



Cover photo: Mother of 13, Thi from Soc Trang, Vietnam, has retired from her back-breaking work farming rice and has opened a successful snack shop near a school with a loan from our Community Development Fund.

Right: These children in Ha Tinh, Vietnam, love washing their hands with their school's new clean water system.



Code of conduct

Action on Poverty is a signatory to the Australian Council for International Development (ACFID) Code of Conduct, which is a voluntary, self-regulatory sector code of good practice. As a signatory, we are committed and fully adhere to the ACFID Code of Conduct, conducting our work with transparency, accountability and integrity.

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ABOUT Us

Our story

Action on Poverty is a fully accredited international aid organisation based in Sydney, Australia. Together with our network of partners, we empower vulnerable communities in Africa, Asia and the Pacific to break the cycle of entrenched poverty. We target those with their own vision for change, and help them make a difference that lasts.

Our vision

For all people to transcend the injustice, indignity, and inequality of entrenched poverty

Our mission

To empower local changemakers to break the cycle of poverty in their communities

Our values

As we work towards achieving our mission, we commit to the following core values:

- upholding the dignity and human rights of every individual
- dealing truthfully, honestly and transparently at all times
- supporting communities to help themselves
- undertaking activities that address the needs and interests identified by the people with whom we are working
- being accountable to all our development partners
- operating with a spirit of collaboration in achieving common objectives
- maximising the impact of donor contributions
- respecting the environment
- providing challenging, supportive and safe work environments where people can improve their skills and knowledge.

REPORT FROM THE CHAIR



Chair - John Kell

I am very proud to have been elected as Action on Poverty's Chair following last year's Annual General Meeting. The first thing I would like to do in this report is to acknowledge the enormous contribution made to Action on Poverty by my predecessor John Rock. Action on Poverty would not be the organisation it is today without John's stewardship in some very difficult times.

Other big changes at Action on Poverty this year include Christine Murphy stepping down as CEO to take on the role of International Program Director. I was lucky enough to have Chris as CEO in my first eight months as Chair and I am personally very grateful for the support she gave me during that time. Chris has many achievements as CEO, but her greatest accomplishment was guiding the organisation successfully through accreditation with the Department of Foreign Affairs and Trade (DFAT) last year.

As one Christine steps aside, another steps up. Christine Pollard (Mrs P), former Finance Director, has stepped into the role of CEO. The two Chrisses have always worked together closely and Mrs P is embracing her new role with enthusiasm. I am eager to continue working with her to achieve new milestones for Action on Poverty.

Funding for the international aid sector continues to be dire. The cuts in this year's federal budget were modest when compared to the previous two years, but how far down the list of donor countries does Australia wish to fall? Latest rankings show Australia slipping another spot to 17th out of 29 OECD countries - meaning small countries like Switzerland and Luxembourg are contributing a greater portion of their budgets to helping the world's neediest compared to Australia.

In the last 12 months, several of our partners achieved endorsement in the Overseas Aid Gift Deduction Scheme (OAGDS) and exited our Action on Poverty Partnership (APP) program. With recent changes to the granting of public benevolent institution (PBI) status, other partners are in the process of attaining PBI, which will allow them to gain deductible gift recipient (DGR) status. This is posing new challenges for our APP program, which thrives on working with like-minded organisations to more effectively disrupt the cycles of poverty. Therefore, we will be seeking new partners to grow our international network of changemakers.

With Action on Poverty's 50th anniversary coming up in 2018, the Board and management team have been busy planning for the future. The Board endorsed the new Strategic Plan 2017-20 earlier this year and also revisited Action on Poverty's vision and mission, reaffirming our commitment to helping all people transcend the injustice, indignity and inequality of entrenched poverty. We're all very proud that next year marks 50 years of life-changing work, and I hope you will be able to join us to celebrate our anniversary.

As my first year as Chair draws to a close, I would like to thank the staff and my fellow Board members for their support and contributions throughout the year. While there are many challenges ahead, I have confidence in the great team at Action on Poverty.

REPORT FROM THE CEO



CEO - Christine Pollard

It is with great pleasure that I welcome you to Action on Poverty's (AOP) 2016-17 Annual Report. This year we are proud to have helped over 420,000 people across Africa, Asia and the Pacific – making hope possible for them and the generations that follow.

In Africa, we helped over 9,000 people in Malawi, Ethiopia and Mozambique to grow potatoes using improved seeds and farming techniques. The program, funded by the Department of Foreign Affairs and Trade's (DFAT) Australian NGO Cooperation Program (ANCP), had amazing results. Farmers multiplied their income by 30 per cent and no longer experience the 'hungry season', which previously lasted up to 6 months.

In Vietnam, our Community-Based Tourism project helped families establish their own businesses. This social enterprise expanded into a new district and our partnership with Intrepid Travel saw tourist numbers rise, creating sustainable incomes for entire villages.

In the Pacific, where communities are incredibly vulnerable to the effects of climate change, we worked in Fiji, Kiribati and Timor Leste to increase food and water security. We helped over 3,000 people build their own drought-resistant vegetable gardens and water tanks that can withstand severe storms and cyclones.

While no formal project evaluations were conducted this year, we continued learning from our projects and have documented these lessons throughout this report.

Of course, this life-changing work is not possible without the support of our generous donors. Support from philanthropic trusts and foundations, businesses, and the general public also helped us leverage nearly \$2 million of ANCP funding from DFAT this year. This is a very important grant for us, as it acknowledges the strength of our work and, since it matches donations from the Australian public, is a tangible measure of the wonderful support we receive.

We are also very grateful for the gifts of time and expertise provided by our pro bono supporters. Professional pro bono support helps us keep our administration and fundraising expenses down and our organisational standards high. It is through such support that we finalised our rebranding and our 2017-20 Strategic Plan.

I would also like to thank our in-country partners for their hard work, commitment and can-do attitude. Working with our partners to improve their systems and processes is a very important part of what we do. By working together to build strong local organisations, our projects are more sustainable and responsive to local needs. There are many challenges that arise in the field and our partners deal with these graciously and with sound resolve – we learn a great deal from them.

Our staff and volunteers deserve special mention, working above and beyond, supporting each other and ensuring our whole is greater than its parts. Christine Murphy, AOP's former CEO, moved to International Programs Director (IPD) and I stepped into the CEO role in July 2017. Christine has worked tirelessly as CEO for over six years and I have very big boots to fill. I am grateful to Christine for her continued support in my new role. We bid farewell to IPD Jerry Cole, Asia Program Manager Justin Alick, Communications Officer Anh-Thu Nguyen and Finance Assistant Joanna Bednarska. We thank you all for your outstanding contributions to AOP and wish you well in your future careers.

Good governance is critical to AOP and our Board does this with aplomb. We know we can count on our Board members and this is very reassuring in the often challenging environments we operate in. After two years on the Board, John Kell took up the position of Chair in November 2016 and has been helping us find new ways for AOP to make a global impact. Our sincerest thanks and appreciation go to John Rock, who served as Chair for the past 16 years and remains a valued member of the Board.

As we approach our 50th anniversary in 2018, we wanted to reinforce our commitment to alleviating poverty. Last year we changed our name to Action on Poverty and it is the perfect fit for our new vision and mission, which we revised this year. Our vision is for all people to transcend the injustice, indignity and inequality of entrenched poverty. Our mission is to empower local changemakers to break the cycle of poverty in their communities. These core values have kept us in good stead since 1968, and will continue to guide us towards a more equal world where everyone has the opportunity to live with dignity.

OUR GLOBAL IMPACT

126,390

people in education
programs in Asia.

NEPAL

BANGLADESH



Ensuring food security in Malawi.



Growing potatoes in Ethiopia.



Community-based Tourism
in Vietnam.

31,361

people in food security
programs in Africa.



Treating clubfoot in Bangladesh.

Through our network of partners,
we directly helped over

422,000

people to break the cycle of
poverty in their communities.



Educating students in Laos.



Providing clean water for schools in Vietnam.

100,325

people in health programs in the Pacific.

