

Annual Review & Impact Report

2021

Ending poverty in
developing countries
– one family and one
community at a time

ABOUT

OPPORTUNITY

Opportunity International Australia is ending poverty in developing countries – one family and one community at a time.

By providing small loans to families in need, Opportunity helps them grow their own businesses and generate sustainable incomes so they can lift themselves out of poverty with dignity.

To break the cycle of poverty for good, Opportunity also increases families' access to healthcare and quality education, while strengthening communities to reduce the risk of human trafficking and domestic violence – creating a new future for generations to come.

OUR MISSION

By providing financial solutions and training, we empower people living in poverty to transform their lives, their children's futures and their communities.

Cover: Jasmine, dairy business owner, Kacchh Gujarat, India.

Right: Snack stall owner Retno, West Java, Indonesia. See her story on p16.

OUR VISION

A world in which all people have the opportunity to achieve a life free from poverty, with dignity and purpose.

OUR MOTIVATION

We respond to Jesus Christ's call to love and serve the poor.

We seek to emulate the Good Samaritan, whose compassion crossed ethnic groups and religions.

We serve all people regardless of race, faith, ethnicity or gender.

OUR VALUES

Commitment
Humility
Respect
Integrity
Stewardship
Transformation





A REMARKABLE YEAR

Ingenuity, resilience and hope in 2021

In 2021 we witnessed incredible examples of ingenuity, resilience and hope as communities across the globe pulled together, despite the havoc the COVID-19 pandemic inflicted on every family, community and nation. None have been more impacted than the world's most vulnerable communities, already struggling under the weight of poverty. Thanks to your support, Opportunity International Australia has remained at the forefront of serving those who demonstrate the power of hope and determination every single day.

Families have been buffeted by forces outside their control, by services that exclude them, by climate change and the ongoing pandemic, and yet we have seen extraordinary women rise time and time again. This report provides a snapshot of the people and moments that have marked our journey together in 2021. We are proud to share their stories.

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Opportunity International Australia acknowledges the Traditional Custodians of the lands on which we work and recognises their connections to land, sea and community. We pay our respect to their Elders past and present.

A message from our Chair

Our second year of learning how to respond to the realities of the COVID-19 pandemic has demonstrated the tenacity and commitment of people at every level of Opportunity International Australia.



It has been extraordinary to witness the ingenuity, resilience and hope lived out through the people and communities we serve. My own passion for the work of Opportunity remains unwavering as I reflect on the stories and progress outlined in this report, despite COVID-19 exacerbating the challenges already faced by people living in poverty.

Having visited these communities in India and Indonesia, I am aware of the hardship and threat to survival the pandemic has thrust on those already living in poverty. For the first time in 20 years, global poverty is on the rise. South Asia has contributed 61 per cent of this increase, mostly in India – an epicentre of COVID-19 over the past two years. Sadly, but perhaps not unexpectedly, we have seen women over-represented in those most severely impacted by the pandemic with nearly one in two employed women in India suffering permanent job losses, compared to one in 14 men.

It is heartening to know that through the generosity of you – our supporters – alongside our hard-working team, the strength of our existing network of microfinance partners and the tenacity of those being empowered and enabled through our finance, health, safety, and education work, we are making a very real difference. My heartfelt thanks to you all!

In addition to our generous supporters, our valued Ambassadors and Council Members, I want to thank the Opportunity International Australia Board of Directors, whose unwavering faithfulness to our mission, coupled with their skills, expertise and wisdom, have guided the organisation through another year of COVID-19.

We are excited that Scott has taken on the CEO role and remain confident that he, along with our capable and professional team, will continue to increase the reach and impact of Opportunity's programs. It is our privilege to be the hands and feet of Christ as we seek to live out God's command to love and serve the poor.

With sincere thanks,

Joanna White

Chair

Opportunity International Australia



A message from our Chief Executive Officer

What an extraordinary privilege it has been to join such a remarkable team doing such critical work to empower some of the world's poorest people and communities to transform their lives and lift themselves out of poverty with hope, dignity and purpose!

Scott Walters.

As you will see in the pages of this report, COVID-19 has unfairly impacted those already struggling under the grinding weight of poverty. We know microfinance is just one part of a suite of services that are necessary to combat the complex challenges these communities face. We are so blessed in Australia that it can sometimes be difficult to truly understand the extent of what people living in poverty have to overcome.

In a year that brought its fair share of challenges to us all, I am so grateful to you, our supporters, for your generosity. In a country like Australia, the daily crisis of poverty in developing countries isn't always at the front of people's minds. And yet it is a daily crisis for those living it.

I am so thankful that you were by our side every step of the way, ensuring that together we could provide hope and opportunity to those worst affected by the pandemic. Today, our commitment is stronger than ever to continue to grow and deepen our impact for those who need it most.

Working through our trusted local program partners in the countries where we work, it is our honour to provide people with the opportunity to pave their own pathway out of poverty.

Enabling access to financial services such as small loans, alongside healthcare, women's safety initiatives and education, is the basis for the successes we have achieved in 2021 – all underpinned by connected and supportive relationships that we hold dear.

Recently in India, I had the opportunity to meet a number of Opportunity program partners and small loan recipients and came away from the experience both appalled and amazed. Appalled at the magnitude of the challenges and inequality faced by these families, and amazed and encouraged by the stories of families leaving poverty behind thanks to the generosity of you, our supporters.

Opportunity International Australia is blessed to have highly capable and committed staff, supported by amazing volunteers. For their endurance and professionalism – despite the many challenges and changes 2021 threw at us – I sincerely thank them. I am proud to be part of such a great team, doing great things.

We remain supremely confident in our purpose to respond to Jesus Christ's call to love and serve the poor, and in Jesus' message of hope, that all people can live with dignity and purpose.

"But God will never forget the needy; the hope of the afflicted will never perish." Psalm 9:18

As we move beyond 2021, we will continue to address the complexities of poverty with a multifaceted approach, focused on microfinance, health, education and climate change as key issues for sustainable development.

