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INTRODUCTION

This Annual Report covers the reporting period from July 1, 2022, to June 30, 2023. The annual report presents the program of HFC and key accomplishments, changes, and challenges during the 2022-2023 period.

Our Vision

An Ethiopia where vulnerable communities have the capacity and resources to participate fully in creating meaningful solutions for their lives

Our Mission

HFC works with vulnerable Ethiopian communities in the areas of health, education and livelihoods. HFC's approach is two-fold:

To foster community-based participation, resilience and creative problem-solving to address current challenges.

To develop replicable models of success for dissemination across Ethiopia.

Our Values

HFC's core values guide our work:

We believe in human potential

We strive for innovation, creativity and resourcefulness in all of our work.

We believe the communities where we operate have a vital role to play in our decision-making processes and work.

We believe in building trust with our stakeholders by operating with accountability and transparency.

OUR HISTORY

Founded by Jacqui Gilmour in 2004, Hope for Children works in Ethiopia to support vulnerable children, young people and their families to realise their inherent potential.

Partnering with HFC Ethiopia, HFC funded the delivery of a range of programs in Addis Ababa, eastern Ethiopia for Orphan and Vulnerable Children (OVC) particularly those impacted by HIV/AIDS. These programs included providing free quality education - School of St Yared, Self-Help Groups, a family planning, sexual and reproductive health program for young people and their families, skills training for HFC community members.

2004

HFC registered in Australian as a notfor-profit company with the objective of carrying on work in Ethiopia in the areas of health, education and training, livelihoods and raising funds for these purposes.

2010

HFC registered in Ethiopia as a foreign charity under the new Ethiopian Charities and Societies Proclamation 2009, licensing it to implement and fund programs directly in Ethiopia. 2009

HFC gained OAGDS from the ATO and AusAid, which gave it tax deductibility status in Australia allowing it to increase its fundraising efforts for Ethiopia.

2021

In November 2021 HFC has become a Full Member and signatory to the Australian Council for International Development (ACFID).



A Message from HFC Chair, Marcelle Anderson

Our flagship program, the School of St Yared's, continues to be a beacon of change for children and their families in Addis Ababa.

Against a backdrop of the Covid pandemic and ongoing geopolitical uncertainty, the education system in Ethiopia has faced significant challenges. Out of a staggering 900,000 students who sit the National university entrance Exam only some 3% were successful.

By contrast, St Yared's graduates delivered excellent results. Last academic year, out of our 53 students taking the Exams 51 successfully gained university placement. Across the board, our students consistently achieve remarkable results, and are regularly recognised by the Ethiopian government for their outstanding achievements and behaviour.

HFC has this year been looking to broaden its reach and impact. The Board recognises that even after graduation our students are in need of support and counsel in what is a challenging economic and social environment.

Over this past year we have started to explore ways of supporting our post graduate community in a manner that will strengthen their leadership and self-reliance.

HFC has continued to engage at the highest levels with the Ethiopian government, and the school has received a number of visits from high-ranking officials in recognition of its successful model. Topics under discussion include new, larger premises for the school to facilitate the new intake of students; infrastructure and resources and replicating St Yared's model.

I would like to take this opportunity to express our profound gratitude to all our friends and supporters. Your commitment truly makes a future for these children that was once unimaginable, possible. We hope we can count on your ongoing support.



OUR PROGRAMS

The School of St Yared



The School of St Yared aims to provide first-class bilingual primary education to some of the poorest and brightest children in Addis Ababa. Our goal is to empower our inspiring students to break free from poverty and become the future leaders of their communities and their country.

In just over a decade, the School of St Yared has successfully demonstrated the capacity and potential of its students, and effectiveness of the school model.

Now educating 221 students, our school is a place that addresses the needs of young people, who are deeply resilient and yet understandably sometimes incapable of recognising their own potential to change the circumstances of their lives and of those around them. The holistic approach to all our activities has gained respect and trust, which is fundamental for the school to have a significant ripple effect within the community.

The school has progressively become a Community Hub where any issues affecting our students and their families are addressed by dedicated, well-trained and loving school staff.