KIRIBATI

TIMOR
LESTE

PAPUA
NEW GUINEA

SOLOMON
ISLANDS

FIJI

AUSTRALIA

AOP SYDNEY



Building kitchen gardens in Fiji.



Educating Australian communities about global poverty.



OUR STRATEGIC FRAMEWORK

Rabbit raising is creating profitable livelihoods in Phu Tho, Vietnam.

This year, we created the Action on Poverty Strategic Plan 2017-20 to guide our work over the next four years. This plan outlines the four key strategic directions we will focus on, leveraging our skills and resources to make the greatest impact possible.

With a focus on working collaboratively to achieve sustainable change, the Strategic Plan builds on the success of the past while ensuring we continue to fulfil our promises to our supporters, partners and, most importantly, the disadvantaged communities with whom we work.

Strategic Directions

1. Programs

Support local organisations to undertake innovative and quality programs, which build inclusive, sustainable communities that are better able to tackle poverty and injustice.

2. Partnerships

Forge partnerships that add value to our work and contribute to reducing extreme poverty.

3. Engagement

Inspire Australians to take action on poverty through informed conversations about what their individual roles could be to address this complex challenge.

4. Sustainability

Strengthen Action on Poverty as an organisation so we can continue to deliver effective development programs and achieve our strategic goals.

Our Promise

We promise our supporters that we will:

- be transparent
- support effective work
- measure what we do
- add value to the money that you give us.



We promise our partners that we will:

- invest in our partnerships and develop mutual understandings of accountability and obligation
- develop stronger partnerships over time.

We promise the local communities we work with that we will:

- work in partnership with you to meet your identified needs and priorities
- develop the skills you need to make long-term positive changes.



We promise our staff that we will provide a workplace where:

- you have a sense of purpose
- you have opportunities to learn and grow
- your contribution is valued.



FOOD SECURITY

Mr Chapotera from Mutoko, Zimbabwe, grows food in his nutrition garden and sells the surplus vegetables.

According to the United Nations, one in four children around the world are stunted by malnutrition, while in developing countries, this number is as high as one in three.

We invest in local farmers to provide sustainable access to nutritious food for the world's poorest. By partnering with local organisations and experts, we help people in food insecure communities to address environmental challenges and increase crop productivity. By sharing knowledge and technology within local farmers' groups, entire communities are better able to grow their own diverse range of produce and prepare nutritious meals. This leads to better health outcomes for families, especially for children, who are vulnerable to stunting by malnutrition.

Highlights

In Africa, we helped over 9,000 people in Malawi, Ethiopia and Mozambique to grow potatoes using improved seeds and farming techniques. The Potato Coalition Program, in partnership with Vita Ireland and United Purpose, helped farmers in Ethiopia increase their yield from 8 tonnes to 40 tonnes per hectare, and in Mozambique from 8 tonnes to 14.5 tonnes per hectare. Improvements to seed storage increased the quality and shelf life of potatoes, eradicating the hungry season, which used to last up to six months.

Many of our partners in Africa face similar challenges – food and seed insecurity, compounded by climate change. We held a regional learning workshop, where 20 stakeholders discussed common challenges, and shared knowledge about seed production, agricultural technology and value chains. The key findings from this workshop will inform future project design.

LESSON LEARNED: Local farmers are often frustrated by the long lead times associated with the development of new technology. Delays are sometimes unavoidable if technologies, such as new potato seed varieties, take longer than expected to develop. Improved communication to help manage farmers' expectations about technology development will benefit future projects.

CASE STUDY | Fidelia – Timor Leste

In Kiribati, small coral atoll communities are forced to rely on imported food, which can be expensive. To meet food security challenges, we worked with the Foundation of the South Pacific Kiribati (FSPK) to establish kitchen gardens in households on the islands of Aranuka and Marakei so families can feed themselves at lower cost.

Coral atolls do not provide favourable conditions for kitchen gardens and people can become discouraged easily when they don't produce enough food for the household. To combat this, we ran three training sessions on climate-responsive gardening techniques and composting. We also held cooking classes with 200 women and girls using fruit and vegetables grown in kitchen gardens.

In Timor Leste, we continued to support farmers' groups in the construction and management of kitchen gardens. We trained 32 farmers in the production and use of organic fertilisers to increase their yield in Bobonaro municipality. One farmers' group worked together to build two permanent fish farms in their community as a source of both food and income. We also helped farmers sell their surplus produce at the local market to earn extra income.

In Fiji, we worked with isolated communities in Navakasiga District to improve access to nutritious food. Together with Partners in Community Development Fiji, we built a vegetable nursery in Navakasiga district School and trained 70 students in managing kitchen gardens. The school now works with a government dietician to provide nutritious lunches to their students every day. We also worked with a local women's group to sell surplus produce in a local marketplace, located an hour from their village.

LESSON LEARNED: The women's group found the profit margin so low at the market that it only covered their transportation costs, which made the exercise a waste of time. The group then decided to set up a store in their own village and sell the surplus vegetables to their neighbours, increasing their profits.

Fidelia is a mother of five and lives on a small farm in Balibo municipality, Timor Leste. She struggled to grow healthy crops and her family suffered during the hungry months of the wet season. Fidelia worried her children would not grow up to be strong and healthy.

Timor Leste has one of the highest levels of childhood stunting in the world – over half of children under five have stunted growth. We teamed up with HIAM Health to run a pilot project in Fidelia's village to grow Moringa trees, which provide key nutrients for a healthy diet.

Fidelia participated in a week-long training course at HIAM Health's Residential Training Centre in Dili. She learned how to grow the Moringa tree and use different parts for cooking. She also learned how to dry Moringa leaves, which she can use to provide vital nutrients to reduce the risks of malnutrition during the hungry months. We then helped her establish a Moringa crop in her garden.

An established Moringa crop requires little maintenance. However, when Fidelia's Moringa trees were just seedlings, chickens got into her garden and ate all her plants. Distraught, Fidelia contacted the project team and together they built a fence to protect the garden.

Fidelia's crop is now well established and provides fresh vegetables for her family. Fidelia also dries the leaves to make tea, and sprinkles dried leaf powder on meals, especially rice porridge for her children. With her thriving Moringa crop, Fidelia is confident she can provide nutritious meals for her children, even during the wet season.





LIVELIHOODS AND ECONOMIC EMPOWERMENT

Luyen from Soc Trang, Vietnam, borrowed AUD\$200 from the Community Development Fund to start a business selling water hyacinth to furniture makers.

The World Bank estimates there are 896 million people in developing countries who live on less than \$2 a day. While the number of people in extreme poverty has dropped over the last 20 years, there are still hundreds of millions living in extreme poverty.

Working with our local partners, we empower poor people to build their own sustainable livelihoods and break the cycle of entrenched poverty. According to UN Women, women contribute the most to faster-growing economies and are much more likely than men to spend any increased income on the family as a whole, rather than themselves. That's why we target women in poor communities, helping them start businesses and become local leaders.

Highlights

We helped farmers in Ethiopia, Malawi and Zimbabwe produce more food and access profitable markets. In Zimbabwe, where farmers were yielding 3 to 4 tonnes of maize per hectare, we piloted an Irish potato project, which yielded 13 to 15 tonnes. Farmers established strong links with local and district markets, and their potatoes became so popular they couldn't keep up with consumer demand. They are now earning 30 times their previous income so they can improve their standard of living, educate their children and afford health care.

Our Community Development Fund (CDF) in Vietnam and Cambodia offered hundreds of small loans for those looking to start their own business. We also supported savings groups, so members can pool their resources and help each other make loan repayments. In Vietnam, these groups have collectively saved AUD\$19,000, and Cambodian groups have saved AUD\$25,000, which they can use to improve their homes, expand their businesses and send their children to school.

LESSON LEARNED: In Vietnam, CDF borrowers are required to repay their loans monthly. However, some families struggled to make

CASE STUDY | Sopheal – Cambodia

these repayments because their incomes are earned quarterly, when they sell their crops or animals. We are investigating a more flexible repayment system to make it easier for borrowers to repay their loans.

In Myanmar, we helped 484 poor, marginalised women improve their financial security. We worked with Credit Union Federation Australia (CUFA) to set up three women-focused village cooperatives that serve as banks. Members accrue savings that can either act as a safety net during difficult times or go towards new business ventures. Between them, these women have saved AUD\$10,500.