With blessings and sincere thanks,

Scott Walters

*Chief Executive Officer
Opportunity International Australia*



INGENUITY, RESILIENCE, HOPE

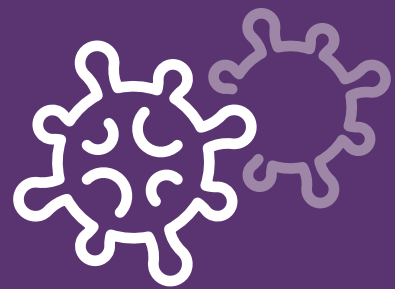
2021



3 in 5 People
in India
live in poverty



1 in 5 People
in Indonesia
live in poverty



15 million people
reached through
COVID response
initiatives



6.8 million families
accessing small loans
to help them grow
their businesses



1.5 million families
being reached
with essential
health knowledge



123,238 loans
used to increase
access to
better education



242,068 participants
attending programs
to help protect
women and children

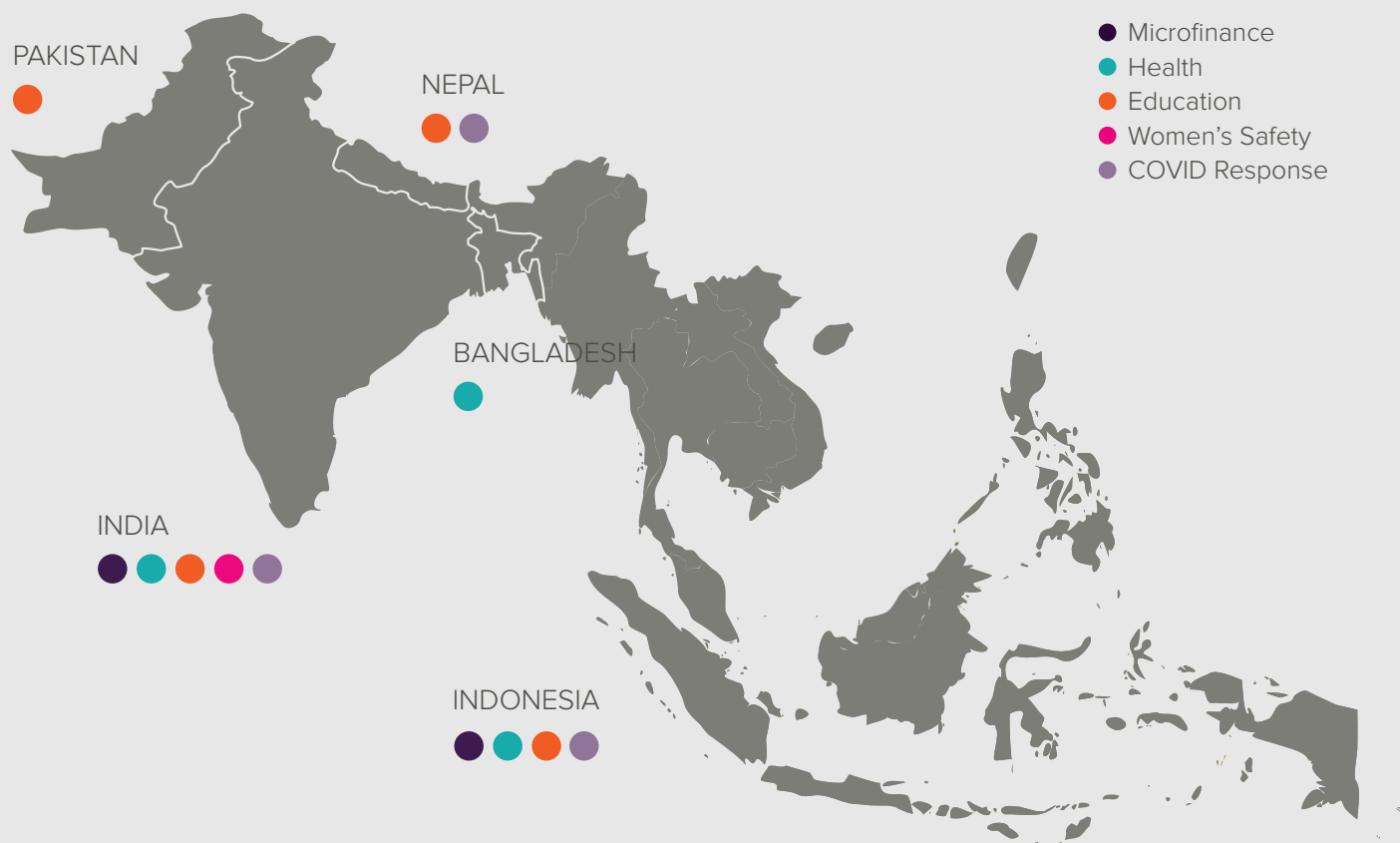
WHERE

WE

WORK

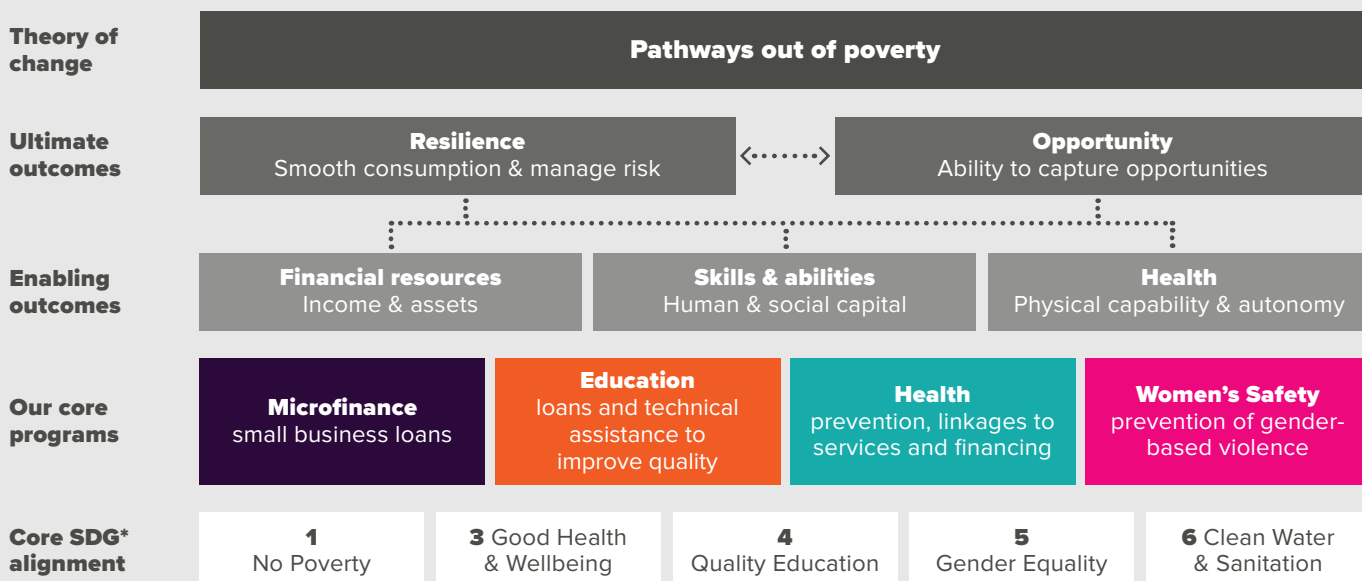


Opportunity International Australia provided small loans to 6.8 million families in 2021, helping end poverty in developing countries – one family and one community at a time. Through our network of program partners in Asia, we are reaching some of the most marginalised communities in the world and empowering them to build better futures.



