

A photograph of four young children of Southeast Asian descent sitting on a wooden ledge in front of a rustic building. From left to right: a girl in an orange tank top, a boy in a blue polo shirt, a girl in a yellow t-shirt and blue pants, and a girl in a red tank top and floral skirt. They are all smiling and looking towards the camera. The background shows weathered wooden pillars and a corrugated metal door.

tearfund

Annual Report 2016

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If you feel Tearfund has breached this, you can contact CID by calling 04 496 9615 or emailing code@cid.org.nz.

If wish to make a complaint to Tearfund, you can do so by calling 0800 800 777 or emailing info@tearfund.org.nz.

Charity Act 2005 registration CC21725





Dear friends,

Thank you for your incredible support over the past year. With your generosity and the hard work of our staff, partners and board, we helped more than 200,000 people across 40 countries. We distributed a record \$13 million in support to partners, undertaking truly inspirational work around the globe. Here's a synopsis of what you helped enable, across our five causes:

In **Empower**, we improved agricultural production and market access for more than 4,000 farmers. Sri Lankan dairy farmers saw a five-fold increase in their incomes since their project began. We also secured New Zealand government funding for projects in the Philippines and Sri Lanka.

In **Protect**, we continued to combat exploitation, resulting in 54 rescues, 25 convictions, and helped 95 survivors through rehabilitation.

In **Nourish**, we improved health outcomes for over 10,000 families and reached 1,700 young Pacific Islanders through our youth development programme.

In **Restore**, we supported 46,000 people caught in disaster or conflict ranging from a cyclone in Fiji to Syrian Refugees in Lebanon.

In **Sponsor**, Kiwis sponsored 1,587 children, taking our total to 12,617.

Thanks for helping us reach so many in need.
We couldn't do it without you.



Ian McInnes
CEO

A blue ink signature of Ian McInnes.



Gary Agnew
Chairman of the
Board

A blue ink signature of Gary Agnew.

Motivated by Jesus, we encourage Kiwis to act for justice to relieve poverty among the world's most vulnerable people.

Tearfund puts faith into action. We combine the commitment of our local team with the expertise of international partners to bring about real change in the lives of those most in need.

We **nourish** communities with life's essentials. We **protect** the vulnerable from exploitation. We **restore** hope and peace when disaster and conflict strikes. We **sponsor** children in need, and we **empower** people to help themselves.

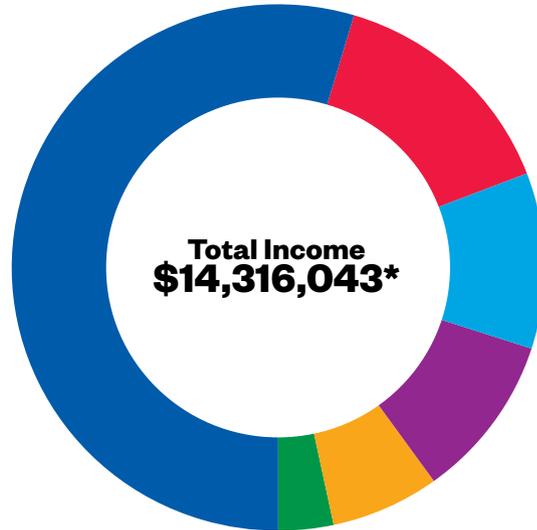
Our vision is to see individuals and communities around the world transformed by hope, opportunity and dignity.

We invite you to join us in making a real difference.



Income by Cause

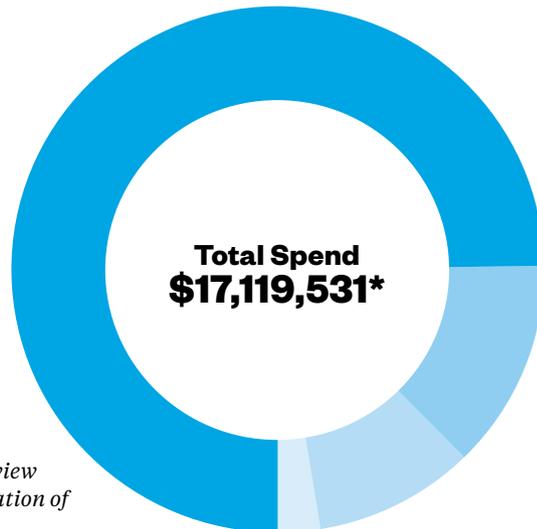
for the year ended 30 June 2016



- 54%** | **Sponsor**
Child Sponsorship
\$7,777,999
- 15%** | **Restore**
Disasters and Peacebuilding
\$2,096,202
- 11%** | **General**
Where the need is greatest
\$1,637,358
- 10%** | **Protect**
Anti-trafficking and Exploitation
\$1,373,797
- 8%** | **Empower**
Enterprise and Empowerment
\$1,204,340
- 2%** | **Nourish**
Water, Health and Education
\$226,347

