

**good**  
return

annual report

2018



Good Return is the trading name of World Education Australia Ltd





# Who we are

## Our Credentials

Good Return is the registered business name of World Education Australia Ltd, an international development agency that works across the Asia Pacific region to deliver economic and social development programs for the financially and socially excluded.

We are an affiliate of World Education Inc, a Boston-based charity that has worked around the globe for more than 50 years to improve quality of life through education. Good Return holds full accreditation from Australian Aid of the Department of Foreign Affairs & Trade (DFAT).

We are a member of the Australian Council for International Development (ACFID), the peak body for organisations involved in overseas aid, and are committed to upholding its Code of Conduct. We ensure our financial reporting complies with the standards set out by the Code. We are registered with Australian Charities and Not-for-profits Commission and comply with all its requirements.

We hold Australian Financial Services Licence 504804 granted by the Australian Securities & Investments Commission (ASIC).



Australian Government

Department of Foreign Affairs and Trade







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# Our vision

a world without poverty where people have access to resources and opportunities to improve their lives.

# Our mission

to enable those living in poverty to achieve economic empowerment through responsible financial inclusion and capability development.



No one deserves a life of poverty. By accident of birth, many people are born into a life of hardship, just like their parents before them. Poverty remains a major issue facing the Asia-Pacific region today. More than 350 million people in the region live on less than \$2 per day.

Our mission is ambitious – but it is focused on areas where we believe we can make an impact. Our approach is to build the capacity of partner agencies and networks to help make a sustainable difference.

**We support economic empowerment for the poor through:**

- responsible & inclusive finance
- financial capability
- strengthening small business practice
- interest-free loan capital
- women's financial inclusion

## Our key programs

### Consumer Awareness & Financial Empowerment

Our capability development work analyses personal behaviour patterns to shape new approaches to financial service delivery and capability. We seek to help low-income users of financial services to recognise how they use and manage their money. Our aim is that they choose appropriate financial services, and apply them to secure and grow their assets for the future.

### Responsible Inclusive Finance

We work with financial institutions to put clients at the centre of strategic and operational decisions. Our partners commit to strong consumer protection practices, positive client experience and outcomes, and measurement and tracking of poverty levels. We support partners by providing targeted training and technical assistance, by conducting social audits and client protection assessments and access to capital to support expansion of pro-poor financial services.

### Social Impact Investment

Our program agenda now incorporates the powerful new concept of social impact investment. This is the aim of myriad institutional and personal investors around the world, who are willing to forego financial yield in order to create social and environmental returns. As such, it represents a natural arena for Good Return to work in, and to leverage our experience and relationships across the region. It also aligns with the development goals of the Australian government's DFAT, who have provided Good Return with grant support to build capability in Pacific island countries.

### Good Return Loans

Our loan platform enables supporters in Australia to lend capital to women served by our partner financial service providers. This supports the innovation and expansion of pro-poor financial services.

# 2018

## From the Chair and CEO

**We are pleased to introduce this annual report and its overview of the work of Good Return in the past financial year. During the year we strengthened our foundations, launched several initiatives, and leveraged new technology to scale our impact.**

### **Extending our reach**

Our Program work in the Asia and Pacific region is about building capability, confidence and economic opportunity for those living in poverty. It centres on two programs that target, respectively, users of financial services (CAFE, Consumer Awareness & Financial Empowerment), and their providers (RIF, Responsible Inclusive Finance). We have continued to extend the reach of both initiatives. For CAFE, new partnerships with non-financial service providers, government and NGOs deepened our engagement with the wider development sector. RIF Academy is our vehicle to train microfinance lenders in offering more supportive services to their low income clients. Its eLearning platform is now an effective learning tool, and we are collaborating with other social performance agencies to expand its curriculum. With the help of Accenture, we are creating mobile apps to make the learning accessible to people in remote, rural communities.

The year saw the start of a new social impact investment program. This is the fast growing global model whereby investors provide financial support to enterprises, but deliberately value and target social and environmental benefits alongside financial return. Our long experience in the field, advising microfinance organisations on managing their social and financial goals in financing village-level enterprises, provides the foundation for Good Return to fulfil a role in this space. With the support of DFAT, we piloted a social impact investment program that identifies emerging businesses in the Solomon Islands and Tonga, helps them become 'investment ready', and facilitates funding from local banks.

### **Recognising our strengths**

A highlight of the year was the success in re-affirming our standing with key regulators. In December, our Full Accreditation status under DFAT's Australian NGO Cooperation Program was renewed for another five years.

Also, to comply with new fundraising rules that affected our online loan program, we applied to ASIC and were granted an Australian Financial Services Licence. Considerable effort went into preparing for these reviews, but it was satisfying to see our policies and processes formally recognised as meeting the rigorous government standards.

Consistent with this recognition, the year also saw success in securing new grant and project funding. The Accenture Australia Foundation renewed its generous grant support for another four years.