How we work

To break the cycle of poverty for good, Opportunity also increases families' access to healthcare and quality education, while strengthening communities to reduce the risk of human trafficking and domestic violence – creating a new future for generations to come.



* UN Sustainable Development Goals

2021 IMPACT

By country and program



ACROSS ASIA

Microfinance

6.8 million families
accessing small loans
and other
financial services

Health

1.5 million people
reached to date
with essential
health knowledge

INDIA

5,384,837 families
accessing small loans
and other financial
services

1,200 existing Health
Leaders deployed to
support COVID Response
in rural villages

INDONESIA

1,368,643 families
accessing small loans
and other
financial services

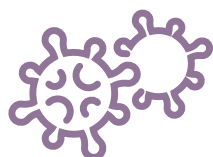
134 new Health Leaders
trained to support
their communities

BANGLADESH

550 new Health
Leaders trained to
support their communities

PAKISTAN

NEPAL



COVID Response

15 million people reached to date with emergency services and support

3.9 million+ people vaccinated

10 million+ people trained to date on COVID-19 prevention and management

3.8 million+ people vaccinated

1 million+ households received COVID-19 education

12,270 people vaccinated



Education

123,238 families accessing school fee loans

4,818 schools accessing school improvement loans

117,797 families using loans to educate their children and **3,932 schools using loans** to improve facilities and learning practices

5,261 families using loans to educate their children and **6 schools using loans** to improve facilities and learning practices

847 schools using loans to improve facilities and learning practices

180 school fee loans

33 school improvement loans



Women's Safety

2.8 million people trained to date in awareness and prevention of domestic violence and human trafficking

2.8 million people trained to date in awareness and prevention of domestic violence and human trafficking

1 million+ households received COVID-19 education

COVID-19 Response

The ongoing COVID-19 pandemic influenced every aspect of our operations in 2021, and further exposed the real and uncomfortable inequities in our world. At its peak, nearly 5,000 daily COVID-19 deaths were reported in India, with some projections suggesting a more accurate count of 40,000 deaths per day.

Each one of these statistics represent an individual, someone who was loved and grieved by a family, and who had hopes for their future.

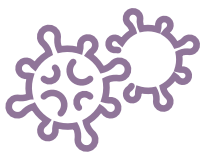
Thanks to the generous support of the Opportunity community, we were able to move swiftly to provide relief to those hardest hit in India. We worked with local microfinance institutions and other organisations with trusted networks in communities to deliver healthcare, emergency relief and ongoing support.

We helped enable mass vaccination hubs, mobile medical vans, a 'doctor at your doorstep' program, education, training, and food ration kits for safe isolation at home, supporting more than 15 million people in India, Indonesia and Nepal.

As the COVID-19 epicentre in Asia shifted from India to Nepal and Indonesia, we directed our efforts to localising COVID-19 education materials and providing online training to more than 55 microfinance institutions throughout Indonesia and Nepal, reaching more families with vital awareness and training.

Our COVID-19 community education modules are now available in 10 languages. In addition, one of our program partners in Indonesia provided 50 oxygen concentrators to public hospitals facing a high COVID-19 burden, and ran a vaccination campaign to support children and youth with special needs in under-resourced communities in West Java.

The pandemic has made a powerful case for all of us to re-imagine the pathway to a more inclusive world. Beyond 2021, we will continue to support the resilience of the communities we serve, by facilitating access to vaccinations, rebuilding social protection systems and accessibility, and helping families rebuild their livelihoods.



The pandemic has made a powerful case for all of us to re-imagine the pathway to a more inclusive world.

Doctor at your doorstep

Opportunity's local program partner Uplift ran two free mobile medical vans in COVID-19 containment zones throughout 14 urban slums of Pune. The vans provided primary healthcare for six months where no other health services were available, and on their busiest day saw more than 500 patients.

Mobile medical van in Pune, India.

Response Strategy

To prevent infection in vulnerable, at-risk populations, our program partners tackled rampant misinformation about COVID-19 through SMS, WhatsApp messages, comics, posters, voice messages and in-person meetings (where possible)

For those with mild symptoms or exposure to COVID-19, our program partners distributed food rations, sanitary kits, basic medical equipment, and medicine to help people isolate safely

To manage COVID-19 cases and mental health at home, our program partners provided remote care through telemedicine via helplines and mobile apps

For people with worsening COVID-19 symptoms, our program partners set up community quarantine facilities and free ‘doctor at your doorstep’ vans in high-risk containment zones

To expedite mass vaccinations to improve immunity, local governments worked with our program partners to organise and facilitate vaccination hubs, leveraging their trusted presence in the communities

Impact in India

10 million+ people educated on COVID-19 prevention, risks and management

8,500 people in highly hesitant communities trained to address misinformation across 339 COVID-19 vaccination awareness hubs in five states

34,000+ people received dry ration kits to support safe isolation

1,200 rural villages equipped with essential medicine and supplies such as pulse oximeters and paracetamol

4,600+ individuals received free telemedicine consultations on COVID-19 symptoms to aid management at home

800 people quarantined safely in 82 Community COVID Care Centres, with access to nutrition, sanitation, and telemedicine

24,000+ patients were served through free ‘doctor at your doorstep’ outpatient vans in Pune

3.8 million+ people vaccinated in 30,000+ hubs in 15 states, mobilised through the networks and influence of women microentrepreneurs, including in the remote and tribal regions of Tamil Nadu and Kerala



Microfinance in India

Providing small loans and other financial services allows an entrepreneur to increase their income and support their family with shelter, healthcare, and education, giving them tools to break free from the poverty cycle.

More than 95 per cent of these entrepreneurs receiving small loans and building businesses are women, many of whom would otherwise struggle to access financial services. Through small loans and determination, lives are being transformed for generations to come.

In the first months of 2021, despite the impact of the COVID-19 pandemic, only one of Opportunity's India program partners saw a reduction in the number of people taking out small loans, which highlights the essential service of microfinance in times of crisis. To continue meeting the current needs of families living in poverty, microfinance institutions added additional health services to support their communities.

During the second wave of COVID-19 in India, beginning in March 2021, the number of reported deaths reached 5,000 per day, with the virus spreading to regional areas and greatly impacting the rural economy. States imposed months-long lockdowns that hampered loan collections.

Many small businesses that had held on through 2020 lacked the resources to deal with the same again in 2021, and 75 million more Indians were plunged into poverty in 2021.

By May 2021, the second wave had reached its peak. India became the global epicentre of the pandemic with more than 400,000 new cases reported in a single day. The nation had recorded a total of 27 million cases by late May.

To support the overwhelmed healthcare system, Opportunity worked swiftly with existing and new partners to formulate a rapid response. Through the networks and existing relationships of our microfinance partners, we were able to reach some of the most vulnerable communities with much-needed supplies, support and information.