LESSON LEARNED: Women experienced greater financial independence and social status when they joined cooperatives. These co-ops not only helped them save, but also taught them financial literacy and empowered them to have a greater role in household and community decision-making.

In Cambodia, we partnered with the Cambodian Women's Crisis Center to help women learn vocational skills through the Women in Action (WIN) program. By targeting women at risk of domestic violence, WIN not only helped them gain financial independence, but also connected them to networks and resources to help them leave abusive situations. We also established 5 new savings groups, where women increased their income by 30 per cent, and 24 daughters of under-privileged families attended vocational training or accessed scholarships to strengthen future work prospects.

In Vietnam, we invited 500 farmers, including 346 women, to participate in a livelihood model contest. We selected 15 livelihood models to support, which helped 300 people improve their income by up to 10 per cent. We also expanded our Community-based Tourism (CBT) project in Da Bac, partnering with five tour operators to help even more ethnic minority groups establish long-term incomes through offering tourist experiences such as homestays. This year, CBT attracted 2,845 visitors, generating \$70,000 of income.

Sopheal, 32, is a mother of 2 who lives on the outskirts of Phnom Penh, Cambodia. She weaves rugs, but her weaving business, together with her husband's sporadic work as a wedding photographer, wasn't enough to make ends meet.

Sopheal relied on a middleman, who brought her supplies and took her rugs away to sell, but he offered only 20 cents per rug and she didn't have enough capital to continue investing in her business. Sopheal's husband, Chamnap, was also away for months at a time, and they frequently fought about money when he was home, which was very hard on their children.

When Sopheal joined our Women in Action project, she received 500kg of cloth and 10kg of string, compared to the 25 to 50kg of cloth she'd bought in the past. She also became a member of a women's savings group, where she was able to take out a loan with a low interest rate, allowing her to purchase weaving materials in bulk at a low price.

Chamnap also participated in a gender training program that taught him that there is more to contributing to a family than making money. He now stays home and works with Sopheal, supporting her business.

Sopheal now produces 20 rugs per day, and has increased her income from less than \$5 to \$13 per day. She has also been able to diversify her family's income by purchasing cows and chickens that earn her over \$200 per month.

"Life was very difficult. We didn't have a goal for life, we were just surviving, just earning enough to eat. Now we have a plan for life and there is more happiness in the family," said Sopheal.

Sopheal and Chamnap now earn enough to send their children to school, and have even built a new home for themselves, turning the old one into Sopheal's workshop.





ENVIRONMENT, CLIMATE CHANGE ADAPTATION AND DISASTER RISK REDUCTION

Floating markets at Soc Trang, Vietnam, where rising water levels are forcing farmers to adapt to climate change.

Taking action on climate change is crucial for alleviating poverty. Although the poorest communities are the least responsible for climate change, they are the most affected. People who rely on the land for their livelihoods – such as farmers in Vietnam, Cambodia and Ethiopia – are particularly vulnerable. Changing weather patterns make it harder than ever to grow crops, and women are the ones who suffer most, as they are often responsible for working the land as well as caring for their families.

We partner with local organisations to help poor communities mitigate the effects of climate change. We believe that supporting in-country partners who have intimate knowledge of cultural traditions and practices gives vulnerable communities the best chance of adapting to climate change.

Highlights

Our work in some of the poorest communities in Asia and the Pacific addresses the complex relationship between poverty and climate. For example, in Vietnam, increasingly salty water has seeped inland and devastated rice crops, so struggling farmers in the Mekong Delta have to quickly seek out new livelihoods. They also face terrible decisions, such as whether to pull their children out of school because they can't cover tuition fees due to lost income from ruined crops. We've helped farmers like Mr Le in Soc Trang adapt to salinity by offering micro-loans so they can invest in technology and training to improve their income. Our Community Development Fund also ensures there are other ways to make a living, such as opening a small shop or weaving baskets.

LESSON LEARNED: A diverse income stream is key to having a climate-resilient, sustainable income. A single household in Soc Trang has up to five income streams including pigs, basket weaving, snails, frogs and chickens. This means if the market drops or disaster strikes, families are better placed to recover quickly.

Food- and water-borne disease, infection and malnutrition continue to threaten the health and wellbeing of remote communities in the Pacific Islands. In the Solomon Islands and Tuvalu, we've helped indigenous communities adapt to climate change by incorporating their cultural traditions and practices into government strategies to combat increasing health risks. We worked with our local partner, the Foundation of the Peoples of the South Pacific International, to record how 17 local communities use traditional and cultural knowledge to cope with the effects of climate change. This knowledge, developed over generations, includes ways of dealing with Dengue outbreaks, and the impact of salt water intrusion on crops due to rising sea levels.

LESSON LEARNED: By integrating indigenous knowledge with government policy, we will be better able to develop sustainable and appropriate solutions to counter the impacts of climate change.

In Cambodia we collaborated with the Cambodian Organization for Children and Development (COCD) to map the volatile Veal Veng region for climate risks. Veal Veng is located in western Cambodia, where many people are subsistence farmers, relying on their own produce to feed their families. Irregular weather patterns and rainfall mean they no longer have a stable food source.

Together with COCD, we purchased GPS technology to locate vulnerable areas and plan for water points, roads and other essential services. We brought community members and government representatives together in training sessions. These sessions equipped high-risk communities with the tools and skills they need to create their own disaster risk reduction and response plans, benefiting over 6,000 people. The plans have now been integrated into local commune development plans, to ensure communities are better placed to adapt to climate change in the future. This innovative project was a great success, and will be replicated and scaled up in 2017-18 in the neighbouring Pursat district.



CASE STUDY | Mr Le – Vietnam

The Mekong Delta is a vast region of rivers and swamps in southern Vietnam, where huge quantities of food are produced. However, rising sea levels mean salt water is encroaching on the Delta and crops are suffering in the brackish conditions. Yields are down for the farmers who work in the area.

Mr Le Van Vui, a 57-year-old father of 6 and grandfather of 11, comes from Nga Nam, Soc Trang province, and grows soursop – a popular fruit in the region. Soursop thrives in fresh water, but with the increasing salt levels, Mr Le has been struggling. To adapt to the changing conditions, he grafts pond apple root onto the soursop tree, which makes it grow better in salty water. He also pollinates the flowers by hand since the number of bees in the region has fallen – another consequence of a changing climate.

This year, we helped 30 local farmers form a soursop cooperative, led by Mr Le. They meet once every two months and members discuss disease prevention and prices. The co-op gives the farmers collective bargaining power, and a forum where they can ask questions and pool knowledge. Through their co-op, they can establish a decent price for their produce, which helps to stabilise their income and livelihoods.

The co-op has provided stronger links to markets, so Mr Le is able to sell the 20 tonnes of soursop he harvests per year in Ho Chi Minh City, Hanoi, southern Vietnam and Cambodia, earning him about AUD\$17,500. He also supplements his income by growing and selling seedlings, making an extra AUD\$7,500 per year.

In the future, Mr Le hopes to diversify his business and sell soursop tea, candy, juice and smoothies. He and his co-

op group members are also attending training so they can obtain Vietgap certification – a program to ensure their fruit meets rigorous standards so they can sell in international markets at better prices.

Mr Le calls soursop the “poverty reduction tree” – providing food to eat when hungry and fruit to sell. With new farming techniques that will help him adapt to climate change and offer better prospects, Mr Le hopes to send his children and grandchildren to school and save for a more prosperous future.



GOVERNANCE

Consultation with local residents about rice subsidies for children in Ha Tinh province, Vietnam.

Improving governance and social accountability is key to achieving sustainable development. By informing citizens of their rights and teaching them how to hold their governments to account, we empower poor communities to advocate for themselves.

We use a wide range of social accountability tools and approaches that bring citizens, civil society, government, academe and the private sector together on inclusive development projects that best meet the needs of the community.

Highlights

We partnered with the Solomon Islands Development Trust to help 500 people in Malaita province raise community development issues with government authorities. Through the Bridging the Gap project, the community identified water supply, sanitation and agribusiness as priorities, and lobbied their government representatives to support a water supply rehabilitation project.

