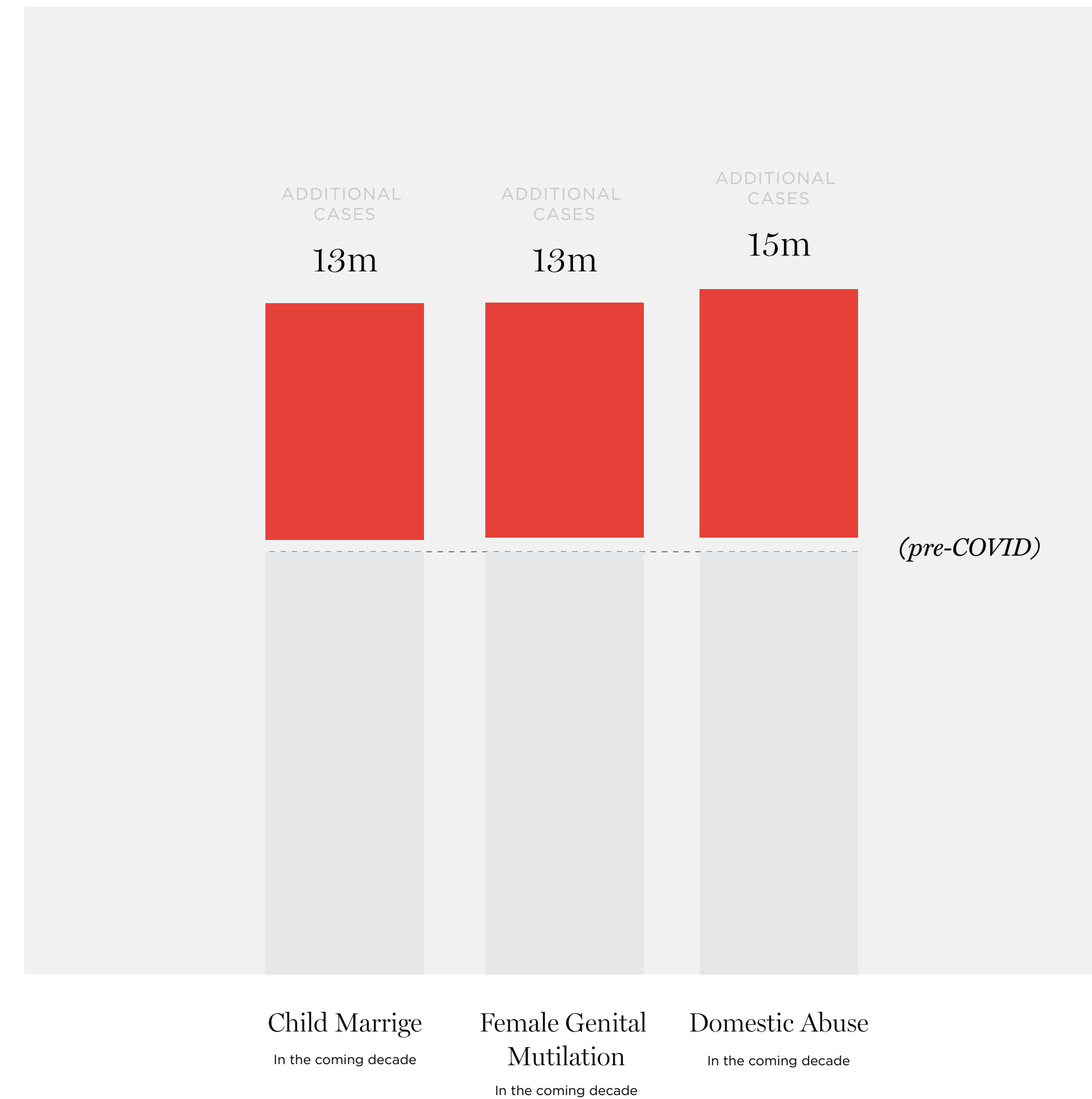


Yet poverty is more than economic hardship.

The socio-emotional, spiritual and physical effects of the pandemic will be felt for years. *For vulnerable children, the stakes are incredibly high.*

Without strong action, COVID-19 is predicted to cause a huge increase in cases of *child marriage, FGM and domestic abuse* within the **coming decade** alone.

Source: UNFPA <https://www.unfpa.org/press/new-unfpa-projections-predict-calamitous-impact-womens-health-covid-19-pandemic-continues>



The COVID-19 pandemic has changed life as we know it—and children and their families living in poverty have felt its full effects. Poverty threatens millions more. **But God's Church is rising as one.**

More than **8000 local churches and child development** centres in the developing world have adapted to meet the most urgent needs and ensure children are known, loved and protected.

Australian supporters and donors have stepped forward with God-inspired generosity.

Advocates are standing up and speaking out for the most vulnerable.

Australian churches are rising as one to be the hands and feet of Jesus in serving children who live in poverty.

Your support is creating an amazing impact in so many lives. In just *three months* from *April to June 2020*, the incredible global response to COVID-19 saw...



3,973,006

Food Packs

Distributed to the most
vulnerable children
and families



2,482,881

Hygiene Kits

Delivered to protect children
from COVID-19 and other
contagious diseases



164,301

Medical Treatments

Provided to people
who needed individual
medical support

Generous Australians like you gave \$2.2 million to the We Rise as One Appeal by the end of June 2020, contributing to a global total of more than **\$11 million** to provide hope during the COVID-19 pandemic.

The pandemic requires a long-term response, so this amazing support will continue to bless and benefit families for months to come.

This year alone...

12,391

children were sponsored in the financial year for a total of 124,567 children sponsored through Compassion Australia.

18

brand new child development centres were launched with the partnership of generous Australians. More than 3000 children in Ethiopia, Indonesia, Mexico, Sri Lanka, the Philippines, Tanzania and Uganda now have the opportunity to flourish. Thank you!

16,405

vulnerable babies joined the Child Sponsorship Program after receiving the support they needed to thrive through their first year of life at Survival projects around the world.

2.1m

More than 2.1 million children being released from poverty by Compassion supporters and local churches across the world, in a movement that reaches more than 25 countries across the world.

And the movement is *growing*

440

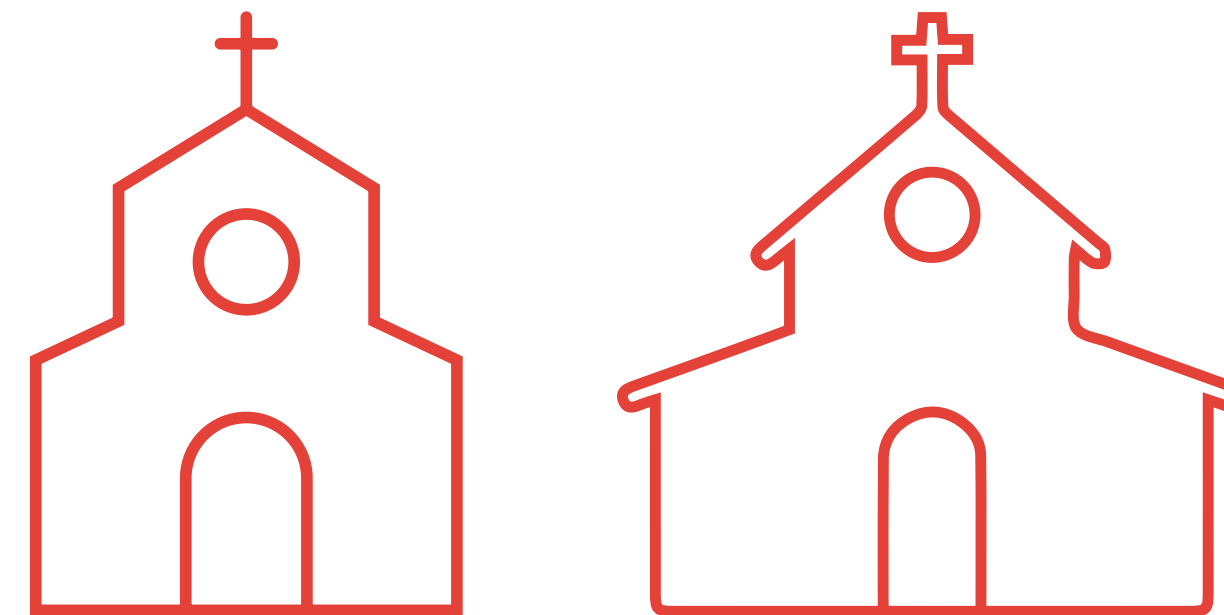
New partnerships
this year

This year, Compassion began new partnerships with more than 440 local churches in developing nations.