### **Our partners and supporters**

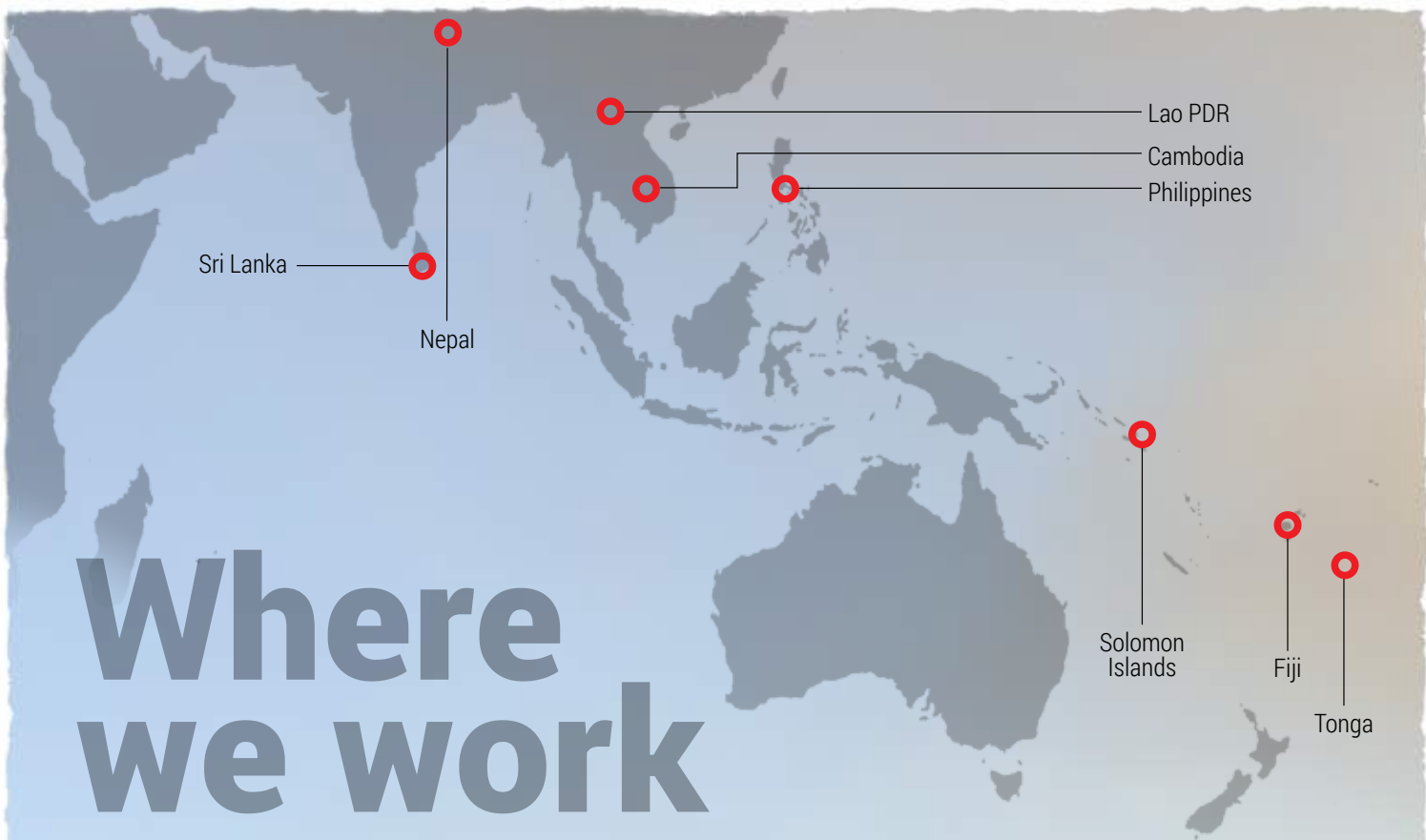
Central to all our work is partnership, in its deepest sense. We align ourselves with local institutions and development agencies, and work with them to raise awareness of social performance goals, and to strengthen their pro-poor services. Our financial supporters are also key partners. Our viability relies on their sponsorship, helping us establish a diverse funding base. On the ground, our team of skilled, dedicated staff and volunteers have made it possible to achieve the impacts described in this report. For their support and contribution, we thank them all.

Shortly after the end of the reporting period, our founder and friend Guy Winship passed away after a battle with cancer. Guy was a man of extraordinary vision, commitment and passion. He dared to dream. And to work hard to see it through to reality, motivating so many others to join him on the journey. We remain inspired by Guy's legacy, and to pursuing the goal of his life's work: a world without poverty.



*Kate Jordan, Chair*

*Shane Nichols, CEO*



# Where we work

## Our Partners

Regional Presence	FY18	
# active countries	8	Cambodia, Laos, Nepal, Philippines, Tonga, Fiji, Solomon Islands, Sri Lanka

Strong partnerships are core to Good Return’s approach. Positive collaboration is essential to ensure consumer interests are front and centre in our program design and execution.

### Microfinance partners

Good Return collaborates with microfinance institutions in the Asia Pacific to improve the lives of their clients. We choose our partners after a thorough due diligence process, in which we assess their financial viability as well as social performance. Both are important if they are to share and help execute our vision.

**SECDEP, Philippines** is based in Iloilo City. After many years of close cooperation, our work with SECDEP is now limited to providing interest free capital under the Good Return loan program.

**SPBD Tonga and SPBD Fiji** are part of a network of five microfinance institutions in the South Pacific. All are committed to eradicating poverty by giving rural women the opportunity to start and grow sustainable enterprises.

Partnerships	FY18	
# Microfinance Association partners	1	CMA
# FSP partners	13	3 Cambodia (Kredit, Samic, LOLC) 1 Philippines (SECDEP) 5 Pacific (POB, SPBD Fiji, Tonga, Samoa, SI) 1 Sri Lanka (VF Lanka) 3 Nepal (Sahara, Kisan, UNYC)
# GR loan partners	4	SPBD Fiji, SPBD Tonga, SECDEP, LOLC
Non-traditional partnerships or projects	5	NBC, Central Bank of Solomon Islands, Smart Campaign, World Bank Financial Coaching project, SHE Investments



# Key Programs

## UNDP Sustainable Development Goals

The United Nations Development Program (UNDP) has created the Sustainable Development Goals as a call to action: to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. The seventeen goals build on the success of the Millennium Development Goals, and include new areas such as climate change, economic inequality, innovation, sustainable consumption, peace and justice. Goals are interconnected: success on one often requires tackling issues associated with others.

Good Return's mission and work focuses on five specific goals.



Eradicating poverty in all its forms remains one of the greatest challenges facing humanity. While the number of people living in extreme poverty dropped by more than half between 1990 and 2015 – from 1.9 billion to 836 million – too many still struggle for the most basic human needs.



Ending discrimination against women and girls is not only a basic human right, but crucial to sustainable development. It has been proven time and again, that empowering women and girls has a multiplier effect, and helps drive economic growth and development across the board.



Over the past 25 years the number of workers living in extreme poverty has declined dramatically, despite the lasting impact of the 2008 economic crisis and global recession. In developing countries, the middle class now makes up more than 34% of total employment – a number that has almost tripled between 1991 and 2015.



It is well documented that income inequality is on the rise, with the richest 10% earning up to 40 percent of total global income. The poorest 10% earn only between 2% and 7% of total global income. In developing countries, inequality has grown by 11% if we take into account the growth of population.



The SDGs can only be realized with a strong commitment to global partnership and cooperation. While official development assistance from developed countries increased by 66% between 2000 and 2014, humanitarian crises brought on by conflict or natural disasters continue to demand more financial resources and aid.



# Key Programs

## Consumer Awareness & Financial Empowerment



CAFE aims to improve the wellbeing of low income populations by boosting their financial capability and self confidence. The program brings together microfinance associations, their members, NGOs and consumers to build a healthy ecosystem. This in turn extends and protects the interests of clients, and boosts their confidence in the system.