Community members also voted to establish a small honey bee agribusiness – the first livelihood project to be led by the Village Advocacy Committee. The community received training and tools to establish their honey bee farm, and also set up a savings groups to increase the sustainability of the business.

LESSON LEARNED: This year we conducted a research project on social accountability in the Solomon Islands. We found that the rise of social accountability projects from civil society organisations (CSOs) is slowly strengthening governance, reducing corruption, and contributing to more equitable public services.

CASE STUDY | Julie – Solomon Islands

In Vietnam, we worked in four communes to promote social accountability. We hosted a training course in participatory planning for 42 local government officials and community leaders in Da Bac district. Participatory planning processes were piloted in two communes.

We also encouraged 2,250 people to participate in planning and monitoring public services. We maintained 16 information kiosks that provided information on how citizens can monitor and participate in public services, such as health and education.

LESSON LEARNED: Cooperation between CSOs is vital for successful social accountability projects, from sharing resources to building strong relationships. By partnering with local changemakers such as the Vietnam Fatherland Front, we can ensure governance projects meet the needs of communities, and that social accountability remains central to any future development work.

We also worked with the Foundation for the South Pacific International (FSPI) to strengthen their capacity to deliver effective projects to those most in need. FSPI represents eight local organisations that deliver a variety of development programs across the Pacific Islands. By mentoring FSPI in finance and governance, we ensured they can equip as many communities as possible with the skills they need to drive long-lasting change.

Julie is a member of her local Village Advocacy Committee in Malaita province, Solomon Islands. This year, she participated in the Bridging the Gap (BTG) project, which improves governance systems so villagers, especially women, can advocate and plan for development.

During a BTG training session, Julie noticed that men were the key decision-makers in all development projects. Women's voices weren't often heard because most lacked the confidence to speak up.

"The training I attended really helped make a difference. We came to understand that both women and men should participate equally in decision-making, and work together to achieve community aspirations," said Julie.

"It gave me the courage to speak up in public meetings. I also joined the management committee of the Faumamanu Savings Group, and now I teach other women how to save money for their family needs. I have also learned to become more self-reliant."

Julie is now calling on all women and girls in surrounding communities to be trained so they can become agents of change in their villages, especially in the areas of water, sanitation and education.

"The program has shown us the way forward and it is time for our communities to appreciate our women and respect our opinions in decision-making."





HEALTH

Bairo Pite Clinic health worker conducting household screening for tuberculosis.

Access to good health care is vital to the wellbeing of any society. Unfortunately, for many people living in developing countries, health care is too expensive, remote or outdated. Families are having to choose between buying medicine or putting food on the table. Factors such as unclean water, malnutrition and vulnerability to climate change, which are felt most in developing countries, also contribute to poor health.

We work with our local partners to bring affordable, quality health care to vulnerable communities. Our health care projects target diseases, including dengue and tuberculosis (TB), which are some of the biggest killers in developing countries. Our other projects also improve access to food and clean water, and increase household incomes, leading to healthier communities.

Highlights

Five thousand children are born with clubfoot every year in Bangladesh, where they face social stigma and, later in life, reduced employment opportunities.

With the Glencoe Foundation, we treated 224 clubfoot patients through the Walk for Life program in Bangladesh. By using affordable, non-surgical techniques, Walk for Life helps children reach their potential and live a healthy life. We also ran clubfoot awareness campaigns in 46 communities, targeting health care workers and community leaders, to reduce the stigma of clubfoot and encourage people to refer children with clubfoot to Walk for Life. This award-winning program was recognised by the Bangladeshi government as the National Club Foot Program.

LESSON LEARNED: Reducing the stigma of clubfoot is essential for motivating communities to refer children to clinics so they can be treated early. Almost 30 per cent of patients were referred to Walk for Life by other parents last year following our awareness campaigns.

In Timor Leste, we continued to work with Bairo Pite Clinic (BPC) on preventing and treating TB. BPC identified and treated 300 cases of TB last year, and conducted family screenings and treatment to reduce transmission rates. They also gave 190 children Isoniazid Preventative Therapy, significantly reducing their lifetime risk of developing TB. Improvements in TB therapy and education have also seen higher cure rates, and greater adherence to treatment by patients.

The All Ears project in Cambodia treated 1,739 marginalised and vulnerable patients in 104 clinics. Working with a network of local organisations, All Ears treats hearing problems early to avoid the development of long-term issues. As part of the project, we also created a patient record database, formed an alliance of health care services, and provided treatment and interventions to support patients and their families.

In Vietnam, we continued to work with Monash University and the Vietnamese Government on the World Mosquito Program. The global research project uses naturally occurring bacteria - called Wolbachia - to reduce the ability of mosquitoes to transmit harmful diseases such as Zika, dengue and chikungunya. Following the release of mosquitoes with Wolbachia, new generations begin to breed that help to block the transmission of these mosquito-borne diseases. This year we engaged with 55,900 people from 12,600 households in Nha Trang City. Community members were consulted and well-informed of the project's objectives, and shared their views on dengue fever and other mosquito-borne diseases.

CASE STUDY | Fahim – Bangladesh

Fahim is from a very poor island on the Ganges Delta called Bhola, which means 'forgotten place'. Most people in Bhola make a living farming or fishing. The island lacks medical facilities, and patients need to travel to the mainland to visit a hospital. Unfortunately, many can't even afford the boat fare.

Fahim was born with bilateral clubfoot – both his feet were turned inward. Fahim's mother was humiliated by her community. In Bangladesh, many people believe clubfoot is caused by evil spirits or is punishment for the mother's misdeeds. Children with clubfoot are usually kept home from school. Without an education, they struggle to find work as adults, and have to resort to menial labour or even begging.

Fahim's mother attempted traditional cures that didn't work, until a doctor referred Fahim to Walk for Life.

At just one month old, Fahim began treatment using the Ponseti method. This method involves gentle manipulation, casting and bracing to progressively correct the feet.



Fahim's feet were corrected after five consecutive castings. He now wears braces and has a much brighter future.

"Walk for Life showed me the way of dreaming," said Fahim's mother.

"God willing, one day my son will be a doctor."



WATER AND SANITATION

Veal Veng community in Cambodia is grateful for access to clean water.

Lack of access to safe water is a major health issue in developing countries. 2.5 billion people lack access to basic sanitation such as toilets or latrines, while 1.8 billion drink fecally-contaminated water. Nearly 1,000 children die every day from preventable diarrhoeal diseases contracted through dirty water.

Our water and sanitation projects seek to educate communities about hygiene, establish water points operated and repaired by skilled local committees, and improve schools' access to clean water.

Highlights

We work with communities in Fiji, Kiribati and Timor Leste to provide clean water and sanitation facilities. Last year, we helped 1,117 people become more water secure. In Fiji, we installed nine first flush systems, which prevent contaminated water from entering tanks. We also installed two water storage tanks, and trained four water point committees in hygiene and sanitation. In Kiribati, we repaired broken water pipes on Aranuka Island so communities can use clean water for drinking and washing, as well as irrigating their kitchen gardens.

LESSON LEARNED: Providing regular water and sanitation training means information remains fresh and is shared throughout the community. We provided refresher training for water point committees, who continue to be ambassadors for good sanitation in their communities.

In Malawi, we helped over 19,000 people increase their water security and sanitation. New water infrastructure and rehabilitation of existing water points has brought clean water to 9,350 people in Phalombe district, southern Malawi. We also promoted good sanitation and hygiene messages to 8,130 community members across numerous villages. By installing environmentally sustainable Ecosan

latrines in villages, over 100 people no longer had to resort to open defecation.

We trained 42 students from school sanitation clubs and drama groups, who then encouraged their communities to adopt good hygiene. We also trained 20 school girls in menstrual hygiene management which improved their school attendance so they could achieve better results.

Jatropha tree nurseries were established and soap making workshops were conducted. Jatropha soap is not only affordable and promotes good hygiene, but also provides a good livelihood for soap makers.