8000

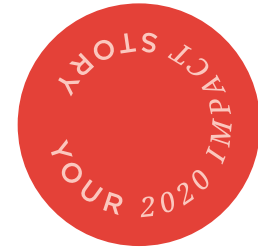
Total partnerships
worldwide

Now, we work with more than 8000 local churches in the developing world to serve the most vulnerable children and families in their neighbourhoods—to release children from poverty in Jesus' name.



Local Australian Churches

are changing lives around the word



Compassion is partnering with more and more local churches across Australia to serve vulnerable children around the world in the name of Jesus.

Pastor Dustan Bell from Calvary Christian Church in Queensland shares about his church's partnership with Compassion this year, and the impact he's seen in people's lives—in Africa and Australia.

"For years, Calvary has had a connection with Ethiopia and Kenya. To further our impact in Africa, Calvary partnered with Compassion so that more children could be helped by local churches. In October 2019, we ran a Compassion Sunday across all of our campuses. We expected our church family to be receptive and generous—but we were blown away. 196 children were sponsored in one day!"

"Without doubt, the best part of the day was watching parents and their primary-aged children choose to extend generosity through child sponsorship. It's impossible to overestimate the effect this has upon children in our church, as they learn that they can make a difference in the lives of those less fortunate."

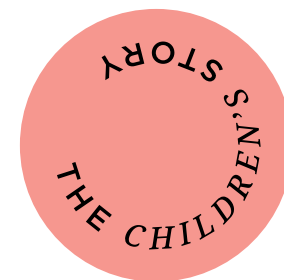
"Our partnership with Compassion has enlarged the hearts of our people. It's impossible to witness the work of Compassion and not have your perspective, your heart and your hope enlarged."

See how your church can begin a partnership with Compassion [here](#)



QUEENSLAND, AUSTRALIA

The Children's Story



How children are thriving, with your help

Your generosity helps to meet children's needs from the womb to the workforce—empowering them to be all that God created them to be.

Each stage of life brings its own challenges and triumphs.

But with practical support, local mentors and staff, the love of family and the local church, and the encouragement and prayers of a sponsor, *children are being released from poverty in Jesus' name.*

Compassion *and Child Protection*

The safety and wellbeing of children is foundational to their healthy growth and development. **We have zero tolerance for child abuse.** *All children—regardless of their gender, race, religious beliefs, age, disability, sexual orientation, family or social background—have equal rights to protection from abuse.*

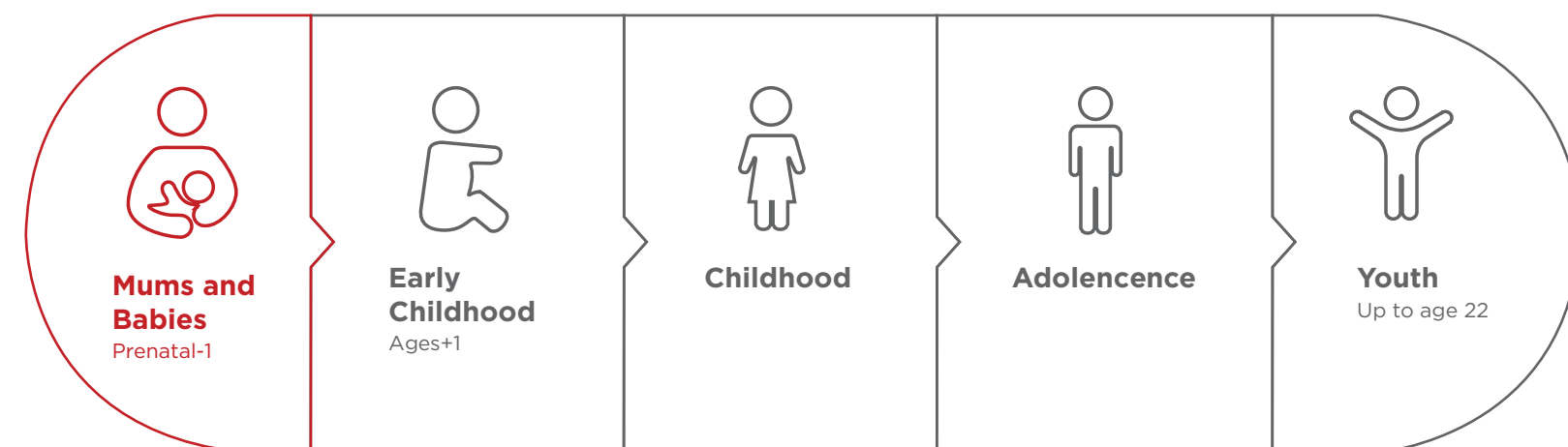
In a time when quarantines and restrictions on movement can leave children even more vulnerable to abuse, a strong approach to child protection is more important than ever.

Find out more about
Compassion's child protection
stance on our website [here](#)



Mums and Babies

The first step to being released from poverty *is survival.*



Challenges

- ✗ Lack of prenatal education and support for mums giving birth lead to complications in pregnancy and birth.
- ✗ Undernutrition causes developmental delays for young babies and toddlers.
- ✗ Preventable diseases, including malaria, diarrhoea and measles, still take many lives.
- ✗ COVID-19 makes basic services even more difficult to access.



This year alone...

860

babies and their mothers are being supported through Compassion Australia.

1710

Survival projects are serving babies and caregivers in 25 nations, including 57 projects funded by Australians.

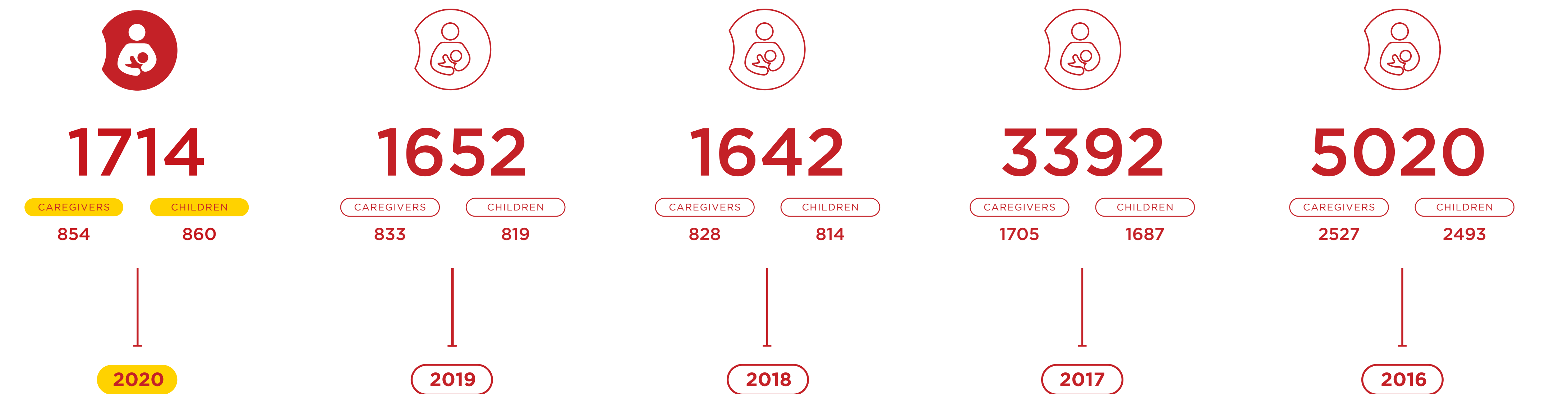
25,672

children and 25,475 caregivers are registered in Survival projects worldwide.

16,405

vulnerable babies joined the Child Sponsorship Program—after receiving the support they needed to thrive through their first year of life at Survival projects around the world.

Babies and Caregivers supported by Australian's at the end of the financial year



Note: Beginning in 2018, children were registered for sponsorship from the age of one.

How your support helps vulnerable mums and babies



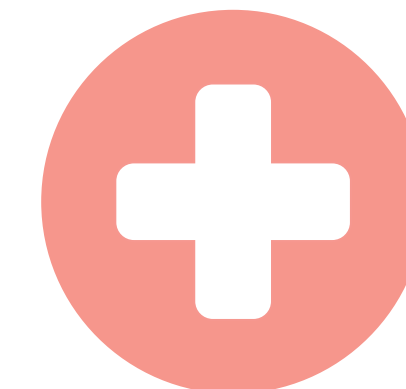
Home-based care for mothers and babies, with perinatal specialists visiting families monthly to offer healthcare, education and emotional support.