All students significantly improve their well-being which increase the longer they are in the program Stable size of family within our community Much higher ability to maintain a sustainable income which increase the longer the child remains in the program.





A Message from our School of St Yareds Principal

The academic year 2022-2023 has been a highly successful year for SSY. The school has achieved exceptional academic, behavioural, and life skill outcomes for the students, and has implemented a range of innovative and technology-based initiatives to enhance the learning experience of the students. The school has also placed a strong emphasis on effective communication with parents, continued assessment, and teacher training and leadership development.

COMMUNITY IMPACT

The school is not only to provide its core purpose of educating selected students but to cater for and assist their entire community.

In turn, the school's intentional, community-based approach ensures that a sense of value and potential impacts the broader community in tangible, meaningful ways. We have created the conditions through which these communities can develop their own capacities to thrive.

From Self-helping groups and business training to health awareness and life mentoring, the school offers support to its community as its crucial step to change the circumstances of their lives and of those around them. So far SSY has directly and indirectly supported at least 15,000 members of its' community and it's evident that our community members developed a higher ability to maintain a sustainable income which increase the longer the child remains in the program.

The community also reported much better stability and stronger family unities.





PROJECT OUTCOMES

231 Total Students Served



Boys 102 **Girls** 129

98.9% Overall Attendance

over 80%

100%

Grade 8 students

over 84.5%

of Y9 - Y12

All high school students consistently maintain high results

85% of all students improved their school results over the year

At the end of school year 59% of students have achieved a mark of 85 and above. This increased from 25% in semester one

At least 15% improvement was noted in all students attending before and after school tutorials

all students

received a new uniform & all required clubs were available school materials

extra curriculum

10

every week

50,000 45,000

meals provided

healthy snacks provided





100%

Students had annual

health check at local

4

Workshops provided to all families on health & wellbeing

Students participated in Adolescent

Sexual & Reproductive Health awareness workshop

Following the Journey of the 53 SSY Graduates of 2022

98%

Entrance exam



25%

of the SSY graduates participated in tutorials for their younger peers

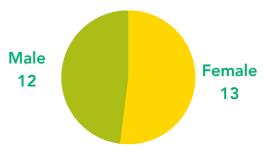
10%

high regard

spent significant time assiting their community

for SSY students within their communities and by local authorities

25 School Staff



with 100+ hours of **Professional Development**

OUR PARTNERSHIP PROGRAMS

Wholistic Transformation Resource Centre

HFC has partnered up with WTRC to deliver two main programs based in Philippines.

The Wholistic Transformation Resource Centre or WTRC is a not for profit organisation based in Manila, Philippines, with a large network of microfinance and development organisations. WTRC aims to build an awareness of the effectiveness of wholistic and transformational entrepreneurial initiatives combined with poverty alleviation initiatives by partnering with local organisations to pilot and implement pioneering community development programs.



The Education Project

This program helps to provide highly subsidized quality education, health and nutrition support, and access to resources to children of poor communities in five areas in the Philippines. The program also offers, afterschool programs and tutorials for students and youth, training and seminars for parents and family members, access to training and resources for teachers and tutors, as well as assistance for improvement of school facilities.

5 schools

supported in by WTRC in FY 22-23

760

total pre-school students assisted

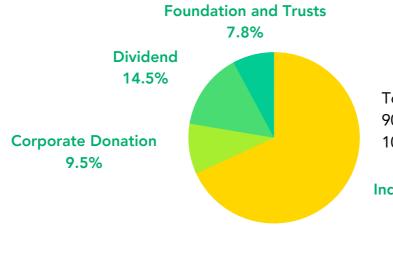
The Esther Project

Esther House is located in Angeles, Pampanga, 83 km outside of Manila. The project is a post-shelter transition program which caters to female survivors of abuse, slavery, and trafficking by providing a safe space as they transition from shelter life to independent living. Besides providing shelter, the program addresses issues of education, employment, and livelihood so the residents learn technical and life skills that will help them fully reintegrated into mainstream society.



FUNDING SUMMARY

AMOUNT RAISED: \$868,502





To achieve our vision we invest 90% funding in programs and 10% in scaling up the mission & impact.