We continued working with The Charitable Foundation to provide safe water for almost 60,000 people by using chlorine dispensers. These dispensers, installed at water sources across Zomba region, dispense a small amount of chlorine into the water, making it safe to consume. Since the project started two years ago, diarrhoea-related diseases have dropped by 40 per cent. Community members also have greater understanding of the importance of clean water, with a 76 per cent adoption rate of the dispensers.

Our Cambodia Drought Appeal in December 2016 raised money to support the much-needed Getting Well project in Veal Veng, Cambodia, which is very susceptible to climate change and drought. In the last few months, the project has drilled 3 new wells and helped 321 people access clean, safe water. Before the wells were built, people had to walk 30 minutes to the closest water point, or had to buy bottled water for cooking and drinking. Now the average distance to a well is just 70 metres.

LESSON LEARNED:

There are many flow-on effects of improved access to clean water. Villagers have more time for other activities, such as work or education. School children have fewer health issues and better class attendance, and they no longer have to walk long distances to collect water, which can be unsafe.

CASE STUDY | Eneless and Onisha – Malawi

Sisters Eneless, 17, and Onisha, 19, are from a village in Phalombe district, Malawi, and both have albinism.

In parts of Malawi, people are still superstitious about albinism. Some believe that the body parts of people with albinism can be powerful ingredients in rituals and, as a result, those with the condition are prone to abduction and murder. In Phalombe district, 74 people have albinism, and 4 have been killed.

The sisters' village lacked a water supply and they had to make a 1.5km journey to fetch water from an unhygienic and unprotected well. A well with safe water was 2.5km away, but because of the danger of being abducted or killed, they couldn't risk the journey.

The dangers the girls faced also affected their schooling. They were often late or missed classes as they had to wait until it was light enough to make the journey to the well. Because they missed so much work, they had to repeat levels at school.

By working with United Purpose and the local district council, we restored a safe and clean water supply directly to the village. Now, the girls have a water source close to their house and they don't need to make the long and risky journey. It also means they don't miss school and they can keep up with their lessons. "With the rehabilitated tap, I can get to school. I have improved and I no longer repeat classes," said Eneless.



The girls' mother Alice also has peace of mind. "I used to fear for my children's lives before the tap was rehabilitated. Now I am very happy that my two little girls are safe," she said.

As well as securing a safe water supply to the village, United Purpose has been working with local police forces on investigating and documenting cases of abduction or murder. United Purpose has also been working with local councils to destroy stigma around people with albinism, and create a safer and more equal community for all.



SOCIAL INCLUSION

Srey Shelter in Siem Reap, Cambodia, provides a safe haven for women escaping violence.

Creating a more equal and inclusive world is part of our mission. By addressing cultural stigmas or traditions that prevent women, people with disabilities and other minorities from fully participating in their communities, we strive to change attitudes so everyone has the opportunity to lift themselves out of poverty.

Education is not only a way to reduce poverty but also a basic human right. Through business training, vocational programs, scholarships and more, we help women establish their own livelihoods and take on greater leadership roles.

Highlights

Our Good Start program in Cambodia encourages children from rural communities in Veal Veng to attend school from an early age. Thanks to the Atlassian Foundation, we enrolled 150 children in Good Start this year so they can get the literacy, numeracy and social skills they need to succeed in school and increase their chances of breaking the poverty cycle.

Meanwhile, in Phnom Penh we worked with the Cambodian Women's Crisis Center to help girls stay in school. With help from scholarships that provided books, uniforms, bicycles and rice, 85 girls were able to stay in school rather than leaving to find work in potentially exploitative conditions to support their families. With an education, these girls have a much greater chance of finding good jobs or even going on to further study.

In Cambodia and Laos, we continued working with our local partner, Room to Read, to expand literacy programs, build schools and libraries, train teachers, publish books in local languages and run national reading programs. A team of volunteers from Seaco, our corporate partner,

also helped rebuild Duan Mao Primary School in Cambodia, giving 83 students a new learning environment and sanitation facilities.

This year, we worked with partners in Cambodia, Timor Leste and Papua New Guinea to help survivors of domestic violence access safe houses and counselling. These programs also train women in vocational skills so they can gain financial independence and are empowered to leave abusive relationships.

In Timor Leste, we helped raise awareness of mental health issues to reduce the discrimination women with these conditions face in their communities.

We continue work to address the causes and effects of discrimination for people living with a disability. This year we helped over 1,600 people access treatment for hearing loss in Cambodia thanks to funding from The Charitable Foundation. We also treated over 1,900 children who were born with clubfoot in Bangladesh and Myanmar. This work was supported by advocacy and awareness campaigns that reached thousands more people.

Similarly, in Malawi, our research drew attention to the exclusion that people with disabilities face when trying to access water points. Although it wasn't in the original project design, when work began we discovered the discrimination faced by people with albinism when fetching water. We addressed the problem by: including people with albinism in decision-making; strengthening the local government's understanding of gender equality and social inclusion; and running a community awareness campaign to reduce stigma.

LESSON LEARNED:

Social inclusion needs to be considered in every project, whether it be a water point, school or kitchen garden. Including minorities in decision-making processes and being flexible with project design will provide better outcomes for the whole community.

CASE STUDY | Clarisse – Cambodia

Five years ago, Clarisse* left her husband in Lae, Papua New Guinea, due to domestic violence and returned to her home province. When Clarisse's father-in-law, who supported the children financially, asked to see them, Clarisse felt obliged to agree. She returned to Lae with the children so they could see their grandfather. But it didn't take long for her ex-husband to find her. He began to physically, verbally and sexually assault Clarisse.

Badly injured and scared for her life, Clarisse went to the police, who took her to the Family Support Centre for urgent medical care. They also contacted our local partner, Femili PNG, to arrange emergency accommodation for Clarisse and her children. When police went to collect their belongings from the in-laws, members of the community warned them that Clarisse should never come back, or her ex-husband might kill her.

Femili PNG helps survivors of family and sexual violence access the services they need, from medical care and police protection, to vocational training to help survivors establish independent lives. They provided shelter and counselling for Clarisse and her children at their safe house. They also arranged and paid for them to travel home, where Clarisse's family were relieved to have her back.

Femili PNG also offered training and support so Clarisse could start her own business and would no longer have to rely on her father-in-law. Initially, she started a coconut

business, but that was not profitable. She then reinvested her money to open a small shop, which has been a success, and she now earns enough to support her children. When her case worker visited Clarisse recently, Clarisse said she was grateful for the assistance she received, and was enjoying her independence and safety.

**All names have been changed and identifying details removed to protect Femili PNG clients. This photo is a re-enactment of a client consultation.*





PARTNERSHIPS

The Action on Poverty Partnership (APP) program is our network of partners in Australia and developing countries – all of us committed to creating a more equal world where everyone can live with dignity.

Our partners offer their experience, knowledge and resources so local changemakers in developing communities can implement their own long-term solutions to poverty.

Through the APP program, we share our services and expertise with developing organisations so they can maximise the impact of their initiatives. We ensure local organisations can receive tax-deductible donations, give advice on best practice, broker relationships between key players in the development sector, and more. By mobilising millions of dollars in support of local initiatives, we empower independent agencies to create sustainable change.

Highlights

Working with our APP partners, this year we:

- trained health professionals in the non-surgical Ponseti Method for treating clubfoot and provided free treatment for 1,300 children in 35 hospitals throughout Bangladesh
- provided scholarships to 150 vulnerable girls in Cambodia, to prevent risk of slave labour and trafficking
- transformed access to quality education within 124 schools through Cambodia and Laos, significantly improving early childhood literacy instruction, establishing libraries and improving learning environments – directly impacting 106,843 children and their communities.
- taught permaculture to 115 Masai primary school students in Tanzania, providing not only new skills but also food for their lunches
- rescued 28 young women and children from labour exploitation, the sex trade and forced marriage in Vietnam, and supported them with education and training
- assisted 479 survivors of family and sexual abuse in Papua New Guinea to access case management services

- provided access to clean water and toilets to over 700 people in Cambodia and Fiji
- educated 600 primary school students in the squatter communities of Phnom Penh, Cambodia, and provided dental and health programs
- empowered 100 staff to run a free health clinic in Timor Leste that served 100,000 patients
- trained 110 families in one of the poorest areas of Timor Leste to grow Moringa intensively and produce their own sustainable food supplement to address malnutrition.