Advocacy for mums to ensure they are treated fairly by local services and can access the essential support they need to thrive, including medical care and birth attendants.

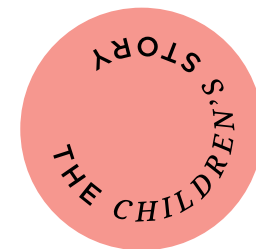


Community support networks that bring mothers together to combat isolation, learn new ways of earning an income and provide each other with long-term support.



Compassion centres, where mothers can always turn for support, learning opportunities and expert advice on how to monitor their child's healthy development.

Nurturing little ones *from Melbourne to Mbulu* Melanie McGrice



A renowned prenatal dietitian, foster mum, and influential speaker and author, Melanie McGrice is passionate about nurturing mothers before, during and after pregnancy.

As she saw the difference that good nutrition and health made for mothers and children in Melbourne, she was prompted to look even further afield—to help the most vulnerable in developing communities.

“As my business and influence grew in the field of fertility and pregnancy nutrition, God laid a call on my heart to reach out to Compassion about their Mums and Babies program,” says Melanie.

Melanie and her company, Nutrition Plus, fund a survival project in Mbulu, Tanzania that sees vulnerable mothers given the opportunity to thrive.

“Once my organisation started sponsoring a survival project in Tanzania, I wanted to see it with my own eyes ... I was blown away by the work being done there! It’s not just about good nutrition—it’s about education and long-term health for these mums. It turns their lives around.”

Through this partnership, mothers in Mbulu gain access to prenatal care, medical attention, birthing support and education, and a community of support to share their trials and triumphs, to laugh and learn new skills together.

“I feel so honoured to be able to contribute and make such a difference in so many people’s lives. I’m grateful to be a part of this work.”

See how you can make an impact for vulnerable mums and babies [here](#)

MUMS AND BABIES



“I FEEL SO HONoured TO BE ABLE TO CONTRIBUTE AND MAKE SUCH A DIFFERENCE IN SO MANY PEOPLE’S LIVES. I’M GRATEFUL TO BE A PART OF THIS WORK.”

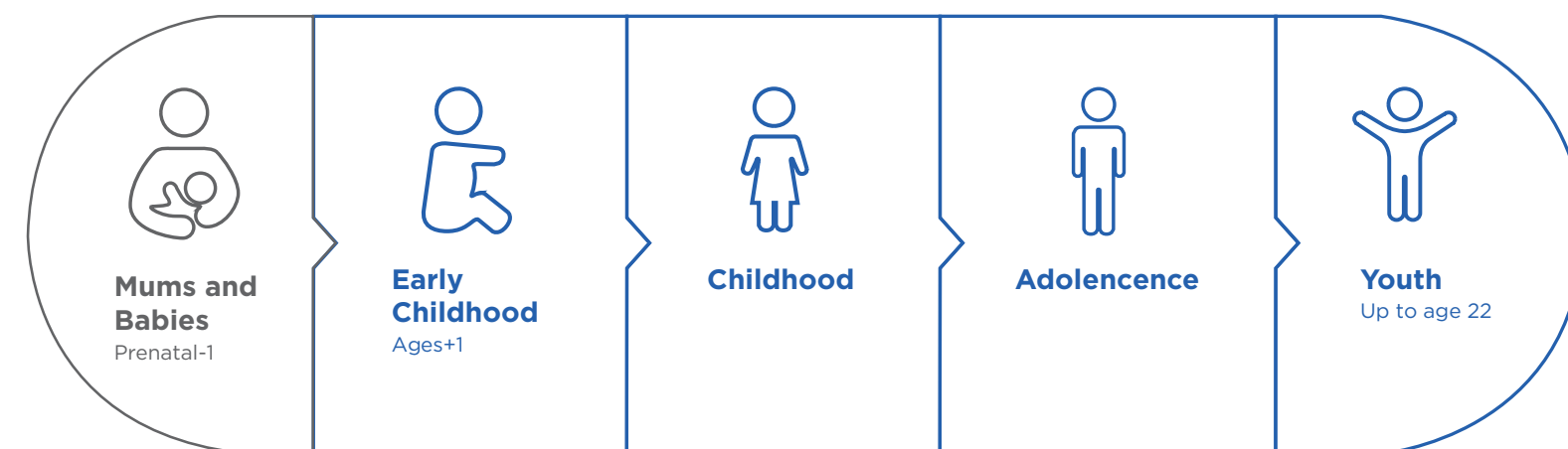
—MELANIE MCGRICE, MELBOURNE



ANGEL, KENYA



Poverty looks different for each child, but our goals stay the same: *good health, good skills, good relationships—and the opportunity to hear the Good News.*



Challenges

- ✗ Malnutrition and unsafe water threaten millions.
- ✗ Medical attention is unreachable or unaffordable for many families.
- ✗ COVID-19 threatens the most vulnerable—day labourers, rural villages that lack medical services, closely-packed urban communities where social distancing is impossible.

This year alone...

12,391

children sponsored
by Australians this financial year

124,567

children sponsored
in total through Compassion Australia

1,917,544

children sponsored
worldwide

8014

child development centres
serving the most vulnerable children across 25 developing countries

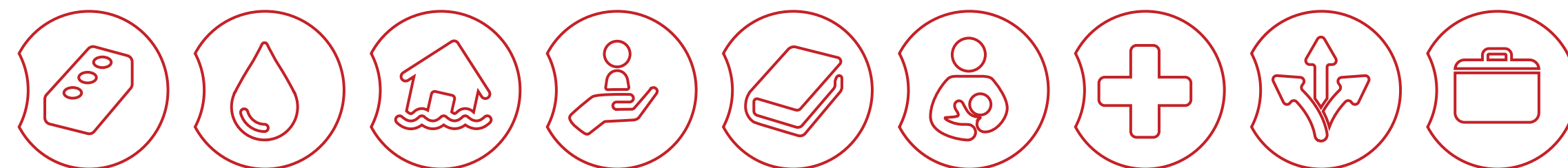
Children sponsored by Australian's
at the end of the financial year



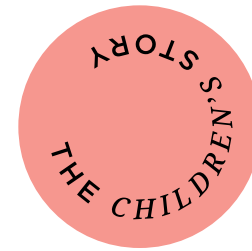


Critical Needs

Critical Needs remove the barriers that affect children, their families and communities. Thank you for blessing thousands of children by meeting their needs for Water and Sanitation, Disaster Relief, Income Generation, and so much more.



Digging deep in Magu town, Tanzania



[Watch the video](#)

Find out how you can meet children's critical needs for water with Compassion [here](#)

CRITICAL NEEDS



Water is life. Without it, children are vulnerable to disease, unable to grow and learn properly. But when the Yeriko Parish in Magu Town, Tanzania dug deep with the help of friends like you to bring safe water to the surface—hundreds of children's lives changed.

“With the funds from Compassion and supporters, the church has managed to implement three great things,” says Amani, Compassion Tanzania's local partnership facilitator.

“First is the new flush restrooms. The second is the hygiene education. And the third is safe and clean water for all the registered children at the centre.”

With the aid of a deep-borehole well, the church can provide more than enough safe water for every child—and for the surrounding community, too.

“An advantage is that during our monthly period we have clean, running water in the restrooms,” says Jesca, a sponsored girl. “Before [the well was built], the girls would have to go home, they would miss class and then come back. Other children had already had porridge or a meal, and the girls would miss part of the program.

“Because of clean water, we've been able to prevent waterborne diseases. We have also reduced the amount of money used on hospitals.

“Thank you ... all the problems we had are gone. You provided the solution!”

Find out how you can meet children's critical needs for water with Compassion: [URL/QR code](#)



Thousands of children and their families benefitted from your generosity as you gave to *Critical Needs projects* in financial year 2020.

Here's a snapshot of just a few of the projects that Australians like you supported this year—and the impact you've had in thousands of people's lives.

210 children, their families and community in northern Togo can access healthy, nutritious food after local partners and generous supporters helped to build a corn mill, rice husker and spice mill at the local church. Their families can earn income by operating the mills, too!

50 Kenyan students, including Mary Mwende, received four-year scholarships to complete their secondary education at national schools, giving them the best opportunity to pursue a tertiary-level qualification. Despite the challenge of COVID-19 closing Kenya's schools, the students have received support to keep up with their lessons from home. Mwende's mother says the scholarship was an answer to prayer.

"My daughter performed well in her primary school exams. When she received an entry to a national school, I prayed that God would provide a way for her to study without fees. I was overjoyed

when the Compassion centre director informed me that Mwende had received a scholarship for her studies. I thank God for the donors! I'm committed to support her."