How your money was spent

for the year ended 30 June 2016



- 77%** | **Programme grant expenditure**
\$13,110,565
- 12%** | **Administration expenditure**
\$2,036,447
- 9%** | **Promotional expenditure**
\$1,601,803
- 2%** | **Education and advocacy**
\$370,716

* See the Financial Review (pg.22) for an explanation of the deficit.



Where we work

We believe communities have the best solutions to their problems, so we identify local organisations around the world to partner with and empower, to effect positive change.





Our causes

-  **Sponsor**
-  **Restore**
-  **Protect**
-  **Empower**
-  **Nourish**

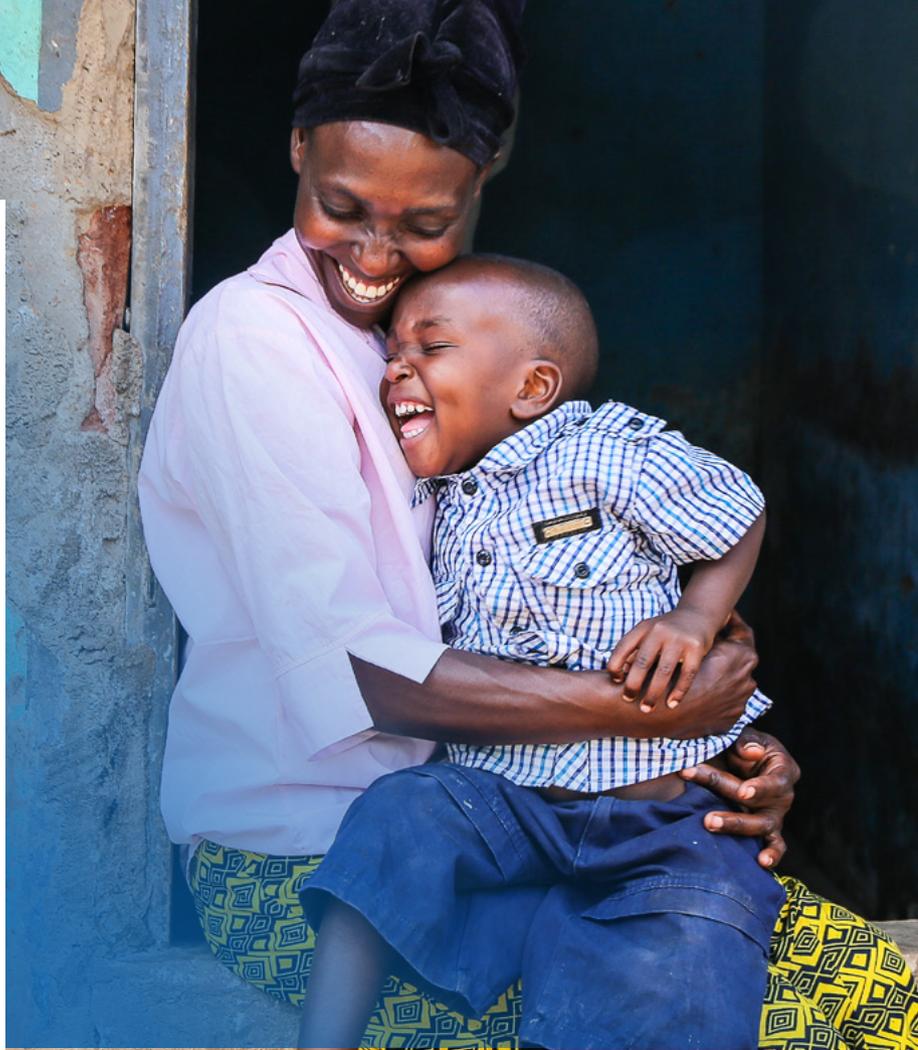
Find out more online
tearfund.org.nz/Our-Work

Karen was deprived of oxygen when she was in the womb and was pronounced clinically dead. But to the doctors' amazement, Karen started breathing.

