

Annual Report 2014

YOUR CARE MAKING A DIFFERENCE WHERE IT REALLY MATTERS



“When I was hungry,
you gave me something to eat,
and when I was thirsty,
you gave me something to drink.
**When I was a stranger,
you welcomed me.”**

JESUS (FROM MATTHEW 25:35, CEV)

ALWS will ...

IN 2014, OUR NEW STRATEGIC PLAN (2015 - 2020) WAS APPROVED:

mandate

We love because God first loved us [1 John 4:19]. Jesus said, “For I was hungry, and you gave me something to eat; I was thirsty, and you gave me something to drink; I was a stranger, and you invited me in; naked, and you clothed me; I was sick, and you visited me; I was in prison, and you came to me ... Truly I say to you, to the extent that you did it to one of these brothers or sisters of mine, even the least of them, you did it to me.” [Matthew 25:35,36,40]

vision

ALWS envisages a world where love comes to life [cf 1 John 4:9-12]. A world where all people live in just societies, where we are all empowered to achieve our full potential, uphold our rights and the rights of others for a life with peace and dignity; and where we are all inspired to remember, welcome and support those who suffer from poverty and injustice. [cf Galations 2:10 & Leviticus 25:35]

mission

ALWS reaches out in love, for justice. We bring together people willing to work in service to help end suffering. As partners, we work openly and accountably, supporting programs which welcome, respect and bring hope through care to those fleeing from, or hurt by, disaster, poverty and oppression. We add our voice to those of the unheard and the excluded, together crying out for justice so that we can all live in just and sustainable communities.

guiding principles

- we serve with unconditional love
- we support the inclusion of all people
- we work for the empowerment of others
- we respect and uphold people’s dignity
- we work for justice
- we work in partnership
- we make good use of God’s gifts
- we are accountable
- we value the people who work with us
- we value reflection

approach

Poverty and injustice are the result of other people’s greed, and so we inspire and equip people to support work which is rights-based, integrated and empowering. Our work is unconditional. It focuses on communities that are disadvantaged or displaced, through trusted partners in Asia/Pacific and Sub-Saharan Africa. We utilise and invest in the skills of our people and those around us. We approach everything we do in an accountable, transparent and reflective way.

GOALS



— help

through partners to ensure people live in more just and sustainable communities through long-term development programs, and that people affected by emergencies receive life-sustaining care.



— inspire

and enable the Lutheran family to reach out in love for justice.



— improve

to enable us to best serve people, communities and supporters.



— strengthen

as an organisation to ensure we are transparent and accountable to people, communities, partners and supporters.



— partner

to leverage wider change and increase our impact.



— resource

with the people, funds and time needed to sustain the work of the organisation.

making a difference

“When people come, they are totally exhausted. The first thing they ask for is water. Many are fleeing because of starvation, and so they arrive malnourished ... When you see people who have fled, you feel the person is broken from their country, and separated from their family. You see people who have lost everything ... I will stay here as long as I am needed.”

Alphonse Abolem



[photo: ALWS]

Alphonse Abolem leads the Lutheran (World Federation) team meeting refugees fleeing the conflict in South Sudan at the Transit Centre at Nadapal on the Kenya and South Sudan border. This work is supported by the ALWS family, as is the support for refugees at Darfur, as you see on the front cover. [front cover photo: ACTAlliance]

Why welcome matters more than ever

Imagine lining up all of the countries in this world, from the most developed to the least and from the richest to the poorest.

And think that of all of those countries – the USA, the European nations, Japan, and so on – Australia ranks as the wealthiest of them all¹, and one of the most developed, second only to Norway.

What a privilege it is to live here! But what a responsibility it is too.

Yet barely more than two cents in every ten of our tax dollars is projected to go towards caring for these people, and we've let the world know that we're not that keen to welcome any to our own shores either. Why do we do this? Surely we're better prepared now to lend a hand than ever before.

This is why we think it's a good time for us to be 'Welcoming the Stranger' in 2015.