14-year-old Kalkidan, a sponsored girl from north-eastern Ethiopia, will undergo life-changing surgery to treat Chronic Rheumatic Valvular Heart Disease in Addis Ababa.

2271 children and many more community members across Bangladesh will finally gain access to safe drinking water, thanks to new water pump systems being installed at 10 Compassion child development centres. The staff and children were thrilled to receive the news that you were making it possible to install their water pumps!

561 children, family members, staff and volunteers at a centre in San Juan, Philippines are excited to see their new building take shape, thanks to Australian

supporters. With six classrooms and a new toilet block, the centre can also serve as a community hub and a typhoon shelter in this disaster-prone part of the nation.

"The entire church leadership, congregation and all the children are excited for the completion of the building," says staff member Joseph Alba.

327 children and their families in San Jose De Cucuta, Colombia are counting the days until their church's child development centre is rebuilt. A 7.7-magnitude earthquake in 2018 caused significant damage—but they're building back better, with four classrooms, two toilets and a new kitchen. All construction meets national earthquake-resistant standards. "The children are excited to see the big, beautiful new classrooms ... they've written to their sponsors about the project with joy," says Diolaida Acosta Galván from Compassion Colombia.



The Global Story



How advocates like you across the world make an impact

Your support is making an amazing impact in the lives of more than 2.1 million children *in a neighbourhood that stretches around the world.*

The COVID-19 pandemic threatens to isolate vulnerable children and make the struggle to survive even harder. But the love and support of millions of friends like you in more than 12 partner countries is so powerful.

More than 8000 local churches in 25 developing nations are on the front lines of ensuring children are known, loved and protected—thanks to your support.



What makes Compassion unique?

Compassion Australia is part of Compassion International, a global network of more than *40 countries*.

Together with millions of sponsors, supporters and church partners around the world, we are a Christian child development ministry that partners with local churches to release children from poverty in Jesus' name.

OUR MISSION

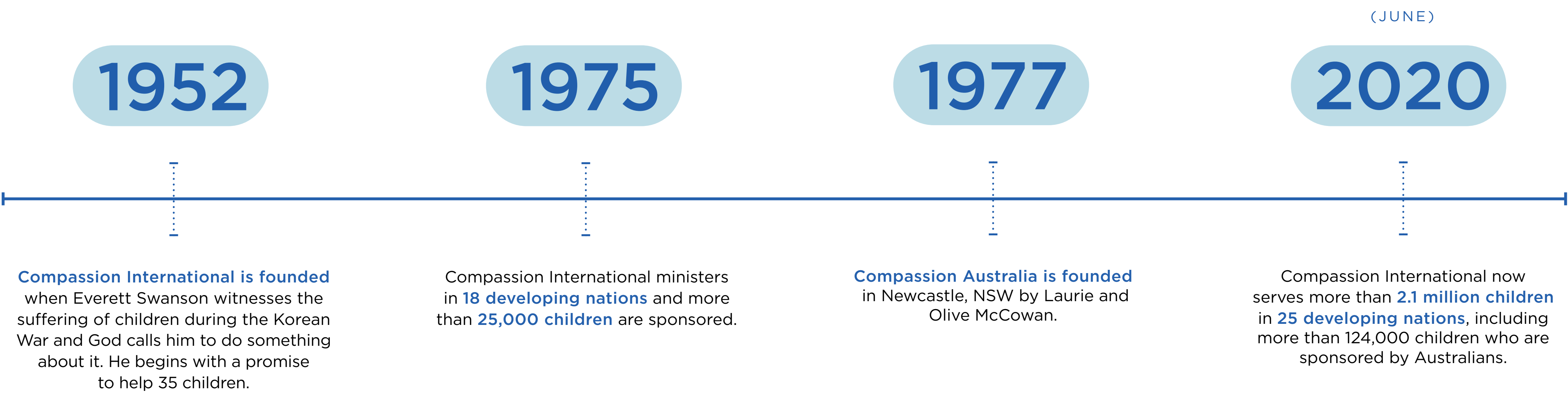
**To release children from poverty
in Jesus' name.**

OUR VALUES

Trust God
Be Well
Value Others

Achieve Together
Grow Through Challenge

Our History



Our Distinctives



Christ-centred

Jesus is at the heart of Compassion.

His love for the marginalised and His power to change lives are why Compassion exists. The life-changing message of His love moves through the support of friends like you. He is the ultimate source of hope: both for the immediate and the eternal.



Child-focused

More than **80,000 Australians** like you help to meet the specific economic, socio-emotional, physical and spiritual needs of **2.1 million children**. You're personally connected with a child who knows your name and treasures the knowledge that you care about them.

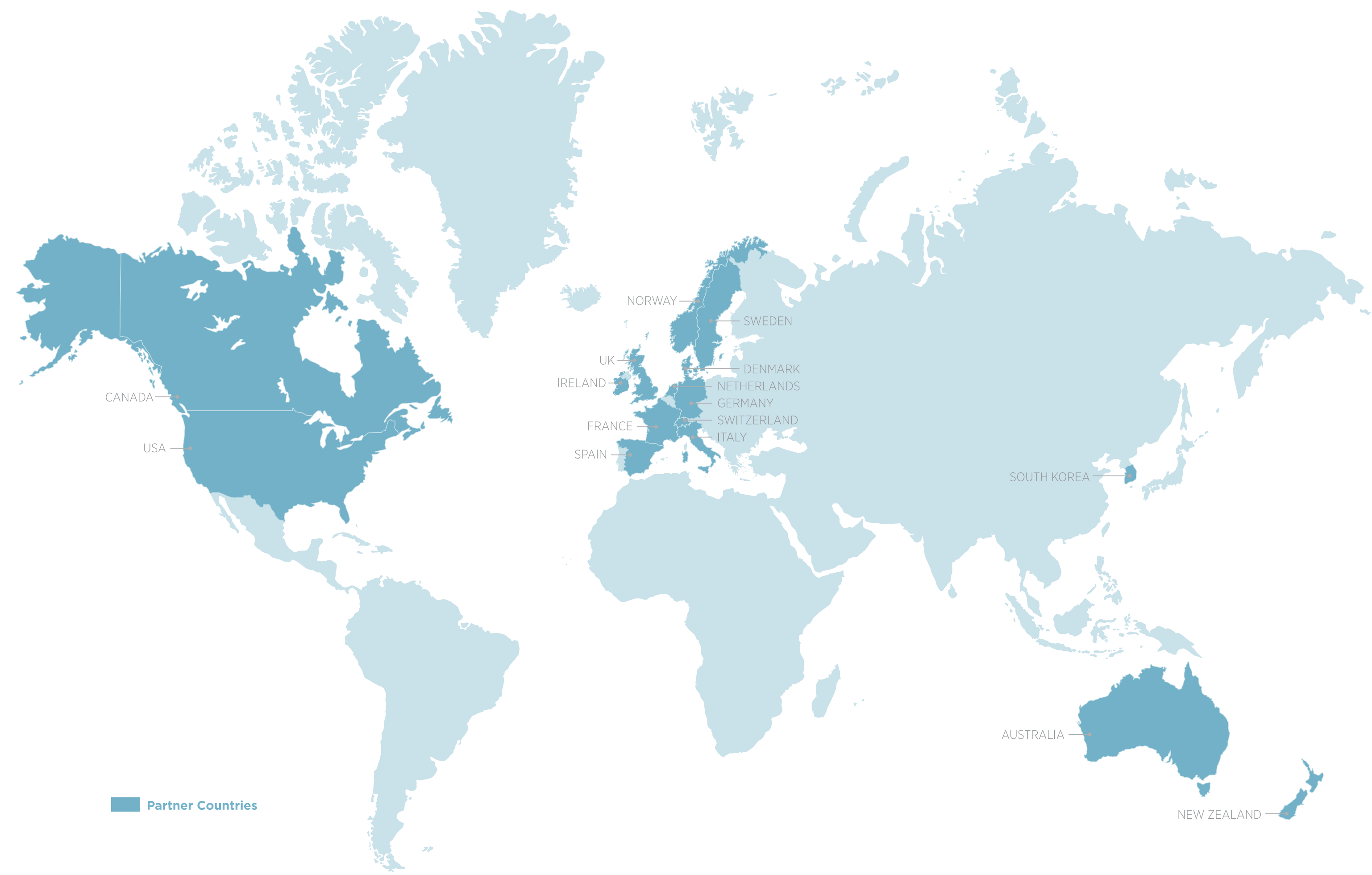


Church-based

More than **8000 Christian churches** in Africa, Asia, Central America and South America are on the front lines of releasing children from poverty in Jesus' name—building relationships with children and their families, meeting urgent nutrition and healthcare needs, encouraging and growing them spiritually.