Action on Poverty Partners:

Aide et Action
 All Ears Cambodia
 Africa Water Bank
 Bairo Pite Clinic
 Bega Valley Advocates for Timor Leste
 Blue Dragon Children's Foundation
 Cambodian Organization for Community Development
 Cambodian Volunteers for Community Development
 Cambodian Women's Crisis Center
 Community Technology Development Trust
 CUFA
 Evidence Action
 Femili PNG
 Foundation for the Peoples of the South Pacific International
 Foundation for the Peoples of the South Pacific Kiribati
 Glencoe Foundation
 HIAM Health
 Matesabroad Foundation
 PRADET
 Room to Read
 Sailung Tri Netra
 Solomon Islands Development Trust
 Testigo
 The Samburu Trust
 Timor Aid
 United Purpose
 Vita
 Walk for Life

CASE STUDY | Sara – Timor Leste

Sara, 42, is a mother of 8 from Dili in Timor Leste, where she runs 3 small businesses. Sara not only has her own fruit stall at the Taibezi Market, which provides the bulk of her income, she also operates a nearby billiard table and bathroom, which she built with her own money.

But Sara had to work hard for her success, overcoming domestic violence at the hands of her husband. Unfortunately, Sara's experience is common in Timor Leste, with 38 per cent of women reporting physical or sexual abuse.

Sara was forced to flee her husband and found refuge at a women's shelter run by our local partner, PRADET. This safe house protects vulnerable, abused and trafficked women and children, and offers medical and forensic services if they want to press charges.

The centre also focuses on rehabilitating victims and teaching them new skills to lead independent lives. By finding work and starting their own businesses, women are empowered to regain control over their relationships or leave abusive partners.

After participating in the Safe Room training program run by PRADET, Sara now sells fresh fruit such as bananas, avocados and mangoes at the Taibezi Market. Many of her friends from the centre have also started their own businesses, from selling clothes to raising livestock.

"I now rely on myself to make money and support my family," Sara said. "I have the financial freedom to take charge of my family's future."





INSPIRING AUSTRALIANS

AOP visits Montessori East Primary School to teach students about poverty in Vietnam.

We rely on the support of everyday Australians who transform their passion into action to help us address global poverty and injustice. Our supporters make generous donations to our life-changing projects, volunteer their time and expertise, mobilise their networks to fundraise for the projects they care about most, and even partner with us on overseas projects.

Inspiring Australians is central to our work, as outlined in our Strategic Framework 2017-20. By sharing moving case studies from the field together with the stories of Australians who make these projects possible, we seek to motivate people to find their own way, small or large, of addressing entrenched poverty in some of the most disadvantaged communities in the world.

Highlights

There is no age limit on compassion. Last year, eight-year-old Saya and her grandmother, Dianne, teamed up to fundraise over \$2,000 to bring clean water to a school in Pu Nhi, Vietnam. Saya was inspired by her grandmother's passion for helping disadvantaged people in Vietnam and Zambia, and was motivated when she heard that students in Vietnam didn't have access to clean water or shoes in the winter. Within mere weeks, the dynamic duo met their fundraising goal which went towards a water tank, filtration system and winter shoes for over 90 children at a remote preschool and kindergarten in northern Vietnam.

Following Saya's success, we visited her school, Montessori East in Sydney, to give a short presentation on what a day in school is like for students in rural Vietnam and how it differs from growing up in Australia. Insightful and precocious, the Montessori East students shared their own commitment to serving the community – they grow and distribute fresh vegetables in their community and some of the older students have even travelled to Thailand on a service journey.

In December 2016, 10 Australians trekked through Da Bac in northern Vietnam as part of our Community-based Tourism project. Trekkers explored the pristine forests and lakes of Da Bac by day, and stayed in traditional stilt houses by night, where they enjoyed their local hosts' cuisine. The trek also highlighted some significant Action on Poverty projects in the region, including our livestock programs and a primary school.

We held two fundraising appeals to reach out to our generous donors in support of two different but vital projects. Our New Year Appeal and Christmas Shop in December 2016 raised over \$10,000 for poor communities in rural Cambodia that lack adequate water and sanitation facilities, while our End of Financial Year Appeal in June 2017 raised over \$21,000 to offer loans and business training to hard-working Vietnamese families through the Community Development Fund. This End of Financial Year Appeal was our most successful appeal ever, with more than 50 donations from both existing and new supporters.

We continued to grow our presence on social media, increasing our audience to over 3,200 fans on Facebook, Twitter and Instagram.

We also relied on the generous support and skills of our team of volunteers. Camille Norsa has been invaluable in social media and digital marketing support, Boston University Intern Amanda Keller helped implement changes to our website and branding to reflect our new name and logo, Lisa O'Connor provided expert HR training and advice, and Cameron Marchant gave vital program support. We have also received generous pro bono support from a range of firms. Hunt and Hunt Lawyers provided us with valuable legal advice, Community Engagement Australia helped us prepare our Strategic Framework 2017-20, Prometix built an intranet to help our team to collaborate remotely, and the Simpatico Network assisted us with branding and key messages.

CASE STUDY | Dave Bathur

Our pro bono brand expert and digital strategist, Dave Bathur from Simpatico, has been a big help to us over the past two years during our rebrand from AFAP to Action on Poverty (AOP). However, he's been a supporter for much longer than that. Dave shares his journey with us in his own words.

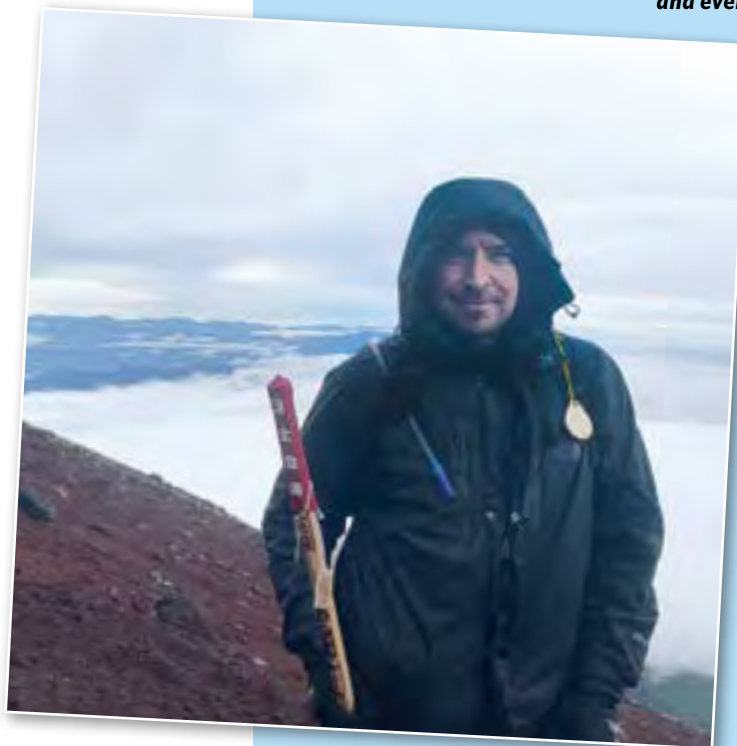
I first wandered into the AOP offices back in 2003 as a Youth Ambassador for the Foundation for the Peoples of the South Pacific (FSPI). I travelled to Fiji and worked as FSPI's Communication Manager, helping with reconciliation workshops after the coup. I then followed that up with another year at AOP in Australia.

After working with AOP, I left to pursue a deeper understanding of the world of digital media. I got lucky and spent a decade working on some genuinely innovative campaigns, just as digital and social media were crashing into the foreground. I went back to uni, picked up a degree in psychology and I'm currently doing postgrad research on how digital video can help establish trust by predicting rapport.

I've run my own consultancy since 2010, alongside my two partners. Simpatico specialises in innovative communications for change, which means I do a lot of digital media training, behaviour change projects and branding work.