Despite the challenges families in India have faced, they have continued to demonstrate **extraordinary resilience, pivoting time and again** in order to rebuild and look to the future.





Cooking Up Change

Shajitha's family lives in Kerala, India, and used to rely solely on her husband's wages as a day labourer. Despite his hard work, his income was not sufficient to feed their family.

Looking for a way to increase the family's income and improve their lives, Shajitha learned to make cookies and buns by using her friends' ovens.

With a small loan from one of Opportunity's program partners, Shajitha launched her own business, with her husband in charge of selling what she baked. The cookies and buns proved so popular in her community that she has now expanded her business to employ 10 other women, investing in a van to deliver the products.

Her investment in her own bakery, her loyal staff, and the cookie orders from her local village and beyond Kerala, helped her business to survive the pandemic. In her community, she's earned the title of Sajitha Ettha, meaning 'elder sister'.

Shajitha (left of picture) with her team packing freshly baked cookies and buns. Kerala, India



Staying Afloat During The Pandemic

Widowed and a single mother, Retno used a small loan to grow her own snack stall in West Java using the profits she earned to provide for her children. But when COVID-19 hit, she found her income dramatically reduced.

Thankfully, Retno was able to restructure her loan repayments and, in order to increase her income, worked longer hours and added new products to her stall. As well as keeping her business afloat, Retno was able to use the valuable knowledge she had received in training to become a Health Leader to help her family and community survive COVID-19.

Microfinance in Indonesia

The second wave of COVID-19 in 2021 caused widespread sickness and death amongst communities in Indonesia. While there were no national lockdowns, our program partners worked to provide relief to those impacted by offering loan moratoriums, interest holidays or loan restructuring as various regional 'lock-ins' (where a village hired security to ring-fence them) were imposed.

In 2021, three of our four partners in Indonesia saw an increase in people taking out small loans as people and communities rallied to survive.

In addition, to address the specific challenges their clients faced, our Indonesian partners also expanded health and market linkage services to support the most vulnerable in the communities they serve. Thousands of people living in poverty used small loans to turn business ideas into sustainable, income-generating enterprises, with many taking innovative approaches to recovering from the economic downturn caused by the pandemic.

In addition to providing much-needed financial services, Opportunity's program partners worked with small loan recipients, many of whom are illiterate, to ensure they had a clear understanding of how to avoid getting sick from COVID-19. With low rates of vaccination in many communities, we introduced a vaccination program to provide access and support to vulnerable people, especially children and people with special needs. A total of 12,270 people were vaccinated, 1,022 of whom had special needs.

The pandemic also highlighted the value of our Health Leader program which trains women who have received small loans to become health leaders in their communities. Our largest partner in Indonesia trained 124 women as Health Leaders in 2021, who provided more than 17,000 people with basic health education and health products. In 2022, we will expand this program across our other three partners in Indonesia.

In response to the increasing shift to life online precipitated by the pandemic, we expanded a program to improve the digital readiness of our program partners in Indonesia. By enabling them to access and utilise the most appropriate technology to meet people's needs, our partners have been able to increase efficiencies, reduce transactional costs and expand into more remote areas.

For many years, we have been conscious that climate change has the potential to undermine much of the progress made to reduce global poverty. This is a particular threat in Indonesia, especially in rural areas. During 2021, we escalated our focus to connect vulnerable families with government initiatives to ensure they are aware of support programs and prepared for future disasters. We are also working with our program partners to develop insurance and disaster-risk financing to better position people living in poverty to face and absorb the impacts from future climate-related disasters.

Focusing on agriculture, we have been working to enable farmers and producers to access new markets, including supplying their produce to other small loan recipients running kiosks and small restaurants in regional cities.

Our partners have been able to **increase efficiencies, reduce transactional costs and expand into more remote areas.**

Health

The COVID-19 pandemic has impacted all of us, whether through lockdowns and stay-at-home orders, school closures, health concerns, loss, anticipation, or fear. However, COVID-19 has – and will continue to – disproportionately affect families living in poverty.

Even before the pandemic, it was estimated that nearly 927 million people worldwide incur catastrophic healthcare expenditure resulting in medical impoverishment each year, and millions more live with the reality that they are only one disease away from losing everything.

Standing firmly on the frontline, our local Health Leaders continue to educate households in their communities on basic health, hygiene and nutrition, as well as helping facilitate access to vaccinations, primary care consultations and COVID-19 support. These women proved invaluable to their communities during the pandemic.

Our Health Leaders program in Bangladesh, which trained 1,100 Health Leaders in 2020 and 2021, has resulted in a 25 per cent increase in knowledge across eight core primary health topics, with a 50 per cent improvement in menstrual and reproductive health knowledge and a 38 per cent improvement in maternal health knowledge. Respondents with the lowest education levels demonstrated the greatest improvement in knowledge (33 per cent), compared to other participants (21-27 per cent improvement).



In India, 1,200 existing Health Leaders in Uttar Pradesh and Bihar were trained to support our rural COVID-19 response by fighting misinformation and supporting families in their local communities.

In Indonesia, we trained 240 new Health Leaders to reach eight locations across East, West and Central Java, as well as Petir in Lebak Regency, Banten.

In Bangladesh, 550 new Health Leaders were trained in Tangail District and a pilot program to facilitate primary health consultations through telemedicine clinics was introduced.

A healthy home

Rani's one-year-old son was often sick with vomiting and diarrhoea. Rani and her husband would sometimes also get ill, but they didn't know why the family was getting sick so often.

After attending a health awareness course, Rani learned the basics of hygiene and the importance of disposing of garbage and waste correctly, and the need to adequately clean her house and surrounds. Rani understood that poor hygiene and insufficient waste disposal were likely contributing to her family's illness, noting that her son often played on the dirty ground. Armed with her new knowledge, Rani knows what to do to keep her household clean and also bought a mat for her son to play on. The family is now much healthier.





Women's Safety

All women and children should have the right to live in safety. Opportunity is working to address two of the most prevalent and challenging forms of abuse – domestic violence, and the trafficking of young girls for sexual exploitation, including through forced marriage.

With the effects of the pandemic continuing to worsen the circumstances for vulnerable women and girls throughout 2021, this focus is needed now more than ever.

Gender-based violence is a pervasive public health issue and human rights violation. We take an integrated approach to tackling this challenge – through economic empowerment, the addressing of persistent social barriers and by educating communities to avoid abusive behaviours.

In India, our PeaceMaker women's safety program trains local women to identify other women who are experiencing domestic violence, providing families with education, connection to counselling and other resources and standing alongside them to find peaceful ways forward.

