

# Overseas Council Australia and Controlled Entities

## Directors' Report

### July 2019-Dec 2020

In respect of the financial period of 18 months ended 31 December 2020, the directors of Overseas Council Australia (OCA) submit the following report made out in accordance with a resolution of the directors:

#### Directors

The names of the directors of the company in office at the date of this report are:

David Barrie Brown	Sandra Errey
Kenneth Chapman	Alan Jeffrey Hall
Catherine Crouch	Stephen Robert Kerr

#### Purpose and Principal Object

The Company has been established to be a charity the purpose of which is to advance religion and education.

The principal object of the Company is to advance the mission of Jesus Christ of "making disciples of all nations", and in particular -

- (a) to achieve this by partnering with theological colleges, students and others in developing countries to train and develop outstanding Christian leaders in their own context; and
- (b) to encourage excellence in theological education by supporting theological colleges which are or have the potential to be leaders within their own countries and to raise the standards of theological education and Christian leadership throughout their own countries and regions.

#### Key highlights of the year included:

- Funds and services to a total of \$1.85 million (18 month) were distributed, donated or applied for the purposes of our partner Bible colleges.
- We directly supported around 240 students in 21 colleges.
- More than 20 faculty members were supported to upgrade their qualifications. We continue to work with partner colleges to identify new doctoral or masters level candidates for support in future years.
- We undertook numerous projects which will assist our partner colleges improve their training of faculty and other ministry leaders. Many are listed below in relation to the changes in our approach due to the pandemic.
- As part of the Africa Mile Deep Strategy the third conference was held in February 2020 at the Alexandria School of Theology in Egypt.
- A second group of scholars from Indonesia were hosted by OCA, with the Australian College of Theology in the 2H CY 2019. Further programs of assistance were developed for the senior scholars of the PASTI group of 55 evangelical colleges.
- In October 2019, Dr Samuel Sidjabat from Tyrannus Bible Seminary, Indonesia was our guest and speaker at our Annual Dinners/Functions held in Melbourne, Sydney, Perth, Brisbane, Canberra, Hunter, NSW Central Coast and Wollongong. Planned speakers for 2020 were postponed to a later time. We held our Annual Dinner series in October 2020 with local leaders in each city. All meetings except Melbourne were able to proceed. We're grateful for Dr Simon Gillham, Dr Ben Johnston, and Dr Peter Francis accepting our invitation, and for Dr Tim Myers who spoke in Melbourne in March 2021.

## Strategy

Our principal strategies continue to be help partner Bible colleges build their capacity to serve their communities through Christian leadership and scholarship. We do this college by college, country by country, region by region and globally. We continue to work with like-minded organisations internationally, especially in the OC network. The COVID-19 pandemic and lockdowns began half way through the 18-month reporting period and significantly impacted the focus of our work. This was both stressful and productive. The implications will last for many years in our activities.

### July 2019-February 2020

We expanded key strategies which had begun in previous years.

The Pasifika Strategy continued to focus on supporting the Master of Theology program at Christian Leaders' Training College in Papua New Guinea. We identified a key need to appoint a point-person for the program based in the region. The aim would be to more pro-actively incorporate smaller colleges in PNG and those we've connected with in the other Pacific islands. After much discussion we were limited by the pandemic but were close to making an appointment in early 2021.

The Africa Mile Deep Strategy continued to roll out several programs and ramped up support of new projects in most of the areas we had been working. Five of the six hub colleges and their affiliates added new activities and OCA was able to resource about twenty new initiatives. New and exploratory relationships have begun in several other countries, often with links to the hub colleges. This was the case in Malawi, South Sudan, Rwanda and Sudan.

Our Indonesian Strategy is based around our growing relationship with PASTI, the association of 55 evangelical bible colleges in Indonesia. We provided writing scholarships for six senior faculty and explored other needs that the group has to help the colleges achieve government accreditation, which is the great need they have expressed. Our particular focus has been on the leading eight colleges of PASTI.

Other strategies were also explored, such as the need for new training options for Chinese pastors in China in the area of missiology. While the rhetoric in the west suggests a 'vast army' of believers ready to go out in mission, the reality is both much smaller, and much less equipped than is suggested. Furthermore, early indications are that missional activity of Chinese missionaries is poorly thought out, lacks adequate training and leaves the missionaries discouraged and ineffectual. We hope in 2021 to develop a response to this need.

### March 2020 – December 2020: Pandemic Impact

With the growing awareness of the significance of the COVID-19 pandemic in March and April of 2020 we carried out a major review of our internal operations and our support of our international partners.

Indications from our supporters, natural reductions in expenses such as travel restrictions etc, and some small government assistance suggested that our internal operations would not be impacted financially. We were able to quickly turn our attention to the needs of our partner colleges.