It's not something new though - we've been doing it for a long time now. In fact, ALWS began in a refugee camp of sorts. Motivated to help European migrants begin a new life in Australia after the Second World War, a pastor called Bruno Muetzelfeldt began helping them travel to Bonegilla Migrant Centre in northern Victoria. There he stood, welcoming people he didn't know but who had clearly been affected by conflict. From those humble beginnings, ALWS was born.

65 years on and little has changed. Even though Bonegilla closed down long ago, we continue to 'Welcome the Stranger' just in a different way. You'll see a common thread running between the inter-faith affirmation on the back cover of this report and our mandate, vision and mission in the preceding page.

When people are hungry, we're called to give them food; when they're thirsty we're asked to give them something to drink; when they're naked we clothe them; sick and we care for them; in prison and we visit them. And when people are strangers in a new community, we're asked to invite them in.

We dare to dream of a world where love comes to life ... where we're inspired to welcome those who suffer from poverty and injustice.



ALWS supports the Lutheran (World Federation) Transit Centre at Nadapal on the Kenyan border with South Sudan. Here, as soon as refugees cross the border, they are welcomed with food, water, shelter, bedding and other life essentials.

[photo: ALWS]



"I came from Sudan by foot
We were very tired. I was
frightened. My father was
killed in the violence.
My mother was beaten.
I am always thinking about
my father who was killed..."

Akech, left, 6 years old.
Kakuma Refugee Camp

[photo: ALWS]

It's what Christ asks us to do because he welcomes us to be part of his family, saints and sinners alike. Our pastor reminds us of this before communion each Sunday when he stands with open arms and says, "Come, for all things are ready". Christ invites us in. He welcomes us.

It's a humbling experience to see other countries such as Ethiopia, Kenya and Jordan welcoming the stranger, even though they struggle themselves. Though unlike the pastor at our Church, they're far from ready. Such is the demand on these camps that populations are up to four times larger than they've been designed to accommodate. Food and water rations are reduced because there's simply not enough to go around. And it seems that as soon as one camp's established, another crisis begins elsewhere in the world, the cameras leave, and the problem is forgotten.

In 2014, the world was exposed to extreme horror in the name of religion, and we did our best to

¹Median wealth of adult Australians according to Credit Suisse

support work which helped people fleeing from it. Religion was often unfairly given a bad name.

By 'Welcoming the Stranger' as something all religions are called to do, the United Nations understands that while faith may be accused of inciting hurt and anguish, it can also bring profound healing and reconciliation. You only need to speak with those who've sought refuge in camps led by faith-based organisations, like Lutheran World Federation, to get an idea of this.

In this report, you'll read how ALWS has supported work which gave hope to many.

In fact, in 2014 ALWS gave more money to work which supported overseas projects than any other time in our recorded history (apart from 2012 when Australia responded so generously to the drought in East Africa).

The amazing total of \$5.3 million for projects was largely possible because we received more funds from the Australian and New Zealand public, as well as the Australian Government's Department of Foreign Affairs and Trade.

You'll read about how this generosity led and contributed to areas of child protection, disability inclusive development, psychosocial care and governance at a global level. You'll see how each of your dollars has made an impact through professional and committed staff here in Australia and overseas.

We've funded work in eight countries across Africa and the Asia/Pacific, and given to seven emergencies, including two in the Middle East.

You'll also see how our work in Lutheran schools has grown to reach almost 3,000 students at 23 Awareness Days, (set to more than double in 2015). We've been recognised for our high standards in communications and the way we've connected people in Australia with those in the countries we endeavour to support.



making a difference

"We come for safety, and also for food. I felt good when we get here. We get beans and maize here. I am in Class One at school. My favourite subject is writing. I like collecting water, and I like playing. I want to be a teacher."

Akech, with little brother Lang, (also on previous page) welcomed and cared for at Kakuma Refugee Camp, Kenya, supported by ALWS family

(photo: ALWS)

We strive to keep our overheads as low as we reasonably can, while maintaining efficiency and effectiveness, and investing resources to build a strong ALWS that can continue to serve others.