The initiative has three components: face-to-face (F2F) training, Financial Coaching, and Accelerator. F2F and Financial Coaching focus on providing training to low income households. F2F involves delivering financial capability training over a 10 or 20 week period. Participants appreciate this training because they find it simple to understand, and to apply. Accelerator involves working with financial service providers to strengthen client protection and enhance mutual respect and trust. This year, 2,980 learners completed F2F training across Cambodia and Nepal; a further 2,903 remain in the program.

### NEPAL

A third phase of the CAFE pilot was launched in Nepal. Nine trainers from two FSPs and two NGO partners (supported by WEI Nepal) participated in the Training of Trainers (ToT). Surveys show that our focus on changing financial behaviours has been effective, and a recent evaluation showed significant improvement in related indicators. The 20-week F2F was completed with three FSPs: UNYC and Kisan in western provinces, and Sahara in the east. In total 1339 women members participated in the training.

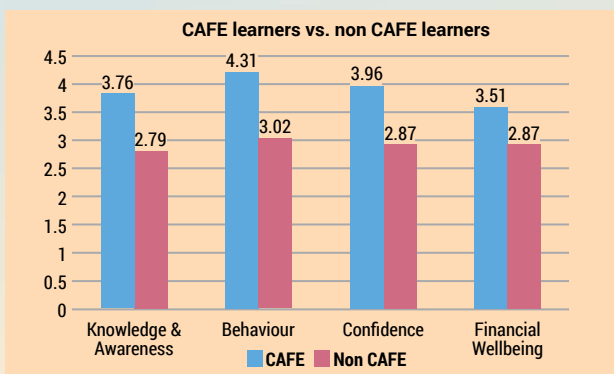
### CAMBODIA

F2F has been implemented across nine provinces with three partners: KREDIT and NH Finance (both MFIs) and Good Neighbors Cambodia (an NGO).

Learner behaviours	CAFE learners	Non CAFE	Difference %
Assess results of choices and actions	4.32	4.11	5%
Use written tool to track money	3.95	1.14	247%
Ask hard questions when needed	4.33	3.68	18%
Assess appropriate product for needs	2.59	1.79	45%
Plan for emergencies	4.03	2.76	46%
<b>Overall scores</b>	<b>4.27</b>	<b>3.07</b>	<b>39%</b>

Data from CAFE Cambodia Phase 3 Progress Review

By end 2018, KREDIT has committed to reach 2,100 CAFE learners; Samic and GNC plan to involve 800 clients. Good Return continued to develop our partnership with central bank, the National Bank of Cambodia (NBC). A 2017 review of the country's school curriculum catalysed a new approach to learning outcomes, curriculum standards and teaching resources. Supported by Asian Development Bank, Good Return and NBC partnered with World Education Cambodia and the Ministry of Education, Youth & Sport to execute a project "Financial Education in the School Curriculum".



Data from CAFE Cambodia Phase 3 Progress Review

Early work produced a roadmap to integrate financial education into the learning agenda for grades 1-12 in Cambodia's public schools. This will be built on the four most relevant subjects for financial education: mathematics, life skills, home economics and moral civics. Through 2019, NBC and Good Return will seek opportunities to pilot the program and support a national roll-out. Thereafter we may partner on a further project to promote financial literacy among the rest of the population, empowering them to make wise money decisions for the benefit of their families and communities.



# Key Programs

## RIF Academy

Microfinance institutions can struggle to train their staff in the requirements of responsible finance.

In an environment where risk management has been elevated by policy makers, regulators and operators, this is more important than ever. To address the challenge, Good Return has leveraged its resources to build a learning platform that focuses on the core principles of responsible, inclusive finance: RIF Academy. The RIF Academy portal offers a user-friendly interface, and access for low bandwidth users across multiple devices (desktop, tablet, or mobile).

Activity last year		
Number of eCourses	38	Some courses not available to the public
Active users	300	
Partners with RIF Academy	6	all in Cambodia and Nepal
Partners providing content	4	CERISE, IPA-PPI, Smart Campaign, SPTF

This eLearning portal has grown in 2018, and by year end 300 active users were accessing its 38 eCourses via its own website. These eCourses support Good Return staff training, CAFE Train the Trainer, and a range of lessons on microfinance, poverty reduction and social performance management. The goal of the RIF Academy is to provide a sustainable online platform for embedding responsible inclusive practices into the sector and to strengthen management practices among micro and small enterprises.

## Looking ahead

By 2021, our goal is for RIF Academy to be recognised as a leading provider of eLearning to the financial inclusion sector. We expect it will have been accessed by more than 10,000 learners. The curriculum will include technical content on USSPM (Universal Standards for Social Performance Management), client protection and poverty measurement tools. This will be designed in collaboration with respected global specialists such as Social Performance Task Force, CERISE, SMART Campaign, and IPA-PPI (Progress out of Poverty Index). There will be a mix of free and paid for courses, all in the local language of participants. Partnerships with MFIs and NGOs will allow them to use RIF Academy for their training delivery.



# Key Programs

## Social Impact Investment








The global impact investment sector is a rapidly growing asset class. Investors range from 'impact first', with significant risk tolerance and low or no expected financial return; to 'financial first' with expectations of commercial financial returns but hopes to also contribute to social outcomes. And the full spectrum in between.

But this strong investor interest faces a shortage of eligible and sustainable opportunities. There is a demand for finance from small and medium sized enterprises in Asia and the Pacific - the so-called 'missing middle'. Given that poverty is predominantly rural, and the majority of the world's poor are engaged in agriculture, farming enterprises present a huge opportunity to generate income and employment.

Good Return has piloted its Impact Investment Program with a few entrepreneurs in Solomon Islands and Cambodia. Small businesses often struggle to access finance from local banks, since they typically lack equity, and the tangible assets to provide needed security. The banks shy away from the segment due to perceived risks, in favour of larger, more lucrative, easier to serve clients.

To address this financing constraint, we have identified the most promising model as a guarantee scheme that supports and mobilises bank credit for worthy enterprises. Good Return will use social investors' cash to underpin its limited guarantee of loans extended by the commercial lender.

### Key Investment Criteria

- 
**Social Impact:** the business demonstrates a positive social impact in generating employment opportunities to low-income communities, as well as a commitment to addressing issues of gender inequality.
- 
**Track record:** the business must have been in operation for at least 2 years and demonstrate capable management.
- 
**Financial capacity:** the business earns sufficient revenue to cover all expenses within 3 years and demonstrates capacity to service any borrowings.
- 
**Legal identity:** the business must be a legal entity (separate from the entrepreneur) with a clear ownership structure and capacity to take on debt and enter into legally binding contractual agreements.
- 
**Licensed:** the business must be licensed by the relevant government authorities.
- 
**Do no harm:** the business must have an ethical philosophy, and no material negative social, environmental or health impacts.
- 
**Investment amount and term:** The amount of any single investment is generally between AUD25,000 and 250,000. Investment term is generally 3-5 years.