Countries *Raising Support*

Australia	Est 1977
Canada	Est 1963
France	Est 1990
Germany	Est 2007
Italy	Est 2001
i. Spain	Est 2001
Netherlands	Est 1996
New Zealand	Est 1986
Norway	Est 2013
i. Denmark	Est 2013
ii. Sweden	Est 2013
South Korea	Est 2004
Switzerland	Est 2003
United Kingdom	Est 1999
i. Ireland	Est 2011
United States	Est 1952



Countries *Delivering Program*

8014

Church Partners

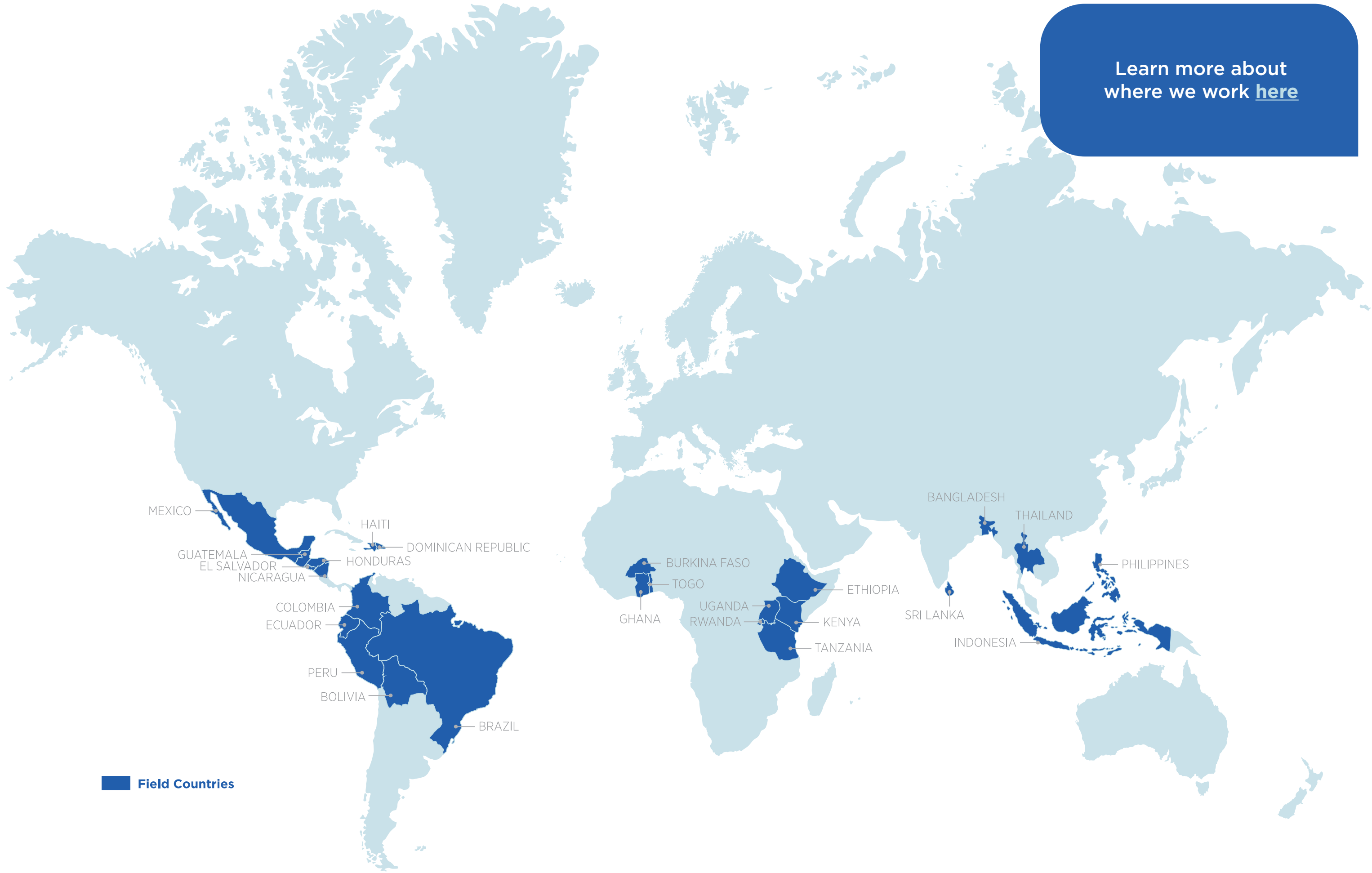
2,179,017

Registered Children

25,731

Survival Beneficiaries

Total at June 2020

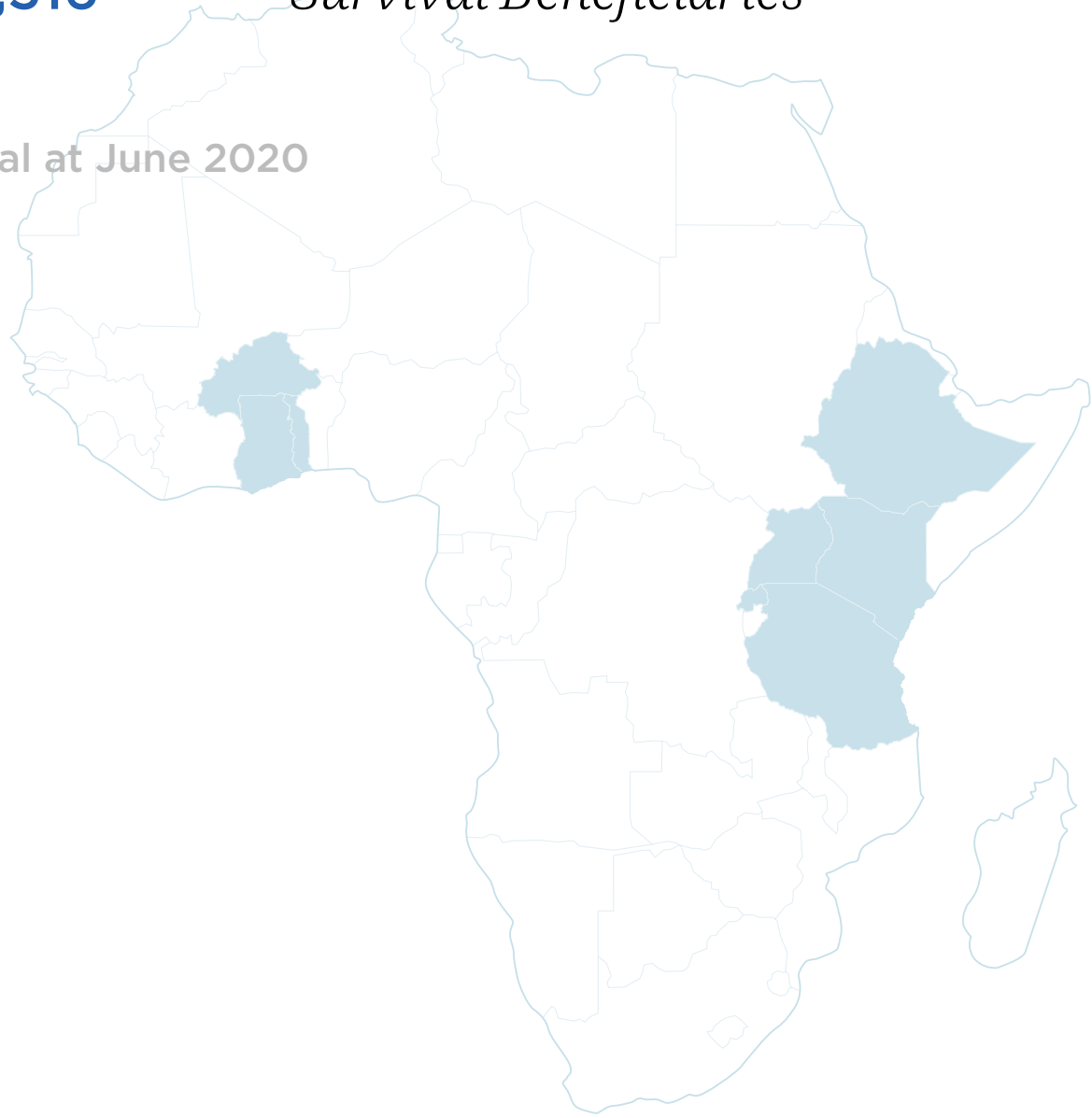


Learn more about where we work [here](#)