None of this is possible without good people to help us. I'm in awe of the professionalism and commitment of our staff, but I'm also aware they need to be cared for. Every single one of them works beyond what's asked because they believe in what we do. They're supported by a wise Board and faithful volunteers and, together, accomplished an extraordinary amount in 2014.

In 2015, we embark on a new Strategic Plan which will guide us over the next six years. It calls us to help and inspire others, improve and strengthen our work, through capable partnerships and with the resources necessary to do all of this.

We're motivated by the generosity of people in Australia and New Zealand, the steadfast support of the Lutheran Laypeople's League (LLL), other Christian denominations who value our work, and the ongoing contribution from the Australian Government.

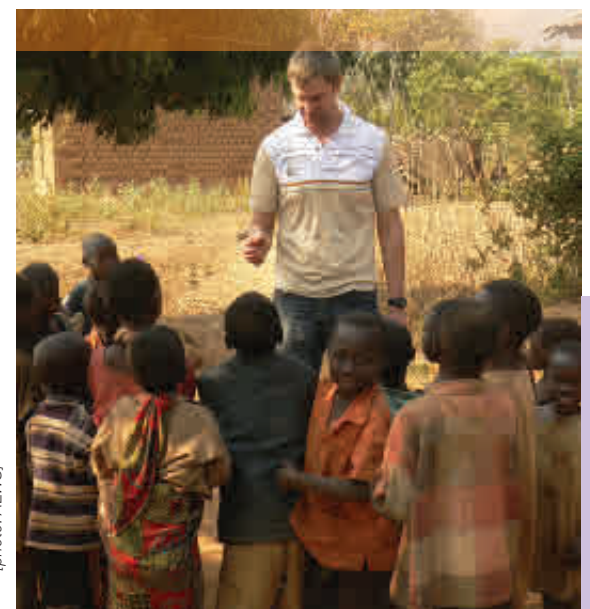
Of course, there's still much more to do, and we can only do this together

with you. So come along with us, in whatever capacity you're able, to share humbly in the joy of bringing hope to others. To invite them in.

YOU are welcome!



Chey Mattner
Executive Secretary, ALWS



(photo: ALWS)

Welcoming the stranger

KAKUMA, KENYA

In 2014, Kakuma Refugee Camp in northern Kenya received nearly 50,000 new refugees, mostly due to conflict in South Sudan and other nearby countries.

The total camp population at the end of 2014 was 170,000 people, in a camp originally built for 100,000. This has severely stretched the resources and services for refugees.

ALWS partners with Lutheran World Federation in the camp, supporting the Reception Centre at Kakuma, as well as at a Transit Centre at Nadapal on the South Sudan border. The welcome to new arrivals includes meals for young children, elderly and refugees who have arrived weak and needing extra nutrition.

ALWS also supports maintenance of the Reception Centre and the work of processing refugees and referring them to appropriate health, psychological or legal services.

Teachers and school communities are trained to better meet the needs of students, particularly those with special needs and pre-school students. Maintenance of classrooms and provision of uniforms, educational resources and school feeding programs also helped support students' learning.

COUNTRY	KENYA
WHAT	Kakuma Refugee Assistance Project
WHO	177,960 people, in partnership with Evangelical Lutheran Church in America
ALWS ACTION	\$202,180 for ongoing work \$31,921 for Emergency action

The influx of refugees put pressure on water delivery systems which LWF manage with ALWS support, but by drilling extra boreholes, constructing piping and delivery infrastructure and training Water User Committees, water was provided to all families in the camp.

Community support groups were formed and trained to deal with issues of child protection and sexual and gender based violence, and recreational activities to promote the well-being of young people were organised.

LWF trained refugees in tailoring skills so they could earn income, and formed Savings and Loans groups to promote savings, and use group funds to support income-generating activities for members.

LWF has also trialled a new monitoring and evaluation system which involves refugees and staff in collaborative reflection on the program's work, achievements and challenges. This feeds into improved learning and planning for future activities.