# Key Programs

## Good Return Loan Program

good return

Home | About Us | Donate | About Microfinance | Lend

Help one of these entrepreneurs map their way out of poverty

You Make the loan → The business opens, grows → Your loan is repaid → Re-lend to help another entrepreneur

This is our online platform through which the Australian public join forces to lend a hand to our microfinance partners and their clients. Our loan platform enables partner financial service providers to access capital to support the innovation and expansion of pro-poor financial services. It is also the key vehicle for engaging with our supporters in Australia.

A combination of regulatory and IT challenges during the year meant that the Good Return Loan program saw a much reduced level of activity. The first challenge resulted from recent changes in the law that required a charitable fundraiser like Good Return, with effect from 1 January 2018, to hold an Australian Financial Services Licence (AFSL). There were some months of uncertainty as we sought to establish whether previous exemptions might be grandfathered. But by late 2017 it became clear this was not feasible. And so rather later than we would have liked, the organisation started the process of applying to ASIC for an AFSL.

The application was successful. But the licence was not finally issued until April 2018.

As a result of this delay, from the start of this year our website could not offer supporters the option of making standard loans to our MFI partners and their clients. This inevitably reduced the number and volume of loans transacted.

This constraint was extended by some months as we executed a long planned move to redesign the loans website and its supporting IT platform. This was prompted by the desire to streamline bookkeeping and administration procedures that underpin the Loan Program. And of course it is an IT truism that such moves are always more difficult and take longer than expected. Designing and testing the new platform was not completed until September.

But despite six months of a restricted program, we raised \$130,000 in 600 separate loans that we disbursed as interest free capital to our MFI partners in Cambodia, Philippines, Fiji and Tonga. They in turn made loans to 260 women borrowers who had featured on the Good Return website. With an average immediate family of five people, the program touched the lives of well over 1,000 individuals.

# Major Projects

## Strengthening Financial Inclusion in the Solomon Islands



Mobile banking is still relatively new in the Solomon Islands. It has huge potential to help unbanked people, whose average travel time to their nearest bank, ATM or agent is more than three times that of banked customers. Imagine travelling an hour and a half to reach your nearest bank agent, and four to reach your nearest branch! Any mobile banking network requires robust architecture if it is to support agents, and deliver a quality service to those rural people with limited access to banking services. Similarly, there is a need to build awareness and confidence of unbanked and underbanked consumers to make informed choices about choosing and using digital financial services.

Good Return and Asian Development Bank (ADB) have partnered to extend the Strengthening Financial Inclusion project. This follows past work researching the needs of remote customers, and partnering with Pan Oceanic Bank to develop a digital product to encourage savings behaviour. In this phase, we will support the Central Bank of Solomon Islands (CBSI) to strengthen the agent network, and in turn the financial capability of all Solomon Islanders.

CBSI is leading the way on making the digital banking agent network a central part of a national payment system. To this end, it has released guidelines to safeguard consumers who bank with agents (such as shopkeepers).

Good Return will implement these guidelines in developing an Agent Management Framework, which will be delivered through eLearning modules (accessible online and offline) via our RIF Academy App.

Good Return is also working with CBSI to develop a national financial capability program using a coaching delivery model. After a Learner Needs & Resources assessment across two provinces, we designed a framework to address key behaviour gaps, including money mindfulness, planning, choosing and using financial services. The coaching delivery model allows for each participant to base their learning on the family's own circumstances. It calls for family interaction, with take home activities to build buy in and encourage positive money management behaviours.

Alongside this national program, Good Return has worked with CBSI to develop a radio campaign, delivered through the 'Money Matters' timeslot on national broadcaster SIBC. This 'Make Money Work for a Better Future' campaign draws on themes from the coaching program, and including a drama that follows a typical Solomon Islands family navigating the financial ups and downs of life. It encourages listener participation through 'practice at home' challenges, and live talkback during seven weekly broadcasts.



# Major Projects

## Sri Lanka and Laos



### **Vision Fund Lanka wins SMART certification**

Vision Fund Lanka (VFL) is a subsidiary of Vision Fund International, a global microfinance institution, that delivers financial services to Sri Lankans who would otherwise have limited access to credit.

During 2017, Good Return provided technical assistance to support VFL in securing Client Protection Certification from the Smart Campaign. The Smart Campaign is a worldwide effort to unite microfinance leaders around a common goal - to understand and satisfy the needs of their clients.

It seeks to ensure they have the tools and resources to deliver transparent, respectful, and prudent financial services to all customers.

Smart Certification provides an independent, objective seal of confidence that a holder is doing everything it can to treat its clients well and protect them from harm.

Reema Patnaik, our Good Return technical expert, spent almost 18 months on the project. She interacted with the CEO, senior management, business teams and clients. To identify gaps in VFL's products and practices, she reviewed internal policy manuals and observed client meetings in the field. Reema developed proposals to address these gaps, and worked with VFL management to implement them.

A late 2017 review by the rating agency Microfinanza recognised 95% compliance with Client Protection Principles, and allowed VFL one month to close the remaining gap. In February 2018, VFL achieved its goal and was awarded full Smart Certification! To date VFL is the first and only financial institution in Sri Lanka to be Smart Certified. With this recognition, 85,700 disadvantaged Sri Lankans can be confident their financial services provider complies with the highest global benchmarks for responsible, client-friendly support.

### **Laos PDR**

Good Return signed an MoU in April 2018 with World Education Laos to work on enterprise development training content. Good Return is providing support to WEL project "Women's Entrepreneurial Center" with an FSO, and with the agreement to gather learnings from the current short-course business management training delivered at the centre to help inform and create content on a new CAFE Enterprise Development module. The plan is to first develop the CAFE Enterprise module in Nepal and thereafter to refashion content for delivery in Laos.

# Key policies

## Gender Equality

Our Gender & Social Inclusion strategy is central to our values - and to achieving our program mission. Core to effective development, gender equality is mainstreamed throughout our work; and it is equally important that we walk the talk within our own organisation. After reviewing progress against the 2015-18 Gender Strategy Action Plan (GSAP), we are now conducting another self-assessment to formulate a fresh GSAP out to 2021. During the year, we helped microfinance partners (including two in the Solomon Islands) to conduct organisational gender self-assessments, and develop action plans to enact any needed internal change.