The Red Alert program aims to end sex trafficking in India by 2025 by filling the biggest gap in existing response—prevention. Opportunity is equipping fathers, mothers, sons and daughters with the knowledge and tools to prevent trafficking in their communities so that children can live lives free from violence, abuse and exploitation.

Ultimate Outcome	Long-term Outcomes	Program Outcomes
Empower victims of gender-based violence to live a life of dignity	Improved awareness of rights to safety Reduced abuse of all types Improved confidence and negotiation ability at home	66% improvement in household negotiation 23% reduction in physical abuse 19% reduction in verbal and emotional abuse 34% reduction in sexual abuse
Create a supporting ecosystem for victims of gender-based violence, including community engagement	Improved social capital and participation of women in community meetings Training of PeaceMakers as trusted, available, and supportive to victims of gender-based violence	96% PeaceMakers noted training helped gain confidence and trust, and overcome communication barriers 80% rated PeaceMakers as highly trustworthy and reassuring or accessible



“I was very dependent on my husband. I was always told by my parents that my husband, kids and in-laws are everything. I was very scared to leave because of what society will think, what my reputation would be. But after counselling I learnt and became confident that a woman alone can also lead a life. I improved in self-respect.” **Operation PeaceMaker participant**

Education

By the end of 2021, the EduFinance team was supporting education programs in 27 countries, with Opportunity International Australia providing funding for these programs in five countries in Asia.

At the conclusion of the 2021 school year, Opportunity's education program in Asia was providing 4,818 schools with loans to train educators and improve facilities for students, and 123,238 families with loans to help educate their children.

A needs assessment into education in India for children living in low-income households showed that 400,000 low-cost, non-state schools needed more capital investment and professional development to continue providing quality education for the 128.2 million children attending these schools.

An additional 32.5 million children who are out of school could potentially benefit if the sector grew and their parents had access to loans to cover school fees. This is why Opportunity is working to expand access to education finance supports in the low-income communities in which we work, and beyond.

After months of staying home due to lockdowns in 2021, many children in developing countries fell behind in their studies and were at risk of never returning. The importance of teachers, schools and students having access to online learning was evident. When face-to-face learning resumed in the second half of 2021, the demand for e-learning continued and remains key in filling learning gaps and expanding access to education. Access to education finance products enabled families to buy the technology their children need to stay in school.

When schools reopened in Pakistan in late 2021, half of the 26 million school-aged children didn't return to school. Most of these were girls. To encourage the ongoing education of girls, one of Opportunity's program partners only provided school improvement loans to schools with a minimum 40 per cent female student population with a commitment to increase that percentage. They also intentionally made at least half of school improvement loans to female-led schools.



An additional 32.5 million children who are out of school could potentially benefit if the sector grew.



Helping get students online

When his school in West Java, Indonesia was closed during the pandemic and online learning began, Alfi only had access to a basic smartphone to do his lessons, which wasn't sufficient. Thankfully, his parents were able to take out an education loan to purchase a laptop for Alfi, making it easier for him to focus on his study and get the education every child deserves.



In Pakistan, Opportunity's partner intentionally made at least **half of school improvement loans to female-led schools.**

OUR SUPPORTERS

By the end of 2021, more people were leaving their jobs and pursuing other careers than ever before. Coined 'The Great Resignation', studies reveal a seismic turnover in the workplace as employees re-evaluate their careers and leave their jobs in record numbers. This shift toward purpose-filled living extends to how people spend their time, money and effort.

Against this backdrop, we are grateful that you, our incredible supporters, chose to invest in the lives of others. In response to great need, you have demonstrated great generosity.

To all our supporters, corporate partners, volunteers, Board members, Council members and Ambassadors, thank you for your faithful generosity. Thank you for being brave on behalf of families living in poverty. In the face of great global upheaval and uncertainty, thank you for living lives of compassion, action and impact.



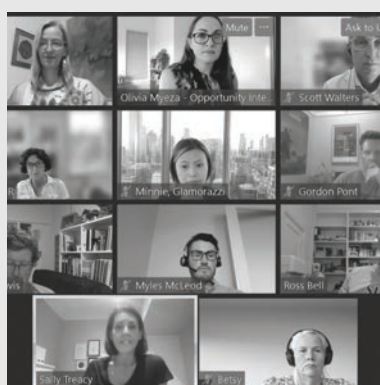
COVID-19 Response Discussion

Generously hosted by Allen & Overy, supporters gathered to discuss how Opportunity's microfinance and health programs are reaching some of India's most vulnerable communities throughout the COVID-19 crisis.



Field Briefing

Despite being drastically underreported, official daily COVID-19 cases in India broke records. A field briefing webinar helped unpack Opportunity's response and shared just how much of a difference your support makes.



National Ambassador Meetings

Filled with passion and ideas, our Ambassadors gathered online throughout the year to learn, collaborate, and help increase Opportunity's impact.



Great Australian Curry

Supporters Kirsty Munro, Graham Wakeling and Shawna Hooton gathered 100 people in Adelaide to host SA's Great Australian Curry, raising \$15,345 for families in need.

Without supporters, there would be no Opportunity.



Shaping Your Legacy Webinar

Inspiring individual and industry voices gathered to discuss the motivations, tools, and mechanics for leaving a legacy in your will that will live on for generations.



Trivia For Transformation

A team of Ambassadors in NSW came together to host our inaugural virtual trivia night across Australia, which, after matching through the Macquarie Group Foundation, raised enough funds to provide small loans to 639 families.



A Very Different Mother's Day

True North Church and Elevate Church in WA ran a special Mother's Day appeal raising \$10,000 for families living in poverty.



Thank You Events

Groups of supporters gathered in the homes of Opportunity Board Member John O'Connor in WA and Lead Ambassador Kirsty Munro in SA to celebrate the impact their support is having every day.



Women's Safety Giving Circle

A group of Victorian supporters launched the Women's Safety Giving Circle to help raise funds to support Opportunity's work in preventing human trafficking and domestic violence in India. The group has raised \$63,000.



In-Home Fundraising Dinners

Faithful Opportunity supporters around the country opened their homes to raise much-needed funds for our work. Our sincere thanks to our hosts.

OUR PARTNERS

We are grateful for the support in 2021 of:

- 4impact Group
- Active Tree Services
- Alecto Consulting
- APW Partners
- Artists Against Poverty
- Aura Fund Management
- Australian Ethical Investment
- Clinic Mastery
- Coastline Kitchens
- Colour Capital
- Elexon Electronics
- Hatch
- Highlow Markets
- King & Wood Mallesons
- Macquarie Group Foundation
- MetLife Foundation
- Morgans Foundation
- One Co. Foundation
- RedZed Lending Solutions
- SG Partners
- SilverChef
- TechnologyOne

Opportunity International Australia is grateful to the Australian Government for \$2.21 million granted in 2021 through the Australian NGO Cooperation Program (ANCP) to support microfinance in Indonesia, women's safety programs in India, and health programs in Indonesia and Bangladesh.