Individual Donation 68.1%



The School of St Yared

173

Donors and Supporters who give on a recurring basis

\$2,000

per year for one School of St Yareds student to get educated 100%

of funding for St Yareds
School provided by
Hope For Children

Out of the 90% invested in our SSY program, almost 80% is spent directly on the programs activities with only 20% on administration.

Wholistic Transformation Resource Centre

76%

of funding provided to WTRC came from HFC 3

Donors and Supporters who give on a recurring basis

ANNUAL HIGHLIGHTS

Special Visitors

In July 2022 the school was visited by the newly appointed Australian Ambassador to Ethiopia, **Madam Ambassador Julia Niblet**

She visited the School of St. Yared to gift a collection of Australian children's books, including her favourite, 'Possum Magic'.

The Australian Embassy has supported the endeavors of the School of St Yared to educate some of the most underprivileged children in Addis Ababa since the school was founded. The Embassy has also provided ongoing assistance to the school during recent negotiations with the Ethiopian government to obtain land for a permanent home for the school.





On the 3rd of April the school warmly welcomed **Paul Tye**, representing **Richard Lockwood's Foundation**, who very keenly joined the morning assembly. Paul has been one of the first foreign visitors since the COVID-19, which made his visit even more exceptional.

The special program prepared by students featured a variety of activities such as students giving remarks, singing English songs, and dancing. Afterwards, Paul had an opportunity to speak with teachers and discuss educational plans with the school management.

After few cups of Ethiopian coffee Paul was invited to visit a prospective land for our new school. The visit was filled with joyful moments and lots of laughter.

In June, **Mulu Desta**, HFC director visit the school and assisted with some official meetings.

Special Recognition

We are incredibly proud of the first graduating class of St Yared's. In December 2022, 53 SSY students completed their year 12 National Exams and 51 of them have obtained university entrance and placement based on their results.

This is exceptional and truly remarkable when we remember that most of their parents have minimal or no schooling. This is also the most welcome validation of our efforts and a great opportunity to further excel and to grow.

It was delightful and pleasing to have many of the graduates volunteering at SSY during this year, too. They patiently sat with the Yr 1, 2 and 3 students and assisted them with their work.





Their willingness to give back and mentor their younger peers is a wonderful proof of our efforts to not only give the SSY students best educational outcomes but also guide them to become best of themselves.

Awards



Leul Debash, a seventh grader took first place and earned a certificate for his finest outstanding art project, in Art competition held by the sub-city.

Knowledge



SSY Grade 6 and Grade 8 students took second place in a regional knowledgetournament.



The school was recognised by the Health Department for maintaining outstanding hygiene on the campus and received a top award for its efforts.

SUCCESS STORY

Helina Kahassun, Year 9

Helina Kassahun was only 6 years old when she joined the School of St Yared's. She was living in a small room in a slum area in the foothills of Addis Ababa with her mum and her older brother. The room was very dark, but Helina always kept it spotless. There was a single lightbulb hanging from the roof, which only allowed to be turned on after 7pm.

She was very small for her age, but her caring nature and big, bright hazel eyes made her easy to spot in her group of classmates. Every morning she would impatiently wait to go to school and every morning she would run straight to the door of the staffroom to greet her teachers.

From the beginning her enthusiasm and passion for learning was unstoppable. Little Helina was quite ill when she was 7. She missed many days of schooling and had to make several trips to the doctors which interrupted her learning. Despite this, she was one of the top students in her class in her end of year exams that year. Since then, almost every morning before her class started Helina was reading any book, she could get from the school library.







When she was Grade 8 student her teacher described her as an outstanding student with countless insightful ideas. Helina was very well balanced emotionally, focused on any tasks she was given and always willing to help her classmates.

She has just completed Grade 9 and her results couldn't be more telling. In the two consecutive semesters she scored 100% in all her subjects. Considering this was her first year of high school the results are even more impressive.

Despite of her busy study plan she has never stopped looking for opportunities to helping others.

Over the last six months she was one of the leaders of the peer mentoring program and St Yared's young kind absolutely admired Helina.

She is very confident and balanced young lady. Her everlasting curiosity and drive for knowledge allowed her to become one of the brightest, unstoppable young people in Ethiopia.