Our Social Investing program uses a gender lens approach to review the wider impact of investment in rural enterprises. To this end, we have conducted gender value chain analyses of the virgin coconut oil value chain in the Solomon Islands, and for handicrafts and vanilla production in Tonga. Such gender equity impacts are key criteria for selecting an emerging business for our support.

Our CAFE program also focuses on building family dialogue and equal participation around decision making and managing money. We partnered with Good Neighbors Cambodia to pilot Oxfam's Rapid Care Analysis Tool, to support wider community change around unpaid care, and strengthen the impact of CAFE training on families.

### Disability & Inclusiveness

Disability is an international development issue and a focus area for Good Return. This is because some 80% of those with disabilities live in developing countries, where they constitute over 20% of the poorest of the poor.

In our CAFE program, data is collected from learners using the disability indicators designed by the Washington Group, which enabled the team to design approaches to support learners with impairments. For example, learners with vision difficulties benefited from larger posters, and larger text in their workbooks.

Those with visual/hearing impairment were seated nearer trainers. Venues were located so that learners with mobility difficulty could easily attend.

We are continuing to support our microfinance partners to collect the Washington Group indicators on disability, as a first step towards better serving their customers. In Tonga, we have worked with SPBD to collect Washington Group indicators, conduct staff training and engage in community awareness activities, including the International Day of People with Disabilities. Good Return has affirmed a commitment to build our staff capacity on disability and inclusion. This included special training as part of a strategic planning week in 2018, and a planned disability inclusion self-assessment for 2019.

### Child protection

Because our programmatic approach works primarily with partner agencies and adult beneficiaries, staff are not usually directly involved in dealing with children. However, many of the people that our partners work with are poor women with children. It is therefore appropriate that all staff comply with DFAT/Australian Aid and others' child protection guidelines and policies. Good Return continue to build the capacity of its staff and partner staff by collaborating with local children's rights groups to conduct training. Child safety training for our own and partners' staff in Phnom Penh was conducted by Friends International.

### Environmental Quality

Good Return seeks to be an environmentally aware organisation that practices what it preaches. It will actively promote the importance of conservation of the natural environment, and of the fight against climate change. We ensure our programs are compatible with a sustainable natural environment, and encourage partners to include awareness of natural resources in their social performance agenda. In our own activities, Good Return seeks to minimise our environmental footprint wherever possible.



# Governance

## Legal Status

World Education Australia Ltd (WEAL) is a public, voluntary, not-for-profit company limited by guarantee. WEAL has charitable status as a registered Public Benevolent Institution (PBI) and has the authority to fundraise in all states of Australia.

## World Education Australia Overseas Relief Fund

WEAL is the Trustee of controlled entity World Education Australia Overseas Relief Fund (WEAORF), which holds Deductible Gift Recipient status from the Australian Taxation Office. The objective of WEAORF is to support economic and social development programs to improve the lives of the poor in the Asia Pacific.

## World Education Inc.

WEAL shares its name and philosophy with its Founding Member, World Education Inc (WEI), a not for profit organisation based in Boston, USA. WEI was founded in 1951 and provides training and technical assistance through non-formal education across the globe. WEI and World Education Australia operate independently of each other, and all dealings are conducted on arms-length terms.

## ACFID Code of Conduct

Good Return strives to maintain the highest possible standards of governance. Good Return supports and is committed to adherence to the ACFID Code of Conduct as a minimum standard for integrity, governance and reporting. All directors, paid staff and volunteers are expected to adhere to and uphold the Code of Conduct.



ACFID  
MEMBER

## Board of Directors

The Board has ten members. The Board met four times in the financial year: in August and November 2017, and March and May 2018.

The Board has five sub-committees: Audit Committee, Nominations Committee, Remuneration Committee, Development Effectiveness Committee, and Marketing and Fundraising Committee. Sub-committees meet on an ad hoc basis, and report their deliberations to the next formal meeting of the Board.

The Development Effectiveness Committee supports management on:

- best strategy to achieve development goals
- evidence-based results to assess outputs and impacts
- reporting to stakeholders, especially partners, beneficiaries and donors
- how an effective feedback and learning loop can best inform future work.

Members of the Committee are:

Sonia Higgins, Suma Tekkatte,  
Shane Nichols, Anna Walsh

The Marketing and Fundraising Committee supports management on:

- strategies to meet marketing and fundraising objectives
- best practice approaches to fundraising and corporate partnerships
- performance targets and measurements to ensure optimal use of resources
- advocacy of marketing and fundraising as vital to achieve our strategic objectives.

Members of the Committee are:

Joanna Ledgerwood, William Pigott,  
James MacNeil, Shane Nichols, Benigne du Parc

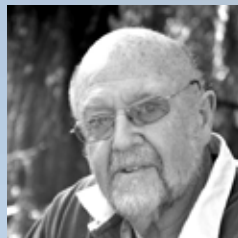
# Board of Directors

Your directors present this report on the company, and its controlled entity World Education Australia Overseas Relief Fund (WEAORF), for the financial year ended 30 June 2018. Below are listed the names of the company's directors in office throughout the financial year until the date of this report (unless otherwise stated), their specific roles, qualifications, and experience.



**Kathryn Jordan, Chair**  
*B.Com, LL.B, LL.M.*

Kate is a Corporate and Mergers & Acquisitions lawyer. She is the Deputy Chief Executive Partner of Clayton Utz.



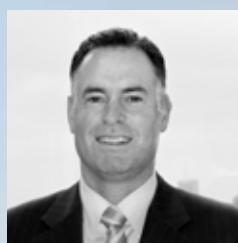
**William Pigott**  
*B.S., M.B., formerly FRACP*

Bill is a former education and public health practitioner, working with WHO for 21 years, latterly in Nepal and Cambodia. He is now involved in community support with Landcare in NSW.



**Sondra Cortis, Treasurer**  
*B.Com, CA, GAICD*

Sondra's career has been in the financial services industry. After qualifying as a chartered accountant with Deloitte, she joined Westpac in 1995. She has filled various roles in the bank's finance area, and currently is based in Singapore as Deputy CFO for Westpac International.



**Damien Woods**  
*B.Sc., MBA*

Damien has worked for more than 25 years as a management consultant, mostly with Accenture, specialising in the healthcare field.



**Gordon Cairns**  
*M.A. (Hons)*

Gordon has had an executive career with several global companies, latterly as CEO of Lion Nathan. He now acts as chair of Woolworths and Origin Energy, and as a non-executive director of Macquarie Group and Quick Service Restaurants.