Opportunity International Australia is an ACFID Member and is committed to full adherence to the ACFID Code of Conduct.



ACFID
MEMBER

Opportunity International Australia receives support from the Australian Government through the Australian NGO Cooperation Program (ANCP).



Australian Government
Department of Foreign Affairs and Trade



Opportunity International Australia is an ACNC Registered Charity.



Our generous corporate partners are having a significant impact in the lives of families and communities in need.



2022

AND

BEYOND

We are encouraged by our achievements during 2021, made possible by you, our wonderful supporters, whilst acknowledging the ongoing challenges of working to end poverty in all its forms.

Poverty is multidimensional - to create true financial inclusion and resilience, the provision of healthcare, education, insurance and other support services are as important as microfinance loans.

As we look to the future, we are excited about new initiatives, innovation, and technology that will allow us to accelerate poverty relief and financial inclusion at a faster rate than ever before. The 'phygital' (physical and digital) revolution is upon us, and Opportunity has already taken steps to embed this into our programs, some of which you have read about in the earlier pages of this report.

There is much more to do! And we can't do it without your generous and ongoing support. We once again thank you for your passion and commitment to giving hope to those for whom poverty is a very real crisis every day.

As we face the challenges of 2022 and beyond, we reaffirm our commitment to bringing hope by enabling people to generate sustainable incomes and lift themselves out of poverty, changing their lives, their children's futures and their communities. Thank you for the part that you play.

If you are moved to grow your support for families living in poverty, or have ideas about how you would like to see Opportunity expand and deepen our impact, **we would be delighted to speak with you.**



MEASURING IMPACT

Opportunity is committed to ensuring our programs are as effective as possible, maximising the positive impact on the families we serve. In order to do so, we commit time and resources to measuring and improving our reach, outcomes, and impact, implementing best practices across our programs and sharing what we learn.

Social Performance Management (SPM) is the framework we use to measure our impact. Opportunity has been a key proponent of this framework and has led the sector in measuring and reporting on social performance.

As well as working with our program partners to increase their internal capability to measure and improve what they do, 2021 also saw us engage a third-party data research organisation to help us better understand who we are reaching, our impact on families' lives and the effect of COVID-19 on those families and their communities.

Their initial study with one of our program partners during 2021 showed they had been effective in reaching lower-income clients, enabling quality of life improvements, higher income and higher savings, and loan recipients reported a very high level of satisfaction compared to industry norms.

The study also illustrated the significant impact of COVID-19 on families' lives, identified areas for improvement in the delivery of services, and will form the basis of expanded ongoing studies and monitoring of our impact in the communities we serve.

More details on our SPM work and the latest results from our client surveys and capacity building work are available at
[**https://spm.opportunity.org/**](https://spm.opportunity.org/)

Sustainable Development Goals

In 2015, the United Nations published the Sustainable Development Goals (SDGs), a set of 17 global goals to combat poverty and protect the planet, enabling a better, more sustainable future for us all.

Financial inclusion is key to the UN Sustainable Development Goals, not as a goal in itself, but as a powerful cross-cutting tool necessary to attain many other SDGs, such as affordable and clean energy, gender equality, clean water and sanitation, good health, quality education and climate action.

An interactive map demonstrating how each of Opportunity's programs contribute to achieving the SDGs is at
[**https://opportunity.org.au/assets/sdg-mapping/desktop/story.html**](https://opportunity.org.au/assets/sdg-mapping/desktop/story.html)

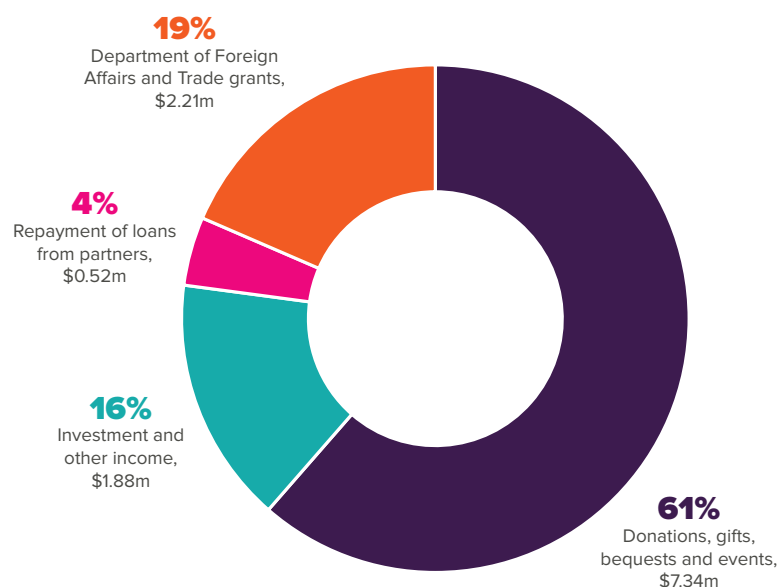
Opportunity continues to **improve the impact we are having in the lives of families and communities in need**, utilising data and a best-practice-driven approach.

2021 Financial Overview

Where our funds come from

Definition: Illustrates the source of cash inflow as a percentage of total cash inflows (excluding maturing term deposits of more than three months to maturity and the net cash acquired from the new subsidiary upon acquisition during the year).

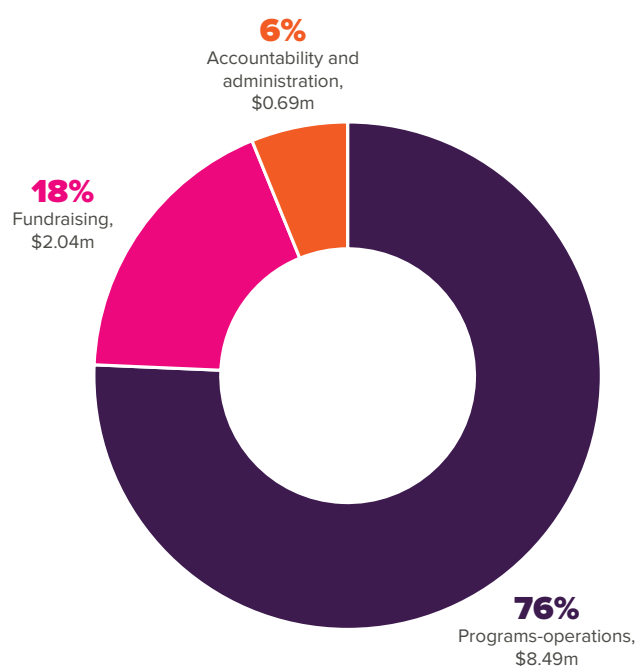
Analysis: Cash inflows from the repayment of loans from partners decreased to \$523,000 (2020: \$1,512,000) reflecting the maturity profile of loans to partners and loan deferral used to provide COVID-19 support to partners. Other income increased to \$1,875,000 (2020: \$1,828,000) reflecting slightly increasing interest rates offset by a reduction in COVID-19 related support payments. Cash from donations and gifts increased to \$7,341,000 (2020: \$4,690,000) as giving levels and support rose in response to the impact of the COVID-19 pandemic. The Department of Foreign Affairs and Trade grant received was \$2,212,000 (2020: \$2,001,000).