ECONOMIC & POLITICAL IMPACT

The annual inflation rate in Ethiopia eased slightly to 29.3% in June, the lowest in the last 24 months.

The main factors contributing to the country's high inflation rate remain the same, internal conflicts, drought and other climate related adversities, Russia's invasion of Ukraine.

The 2022 drought was the worst in forty years, severely affecting millions in the southern and eastern parts of Ethiopia. Overall, more than 20 million people are facing severe food insecurity in 2023 due to food shortages and constantly increasing food prices.

In the reporting period the project has made serious effort to wisely utilize the finical resource allocated for the project regardless of the impact of continues raise of prices of goods and services.

To prevent funding shortage due to increasing costs HFC management continued with extra measures and financial controls, which were introduced a few years ago.

The political situation in Ethiopia has been attracting world attention for several years now. The unrest in North Ethiopia ended in November 2022. However, there has been increasing instability in the Amhara region.

To the date our organizational activities have had no direct impact by this crisis and the situation is closely monitored.

A political update is a regular item on the HFC Management meeting agenda.

AUDITOR'S REPORT



Auditor's Independence Declaration

To those charged with governance of Hope For Children Organization Australia Limited

As auditor for the audit of Hope For Children Organisation Australian Limited. for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the independence requirements of Division 60 of the Australian Charities and Not-forprofits Commission Act 2012 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

Elderton Audit Pty Ltd.

Elderton Audit Pty Ltd

Sw

Sajjad Cheema

Director

Perth

15 November 2023

Limited Liability by a scheme approved under Professional Standards Legislation

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AUDITED FINANCIALS

	Notes	2023 S	2022
Current Assets			
Cash and cash equivalents	5	788,714	942,443
Trade and other receivables Other assets		38,273	57,955
	- 2	102.109	30,512
Total Current Assets		929,095	1,030,910
Non-Current Assets	1710	12427-22	10000000
Available for sale financial assets	6	998,100	788.850
Plant & Equipment		22,461	24,589
	100	1,020,561	813,439
Total Assets		1,949,457	1,844,349
Current Liabilities			
Payables .	. 7	35.889	34.587
Payroll liability		8,985	8,759
	100	44,875	43,346
Non-Current Liabilities			
Provisions	100	1 + 1	
Total Liabilities		44,875	43,346
Net Assets		1,904,782	1,801,003
Equity			
Accumulated surplus		1,065,146	1,170,617
Revaluation reserve	2.4	839,636	630,386
Total Equity	-	1,904,782	1,801,003

STATEMENT OF CASH FLOWS OR THE FINANCIAL YEAR ENDED 30 JUNE 20	023		
	Notes	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES Donations and spansorships received		889,029	872,315
Payments for projects and expenses		(1,044.886)	[831,481]
NET CASH FLOWS FROM OPERATING ACTIVITIES	9(c)	(155,857)	40,834
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of plant and equipment Proceeds from related parties		2.128	16.473
NET CASH FLOWS FROM INVESTING ACTIVITIES		2.128	16,473
NET INCREASE/(DECREASE) IN CASH HELD		(153,729)	57,307
Cash at the beginning of the financial year		942,443	885,136
CASH AT THE END OF THE FINANCIAL YEAR	9(a)	788,714	942,443

	Notes	2023	2022
		\$	5
evenue			
donations.		742,323	689,791
Merest		845	469
Olvidends		126,000	190,929
Other Income		179	1,038
xpenditure		847,347	882.227
Administration expenses		23.966	66,928
roject expenses	3	878.671	608,979
Payroll expenses		72.181	73,403
		974,818	749,310
Loss]/Surplus for the year		(105,471)	132,917
Other comprehensive income/(loss) – revaluation	4	209,250	[261,450]
olal Comprehensive Income/(Loss)		103,779	(128,533)

