

Overseas Council Australia and Controlled Entity

(ACNC Reporting Group)

ABN 68 092 388 746

Financial Report

For the Year Ended 31 December 2021

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Overseas Council Australia and Controlled Entity

Directors' Report

January – December 2021

In respect of the financial period of 12 months ended 31 December 2021, 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 directors of the company in the office as the date of this report are:

David Barrie Brown
Kenneth McCathie Chapman
Catherine Louise Crouch
Sandra Jane Errey
Nicola Grace Gibbs
Alan Jeffrey Hall
Frederick Kuan Hean Lee
Stephen Robert Kerr
Perry William Howard Shaw

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:

- Our total income was \$3.3 million.
- Funds and services totalling \$2.4 million were distributed, donated or applied for the purposes of our partner Bible colleges.
- We directly supported around 240 students in 21 bible colleges.
- More than 40 faculty members were supported to upgrade their qualifications. While this is an increase on the previous year, we continue to work with partner colleges to identify new doctoral or masters level candidates for support in future years, particularly in Asia.
- We continued to support our partner bible colleges particularly through investing in their online education needs. This extended our work in 2020 which provided emergency resources for the early stages of the pandemic lockdowns.
- We secured significant new funding (\$1.5 million in 2021, and pledges for \$1.7 million in 2022 and \$1.6million in 2023) to launch our new strategy Local Online: A Global Strategy (LOGS). Details are set out below.
- As part of the Africa Mile Deep Strategy the fourth conference was held in April 2021. This was conducted online due to the lockdowns and was able to continue to build this 15-year strategy.
- We continued to support our partners in Indonesia through the PASTI consortium of 45 bible colleges, with funding for various conferences.

- We were unable to hold our usual two international speakers' events so substituted promotion of our video series "Is there a Better Way?" in Q2 and held our Global Launch of the LOGS strategy in Q4.
- We expanded our staff and board members as indicated elsewhere in this report.

Strategy

Our principal strategies continue to be helping 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.

Shoulder to Shoulder Strategy – initiated in 2020, we continued to fund colleges with emergency needs for online education and in a few cases (particularly our Indian college partners) we were able to assist with needs for local people severely impacted by the pandemic and lockdowns. In the latter case faculty and students joined with local churches to provide emergency packages for needy families.

Providing aid itself is not a core activity of OCA, but it supports our partner colleges to train students to learn how to do community engagement in emergency situations, sensitive to the many ethical issues in such contexts.

The Shoulder-to-Shoulder Strategy was designed to morph into a more long-term strategy. This developed into the Local Online strategy.

Local Online: A Global Strategy – Moving beyond the first impact of the Covid-19 lockdowns and our emergency support, we devised Local Online: A Global Strategy. This new strategy has engaged the whole OC Network and several other key international organisations. The aim is to assist colleges move beyond survival to provide quality online and hybrid education. The potential is that the increases in capacity of over 100 bible colleges and will reach a much larger number of students.

We employed Dr David Turnbull to be the Director of this strategy and transferred Linda Peterson from our Sponsorship Program to be the LOGS Manager. They have worked well to build the foundations of the LOGS operations from August and have been engaging dozens of new bible colleges and leaders around the world. The first funding went offshore in Q4.

The Pasifika Strategy is in its tenth year and has continued to focus on supporting the Master of Theology program at Christian Leaders' Training College in Papua New Guinea. As indicated in last year's report we have longed to expand the impact of the strategy around the Pacific region. We are pleased to advise that, subsequent to our reporting period, we appointed Dr George Mombi of Christian Leaders Training College, in February 2022. He will work 1/3 time as our Pasifika Director and tour at first PNG colleges and, when lockdowns lift, more widely throughout the Pacific region.

The Africa Mile Deep Strategy – 2021 was the fourth year of the strategy and despite the lockdowns it has been able to proceed, though we noticed an acceleration in the final months of 2021 and into 2022. Each year we have introduced new themes for our partners to consider and engage as they choose. This progress has been slower in 2021 though we did launch the two new Islamic Studies centres in Egypt and Kenya to assist the many colleges who need to increase their competence in working with the Muslim communities in their countries. We look forward to the 5th Annual conference in April 2022 to explore the new strategy of Generosity Gospel (anti-prosperity gospel teaching) and expanding the existing strategies.