[photo: ALWS]

making a difference

"When I arrived at Kakuma, here they gave me a place for sleeping. They gave me food. They gave me clothes. Now I am happy. I am alive, and sleeping in a good place. I feel OK."

Steven, 15 years, arrived alone from South Sudan in October 2014

"We became foster parents because all human beings are the same. I look after these children just like my children. I know that without the help of others, we would not be here, and safe. So I want to serve these children just as others have served me. These children are separated from their parents so I will make myself to be their father and their mother. We look after the children because they are the people for tomorrow."

James Lony, a refugee from South Sudan, fosters children at Kakuma whose parents have been lost.



making a difference

“When I came here I was first given cooking utensils, sleeping mats and blankets. We feel safe here after the emergency ... LWF has given me a baby layette and plastic sheets for shelter. We see LWF around the camp every day.” *Batulo (seen in photo, with her baby Bolo)*

[photo: ALWS]

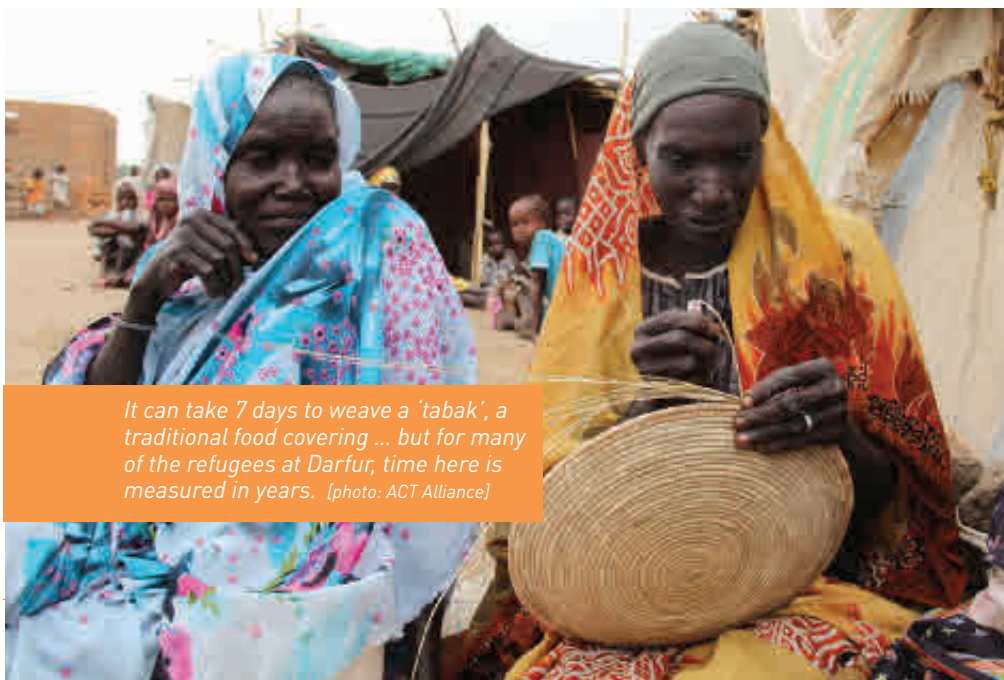
Valuing the vulnerable

DADAAB, KENYA

More than 350,000 refugees live in the five camps that make up Dadaab. Most people are from Somalia and have fled conflict and fighting. Approximately 10% are people with specific needs, such as people with disabilities, older persons, pregnant and lactating mothers, children at risk, unaccompanied and separated children, women at risk, and people with serious medical conditions. ALWS’ partner in Dadaab, Lutheran World Federation Kenya-Djibouti, works particularly with these groups of people to:

- Promote quality primary education and early childhood development education, through training of teachers and provision of text books.
- Strengthen livelihoods and income generation so families can better meet their own needs, through training in soap making, tailoring and mechanics skills.
- Support people with specific needs to participate in decisions making forums.