Internationally many existing projects naturally had to be postponed. Many faculty were unable to continue with their studies and some projects could not continue. Nearly all our partner colleges had some form of complete or partial shutdown. Most were forced to develop online education. The nascent attempts were usually crude, but this began a trajectory of a strong desire to improve competence in online education. OCA shifted significant resources to understand the needs and meet those needs.

In Q2 CY 2020 we launched a range of new projects to meet the expressed needs of each of our partners. Each college was different so we tailor made our support to their situation. Our supporters responded well to our **Shoulder to Shoulder Strategy**. The focus was on providing for the expanding IT needs, and for the educational training of faculty in this new environment. In a few cases we also assisted with funds for the relief of people suffering from the lockdowns where our partner colleges were doing such relief work. While this is not our core activity, the keenness of our partners made it an important part of our partnership.

The international nature of the pandemic and the universal experience of bible colleges globally meant that OCA was not alone in providing for the IT and other needs of the colleges in the developing world.

We coordinated our activities with the other four OC organisations and another like-minded US based organisation, Scholar Leaders, to provide over \$1.5 mil in the first six months of the crisis. More funds have flowed since then for these needs and will continue to do so in 2021 and beyond.

In particular, OCA has been partnering more with reSource Leadership International (OC Canada). This has been synergistic as our 'R&D' capacity has exceeded theirs and we have been able to benefit from co-funding many projects throughout 2020. We are looking to increase this cooperation.

### **Five Year Plan**

Under the encouragement of our new Chairman the OCA Board undertook an extensive review of operations and our international engagement. Our October 2020 Board Strategy Day included senior staff members and deliberated on a vast amount of material which was pre-viewed and pre-read so we spent the time processing the insights gleaned. Further work by the Executive Director and the staff team has led to a preliminary five-year Strategic Plan 2021-25. It outlines our current trajectories and new initiatives which we will explore and implement in the next period of the life of the ministry.

In summary, given the success of our national, regional and global strategies we will seek to conceive of our engagement in such terms as a norm in the future. As part of this, and to reduce the 'key person risk' associated with our Executive Director we will look to contract international workers where possible to assist in delivery and monitoring of projects.

### **Review of operations**

OCA's income continues to be derived mainly from donations from individuals, churches and foundations.

We took significant steps at the start of the period to reduce expenses. This has been successful, and we kept expenses within budget.

The board met 6 times during the period 1 July 2019 to 31 December 2020, together with its planning meetings held in October 2019 and October 2020.

A new staff member, **Lisa Ferguson**, was added in July 2019 to pick up work in the events and marketing area. We also welcomed **Bp Stephen Hale** in February 2020 as our Victorian Director. Stephen comes with a wealth of domestic and international experience in leadership and travelled with the Executive Director to Africa and Lebanon prior to the lockdown in March.

Subsequent to the reporting period a new appointment has been made for a **Sydney Director** in 1Q CY 2021 – Rev Dennis Park. He will be introduced at the AGM.

**Online Office** - The efforts made in previous years to make OCA capable of operating in the cloud paid off so that there was nearly no disruption when the pandemic lockdowns were implemented in March 2020. Due to reduced use it was determined to quit the office in Parramatta in November 2020 when the lease concluded. Casual arrangements will be made in 2Q CY 2021 for the new circumstances to facilitate semi-regular face to face meetings at significantly lower costs.

Our planning for 2021 continues to include the potential variations which may be needed due to lockdown law variations. We are grateful to the staff for their flexibility and keen attitude despite these uncertainties.

### **Audit and Risk Committee**

The regulatory framework within which OCA now works is increasingly burdensome and so during the period the Board formalised the work of the whole Board and its ad hoc committees into an Audit and Risk Committee.

The committee consisted of:

Stephen Kerr – Board member and Chairman

Alan Hall – Board member

Stuart Brooking – Executive Director

Mark Payne – Head of Operations

The committee met several times in the period and worked on the following matters:

- Established a risk matrix, registry of risks, and devised suitable treatments.
- Worked to meet the new Australian Charities and Not-for-profits Commission's External Conduct Standards.
- Worked to fulfil the Missions Interlink Standards and
- Prepared to apply to the CMA Standards Council for accreditation.
- Updated and created a range of new policies to fulfil the above requirements.

The Board is grateful for the diligence and expertise of our Head of Operations in this work and for the contribution of the members to ensure the high reporting standards of the organisation.

### **Consultants**

After several years of significantly expanding our incorporation of consultants into the ministry the pandemic has put a brake on some of that work. Where we had long term people in a consulting role they were able to continue making their contribution online. The short-term visiting consultancies dried up through the year. We hope to bring them back in strength in 2022, and we keep in low level contact with the consultants, many of whom are long term supporters.