It is pleasing to have welcomed Dr Pauline Golder to our team in Q2 who has 20 years' experience in West Africa. She is now our Francophone Africa Director and working closely with the OC USA Regional Director for that part of the continent. We are growing in our knowledge and thus contribution in that region.

PASTI Indonesia – Through our allocated PASTI funding we were able support several in-person and online conferences for faculty members throughout Indonesia. Through Shoulder-to-Shoulder we could support eight key colleges in the consortium who teach doctoral programs to help them with the emergency online IT needs.

Other Strategies – As indicated in last year’s report we have been working towards devising a strategy for the Mandarin speaking world. Details will not be shared extensively but, after our reporting period, we have made an appointment for this work. Members who wish to learn more can contact the Executive Director.

Five Year Plan 2020 - 2024

Concluding in the November 2019 Board Planning Day we devised a Five-year Plan for the organisational development under three headings: International Ministry, Domestic Operations, and Resourcing Strategy. Many of the goals have already been realised through the injection of funds and activity of LOGS. The Executive Director reviews the plan monthly and the Board quarterly to ensure we remain focussed on fulfilling the plan and revising it as appropriate.

Review of operations

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

Due to the large increase in funding associated with LOGS and the need to expand our staff we revised the budget significantly at our July meeting. The revised budget was met.

Board - The board met four (4) times during the period, including its planning meetings held in October 2021 and the AGM in May 2022.

We farewelled Rev Tim Clemens in January 2021. His pastoral duties meant he was unable to continue work with OCA.

While the Board is always ‘on the lookout’ for new members, we had recognised the particular importance of this task over the last two years and sought to identify appropriate new members. We are pleased that we have secured three new members.

We welcomed Dr Perry Shaw, an international expert in Theological Education and friend of OCA as well as a long-term supporter Frederick (“Freddie”) Lee onto the Board. After our period we welcomed Nicola Gibbs to the board.

Perry, Freddie, and Nicola were appointed to fill casual vacancies and in accordance with our constitution come to the members seeking election at this AGM.

Staff – We farewelled **Mark Payne** in August as our Head of Operations. Mark was with us for four years and did a wonderful job not only leading our operations but establishing new systems for Risk Management, a suite of new policies, and procedures for our many new compliance regimes. He has gone to Compassion Australia as head of their risk and compliance department.

New Staff – We have expanded our Australian-based staff considerably this year.

Rev Dennis Park – Sydney Director. Q2. As this role is only 2 days per week he will concentrate on Sydney, not all of NSW. Dennis will also focus internationally on our work with PASTI in Indonesia.

Dr Pauline Golder – Francophone Africa Director and Faculty Study Grant Manager. Q2. Pauline fulfils these two roles and is seconded from SIM.

Dr David Turnbull – LOGS Director. Q3. David is based in Adelaide and will seek to do a little fundraising work for us in that city.

Richard Timberlake – Head of Operations. Rick is based in Brisbane.

Kathy Mildenhall – Sponsorship Program Manager. Q3. Kathy is based in Sydney and has been a long-term supporter of OCA.

Isha Dodanduwa – Operations Assistant. Q4. This is a new position to assist Rick with the significant expansion of our operations.

After our reporting period:

Dr George Mombi – Pasifika Director. Q1 2022. Based in PNG.

(Name Withheld) – Mandarin Region Director. Q1 2022.

We have entered MOUs with different funding arrangements for some of our new staff members. Others have been directly employed.

After many years of stability in our core team this expansion of staff, and the expansion of our ministry has brought many growing pains and the senior team are seeking to manage these, so the ethos of OCA continues to be embedded in the work we do.

Online Office

OCA quit its physical office at the end of 2020 and staff met mostly online in 2021. When possible, they met in groups with those team members who were able to assemble. A recent review indicated that staff feel there have been some advantages of the new situation even though they all enjoy being together when that is possible. The norm in 2022 is to have monthly in-person meetings and three-day bi-annual staff conferences.

Consultants

Apart from those consultants working for OCA as part of specific projects we also historically had a group of people who pre-pandemic would give a week or two each year to support our partner colleges. In 2021 only one such consultancy took place, assisting UBTC, our partner college in Mongolia with a board/management strategic planning conference. We hope to reenergise our consultancy program in 2022.

Supporters

The lockdowns have made it difficult to acquire new supporters since personal introductions are the core of any expansion. We are grateful for so many ensuring OCA has been well supported.