How funds are put to use

Definition: Illustrates where cash was spent as a percentage of the total cash outflows (excluding investment in term deposits of more than three months to maturity). The accountability and administration costs are costs associated with the overall capability of Opportunity, not able to be directly allocated to either fundraising or program activities. It also includes working capital management movements. The accountability and administration costs are critical in ensuring our complex investments are well managed and governed.

Analysis: \$8,491,000 (2020: \$7,010,000) or 76% (2020: 80%) of cash outflows was spent on programs-operations which includes funds to international programs, loans and capital injections, program support costs and community education activities. The proportion spent on fundraising increased to \$2,038,000 (2020: \$1,690,000) as activities started to resume following the relaxation of COVID-19 restrictions. Funds expended on Accountability and Administration including working capital movements was \$690,000 (6%).



For information on Opportunity International Australia's governance, please visit <https://opportunity.org.au>

Total consolidated revenue from ordinary activities was \$11,101,000 (2020: \$8,584,000).

Total fundraising revenue (including government grant and bequests) was \$9,524,000 (2020: \$6,686,000).

Consolidated operating expenses (including grants to international programs but excluding foreign exchange losses/gains, finance charges and impairment expenses) increased to \$8,884,000 (2020: \$6,494,000) as funds to the field increased to \$4,630,000 (2020: \$2,683,000).

The consolidated operating loss from ordinary activities was \$10,169,00 (2020: \$5,446,000 surplus) driven primarily by the losses from associates (reflecting COVID-19 required provisioning) and investment impairment. The Group also increased grants and technical support to \$5,887,000 (2020 \$4,025,000).

Over the years, donor funds have been sent to our implementation partners in the form of equity, debt or grants. Funding by equity or debt is recorded as an asset and requires ongoing management, whereas grants are expensed. Debt and equity assets, totalling \$51,844,000 (2020: \$60,789,000) in carrying value, represents the current value of donor funds invested that have been cumulatively invested in the debt and infrastructure of the local majority owned organisations who carry out our microfinance operations.

Cash inflows for the year (excluding redeemed term deposits with more than three months to maturity) totalled \$11,951,000 (2020: \$10,031,000). Cash inflows included donations, Department of Foreign Affairs and Trade grant, loans repaid from implementing partners, investment income, dividend income, and income and proceeds from sale of assets. The increased inflows reflects the generosity of our donors supporting the work of Opportunity during the COVID-19 pandemic.

Cash outflows for the year (excluding investment in term deposits with more than three months to maturity) totalled \$11,219,000 (2020: \$9,184,000), comprised of funds for programs—operations, fundraising activities and administration costs. The increased outflow of funds reflects the increased flow to our international programs.

	2021 \$'000	2020 \$'000
Cash outflows		
Funds to international program partners		
Grants and technical support	4,630	2,683
Loans	2,604	1,543
Capital injections	-	1,442
Total international programs expenditure (see Note 1 by country analysis below)	7,234	5,668
Program support costs	982	1,126
Community education	275	216
Total programs expenditure	8,491	7,010
Cash inflows		
Loans repaid	(523)	(1,092)
Net programs expenditure	7,968	5,918
Note 1 – Programs disbursements by country		
India	3,868	3,428
Indonesia	3,353	1,507
Philippines	5	274
Bangladesh	8	198
Pakistan	-	77
Uganda	-	184
Total international programs expenditure	7,234	5,668

Income Statement

For the year ended 31 December 2021

	Consolidated 2021 \$'000	Consolidated 2020 \$'000	Parent 2021 \$'000	Parent 2020 \$'000
Revenue				
Donations and gifts	7,312	4,654	7,312	4,654
Bequests	-	31	-	31
Grants				
Department of Foreign Affairs and Trade	2,212	2,001	2,212	2,001
Investment income	1,332	1,205	378	210
Other income	245	693	242	677
Total revenue from ordinary activities	11,101	8,584	10,144	7,573
Expenses				
International programs				
Funds to international programs	4,630	2,683	3,762	1,839
Program support costs	982	1,126	982	1,126
Community education	275	216	275	216
Fundraising costs				
Public	1,818	1,448	1,818	1,448
Technical grants	216	229	216	229
Events expenses	4	13	4	13
Accountability and administration	959	779	959	779
Net (gain)/loss on foreign exchange	(198)	264	(198)	264
Impairment of investments and loans	3,508	3,390	8,527	497
Total expenses from ordinary activities	12,194	10,148	16,345	6,411
Surplus/(deficit) on ordinary activities	(1,093)	(1,564)	(6,201)	1,162
Share of profits/(losses) from equity accounted entities	(9,076)	5,907	-	-
Finance income/(cost)	-	1,103	-	7
Surplus/(loss) before tax	(10,169)	5,446	(6,201)	1,169
Tax expense/(credit)	-	-	-	-
Net surplus/(loss) for the year	(10,169)	5,446	(6,201)	1,169
Foreign currency translation gains/(losses)	1,831	(7,338)	-	-
Total other comprehensive income/(loss) for the year	1,831	(7,338)	-	-
Total comprehensive income/(loss) for the year	(8,338)	(1,892)	(6,201)	1,169
Total comprehensive income attributable to:				
The Parent	(6,490)	(821)	(6,201)	1,169
Non-controlling interests	(1,848)	(1,071)	-	-
Total comprehensive income/(loss) for the year	(8,338)	(1,892)	(6,201)	1,169

The Parent financial statements comprise figures attributable to Opportunity International Australia Ltd (Opportunity) together with its interests in an associate. The Consolidated financial statements comprise figures attributable to Opportunity and its subsidiaries, Dia Vikas Capital Pvt Ltd (Dia Vikas), Opportunity Kauswagan Remit Inc. (OK REMIT) and Opportunity International Australia Capital Management Ltd, together with their interests in associates.

The statements on pages 34-39 comprise a Summarised Financial Report of Opportunity International Australia Limited. The financial statements 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 website www.acfid.asn.au. A full financial report is available upon request.