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 200			
Notes	Retained earning 5	Revoluction Reserve 5	Total
Balance at 30 June 2021	1,037,700	891,834	1,929,534
Balance of 1 July 2021	1,037,700	891,836	1,929,536
Profit for the year	132,917		132,917
Other comprehensive income		[261,450]	[261,450]
Total comprehensive income for the year	132,917	[261,450]	(128.533)
Balance at 30 June 2022	1,170,417	430,384	1,801,003
Balance of 1 July 2022	1,170,617	630,386	1,801,003
Profit for the year	(105.471)		(105.471)
Other comprehensive income		209,250	209,250
Total comprehensive income for the year	(105,471)	209,250	103,779
Bolonce of 30 June 2023	1,065,146	839,437	1,904,782

HFC GOVERNANCE



Ms. Jacqui Gilmour - Founder and Executive Director

Jacqui has many years' experiences living and working in Africa, including involvement in relief efforts during the 80s Ethiopian famine. She speaks to numerous community, school and business groups to raise awareness of the plight of Ethiopian AIDS orphans; and has been instrumental in fostering relationships with government, education and medical institutes to implement joint initiatives for the benefit of children in Ethiopia.



Mr. David Bussau AM - Director

David is a pioneer of microfinance, having founded Opportunity International Australia and co-founded the Opportunity International Network. His Foundation led to the startup of 15 international movements addressing a broad spectrum of social issues in developing countries, including health, education, nutrition, water, microfinance, persecution and leadership. He was awarded the Ernst & Young Australian Entrepreneur of the Year in 2003, the ACFID Human Rights Award in 2006, the Beta Gamma Sigma Award for Entrepreneurship in 2007 and he was named Senior Australian of the Year 2008. David was also voted by the Bulletin as one of Australia's "10 Most Creative Minds.



Ms. Marcelle Anderson – Director and Chairperson

Marcelle worked for over 15 years at senior management and advisor levels in the Federal, Western Australian and New South Wales government sectors. From 2009 she worked for eight years at WorleyParsons as manager of Government and regulatory approvals both in Australia and globally.

She has served on the Board of the Minderoo Foundation, and as Chair of St Andrew's Grammar School in Western Australia, and as secretary of the Greek Orthodox Community of WA.



Mr. Mulugeta Desta - Director

Mulu is a highly skilled Minerals Industry Professional with over 25 years of Mining Engineering, Business Development, General Manager and Director of Mining Company knowledge. Experienced with various sized companies ranging from \$250 million to \$3.3billion and projects from globally dominant internationals to medium size privately owned mining and construction companies, Mulu also has extensive experience in staff professional development and mentoring as well as in implementation of community enrichment programs.

Mulu is currently the Executive Director, MRD Australia Pty. and Non-Executive Director, Monash Petroleum Pty. Mulu's deep understanding of the Ethiopian political economy and political environment brings increased clarity to the operating settings of Hope for Children in Ethiopia

Legal Status

Hope for Children Organization Australia Limited is registered under the Corporations Act 2001 (Cth) (Corporations Act) as a public company limited by guarantee. The company was incorporated in Western Australia on 11 May 2004.

Constitution

HFC is governed by constitution that was approved on 3 May 2004. The constitution covers the objects of the organisation, application and disbursement of income and property, membership, governance structure, duties, delegations, powers and election of board members, conflict of interest, indemnity and insurance. board and members meetings, gift funds, financial responsibilities and winding up processes. The constitution was amended by resolution on 1 July 2009 (see cl 22.5).

Tax Concession

HFC is a Charitable Institution with access to GST Concession, Income Tax Exemption and Fringe benefits tax (FBT) Exemption. The organisation has been registered for GST since 1 July 2013.

HFC is listed as a deductible gift recipient (DGR) under item 1 and has operated a gift fund since 21 July 2010.

HFC is also registered as a public benevolent institution.

Not for Profit

The not-for-profit nature of HFC is enshrined in the constitution where it notes the profits, income and property are applied to achieve the objects of the organisation and cannot be distributed to members of the board or the organisation. Clause 1.3 notes that HFC "must apply its income and property solely towards promoting the objects of the Company..."

Additionally, Clause 25 notes that on winding up "any surplus property remaining after the full settlement of debts and liabilities incurred by the Company must be distributed to such funds authorities or institutions having purposes similar to the purposes of the Company..."