My favourite work is still the international development sector, which I'm fortunate to do with organisations like Australian Volunteers for International Development (AVID) and United Nations Global Compact (GCNA). I now provide pro bono communications advice and strategy to Action on Poverty. Most recently I've been involved with AOP's rebranding process.

Branding is a tricky process. You have to pack so much meaning and significance into so few words and shapes, but it is the basis of your story and everything you communicate. It's important to get right.



At Action on Poverty, I've been a guiding hand - facilitating discussions and workshops, and then coming back with first draft concepts, which evolved into the terrific results, as can be seen in this report. I've worked with a number of charities and development groups over the years, and the way AOP operates is the way development should be done. Without self-aggrandisement or identity agendas - just pragmatic expertise, community focus and a genuine recognition for the value of partnerships. In a world of increasing fakery, this authenticity is a relief.



OUR ORGANISATION

Board (L TO R)

Jeanneste Sutanto
 Denis Wolff
 John Kell
 David Brett
 Dr Angeline Low
 John Rock
 Prof Jock Harkness

Board

Mr John Kell *Chair*

M Env Stud, Environmental Studies, LLB BA (Hons), FAICD, Partner, Hicksons Lawyers, Chair of Governance and Risk Committee

Dr Angeline Low *Vice Chair*

PhD, MMgmt., B. Econs. Hons, MAICD, Research Affiliate, University of Technology Sydney, Communications and Fundraising Committee, Governance and Risk Committee

Ms Jeanneste Sutanto *Treasurer*

Graduate Diploma (Chartered Accountants Program), Bachelor of Commerce, Finance Manager Lend Lease, Communications and Fundraising Committee

Mr John Rock *AM Director*

B.Sc. Hons, Retired Sales and Marketing Consultant, Governance and Risk Committee

Prof. Jock Harkness *Director*

MBBS DCP (Lon), FRCPA, FASM, Microbiologist, St Vincent's Hospital, Program and Partnerships Committee

Mr David A Brett *Director*

BSc(For) (ANU), MAgr (Syd) Retired Consultant International Development, Program and Partnerships Committee

Mr Denis Wolff *Director*

M.Sc Environmental Management, Senior Officer, Transport NSW, Governance and Risk Committee

Senior Executive Team

Christine Murphy *CEO*

Christine Pollard *Finance Director*

Jeremy Cole *International Program Director*

Ta Van Tuan *Vietnam Country Director*

This is the team that was active during the 2016/17 financial year.

In 2016-17 Action on Poverty and its network of partners worked together to raise over

\$8.7 million
 to empower over

422,000

people to break the cycle of poverty in their communities.



COMPLIANCE AND REGULATION

Community-based
Tourism in Hoa Binh,
Vietnam.

Like all Australian charities and not-for-profit organisations, Action on Poverty operates in a highly regulated environment, and complies with a range of laws, regulations, licences and codes of conduct to demonstrate accountability to the community and our stakeholders.

Australian Charities and Not-for-profits Commission (ACNC)

The ACNC is the independent national regulator of charities. AOP is registered with the ACNC and complies with financial and organisational reporting obligations and governance standards. Please refer to www.acnc.gov.au for details of these obligations and standards.

Department of Foreign Affairs and Trade (DFAT) Accreditation

DFAT is responsible for managing the Australian Government's official overseas aid program. AOP is a fully accredited and trusted recipient of funds from DFAT. The DFAT accreditation process is thorough, robust and undertaken every five years. It involves a detailed assessment of AOP systems, operations, management capacity, governance and linkages with the Australian community against a set of agreed criteria.

The Australian Taxation Office (ATO)

The ATO has given AOP deductible gift recipient (DGR) status as an Overseas Aid Fund, granted AOP exemption from Income Tax, and provided concessions for Fringe Benefits Tax and GST.

Australian Council for International Development (ACFID)

ACFID is the peak body for aid and development NGOs, and its Code of Conduct upholds the highest standards of ethics, effectiveness and accountability. AOP is a member of ACFID and a signatory of the ACFID Code of Conduct. For further information on the Code, please refer to the ACFID Code of Conduct Guidance Document available at www.acfid.asn.au.

Fundraising

In accordance with state fundraising laws, fundraising licences are required by many of Australia's states to raise funds within their borders. AOP is licenced to fundraise in all states and territories, and complies with the requirements associated with these licences, including annual reporting to particular states.

FINANCIAL STATEMENTS

Income Statement

for the year ended 30 June 2017

	2017 \$	2016 \$
Revenue		
Donations and gifts		
- Monetary	6,275,434	6,514,329
- Non-monetary	55,139	51,813
Grants		
- Department of Foreign Affairs and Trade	1,920,745	2,903,344
- Other Australian	278,263	634,877
- Other overseas	219,958	254,583
Investment income	7,221	38,997
Commercial activities income	5,726	11,265
Other income	202	27,039
Revenue for international political or religious adherence promotion programs	0	0
Total Revenue	8,762,688	10,436,247

Note 1: Annual Financial Report

This financial report is derived from the company's annual statutory report for the year ended 30 June 2017, which is available upon request

Note 2: Reporting Standards

The following financial reports have been prepared in accordance with the presentation and disclosure requirements set out in the ACFID Code of Conduct. For further information on the Code, please refer to the ACFID Code of Conduct Implementation Guidance available at www.acfid.asn.au.

Note 3: Non-monetary Expenditure

Broken down as follows:

Professional pro bono

- legal support	\$4,677
- human resources support	\$3,570
- consulting support	\$3,500
- fundraising support	\$7,837
- IT support	\$22,400

Volunteers

- project support (22 days)	\$4,239
- fundraising support (46 days)	\$8,916

Total **\$55,139**

Note 4: Commercial Activities Income

Commercial activities income is a new category of the 2016/17 income statement format so the 2015/16 figures have been re-formatted to ensure consistency between the two years of reporting.

	2017 \$	2016 \$
Expenditure		
International aid and development programs expenditure		
- Funds to international programs	7,964,714	9,213,128
- Program support costs	482,015	479,783
Fundraising costs		
- Public	133,981	150,777
- Government, multilateral and private	12,470	6,221
Accountability and administration	294,005	384,718
Non-monetary expenditure	55,139	51,813
Total international aid and development programs expenditure	8,942,324	10,286,440
International political or religious adherence promotion programs expenditure	0	0
Total Expenditure	8,942,324	10,286,440
Surplus/(Deficit)	(179,636)	149,807
Other Comprehensive Income	0	0
Total Comprehensive Income	(179,636)	149,807

Definitions

Where our support comes from

Donations and gifts: Monetary and non-monetary contributions from the Australian public, trusts and foundations.

DFAT grants: The Australian Department of Foreign and Affairs overseas aid program.

Other Australian grants: Grants from all Australian institutions other than DFAT.

Other overseas grants: All grants sourced from non-Australian institutions.

Investment income: Income from interest and other income earned on investment assets.

Commercial activities income: gross income from any retail activities and raffles.

Other income: Income not included in the above categories such as foreign exchange gains.

Where the money goes

Funds to international programs: Funds actually remitted overseas to aid and development projects.

International projects – program support costs: Direct costs of project management in Australia including salaries of program staff in Australia, project design, monitoring and evaluation.

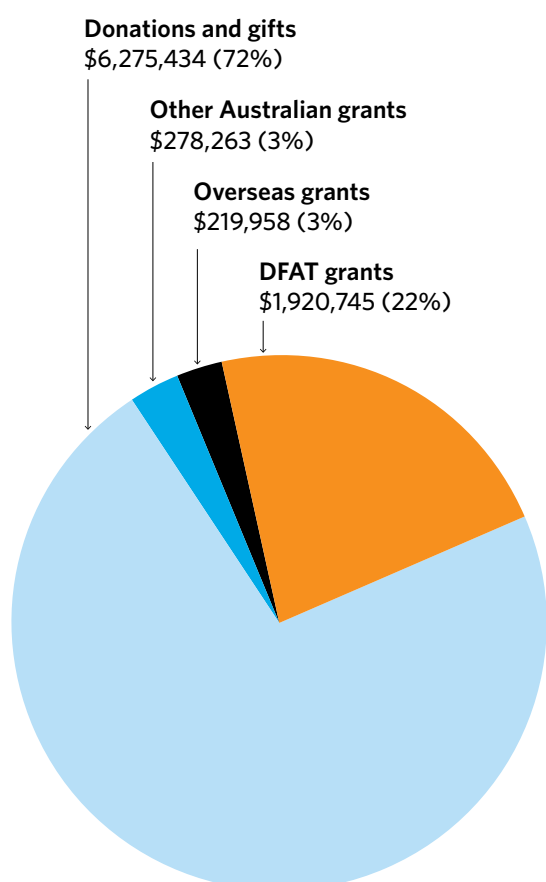
Fundraising – public: All costs related to the purposes of raising funds from the public including salary costs of fundraising staff and production and mailing of fundraising materials.