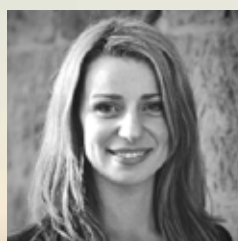
**Joanna Ledgerwood**  
*B.Sc., MBA*

Joanna's career has focused on promoting microfinance in developing countries. She had oversight of multiple country programmes for the Aga Khan Foundation, and until 2016 worked to boost financial inclusion in Zambia. Her text *Microfinance Handbook* is used extensively by development practitioners. Joanna lives in Vancouver.



**Pamela Jonas**  
*B.A. (Hons), M.A. (Public Policy & Management)*

Pam's expertise is in the fields of education, training, and employment policy. She worked for more than 20 years as an education and community consultant, and now splits her time between Australia and France.



**Sonia Higgins**  
*B.Soc. Sc.*

Sonia has operated for over 20 years in the fields of global sustainability, corporate social responsibility, strategy and effectiveness. She has been a senior executive at Cisco, Hewlett Packard and Lendlease, and currently consults to corporates and not-for-profits in her areas of expertise.



**D. James MacNeil,**  
*B.A., M.Ed., Ed. D.*

James has worked for World Education Inc. (WEI) on education and livelihoods development programs in Indonesia, Cambodia, Nepal and India. He is based in Boston where he is Vice President of WEI's Asia Division.



**Guy Winship,**  
*B.Soc.Sc., B.Com (Hons)*

Guy Winship served as a director of the company from its founding in 2003 until he passed away on 20 September 2018.



# A tribute to Guy Winship

## Humanitarian and leader

Born 6 September 1961, Durban, South Africa. Died 20 September 2018, Sydney.



In 2014, Guy was diagnosed with ocular melanoma and had one eye removed. Within a year, the cancer metastasised and his illness became terminal. But even after losing his eye, Guy remained indomitable, quoting Erasmus 'In the land of the blind, the one-eyed man is king!'. Guy remained as CEO of Good Return until he stepped down in 2016. Even then, he continued to work as a Board member and consultant. In his passing, Australia's overseas aid and development community have lost one of its great humanitarian leaders.

Guy's early career was with a mutual society and a bank that provided development finance. He went on to establish World Education in South Africa, introducing rural vocational skills training programs. He later became country manager for FINCA Uganda, a pioneering non-profit microfinance institution in Africa, growing its village banking program to provide economic opportunity to more than 30,000 Ugandans. After migrating to Australia, in 2003 Guy founded World Education Australia (now Good Return), to fight poverty in Asia and Pacific.

Fifteen years on, his work has touched the lives of thousands of people who have built a better life for themselves and their families by accessing micro-finance credit and skills training. Guy was able to explain the complex role that economic development can play in transforming the lives of individuals, communities and societies - in a way that ordinary people can understand.

Even more notable was his remarkable ability to translate this understanding into a vision, inspiring 'the haves' in society of why it is rational, and humane, to support the 'have nots', and to strive for a more equitable world.

Guy Winship played a thoughtful and inspirational leadership role in building a vibrant and professional community sector in Australia. He motivated many Australians to take action. Throughout this journey, Guy reaffirmed the best of what it means to be Australian: the spirit of egalitarianism and a fair go for all, embracing mutual respect, compassion for those in need, and the pursuit of public good. Through it all, Guy maintained an indomitable spirit and his unique sense of humour.

# Summary financial report for year ended 30 June 2018

The summary financial statements, comprising the consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows are an extract from the full financial statements of World Education Australia Limited for the year ended 30 June 2018 available at [www.goodreturn.org.au](http://www.goodreturn.org.au).

The summary financial statements were extracted for the purpose of providing a summary of the financial position and financial performance of World Education Australia Limited.



## Independent Auditor's Report

To the members of World Education Australia Limited

### Opinion

The **Summary Financial Report** of World Education Australia Limited (the **Company**) is derived from the Audited Financial Report of the **Company** as at and for the year ended 30 June 2018 (Audited Financial Report). We expressed a qualified audit opinion on the Audited Financial Report dated 16 November 2018.

In our opinion, the accompanying Summary Financial Report is consistent, in all material respects, with the Audited Financial Report of World Education Australia Limited, in accordance with the basis of preparation described in the Notes to the Summary Financial Report on pages 18 and 19.

The **Summary Financial Report** comprise:

- Consolidated statement of financial position as at 30 June 2018;
- Consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended; and
- Related notes.

The Summary Financial Report is contained in the *Good Return Annual Report* on pages 18 to 22.

The **Group** consists of World Education Australia Limited (the **Company**) and the entities it controlled at the year end or from time to time during the financial year.

### Summary Financial Report

The Summary Financial Report does not contain all the disclosures required by Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profit Commission Regulation 2013 framework applied in the preparation of the Audited Financial Report. Reading the Summary Financial Report 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 Report 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 a qualified audit opinion on the Audited Financial Report in our report dated 16 November 2018.

The basis of our qualified opinion was in relation to fundraising revenue in the form of cash donations which are a significant source of fundraising revenue for the Group. The Group has determined that it is not practicable to maintain controls over the collection of cash donations prior to entry into its financial records.

Accordingly, as the evidence available to us regarding fundraising revenue from this source was limited, our audit procedures with respect to cash donations was restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether the cash donations to the Group, reported in the accompanying Audited Financial Report are complete.

Our qualified opinion states that, except for the effects of the matter described, the Audited Financial Report gives a true and fair view of the Group's financial position as at 30 June 2018 and of its financial performance and its cash flows for the year ended on that date in accordance with Division 60 of the Australian Charities and Not-for-profits Commission (ACNC) Act 2012, Australian Accounting Standards – Reduced Disclosure Requirements and the presentation and disclosure requirements of section 8.3.2 of the ACFID (Australian Council for International Development) Code of Conduct Quality Assurance Framework.

KPMG, an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Liability limited by a scheme approved under Professional Standards Legislation.

World Education Australia Limited  
ABN 39 106 279 225. AFSL 504804.  
Full audited statements  
are obtainable at [www.goodreturn.org.au](http://www.goodreturn.org.au)





#### Emphasis of matter – basis of preparation and restriction on use

The Summary Financial Report is a summary of the Audited Financial Report of World Education Australia Limited in accordance with the basis of preparation described in the Notes to the Summary Financial Report on pages 18 and 19 and have been prepared to assist the Directors of the Company to provide a summary of the financial position and financial performance of World Education Australia Limited.