Africa

3425 Church Partners
860,103 Registered Children
10,516 Survival Beneficiaries

Total at June 2020



BURKINA FASO

2004 Est.
362 Church Partners
100,601 Registered Children
1100 Survival Beneficiaries



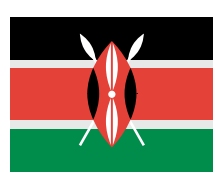
ETHIOPIA

1993 Est.
545 Church Partners
127,136 Registered Children
1383 Survival Beneficiaries



GHANA

2004 Est.
370 Church Partners
91,623 Registered Children
645 Survival Beneficiaries



KENYA

1980 Est.
451 Church Partners
132,177 Registered Children
1917 Survival Beneficiaries



RWANDA

1980 Est.
427 Church Partners
105,374 Registered Children
808 Survival Beneficiaries



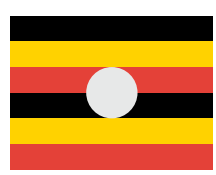
TANZANIA

1990 Est.
521 Church Partners
107,900 Registered Children
1648 Survival Beneficiaries



TOGO

2008 Est.
298 Church Partners
69,760 Registered Children
1176 Survival Beneficiaries



UGANDA

1980 Est.
451 Church Partners
125,532 Registered Children
1839 Survival Beneficiaries

Asia

1554 Church Partners
370,250 Registered Children
4773 Survival Beneficiaries



BANGLADESH

2004 Est.
175 Church Partners
39,463 Registered Children
757 Survival Beneficiaries



EAST INDONESIA

2005 Est.
341 Church Partners
74,993 Registered Children
1151 Survival Beneficiaries



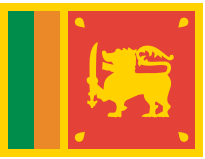
INDONESIA

1968 Est.
394 Church Partners
86,599 Registered Children
662 Survival Beneficiaries



PHILIPPINES

1972 Est.
388 Church Partners
98,671 Registered Children
1353 Survival Beneficiaries



SRI LANKA

2010 Est.
72 Church Partners
14,986 Registered Children
621 Survival Beneficiaries



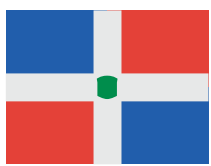
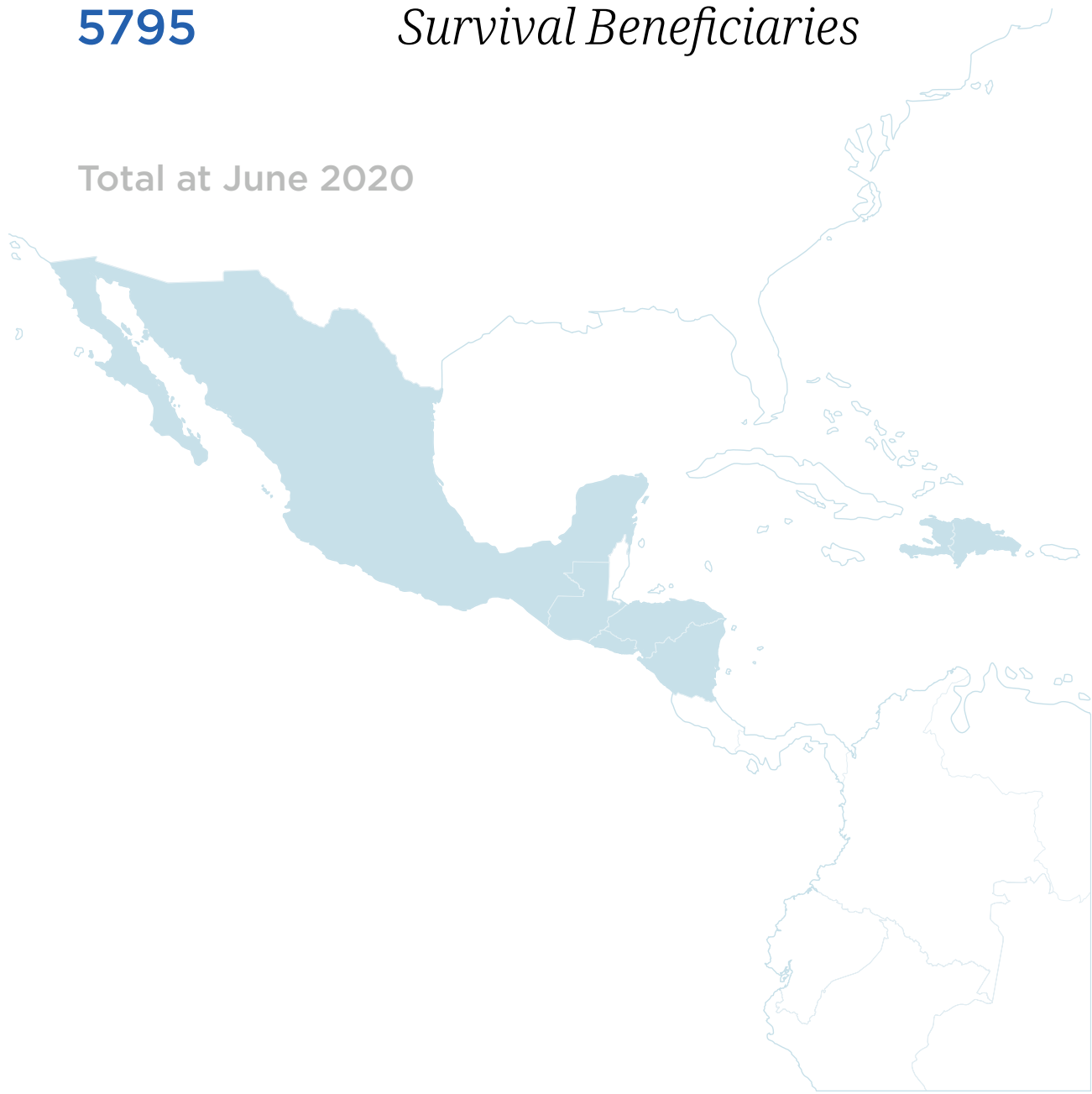
THAILAND