COUNTRY	KENYA
WHAT	Refugee Support Program in Dadaab
WHO	544 people, in partnership with Evangelical Lutheran Church in America
ALWS ACTION	\$50,000



It can take 7 days to weave a ‘tabak’, a traditional food covering ... but for many of the refugees at Darfur, time here is measured in years. [photo: ACT Alliance]

Refuge and respect

DARFUR, SUDAN

Conflict and floods have continued to displace people in the Darfur region of Sudan. Insecurity in South Sudan has forced people to flee to Darfur to seek refuge. In 2014, the ALWS family supported:

- Education for displaced children through educational materials, classroom construction and teacher training
- Vocational training for young people
- Distributing materials for shelter, cooking, and fetching water
- Supplying clean water
- Training community members to operate and maintain solar powered pumping systems
- Raising awareness about preventing diseases such as malaria, HIV/ AIDS, diarrhoea
- Working with families to construct latrines
- Establishing Community Action Groups to prepare for emergencies and build community resilience
- Supporting government health and nutrition services
- Providing access to safer deliveries and antenatal care
- Training farmers in improved agricultural techniques for crops and livestock
- Facilitating the formation of Savings and Loans groups

COUNTRY	SUDAN
WHAT	ACT-Caritas NCA Darfur Program
WHERE	Darfur
WHO	345,300 people, in partnership with other agencies
ALWS ACTION	\$50,000

Displaced and in danger IRAQ

Iraq has one of the largest populations of internally displaced people (IDP) in the world. Movement by the Islamic State of Iraq and Syria saw them take over large areas of land in the north and west of Iraq. This drove many Christians and Shiite Muslims from their homes to the relative safety of the camps in Dohuk governorate in Kurdistan, Iraq.

There are 500,000 IDPs living in the Dohuk governorate. Some fled their homes with nothing, and their survival depended on the provisions of humanitarian agencies. ALWS worked through ACT Alliance to support Lutheran (World Federation) action:

- 917 families received food baskets
- 1,747 families received clean water
- 200 families received hygiene kits
- 3,500 families received a box of clothes
- 35 people with disability received a wheelchair
- 200 families received a kitchen set
- 200 families received a bedding set
- 124 people received trauma therapy
- 3 schools rehabilitated

COUNTRY	IRAQ
WHAT	Survival Assistance for Displaced Populations and their Host Communities in Northern Iraq
WHERE	Kurdistan, Northern Iraq
ALWS ACTION	\$73,474

“I was a stranger,
and you welcomed me.”

JESUS (MATTHEW 25:35b)

Shelter and safety JORDAN

The Syrian civil war forced more than three million people from their homes into neighbouring countries. Through ACT Alliance, ALWS supported the Lutheran (World Federation) team distributing non-food items, shelter, water, sanitation and hygiene, education and psychosocial support to the most vulnerable people.

LWF also conducted peace-building activities and vocational trainings for youth and adults, constructed classrooms, and worked with host communities to reduce conflicts among and between the host and refugee communities.

When winter arrived, LWF supported Syrian refugees and host communities with shelter, winter clothing and other non-food items.



With almost 3 million people forced to flee their homes due to the civil war in Syria, your help at Za'atari Refugee Camp in Jordan was vital.

With almost 3 million people forced to flee their homes due to the civil war in Syria, your help at Za'atari Refugee Camp in Jordan was vital.

[photo: ACT Alliance]

COUNTRY	SYRIA / JORDAN
WHAT	2,246 people in psychosocial care 4,038 people in educational opportunities 62,565 people through distribution of non-food items 1,092 people with shelter
WHERE	Za'atari Refugee Camp and surrounding areas
ALWS ACTION	\$62,998

New neighbours, old friends

AUSTRALIA

Kakuma Refugee Camp in northern Kenya was built for 100,000 people. Currently more than 170,000 people have fled here for safety. Each year, not many more than 1,000 of these refugees are accepted into countries like Australia.