As a result, the Summary Financial Report and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

#### Other Information

Other Information is financial and non-financial information in World Education Australia Limited's Annual Report which is provided in addition to the Summary Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Summary Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Summary Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Summary Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Audited Financial Report and Our Report Thereon section above, we were unable to obtain sufficient appropriate evidence about the completeness of cash donations. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

#### Responsibility of the Directors for the Summary Financial Report

The Directors are responsible for the preparation of the Summary Financial Report in accordance with the basis of preparation described in the Notes to the Summary Financial Report on pages 18 and 19.

#### Auditor's responsibility for the Summary Financial Report

Our responsibility is to express an opinion on whether the Summary Financial Report is consistent, in all material respects, with the Audited Financial Report based on our procedures, which were conducted in accordance with Australian Auditing Standard ASA 810 Engagements to Report on Summary Financial Statements.

KPMG

Sydney

22 November 2018

The consolidated financial statements have been prepared in accordance with Australia Accounting Standards - Reduced Disclosure Requirements adopted by the Australia Accounting Standards Board, the Australian Charities and Not-for-profits Commission Act 2012 and the Australian Council for International Development Code of Conduct Quality Assurance Framework. The consolidated financial statements comply with the Australia Accounting Standards - Reduced Disclosure Requirements.

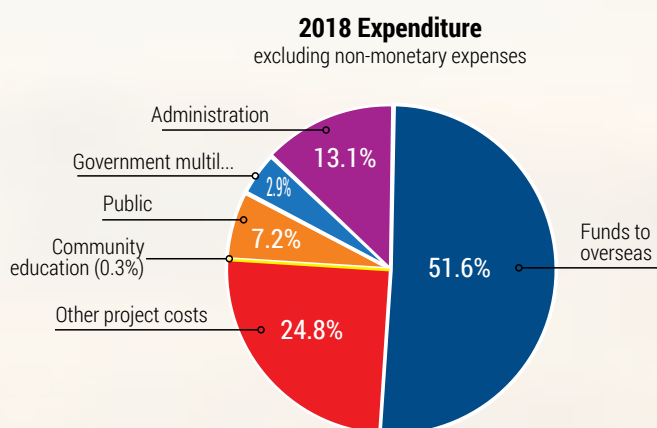
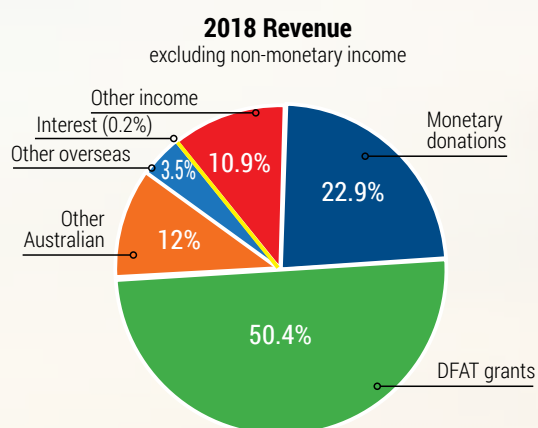
The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

# Summary financial report for year ended 30 June 2018

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	Consolidated Group 2018 \$	Consolidated Group 2017 \$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	1,278,349	1,460,914
Loans receivable	50,000	223,380
Trade and other receivables	102,710	87,344
Other current assets	45,821	74,135
<b>Total Current Assets</b>	<b>1,476,880</b>	<b>1,845,773</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	-	4,460
Intangible assets	-	-
<b>Total Non-Current Assets</b>	<b>-</b>	<b>4,460</b>
<b>TOTAL ASSETS</b>	<b>1,476,880</b>	<b>1,850,233</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and other payables	68,041	265,082
Special purpose funding	381,164	376,890
Loans payable	226,224	411,665
Provisions	52,978	51,212
<b>Total Current Liabilities</b>	<b>728,407</b>	<b>1,104,849</b>
<b>Non-Current Liabilities</b>		
Provisions	-	17,515
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>17,515</b>
<b>TOTAL LIABILITIES</b>	<b>728,407</b>	<b>1,122,364</b>
<b>NET ASSETS</b>	<b>748,473</b>	<b>727,869</b>
<b>EQUITY</b>		
Contributed equity	-	-
Reserve for designated purpose	720,372	718,421
Retained earnings/(deficit)	28,101	9,488
<b>TOTAL EQUITY</b>	<b>748,473</b>	<b>727,869</b>

As at 30 June 2018 and 30 June 2017, Good Return had nil balances in Inventories, Assets held for sale, Investment property, Borrowings, and Current tax liabilities.



World Education Australia Limited ABN 39 106 279 225. AFSL 504804. Full audited statements are obtainable at [www.goodreturn.org.au](http://www.goodreturn.org.au)



# Summary financial report for year ended 30 June 2018

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	Consolidated Group 2018 \$	Consolidated Group 2017 \$
<b>REVENUE</b>		
Donations & gifts:		
Monetary	443,765	797,068
Non-monetary	604,847	503,240
Grants:		
Department of Foreign Affairs and Trade	975,785	1,595,784
Other Australian	232,533	181,333
Other overseas	66,905	331,493
Interest	4,225	7,695
Other income	211,725	7,695
<b>TOTAL REVENUE</b>	<b>2,539,785</b>	<b>3,503,093</b>
<b>EXPENSES</b>		
<b>Overseas projects</b>		
Funds to overseas projects	987,258	1,783,489
Other project costs	474,966	574,454
Community education	5,298	1,239
<b>Fundraising costs</b>		
Public	138,452	216,583
Government, multilateral and private	54,955	43,539
Administration	251,463	334,296
Non-monetary expenditure	606,789	503,240
<b>TOTAL EXPENSES</b>	<b>2,519,181</b>	<b>3,456,840</b>
<b>Surplus/(deficit) of revenue over expenses</b>	<b>20,604</b>	<b>46,253</b>
Income tax expense	-	-
<b>Surplus/(deficit) for the year</b>	<b>20,604</b>	<b>46,253</b>
<b>Other Comprehensive Income</b>	-	-
<b>TOTAL COMPREHENSIVE INCOME/(LOSS)</b>	<b>20,604</b>	<b>46,253</b>

During the financial year, Good Return had no transactions in Bequests and Legacies, Domestic Programs or in Political or Religious Adherence Promotion Programs categories.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Retained earnings \$	Reserve for designated purposes \$	Total \$
<b>Consolidated Group</b>			
<b>Balance at 1 July 2016</b>	<b>4,053</b>	<b>677,563</b>	<b>681,616</b>
(Deficit) of revenue over expenses	46,253	-	46,253
Transfer (to) / from reserve	(40,858)	40,858	-
<b>Balance at 30 June 2017</b>	<b>9,448</b>	<b>718,421</b>	<b>727,869</b>
Surplus of revenue over expenses	18,653	1,951	20,604
Transfer (to) / from reserve	-	-	-
<b>Balance at 30 June 2018</b>	<b>28,101</b>	<b>720,372</b>	<b>748,473</b>

The excess of revenue over expenses from operations of the controlled entity, World Education Australia Overseas Relief Fund, is transferred to a Reserve for Designated Purposes. This recognises that the net assets represented by this reserve cannot be used for any purpose other than providing relief to persons in a developing country certified as such by the Department of Foreign Affairs and Trade; or, on winding up, must be transferred to some other fund qualifying under the Overseas Gift Fund Provisions of the Income Tax Assessment Act 1997.