Balance Sheet

As at 31 December 2021

	Consolidated 2021 \$'000	Consolidated 2020 \$'000	Parent 2021 \$'000	Parent 2020 \$'000
Assets				
Current assets				
Cash and cash equivalents	10,837	10,105	6,744	8,108
Trade and other receivables	6,394	5,859	1,218	416
Other current assets	98	79	86	65
Total current assets	17,329	16,043	8,048	8,589
Non-current assets				
Trade and other receivables	2,881	1,453	2,929	1,503
Investments in subsidiaries	-	-	43,251	50,279
Equity-accounted investees	43,509	54,667	-	-
Other financial assets	97	92	97	92
Property, plant and equipment	541	594	85	149
Right of use assets	539	809	539	809
Total non-current assets	47,567	57,615	46,901	52,832
Total assets	64,896	73,658	54,949	61,421
Liabilities				
Current liabilities				
Payables (including lease liabilities)	524	667	522	516
Provisions (employee entitlements)	440	435	430	435
Total current liabilities	964	1,102	952	951
Non-current liabilities				
Borrowings (including lease liabilities)	468	745	262	538
Provisions (employee entitlements and makegood)	273	282	124	120
Total non-current liabilities	741	1,027	386	658
Total liabilities	1,705	2,129	1,338	1,609
Net assets	63,191	71,529	53,611	59,812
Equity				
Retained earnings	71,951	79,807	53,611	59,812
Reserves	(9,341)	(10,707)	-	-
Non-controlling interests	581	2,429	-	-
Total equity	63,191	71,529	53,611	59,812

The Parent financial statements comprise figures attributable to Opportunity International Australia Ltd (Opportunity) together with its interests in an associate. The Consolidated financial statements comprise figures attributable to Opportunity and its subsidiaries, Dia Vikas Capital Pvt Ltd (Dia Vikas), Opportunity Kauswagan Remit Inc. (OK REMIT) and Opportunity International Australia Capital Management Ltd, together with their interests in associates.

Statement of Changes in Equity

For the year ended 31 December 2021

2021 Consolidated \$'000	Translation reserve	Statutory reserve	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at 1 January 2021	(10,708)	1	79,807	69,100	2,429	71,529
Total comprehensive income/(loss)						
Surplus/(loss)	-	-	(7,856)	(7,856)	(2,313)	(10,169)
<i>Other comprehensive income</i>						
Foreign currency translation differences	1,366	-	-	1,366	465	1,831
Total comprehensive income/(loss) for the year	1,366	-	(7,856)	(6,490)	(1,848)	(8,338)
Transfer of foreign currency reserves	-	-	-	-	-	-
Balance as at 31 December 2021	(9,342)	1	71,951	62,610	581	63,191
2020 Consolidated \$'000						
Balance as at 1 January 2020	(5,030)	1	75,033	70,004	3,417	73,421
Total comprehensive income/(loss)						
Surplus	-	-	4,961	4,961	485	5,446
<i>Other comprehensive income</i>						
Foreign currency translation differences	(5,782)	-	-	(5,782)	(1,556)	(7,338)
Total comprehensive income/(loss) for the year	(5,782)	-	4,961	(821)	(1,071)	(1,892)
Acquisition of equity by non-controlling interests	-	-	(83)	(83)	83	-
Transfer of foreign currency reserves	104	-	(104)	-	-	-
Balance as at 31 December 2020	(10,708)	1	79,807	69,100	2,429	71,529

2021 Parent \$'000	Translation reserve	Statutory reserve	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at 1 January 2021	-	-	59,812	59,812	-	59,812
Total comprehensive income						
Surplus/(loss)	-	-	(6,201)	(6,201)	-	(6,201)
<i>Other comprehensive income</i>						
Total comprehensive income/(loss) for the year	-	-	(6,201)	(6,201)	-	(6,201)
Balance as at 31 December 2021	-	-	53,611	53,611	-	53,611
2020 Parent \$'000						
Balance as at 1 January 2020	(104)	-	58,747	58,643	-	58,643
Total comprehensive income						
Surplus	-	-	1,169	1,169	-	1,169
<i>Other comprehensive income</i>						
Total comprehensive income for the year	-	-	1,169	1,169	-	1,169
Transfer of foreign currency reserves	104	-	(104)	-	-	-
Balance as at 31 December 2020	-	-	59,812	59,812	-	59,812

Statement of Cash Flows

For the year ended 31 December 2021

	Consolidated 2021 \$'000	Consolidated 2020 \$'000	Parent 2021 \$'000	Parent 2020 \$'000
Cash flows from operating activities				
Receipts from donors and grantors	9,553	6,691	9,553	6,691
Payment for programs and employees	(8,703)	(6,589)	(7,931)	(5,471)
Interest received	1,353	1,137	370	233
Other income	510	674	213	672
Net cash generated by operating activities	2,713	1,913	2,205	2,125
Cash flows from investing activities				
Equity subscription in subsidiary	-	-	(1,500)	(559)
Investment in implementing partners	-	(1,442)	-	-
Loans to implementing partners	(2,604)	(1,543)	(2,335)	(1,067)
Repayment of loans from implementing partners	523	1,092	228	616
Payment for plant and equipment	4	(19)	(6)	(17)
Dividend income	8	16	8	16
Proceeds on sale of investment in jointly controlled entity	-	420	-	420
Proceeds from sale of assets	-	1	-	1
Net cash (used in) investing activities	(2,069)	(1,475)	(3,605)	(590)
Cash flows from financing activities				
Cash payments on lease liability	(38)	(49)	(38)	(49)
Net cash (used in) financing activities	(38)	(49)	(38)	(49)
Net increase/(decrease) in cash held	606	389	(1,438)	1,486
Cash at the beginning of financial year	10,105	9,258	8,108	6,628
Effects of exchange rate changes on balance of cash held in foreign currencies	126	458	74	(6)
Cash at the end of financial year	10,837	10,105	6,744	8,108



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INDEPENDENT AUDITOR'S REPORT

To the members of Opportunity International Australia Limited

Report of the Independent Auditor on the Summary Financial Statements

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2021, the summary income statement, summary statement of changes in equity and summary cash flow statements for the year then ended, and related notes, are derived from the audited financial report of Opportunity International Australia Limited for the year ended 31 December 2021.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial report, in accordance with the Australian Council for International Development (ACFID) Code of Conduct.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Australian Accounting Standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial report and the auditor's report thereon. The summary financial statements and the audited financial report do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial report.

The Audited Financial Report and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial report in our report dated 2 May 2022.

Other Information

The directors are responsible for the other information. Other information is financial and non-financial information in Opportunity International Australia's summary financial statements which is provided in addition to the summary financial statements and this Auditor's Report.

Our opinion on the summary financial statements does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the Summary Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management Responsibilities

Management is responsible for the preparation of the summary financial statements in accordance with ACFID Code of Conduct.

Auditor's responsibilities on the Summary Financial Statements

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

BDO Audit Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'Tim Aman'.

Tim Aman
Director

Sydney, 13 May 2022

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