When Karen started the child sponsorship project at the age of five, she had problems with her speech, hearing and motor skills. She did not speak with her classmates, and she felt ashamed because she could not control the saliva dripping from her mouth. Through the project, Karen received speech and many other therapies.

“In the past, I did not speak even a word, but now I like to talk a lot with my family and friends.”

Karen Ortega, Colombia



Sponsor | Child Sponsorship

The aim of Tearfund Sponsor is to meet children's needs so they are empowered to reach their full potential.

Thank you to all our sponsors who gave children an opportunity of a better life over the past year.

Compassion's child sponsorship programme is implemented by the local church to provide opportunities and hope for children.

Our sponsorship model is:

Christ Centred: Everything we do is inspired by our love of Christ.

Child Focused: We make sure children are known, loved, and protected.

Church Based: We believe a healthy local church is the hope of the world.

Over the past financial year:

1,587 children have been sponsored by Kiwis over the past year.

The total number of children sponsored now through Tearfund's Compassion sponsorship programme is 12,617.

Compassion works through 6,952 church partners around the world.

Throughout the Compassion network, 42,336 students were enrolled in university or vocational training, giving them more opportunities in life.

Children in our Compassion programme are:

27% to 40%
more likely to finish secondary education.

50% to 80%
more likely to complete a university education.

30% to 75%
more likely to become community leaders than non-sponsored peers.

According to independent research conducted by Bruce Wydick, Professor of Economics and International Studies at the University of San Francisco, in 2008.



Restore | Disasters and Peacebuilding

The objective of our Restore programme is to respond to disasters effectively and assist communities to reduce their risk of disaster and conflict.

Natural disasters result in human suffering, loss of life and livelihoods, damage to critical infrastructure, and increasing numbers of displaced persons globally. They disrupt development progress and can wipe out gains which may have taken years to achieve. Over the last financial year, climate change, a strong El Nino and protracted conflicts meant humanitarian needs were high. Our partners delivered effective, targeted disaster responses, drawing on their strengths, relationships, contextual knowledge and expertise.

Over the past financial year:
Tearfund partners responded to over 46,000 people affected by disaster and crisis.

We also launched a Pacific-wide resilience-building project to reduce the risk of disasters in communities we work in.

Disaster Response

Syrian refugees (Lebanon)

3,720 food vouchers, 4,000 blankets and 2,332 fuel vouchers were distributed.

Cyclone Winston (Fiji)

More than 500 households (est. 2,645 people) were provided with assistance.

Drought response (Somaliland)

Micronutrient powder was distributed to 347 children under two years.

**Aided disasters over
the financial year**

January 1

El Niño Vanuatu

February 20

Cyclone Winston hit Fiji

March

Marked the fifth anniversary
of the Syria Crisis

Nepal earthquake recovery

Support packages were distributed
to 2,295 households.

Disaster livelihoods recovery

We addressed agricultural recovery
for 5,500 families who had their
means of livelihood destroyed by
natural disasters in Vanuatu, Haiti
and Nepal.

Conflict

1,800 people received psycho-
social trauma counselling through
Tearfund's partners around the
world.

90%
of disaster deaths
occur in low to
middle-income
countries.

65.3m
or one in 113
people are
displaced
worldwide.

US \$175b
worth of damage
was caused by
natural disasters
in 2016.





Ahmad, his wife Maha, and their five children fled the conflict in Syria, ending up in Lebanon. During the cold winter, Tearfund supporters brought them warmth and comfort.

“I want again and again to say thanks to you, especially for the stove and the fuel,” said Ahmad. “Without these, we would have really suffered from the cold. We thank you for how you help us.”

The Da'oud Family *(Name changed for security reasons)*



Integral:

Tearfund is a member of the Integral Alliance, a group of 26 Christian aid organisations around the world that pool resources to respond to disasters. Together, we work in 85 countries through over 600 partners.

“I was taken by my father's friend to a circus in India at the age of 14. On my return home eight years later, people in my village gossiped that I was a prostitute in India. I married and had two children, but my husband died. I wanted to read and write, but never had the opportunity. I heard about a Life Long Education class in my village. I feel happy and proud because I can read and write and I now have hopes and dreams. I have also had health and counselling assistance. I want to participate and support my group in the movement against human trafficking.”

Shova Rokka, Nepal



Protect | Anti-trafficking and Exploitation

The goal of Protect is to holistically combat labour and sex trafficking and exploitation in all its forms.