Passing of Robert Kerr

We acknowledge the passing of our third chairman in December, Robert Kerr. Rob was an essential part of the OCA story being both chairman and CEO throughout the 1990's. He led the appointment of our first staff, Norman and Lynnette Tucker and remained involved at board level till 2003 when for a few years he was Vice Chairman. Rob remained a keen supporter up till his death. We are grateful for his wonderful contribution at many levels.

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 (Until July)
- Richard Timberlake – Head of Operations (From August)

The committee met 12 times in the year with all members present each time.

The committee worked on the following matters:

- Review the risk matrix, registry of risks, and devised suitable treatments.
- Worked to fulfil the ACNC and Missions Interlink Standards.
- Prepared to apply to the CMA Standards Council for accreditation.
- Updated and created a range of new policies to fulfil the above requirements.
- Assessment and determination of a new audit firm.

The Committee recommended to the Board our readiness to apply to the CMA Standards Council for accreditation. OCA was awarded accreditation which signifies we are one of about 20 agencies in Australia who have demonstrated competence in a broad range of governance proficiencies.

Auditors

After 18 years of service our auditor, Lawrence Green of Shedden and Green retired. The Audit and Risk Committee established the criteria and invited four firms to quote. We appointed the leading Melbourne-based firm, Saward Dawson. They have made a rigorous investigation setting a baseline of our operations from January to December. Their report is presented here.

Change in Financial Year Completed

Following the 18-month transition report last year we now have completed the transition and have established the calendar year as our reporting year. We hope this will assist us to even out our workload particularly associated with the financial year end now sitting in the middle of our reporting year.

Operating Results

Our total income for the year was \$3,325,772 (Operating Activities Income \$922,497; Education and Project Support Activities Income \$2,403,275). It has been noted that we had a large single grant associated with LOGS of \$1.5million but the remainder of \$1,825,772 was still one of our higher results. The impact of this can be seen in the Financial Statements.

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:

	No. of Board Meetings Possible	No. Attended
David Brown	7	7
Kenneth Chapman	7	7
Catherine Crouch	7	7
Sandy Errey	5	3
Alan Hall	7	7
Stephen Kerr	7	7
Frederick Lee	1	1
Perry Shaw	2	2

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.

No remuneration was paid to any Board member during the time of their membership.

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 76 members, the amount so guaranteed in total amounted to \$760.

OCA Name Change and Rebranding

The Board has over the past year considered a request by the Executive Director to change the name of OCA and its accompanying logo. This was driven by OCA's fundraising team who have long been aware that the name is not helpful for promoting the ministry. Their experience was that it was often confusing to many potential donors and not memorable for them.

While there is an affection for our long-standing name associated with such a wonderful ministry OCA is now in a new phase and wishes to capitalise on its growth by appealing to an ever-wider group of potential supporters.

A media firm was engaged to consult with staff, the board, and stakeholders to help identify a preferred name.

The Board is recommending a name change and rebrand for OCA to be formally called 'Local Leaders International' and using the 'bridge logo' as outlined. This name emphasises the focus on leaders and the importance of context. The juxtaposition of 'local' and 'international' in the name invites reflection on the locus of our activity in each place for the benefit of the church but also the strategic global nature of our work. The new logo is an adaption of the current one but reinforcing the two-way nature of the relationship between our Australian supporters and our international partners.

It is anticipated that, if accepted by members, we would launch an advertising campaign (funded by a donor) in May and June 2022.

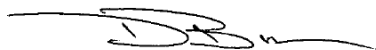
Final Comments

There is much to be grateful to God for – new projects, new students and faculty to support, new donors, new staff, new board members, new auditors and the faithful ongoing service and support from all who have been associated with OCA for many years. A special thank you to Stuart and the whole team who continue to work tirelessly with servant hearts for the building up of local leaders in the majority world for gospel ministry.

It has been a big year of growth and we look forward to the year ahead with excitement and expectation of what God has in store for the work of OCA and his work in each of us. May we all join with Paul in his letter to the Galatians (2:20) in knowing that "we have been crucified with Christ. It is no longer we who live but Christ that lives in us. And the life we live in the flesh, we live by faith in the Son of God, who loved us and gave himself for us".

Date: 30/03/2022

For and on behalf of the Board



Director