### **Supporters**

The unique elements of the pandemic have given us a new opportunity to reinforce key missiological principles with our supporters such as the necessity of strengthening local Bible colleges and helping them with online education development.

### **Change in Financial Year**

This report relates to the financial year from 1 July 2019 to 31 December 2020.

On the application of OCA, the Australian Charities and Not-for-profits Commission (ACNC) approved the change in the financial year for OCA and the Overseas Council Fund to the year ending 31 December. As part of the transitional arrangements, this change was made because it better enables OCA to manage its expenses (which occur fairly evenly throughout the year) with its income (much of which is received in the June quarter each year).

The Australian Taxation Office has also approved a change in the financial year for the Overseas Council Fund to the 12 months ended 31 December.

As a transition to the new financial year, the ACNC approved an interim financial year for Overseas Council Australia and the Trustee for Overseas Council Fund for the period 1 July 2019 to 31 December 2020, being the period to which this financial report relates.

### **Operating Results**

OCA has transitioned from a July – June reporting year to a January to December reporting year. As part of that transition this report is for an 18-month period. Donations are typically much higher in the April to June quarter. This report, being for July 2019 to December 2020, includes five of our slower quarters and only one higher one.

We are pleased with the level of financial contribution and the steady increase in the number of supporters throughout the year. Our overall income was around \$2.6 mil for the 18-month period and \$1.9mil for CY 2020 which is pleasing.

### **Board membership**

**Kate Crouch** joined the Board in August 2019. Kate works in events management for a large legal firm. She recently moved from Brisbane and is now based in Sydney.

**John Anderson** retired as Chairman and a member of the board at the conclusion of the annual general meeting in November 2019. John had ten years as a member of the board, the last seven of which were as Chairman. In recognition of John's ongoing interest in the organisation the Board invited him to be Patron of OCA which he accepted. John continues to promote the ministry of OCA, working closely with our Executive Director.

**David Brown** took up the role as Chairman at the close of the AGM in November 2019 after 10 years membership of the Board.

**Dr Miyon Chung** resigned as member of the board in February 2020 by reason of her relocation overseas and teaching travel commitments which made it difficult for her to attend board meetings. Miyon continues in contact with our Executive Director around theological education organisations in Asia.

Subsequent to this Reporting period, **Rev Tim Clemens** resigned from the Board at the February 2021 meeting after five years' service. His church planting and family commitments made an ongoing commitment to board duties unmanageable. We are grateful for his contribution.

The Board is in an active recruiting phase for new members and is seeking to balance potential candidates' skills with existing members, as well as gender, denominational and geographical diversity.

### **Directors' Meetings**

The number of directors' meetings held in the period each director held office during the financial year and the number of meetings attended by each director were:

	<u>Meetings attended</u>	<u>Meetings</u>
John Duncan Anderson (retired 26 November 2019)	2	2
David Barrie Brown	6	6
Kenneth McCathie Chapman	5	6
Timothy Edward Clemens	6	6
Miyon Chung (resigned 13 February 2020)	0	3
Sandy Errey	5	6
Alan Jeffrey Hall	6	6
Stephen Robert Kerr	5	6

No indemnity has been given or insurance premium paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company with the exception that Directors and Officers insurances have been taken out by the company and that premiums have been paid for professional indemnity insurance in respect of the directors.

### **Auditors**

The company's auditors follow the independence requirements of the Australian ethical standards. The auditors have provided the Board of Directors with a written declaration of their independence. After nearly 20 years of service to OCA, Lawrie Green, of Shedden and Green has advised the Board that they will no longer perform auditing services. We are grateful for their work over this time.

Subsequent to the reporting period considerable progress has been made in making this appointment. The Board hopes to make an appointment of a new firm by their April 2021 meeting and will seek ratification at the AGM.

## **Members Guarantee**

The entity is a company limited by guarantee. Under the Constitution, in the event of a shortfall of funds upon a winding up the members guarantee the obligations of the Company to the extent of \$10 per member. At balance date as there were 65 members, the amount so guaranteed in total amounted to \$650.

## **Final Comments**

The Board is conscious of the complexities of business and ministry due to the COVID-19 pandemic. We express our thanks to the OCA staff and consultants for their adaptation to the new environment and to our many supporters who have continued their support throughout the period. We are conscious too of the considerably more difficult environment that most of our international partners have endured and have been pleased to serve them and learn from them in this time.

8<sup>th</sup> April 2021

For and on behalf of the board:

*Alan Hall*

Director

*For a full copy of the audited accounts please contact the OCA Office – [office@overseascouncil.com.au](mailto:office@overseascouncil.com.au)*