Trafficking and exploitation of people for sex or labour is a trans-national crime and a gross violation of human rights. It robs people of their dignity and their freedom.

Tearfund takes a multipronged “five-Ps” approach to the anti-trafficking and exploitation sector, incorporating prevention, prosecution, protection, policy development and partnership.

This has resulted in increased community mobilisation against the abuses of human rights violations relating to trafficking and exploitation; and an increased number of investigations, rescues and prosecutions. We have also seen an improvement in the quality of aftercare for survivors of sexual exploitation and their reintegration into communities.

Thailand

54 victims were removed from sexual exploitation.

25 people were convicted for sexual exploitation crimes.

Cambodia

1,917 trafficking survivors received counselling, 93% of new clients were enrolled in school, and 96% were referred to vocational training.

155 trafficking survivors were helped to reintegrate into a community.

Nepal

703 women were trained in gender violence prevention, income generation, and psychosocial support.



Empower | Enterprise and Empowerment

The objective of Tearfund's Empower programme is to promote sustainable livelihoods that increase incomes and produce enough food for families involved in the programmes.

We take two approaches in our Empower work; both use the resources that individuals and communities already have.

Smallholder farming

We empower communities through agriculture, by helping farmers to form cooperatives so they can supply markets in volume. We train them to add value and quality to their produce so they can receive a higher price, help them produce their agricultural products more efficiently and sustainably, and help them link with markets to improve their incomes.

People involved in our agricultural programmes had higher yields, used resilient farming practices, and received increasing returns on the sale of their produce.

Self Help Groups

The second way we empower people is through organising people into Self Help Groups. In these groups, members save a little money each week, creating a fund from which members can borrow to meet household needs, such as school fees and start up income-generating initiatives.

People involved in Self Help Groups saw personal changes in their confidence and self-esteem, economic changes, such as asset accumulation and increased income, and social changes, such as more respect and greater unity in the community.

Where your money goes

Tearfund's supporters help to provide the infrastructure, training and support to grow incomes to achieve the goal of economic empowerment for all.

Over the past financial year:

Tearfund empowered 35,000 individuals by supporting innovative agricultural programming and the establishment of farming cooperatives and Self Help Groups.

This has meant people were able to feed their families, gain economic opportunities, and have an income to save and cover basic family needs.

Philippines (Mindanao)

Households have increased their average income by 67% by growing and selling organic products.

Sri Lanka

Dairy farmers have increased their average monthly income five-fold.

Afghanistan

The total investment in goats was 869, with the total of returned offspring from the community reaching 1,781 goats.

South Africa

117 Self Help Groups were added, bringing the total to 1,698. A total of 506 small income generation activities were started by the groups.

There was a 60% reduction in people eating smaller meals as a coping mechanism.

80%
of Mongolian
farmers are
food secure.

869
goats were
distributed
in Afghanistan.

153%
average income
increase of
Mongolian farmers.





Sisi is a mother of five from Tanna Vanuatu. Following the El Niño drought last year, she struggled to grow food for her family. Now she smiles with joy as she receives cabbages and beans distributed from the El-Niño farm. Sisi faithfully attended farm training sessions and now continuously has enough vegetables in her garden to feed her growing family and a surplus to sell.

Sisi, Vanuatu





Nourish | Water, Health and Education

The objective of the Nourish programme is to ensure the basic needs of communities are met with dignity.

Access to adequate health, water and education are fundamental human rights. However, for many reasons communities are often deprived of these.

Vulnerable sectors of society (women, young people, elderly, and people with disabilities) are often impacted disproportionately by a lack of these basic services.

Over the past financial year:

Nourish has focused on child and maternal health, reaching more than 10,000 families with life-saving support for mothers and babies who would otherwise struggle to access basic health, nutrition and water services.

We also continued to work with young people in six Pacific countries, providing training and educational opportunities. The change in access to these basic health and education services is vitally important for these communities and forms the foundation for further development work to be done.

Indonesia

60% of households established vegetable gardens for household consumption and nutrition.

7,439 children have been educated on nutrition and disease prevention.

10,000
families were helped through Nourish.

58%
increase in mothers breastfeeding up to six months.

Indonesia

Delhi, India

There were zero maternal deaths recorded across the project. This was helped by antenatal and postnatal checks.

Only 11% of women are malnourished. This is a significant improvement from 62% before the project began.

90% of boys and 75% of girls in the project area are now enrolled in school. This is an increase from under half of boys and a quarter of girls.