1970 Est.
184 Church Partners
55,538 Registered Children
229 Survival Beneficiaries

Central America

1757 Church Partners
511,616 Registered Children
5795 Survival Beneficiaries

Total at June 2020



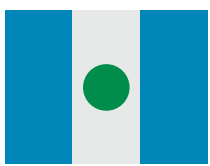
DOMINICAN REPUBLIC

1970 Est.
220 Church Partners
69,426 Registered Children
1002 Survival Beneficiaries



EL SALVADOR

1977 Est.
290 Church Partners
66,677 Registered Children
828 Survival Beneficiaries



GUATEMALA

1976 Est.
215 Church Partners
62,018 Registered Children
543 Survival Beneficiaries



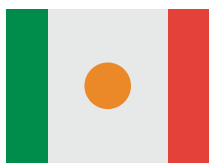
HAITI

1968 Est.
354 Church Partners
125,932 Registered Children
1847 Survival Beneficiaries



HONDURAS

1974 Est.
220 Church Partners
60,326 Registered Children
494 Survival Beneficiaries



MEXICO

1976 Est.
221 Church Partners
58,758 Registered Children
450 Survival Beneficiaries



NICARAGUA

2002 Est.
237 Church Partners
68,479 Registered Children
631 Survival Beneficiaries

South America

1278 Church Partners
437,048 Registered Children
4647 Survival Beneficiaries

Total at June 2020



BOLIVIA

1978	Est.
228	Church Partners
96,192	Registered Children
1169	Survival Beneficiaries



BRAZIL

1974	Est.
203	Church Partners
59,020	Registered Children
502	Survival Beneficiaries



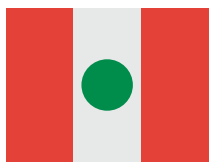
COLOMBIA

1976	Est.
296	Church Partners
95,535	Registered Children
638	Survival Beneficiaries



ECUADOR

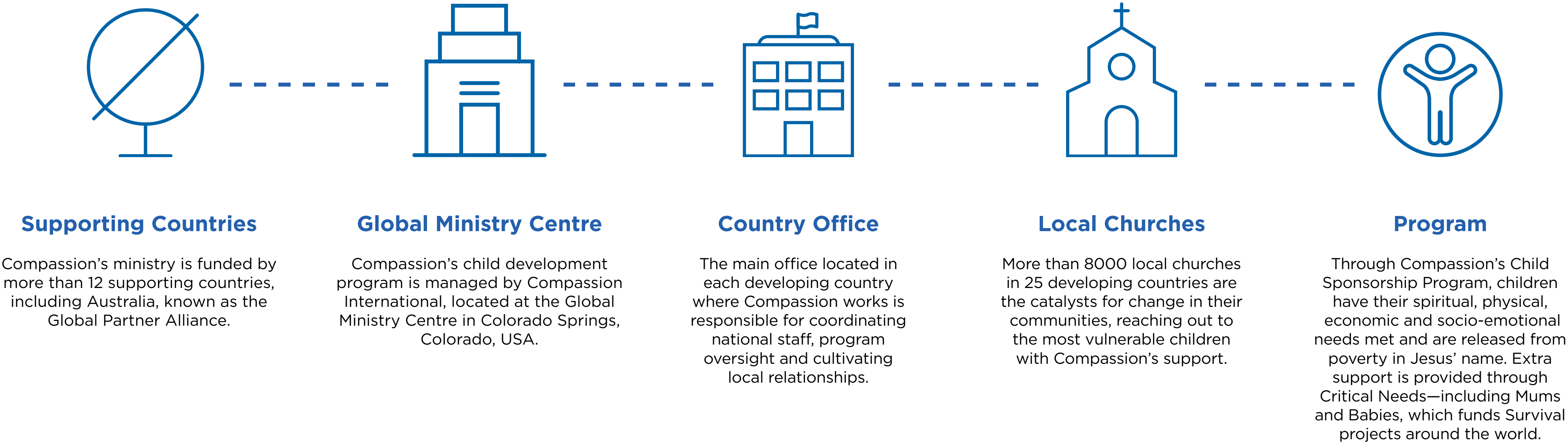
1974	Est.
291	Church Partners
100,369	Registered Children
1379	Survival Beneficiaries



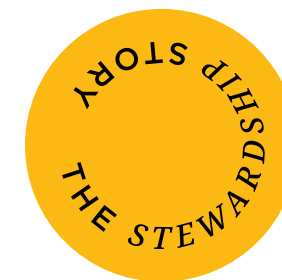
PERU

1985	Est.
260	Church Partners
85,932	Registered Children
959	Survival Beneficiaries

A Global Network



The Stewardship Story



How your dollars make a difference

Your impact in 2020

by the numbers

Your generosity in the 2020 financial year is about more than dollars and cents—it's *about children receiving the support they need to thrive!*

Here's a snapshot of some of the ways you have helped to meet children's needs in a year when **the need has been greater than ever.**



SAMIA, BANGLADESH

A note from the Chief Operating Officer *Compassion* *Australia* COO Deb Adams



You can find the full financial report for 2020 on our website [here](#)

It would be an understatement to say that financial year 2020 has been a tough year.

With ongoing drought, bushfires across Australia in the summer and then the emergence of COVID-19, it has been a year like no other.

Despite all of these things, God's provision and your generosity have seen Compassion Australia continue to grow.

Through your generous giving, you enabled over \$74 million to be utilised on program initiatives, as together we support over 125,000 children, mums and babies. This was an increase of \$1.4 million expenditure on program activities from last year.

Despite dropping by 17 per cent in May from the previous year, our income finished the year at \$93.7 million—an increase on last year of \$2.5

million or 2.7 per cent. The growth in donations came most notably through the Child Sponsorship Program as a number of supporters generously stood in the gap to provide support and donations when others weren't able to. The We Rise as One campaign launched in May and was our best performing campaign to date (raising over \$2.2 million by 30 June 2020) to support the urgent needs of those affected by COVID-19.

Our core Child Sponsorship Program is our largest source of income (approximately 85 per cent) and remains strong. New sponsorships declined when churches and events were restricted by COVID-19, but with a strong start to the year, we saw overall growth of 2512 sponsorships. The recurring nature of this source of income and our ongoing partnership with current supporters and their generosity makes our income sustainable year on year which is important for our program model.

Compassion Australia spent 19.87 per cent or \$18.6 million on administration and fundraising this financial year, and 80.13 per cent of our expenditure was used:

- For the development, delivery and supervision of child development programs;
- To purchase goods and services for the direct benefit of the children in our programs;
- To facilitate sponsors' personal relationship with their sponsored children; and
- For community education.

While Compassion Australia remains in a strong financial position, the economic climate is uncertain and volatile. Our income and sponsorships will likely decline over the coming year. We are conservatively forecasting that total income will decrease by 14 per cent to \$80.4 million in the 2021 financial year. As such we are continuing to make difficult decisions to ensure a global impact for next year and beyond.

From March, a number of positions within the ministry were made redundant. These decisions were not made lightly and were in response to the impact of COVID-19 locally and globally, and to best position Compassion Australia to achieve our ambitious strategy over the coming years.

Thank you to all supporters, sponsors and donors around Australia for partnering with us as together we release children from poverty in Jesus' name.

In a challenging year, we continue to trust in God. This is His ministry, and He will continue to bless the work of Compassion Australia.



Deb Adams
COMPASSION AUSTRALIA
CHIEF OPERATING OFFICER

Meet the Board

Compassion Australia is governed by a voluntary Board of Directors with unique skills and experience, *united for the purpose of releasing children from poverty in Jesus' name.*

Compassion Australia is a company limited by a guarantee, with a Constitution that defines the organisation's purpose, objectives and powers, and how income is to be applied. It is the role of the Board of Directors to ensure we operate in accordance with the principles and commitments stated in our Constitution.

Board Declaration

THE BOARD OF DIRECTORS OF COMPASSION AUSTRALIA DECLARES THAT:

- [a] The financial statements and notes as set out on pages 58 to 60 are in accordance with the Corporations Act 2001 and:
 - i. Comply with Australian Accounting Standards, and
 - ii. Give a true and fair view of the financial position as at 30 June 2020 and of the performance for the year ended on that date of the company.
- [b] In the directors' opinion, there are reasonable grounds to believe that the organisation will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



Isaac Moody
Chair of the Board



Mabel Chua
Secretary of the Board

Meet the Board



Isaac Moody

Chair of the Board of Directors;
Chair of the CEO and Governance Committee and the Executive Committee; Board member since 2008

Isaac has a group of businesses in hospitality, agriculture and property, which enables him to volunteer for ministries like Compassion and maintain strong community involvement in the Toowoomba region.



Dr John Bond

Vice-Chair of the Board of Directors;
Member of the Executive Committee; Board member since 2002

John is a Minister of Religion with international ministry experience. He has worked with Youth for Christ International, as Senior Minister of Thornlie Church of Christ and Lifestreams Christian Church. He is currently serving as the Minister-at-Large for Lifestreams Christian Church, Director of Lifestreams Global Family and the Asia South East Pacific World Zone leader for Dynamic Church Planting International. He is the Founding Director of Sonlife Ministries Inc.



Mabel Chua

Secretary of the Board; *Chair of the Risk Committee; Member of the CEO and Governance Committee; Board member since 2012*

Mabel holds a Master of Laws, Bachelor of Laws and a Bachelor of Commerce majoring in accounting and finance. Prior to becoming the Managing Director of M 6:8 Legal in Perth, Mabel was a partner at a multi-disciplinary boutique legal practice. Mabel has served in various leadership capacities in her local church and in the Christian community.



Mark McCrindle

Member of the Risk Committee;
Board member since 2015

Mark is a demographer, social researcher and founding principal of McCrindle Research. Along with his team of data analysts, he works to identify emerging trends and research insights that can inform strategy and effective engagement. Mark is regularly commissioned to deliver strategy and advice to some of Australia's leading organisations.

Meet the Board



Mike Jeffs

Member of the Finance Committee;
*Member of the Board of Directors of
Compassion International since 2010;
Australian Board member since 1995*

Mike has extensive business knowledge, with 40+ years' experience in management and director roles. He is the Founder and Director of Network Communications Pty Ltd, Founder and CEO of Australian Christian Channel Pty Ltd, and Director of Southern Cross Institute Pty Limited.



Sam Valich

Member of the Executive Committee;
*Board member since 2015; resigned
from the Board June 2020*

Sam Valich has over 20 years' not for profit and commercial experience in brand development research and communications. Her consultancy, The Values Driven Co., focuses on the development of identity purpose and culture. She developed a proprietary tool called Monostory: a one-day workshop designed to develop internal brand identity, purpose and culture. She has a successful track record in creative and strategic advisory in Australia, the UK and USA.