Accreditations

Hope for Children is a charity registered with the Australian Charities and Not-For-Profit Commission (ACNC) and is working towards a fully accreditation through the Department of Foreign Affairs and Trade.

Hope for Children has the ACNC Registered Charity Tick and through the Australian Taxation Office (ATO) is a deductible-gift recipient.

Hope for Children Australia is a member and signatory to the Australian Council for International Development (ACFID) Code of Conduct, which sets out standards of governance, communications, and funding allocation. HFC makes sure that ACFID Code of Conduct training is completed, understood and observed by all staff.

Our commitment to equality, transparency, and accountability

partners, its members, its donors, its supporters, its volunteers, its communities, and other stakeholders who partner with it to enable it to achieve its purpose.

They all can trust us to act ethically with a full transparency. HFC is committed to being transparent in our work and accountability to build trust through open conversations and always welcomed feedback

HFC believes all people regardless of age, religion, race, ethnicity, indigeneity, class, caste, gender and gender identity, sexuality and sexual orientation, or socio-economic status have equal right to live their lives free from sexual violence, exploitation, abuse and harassment.

HFC aims to provide a safe and trusted environment that safeguards everyone from SEA including beneficiary communities. workers, program participants and partner organisations. HFC is the committed safeguarding people to and communities we work with and alongside.

We recognise that the nature of the work that we undertake places our staff, volunteers and other representatives in positions of power and trust in relation to the people and communities accessing our programs and that there is an inherent risk of some HFC representatives exploiting their position of power for personal gain. Therefore, HFC has a notolerance approach to our staff, volunteers. consultants, partners or any other representatives associated with the delivery of our work carrying out harassment. any form of sexual abuse exploitation.

HFC strongly committed to principles of accountability and transparency to all stakeholders. Included in this commitment is a 'zero-tolerance' opposition to all forms of corruption, bribery and fraud, all Governance and Risk Management practices are in accordance with DFAT ANCP Manual. HFC recognises that the management of fraud, bribery and corruption is an integral part of good governance and management practice, and adopts the standards contained in the Standard AS8001-2008: Fraud and Corruption Control and the Crime and Corruption Act 2001.

Hope for Children values its relationship with its HFC has an obligation to its members and donors and all stockholders to ensure that all monies used by the organisation are used for their articulated purposes and that processes are in place to ensure that fraud and any misuse of funds is prevented and mitigated against.

> HFC acknowledges that the developing countries in which it works are inherently difficult environments with, often, weak governance arrangements and attitudes towards accountability and transparency different to those in Australia. The paying of bribes encourages corruption, which, like fraudulent acts, is something that can further harm those already disadvantaged by diverting goods, services and opportunities away from them. It also is considered a high risk that such actions will prevent the objectives of HFC's programs being achieved. For this reason, HFC has systems and procedures in place to protect public and donated funds from fraud and corruption both in Australia and the countries in which it works.

We also ensure internal procedures and reporting guidelines adhere to current regulatory and legislative requirements. We uphold the highest standards of practice, as demonstrated by our commitment to the:

- ACFID Code of Conduct
- Fundraising Institute of Australia's Principles & Standards of Fundraising Practice.

Feedback

We welcome feedback on this report and in relation to our operations and conduct. Please send any feedback or complaints to Company Secretary, HFC, 919. Claremont WA info@hopeforchildren.org.au.

Feedback and complaints can also be lodged in each of the countries in which HFC works via HFC website.

Further details can be found in HFC's complaints policy at hopeforchildren.org.au/ complaints policy. Complaints relating to a breach of the ACFID Code of Conduct by an ACFID member can be made to the ACFID Code of Conduct Committee via acfid.asn.au/content/complaints.



Amesegenaleau! (Thank You!)

We are grateful for the support of our network of partners and donors. It is only through active collaboration and continued belief in our mission that we are able to deliver high quality programs to serve communities in Ethiopia.

Our Most Heartfelt gratitude goes to Richard Lockwood and family, John Bond, Tony Grist, Kerry Parsons, B1G1 and their supporters, Graham Forward, The Maranatha Trust, Huxtable family and each and every supporter of our vision



Hope For Children Australia is a ACFID member and a registered ACNC Charity.