There was a 71% increase in the number of births attended by a midwife or in a hospital.

Pakistan

The prevalence of diarrhoea in children under five decreased by almost half.

Pacific

A total of 75 small projects were started by graduates from our Pacific vocational training programme. These projects were focused on income generation, water/sanitation, developing community facilities, environmental education and community infrastructure.

51%
reduction in
malnutrition
among women.

India

75%
of girls are
enrolled at school.

India

68%
increase in child
immunisations.

Indonesia



Before Tearfund's health programme, Paru was not supported, resulting in debt from the use of private hospitals. The programme has connected her to cheaper government services.

Paru's son is 18 months old. Before the postnatal visits by Tearfund's partner, "I didn't know about the immunisations, about nutritious food, or the importance of getting sunlight for vitamin D".

Paru Devi, India



Financial Review

Looking back at the past financial year

25 Partners
in 40 countries

239,556
people were directly
impacted by our work

\$13.1m
distributed to our
partners

Overall Spending

In the financial year to June 2016, we distributed a record \$13.1m to our partners. We also spent \$370k on funding education and advocacy work in New Zealand.

We see this as important work that connects New Zealand into global issues of poverty and justice. We ended the year with an operating deficit of \$2.8m. The large operating deficit resulted from the timing of payments to our international partners, as we were able to distribute the accumulated designated funds that had built up over several years from our generous supporters.

Child Sponsorship

Our work with Compassion child sponsorship continues to be an effective way of connecting

supporters to children in 26 countries, where we seek to release children from poverty in Jesus' name. A total of \$7.8m was raised in the 2016 financial year.

Government Support

We utilised \$947k of government aid. This included \$109k to support our drought mitigation work in Vanuatu and \$418k to assist with the refugee crisis in Syria. Current development projects include farming in Sri Lanka and health and education in India.

A full set of audited financial statements is available on request. Contact:
annualreport@tearfund.org.nz

Statement of Revenue and Expenses

For the year ended
30 June 2016

Revenue	2016	2015
Non-government income	13,191,775	13,183,399
Government funding	947,442	1,028,870
Interest Received	149,852	293,506
Net Sales Revenue	26,974	66,782
Total Revenue	14,316,043	14,572,557
Expenses		
Programme grant expenditure	13,110,565	10,536,512
Education and advocacy	370,716	291,015
Promotional expenditure	1,601,803	1,448,596
Administration expenditure	2,036,447	1,813,068
Total Expenses	17,119,531	14,089,191
Net Surplus/(Deficit)	(2,803,488)	483,366

Statement of Financial Position

For the year ended
30 June 2016

Assets	2016	2015
Current Assets	3,055,010	7,323,160
Intangible Assets	702,129	364,985
Non Current Assets	186,035	152,629
Total Assets	3,943,174	7,840,774
Liabilities		
Current Liabilities	1,128,513	2,250,605
Term Liabilities	27,980	—
Total Liabilities	1,156,493	2,250,605
Funds		
Undesignated Funds	139,545	1,273,320
Designated Funds	2,056,930	3,726,643
General Funds	590,206	590,206
Total Net Assets	2,786,681	5,590,169

Coming up in 2017

**Aug
26**

**Poverty
Cycle**

The Poverty Cycle is your chance to get on your bike and fight for the freedom of others. Enter as a team of six or as a solo rider, and complete two laps at Ardmore airbase. Proceeds go to fight human trafficking.

povertycycle.org.nz

**Sep
8-24**

**Noel
Pabiona**

Country Director of Compassion Philippines, Noel Pabiona, leads a team that supports more than 81,000 children. Noel will travel NZ with inspiring stories about the difference sponsorship can make, and how you can be part of the story.

tearfund.org.nz/Pabiona

**Dec
7-13**

**Lillibet Bothma
Art Exhibition**

Lillibet's art is inspired by meeting "many interesting personalities" while travelling. Her paintings comprise layers of paint, rough brush strokes, and a heavy palette. Come and see her work.

tearfund.org.nz/Bothma





Juliagrace



Tearfund Running Team Corporate Challenge



Noel Pabiona



Brothers In Arms



Beth Harper and Bruce Patrick



Alabaster Box



Ralph Simpson and Michael Pollok



Peter Shurley



Poverty Cycle



Trafficking Unlocked

This is our Faith in Action

0800 800 777
tearfund.org.nz

The logo for Tearfund, featuring the word "tearfund" in a lowercase, blue, sans-serif font, centered within a white circle.

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