Fundraising – government, multilateral and private sector: Personnel and related costs involved in the preparation of funding submissions and reporting against grants.

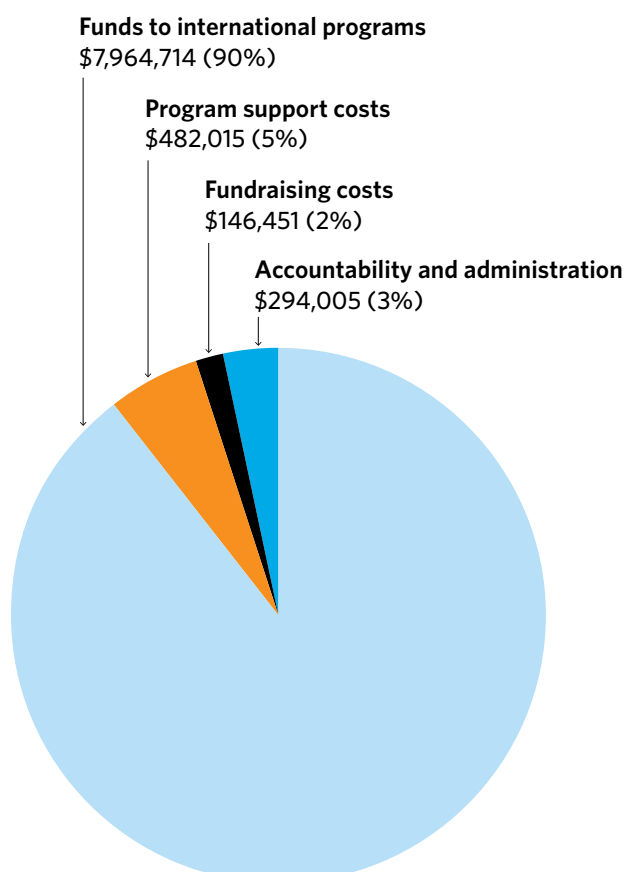
Commercial activities expenditure: Expenditure on retail activities and raffles.

Accountability and administration: Relates to the overall operational capability of AOP, such as audit fees, personnel, IT, finance and administration costs, insurance premiums, and membership to peak bodies.

Revenue



Expenditure



Note 5: How pie charts are derived

Pie chart category income and expenses percentages are derived from AOP's Income Statement categories (excluding donations in-kind). AOP's Income Statement follows the ACFID format with financial definitions for each category.

Balance Sheet

as at 30 June 2017

	2017 \$	2016 \$
Assets		
Current assets		
Cash and cash equivalents	2,334,352	2,563,844
Trade and other receivables	16,193	13,135
Total current assets	2,350,545	2,576,979
Non-current assets		
Other financial assets	11,681	10,757
Property, plant and equipment	14,818	25,539
Total non-current assets	26,499	36,296
Total Assets	2,377,044	2,613,275

	2017 \$	2016 \$
Liabilities		
Current Liabilities		
Trade and other payables	22,994	50,242
Current tax liabilities	3,061	4,416
Provisions	43,598	72,137
Total current liabilities	69,653	126,795
Non-current liabilities		
Employee provisions	6,984	6,437
Total non-current liabilities	6,984	6,437
Total liabilities	76,637	133,232
Net assets	2,300,407	2,480,043
Equity		
Reserves	3,870	3,870
Retained earnings	2,296,537	2,476,173
Total equity	2,300,407	2,480,043

Statement of Changes in Equity

for the year ended 30 June 2017

	Restricted funds \$	Unrestricted funds \$	Harold Webber Memorial Fund \$	Pre-incorporation reserve \$	Total \$
Balance at 30 June 2016	1,815,802	660,371	2,270	1,600	2,480,043
Adjustments or changes in equity	0	0	0	0	0
Other comprehensive income for the year	0	0	0	0	0
Excess of revenue over expenses	(224,801)	45,165	0	0	(179,636)
Other amounts transferred to reserves	0	0	0	0	0
Balance at 30 June 2017	1,591,001	705,536	2,270	1,600	2,300,407



Financial statements

continued

Ethnic minority communities in Da Bac, Vietnam are earning income selling traditional handicrafts to tourists.

Action on Poverty (AOP) had a deficit of \$179,636 for the 2016-17 financial year. Total revenue decreased by 16 per cent from \$10,384,434 in 2015-16 to \$8,707,549 in 2016-17. Total expenditure also decreased this year by 13 per cent from \$10,234,626 in 2015-16 to \$8,887,185 in 2016-17. This is largely explained by the completion of the Department of Foreign Affairs and Trade (DFAT) funded Australia Africa Community Engagement Scheme (AACES) on 30 June 2016.

AOP's donations in 2016-17 were down by \$238,895 from \$6,514,329 in 2015-16 to \$6,275,434 in 2016-17.

AOP's relationship with DFAT remained an essential partnership for ongoing funding with support from the Australian NGO Cooperation Program (ANCP). Based on support from the Australian public, the ANCP grant of \$1,920,745 from DFAT helped AOP to undertake development activities across Africa, Asia and the Pacific.

During 2016-17, \$7,964,714 was spent on overseas aid programs across Africa, Asia and the Pacific. This represents a decrease of \$1,248, 414 from the previous year. This difference is largely because the AACES project ended the previous year and the Eliminate Dengue Vietnam Program funding was reduced from 2015-16 to 2016-17. Program support costs for 2016-17 were \$482,015, which is similar to the 2015-16 costs of \$479,783.

Administration and fundraising expenses were \$101,260 lower this year at \$440,456 in 2016-17 compared with \$541,716 in 2015-16. AOP received \$55,139 of pro bono and volunteer support in 2016-17, increasing from \$51,813 in 2015-16.

AOP's restricted funds dropped slightly from \$1,815,802 at 30 June 2016 to \$1,591,001 at 30 June 2017. Unrestricted funds grew from \$660,371 at 30 June 2016 to \$705,536 at 30 June 2017.



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Report of the Independent Auditor on the Summary Financial Statements of The Australian Foundation For The Peoples Of Asia And The Pacific Limited "AFAP"

The accompanying summary financial statements as set out on pages 28 to 31, which comprises the summary statement of financial position as at 30 June 2017, the summary statement of comprehensive income, summary statement of changes in equity and table of cash movements for the year then ended, are derived from the audited financial report of AFAP for the year ended 30 June 2017. We expressed an unmodified audit opinion on that financial report in our report dated 10th November 2017. That financial report and the summary financial statements do not reflect the effects of events that occurred subsequent to the date of our report on that financial report.

The summary financial statements do not contain all the disclosures required by Australian Accounting Standards. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial report of AFAP.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited financial report prepared in accordance with Australian Accounting Standards.

Auditor's Responsibility

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Opinion

In our opinion, the summary financial statements derived from the audited financial report of AFAP for the year ended 30 June 2017 are consistent, in all material respects, with that audited financial report, prepared in accordance with Australian Accounting Standards.

Owen Houston Registered Company Auditor No 4548

Dated: 10th November 2017

OUR SUPPORTERS

By working in partnership, we achieve development that is inclusive, sustainable and cost-effective. We give special thanks to all the Action on Poverty supporters who mobilised millions of dollars for life-changing projects in 2016-2017 to help thousands of vulnerable people lift themselves out of poverty.

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One supporter has chosen to remain anonymous in this report

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