Kent Medwin

Chair of the Finance Committee;
*Member of the Executive Committee;
Board member since 2010*

Kent has been in business for over 20 years and is the Managing Director of Rock Property Australia, Campus Pastor Hillsong Tasmania, and a Director of St Michael's Collegiate School. Kent is passionate about seeing change, growth and empowering others to impact their sphere. He resides in Hobart, Tasmania with his wife and three children.

Accountable, Transparent, Trustworthy.

Compassion Australia is committed to earning and keeping your trust and confidence through transparency and godly stewardship. *Integrity is a value that drives the whole organisation, in Australia and across the world.*

So you can give confidently, knowing that your support will be stewarded well as it makes an impact in the lives of vulnerable children.



We are independently audited annually by Bentleys Brisbane (Audit) Pty Ltd.



We are an organisational partner of the Fundraising Institute of Australia.



We comply with the standards of Missions Interlink.



We're committed to complying with the Australian Charities and Not-for-profits Commission (ACNC) external standards.



We are an accredited member of the Christian Management Association (CMA) Standards Council.

Risk management

Foreign Exchange Risk: Compassion sends funds all around the world, which means we need to deal with foreign currency exchanges. The Finance Committee of the Board determines our approach to mitigating our foreign exchange risk. This is based on regular prudent analysis of trends in financial markets and reviewing economic indicators.

Investment Risk: Investment decisions and guidelines are approved by The Finance Committee of the Board. Compassion Australia invests all available funds in either low-risk, interest-bearing accounts—including short maturing term deposits—or in commercial property holdings.

Technology Risk: Protecting our intellectual property and supporters' information is critical to Compassion Australia's operation and reputation. Our risk management strategy is achieved through a series of controls, including policies, processes, procedures, organisational structures, and

software and hardware tools. Compassion volunteers and staff are responsible for protecting sensitive information, with procedures in place to ensure consistent information handling according to its sensitivity and level of importance. Our Newcastle office, and cloud-based data storage used by remote staff, is also protected by a backup system, located remotely in case of catastrophic damage or data loss at our primary location. Compassion Australia also complies with the Payment Card Industry Data Security Standard.

External Auditing: Compassion Australia engages Bentleys Brisbane (Audit) to perform a thorough audit on our financial reports each year. Bentleys is an accounting and audit firm; the lead auditor is Ms Ashley Carle FCA. Full financial reports dating back to 2012 are available to view at compassion.com.au/annualreports

Internal Auditing: Compassion International has a global internal audit and risk

management function that routinely monitors financial and operational integrity at child development centres and national offices across the globe. As part of this, Compassion reviews project partner financial activity and conducts child development centre visits on a regular basis, which can include audits. This way, we aim to ensure all programs meet minimum standards of financial accountability and programmatic integrity.

Observations and action items from child development centres and field offices are documented and brought to the attention of staff and management for consideration, decision making, action planning and subsequent follow-up.

Compassion International has been developing a new risk-based audit framework to assist in assessing the financial and non-financial risk and compliance needs in the countries that we do our programmatic work in. Along with this new audit framework, the Compassion International finance department is developing

a new funds management process to enable further control over the use of funds. This will also provide a globally consistent review of the financial use of funds and enable a more detailed level of reporting on how these funds are used to benefit the children we serve. This new multi-faceted approach to financial governance and risk management will provide assurance that the funds used through Compassion national offices and local church partners are used for the purpose for which they were given.

Staff from Compassion Australia's Finance and Risk Management departments have continued to be involved in this redevelopment and will continue to play an active part in the internal auditing and funds management processes in the coming years.

Compassion International also has an anonymous fraud and ethics reporting hotline. This is an independent and objective process that determines the legitimacy of any allegations and takes appropriate action.

Revenue *year ended 30 June*

Revenue	2020	2019
Donations and gifts		
Monetary	\$92,092,153	\$89,065,627
Non-monetary	-	-
Bequests and legacies	\$760,951	\$1,658,694
Grants		
Department of Foreign Affairs and Trade	-	-
Other Australian	\$564,500	-
Other Overseas	-	-
Investment Income	\$320,885	\$515,202
Other Income	\$8490	\$15,846
Revenue for international political or religious proselytisation	-	-
Total Revenue	\$93,746,979	\$91,255,369

Expenditure *year ended 30 June*

Expenditure	2020	2019
International aid and development programs expenditure		
International Programs		
Funds to international programs	\$60,878,053	\$60,237,098
Program support costs	\$13,052,764	\$12,390,796
Community Education	\$884,456	\$878,910
Fundraising Costs		
Public	\$12,622,824	\$11,587,866
Government, multilateral and private	-	-
Accountability and administration	\$5,962,542	\$5,425,425
Non-monetary expenditure	-	-
Total International aid and development programs expenditure	\$93,400,639	\$90,520,095
International Political or Religious Adherence Promotion Programs	-	-
Domestic programs expenditure	\$120,005	\$63,027
Commercial Activities Expenditure	-	-
Other Expenditure	-	-
Total Expenditure	\$93,520,644	\$90,583,122
Excess of revenue over expenditure <i>(Total Comprehensive Income)</i>	\$226,335	\$672,247

Balance Sheet *assets and liabilities*

Assets	2020	2019
<i>Current Assets</i>		
Cash and cash equivalents	\$19,213,900	\$20,921,144
Trade and other receivables	\$874,973	\$1,418,024
Inventories	-	-
Assets held for sale	-	-
Other financial assets	-	-
Total Current Assets	\$20,088,873	\$22,339,168
<i>Non current assets</i>		
Trade and other receivables	-	-
Property, plant and equipment	\$10,199,769	\$10,715,921
Investment property	\$633,040	\$633,040
Intangibles	\$717,734	\$907,954
Right of Use Assets	\$692,071	-
Other non current assets	-	-
Total non current assets	\$12,242,614	\$12,256,915
Total Assets	\$32,331,487	\$34,596,083

Liabilities	2020	2019
<i>Current Liabilities</i>		
Trade and other payables	\$12,703,903	\$16,094,935
Borrowings	-	-
Current tax liabilities	-	-
Other financial liabilities	\$335,303	\$4768
Provisions	\$528,715	\$406,464
Other	-	-
Total Current Liabilities	\$13,567,921	\$16,506,167
<i>Non current liabilities</i>		
Other financial liabilities	\$365,884	\$7947
Provisions	\$358,393	\$269,015
Other	-	-
Total non current liabilities	\$724,277	\$276,962
Total Liabilities	\$14,292,198	\$16,783,129
<i>Net Assets</i>	\$18,039,289	\$17,812,954
<i>Equity</i>		
Restricted Reserves	-	-
General Reserves	\$18,039,289	\$17,812,954
Total Equity	\$18,039,289	\$17,812,954

Report of the Independent Auditor on the Summary Financial Statements To the Members of Compassion Australia

Opinion

The summary financial statements, which comprise the summary Balance Sheet as at 30 June 2020, and the summary Expenditure and Revenue for the year then ended, are derived from the audited financial report of Compassion Australia (the "Company") for the year ended 30 June 2020.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial report.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Australian Accounting Standards - Reduced Disclosure Requirements and *Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012*. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial report and the auditor's report thereon.

The summary financial statements and the audited financial report do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial report.

The Audited Financial Report and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial report in our report dated 29 October 2020.

Directors' Responsibility for the Summary Financial Statements

The Directors of the Company are responsible for the preparation of the summary financial statements and the extraction of such information from the Company's full financial report to give an abridged summary of the financial position and performance of the entity for the relevant financial year under review. This responsibility includes ensuring the summary financial statements are free from material misstatement, whether due to fraud or error.



Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial report based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.

A handwritten signature in dark ink that reads "Bentleys".

Bentleys Brisbane (Audit) Pty Ltd
Chartered Accountants

A handwritten signature in dark ink that appears to read "Ashley Carle".

Ashley Carle
Director
Brisbane
12 November 2020



ASHA AND BHORSHA, BANGLADESH

To every **sponsor, supporter, family, church, business, ambassador** and **advocate** who gave their *time, energy, talent, income, prayer, passion* and *voice* to raising up the world's most vulnerable children this year—**thank you!**

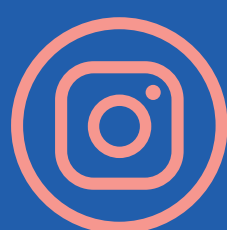
*ACT JUSTLY AND LOVE
MERCY AND WALK HUMBLY
WITH YOUR GOD*

MICAH 6:8b NIV



Thank *you.*

Share your impact with a friend!
#togetherweriseasone



SEARCH FOR
COMPASSIONAU

COMPASSION AUSTRALIA

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