# Summary financial report for year ended 30 June 2018

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

	Consolidated Group 2018 \$	Consolidated Group 2017 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Donations and grants	1,723,263	2,704,861
Customers	200,334	151,251
Suppliers and employees	(2,118,279)	(2,803,691)
Interest	4,225	7,695
<b>Net cash (used in)/provided by operating activities</b>	<b>190,457</b>	<b>60,116</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Property, plant and equipment	(47)	-
Capital WIP, Good Return software and web-site	-	3,600
Security Deposits	20,000	(10,214)
<b>Net cash provided by/(used in) investing activities</b>	<b>19,953</b>	<b>(10,214)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Good Return - net loans movement with public	(185,441)	(62,775)
Good Return - net loans movement with microfinance institutions	173,380	(10,206)
<b>Net cash (used in)/provided by financing activities</b>	<b>(12,061)</b>	<b>(72,981)</b>
Net (decrease)/increase in cash held	(182,565)	(23,079)
Cash at beginning of financial year	1,460,914	1,483,993
Cash at end of financial year	1,278,349	1,460,914

## CASH MOVEMENTS FOR DESIGNATED PURPOSES FOR THE YEAR ENDED JUNE 2018

	Cash available at beginning of financial year \$	Cash raised during financial year \$	Cash disbursed during financial year \$	Cash available at end of financial year \$
<b>DESIGNATED PURPOSES</b>				
DFAT ANCP annual allocation	-	720,343	(720,343)	-
DFAT SPSL Laos project	196,179	-	(196,179)	-
Accenture Skills For Life	87,787	345,000	(232,534)	200,253
ADB Strengthening Financial Inclusion	54,621	53,727	(57,699)	50,649
DFAT Pacific Rise	-	200,262	(70,000)	130,262
CMA Learning Management System	16,059	-	(16,059)	-
Other	22,244	-	(22,244)	-
	<b>376,890</b>	<b>1,319,332</b>	<b>(1,315,058)</b>	<b>381,164</b>
Good Return	455,999	522,018	(394,039)	583,978
<b>Total for designated purposes</b>	<b>832,889</b>	<b>1,841,350</b>	<b>(1,709,097)</b>	<b>965,142</b>
<b>Other cash movement</b>	<b>628,025</b>	<b>278,557</b>	<b>(593,375)</b>	<b>313,207</b>
<b>TOTAL</b>	<b>1,460,914</b>	<b>2,119,907</b>	<b>(2,302,472)</b>	<b>1,278,349</b>

Good Return: amounts indicated under cash raised include loans and donations from public lenders and cash disbursed include donations to Good Return and loans to partner microfinance institutions.

World Education Australia Limited ABN 39 106 279 225. AFSL 504804. Full audited statements are obtainable at [www.goodreturn.org.au](http://www.goodreturn.org.au)



# Our supporters

Good Return thanks our partners and supporters for their contribution. These organisations and people have been essential to the impact and sustainability of our work and we thank everyone for their time, funding and talent.

## Personal supporters

John and Dora English, the McIntosh Family, Family Frank Foundation, Greatorex Foundation, CAGES Foundation, English Family Foundation, Nine Links Foundation

## Ambassadors

Diana Ryall, Anne Devine, Mark Swivel, Sharlene Dadd, Paul Heath, Gitanjali Bhalla, Richard Grimmond, Fran Rush, Paul Gordon, Tharani Jegatheeswaran,

## Corporate supporters

Accenture Australia, Accenture Australia Foundation, Circle Alliance Bank, Clayton Utz, Clayton Utz Foundation, Deloitte Foundation, Facebook Australia & New Zealand, Olbia Funds Management, Origin Foundation, Optimiste Wines, Peoplemax, Thinktank Property Finance, Westpac Group, Macquarie Group Foundation, Xplore for Success.

## Regional

Asian Development Bank, Australian Government DFAT, CERISE, Smart Campaign, World Education Inc.

## Cambodia

Good Neighbours Cambodia, Kredit, LOLC, National Bank of Cambodia, SAMIC, SHE Investment, Vision Fund, World Education Cambodia.

## Other SE Asia

SECDEP, Vision Fund Lanka, World Education Laos.

## Pacific

Central Bank of the Solomon Islands, Pan-Oceanic Bank, South Pacific Business Development (Fiji, Samoa, Solomon Islands and Tonga).

## Management Team

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Shane Nichols  
Benigne du Parc

Chief Executive  
Director Programs  
(appointed Nov 2017)  
Director  
Marketing & Fundraising

Tim Frost  
Annet Jansen  
Norm Sturrock  
Ian Jackson

Financial Controller  
Lead, People & Operations  
Adviser, Risk Management  
Adviser, Legal & Compliance

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## Complaints Process

Please note that all complaints, questions or comments will in the first instance be actioned by a Good Return team member within 48 hours.

If this is not appropriate, or you are unsatisfied with their answer, please call us on +61 2 9114 8111 during business hours (9 am to 5 pm) Monday to Friday. Upon request, you can ask to speak to one of our senior executives. That manager will make sure your concern is addressed in an appropriate, discreet and confidential manner. You can be assured that every effort will be made to find a satisfactory resolution to your complaint.

## ACFID Code of Conduct

We are a signatory to the Australian Council for International Development (ACFID) Code of Conduct. Details of the provisions of the Code can be viewed in the ACFID website at [www.acfid.asn.au](http://www.acfid.asn.au). In the event that your issue entails a potential breach of the Code, you have the option of escalating it to the ACFID Code of Conduct Committee. Their contact details are in their website under the Complaints tab.

# Our vision

a world without poverty where  
people have access to resources and  
opportunities to improve their lives.

**good**  
return

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Tel: +61 2 9114 8111 [goodreturn.org.au](http://goodreturn.org.au)

Good Return is the trading name of World Education Australia Ltd