Refugees from a camp like Kakuma who do manage to be accepted as new neighbours by Australia often look to 'Lutheran' as a place of welcome when they reach Australia. They do this knowing 'Lutheran' (as in 'Lutheran World Federation') meant care and support when they needed help most.

To complement the welcome given by local Lutheran churches to new neighbours, ALWS provides airfare loans to assist refugees to reunite with family members in Australia. This is done under the Australian Government's humanitarian migration program.

ALWS also grants loans to those who have recently arrived in Australia to help them establish a new life here. In 2014 this included an Iranian family, here on a bridging visa, applying for a protection visa. Through the Red Cross, ALWS provided a loan to help the family with their rental bond and rent in advance.



[photo: ALWS]

making a difference

"We just want to thank God for everything He has done for us, and ...Pastor Matt and all the members from our church...and for all the activity they have done for us... Yeah, God bless them."

Merci and Natali (photo), newly arrived from Burundi, via Kakuma Refugee Camp, now members at St Paul's Lutheran Church, Shepparton. While Merci and Natali's families arrived in Australia without needing ALWS' support, they represent many of the families who do.

Lutheran Crisis Response

EMERGENCY HUBS

ALWS supports our partner Lutheran World Federation (LWF) in running strategically located Emergency Response Hubs. There are currently four regional hubs, serving Central America, Africa and Asia. In 2014, the regional hubs responded to all United Nations Level 3 (the highest level of humanitarian crisis) emergencies and the affected populations:

- Syria (and Jordan and Northern Iraq)
- South Sudan (also affecting Uganda, Kenya, Ethiopia)
- Central African Republic (including Cameroon and Chad)

ALWS contributed \$250,000 to this important work which included:

HORN OF AFRICA HUB — The Nairobi hub responded to the influx of South Sudanese refugees entering Uganda, setting up refugee reception centres and providing humanitarian assistance to new arrivals. Staff conducted field assessments to create preliminary and full appeals for ACT Alliance and submitted proposals to UNHCR. The hub carried out a needs assessment for Cameroon refugees and began a start-up operation for LWF response.

CENTRAL AFRICA HUB — The Lusaka hub supported the Namibia drought response until May 2014. Hub staff then joined in the response in Cameroon to support field assessments, creating an ACT Alliance appeal and concept notes for the UNHCR for assisting refugees from Central African Republic (CAR). Support in financial management was also provided to the team in CAR.

CENTRAL AMERICA HUB — The San Salvador hub facilitated disaster preparedness training for the LWF Colombia, Haiti and Central America programs. The hub attended a training on cash programming which they then passed on to the Colombia, Haiti and Central America programs.

ASIA HUB — The Kathmandu hub facilitated the creation of an emergency preparedness and response plan for the members of the ACT Alliance forum in Nepal. The hub supported LWF Myanmar and CDRM&CDS Indonesia programs in their emergency and disaster risk reduction programs. The main focus for the Asia hub was in supporting the humanitarian response in Kurdistan, including follow up on earlier assessment, developing the ACT Alliance appeal and beginning and maintaining response operations, and supporting local partners.

COUNTRY	GLOBAL
WHAT	LWF Emergency Response Hubs
WHERE	HORN OF AFRICA: Nairobi, Kenya CENTRAL AFRICA: Lusaka, Zambia ASIA: Kathmandu, Nepal CENTRAL AMERICA: San Salvador, El Salvador
ALWS ACTION	\$250,000

Directors' Report

In accordance with a resolution of the Directors, the Directors of the agency report on the financial statements and operations of the agency for the year ended 31 December 2014 as follows:

1/ THE NAMES OF THE DIRECTORS IN OFFICE AT DATE OF THIS REPORT

Rev P Hage (Chairperson) Mrs J Murray
Dr P Meyer (Vice Chairperson) Ms M Brookes
Mr J Braun

2/ PRINCIPAL ACTIVITIES

The principal activities of ALWS during the year were to support programs that decrease human poverty and injustice, provide for the well-being of refugees and the internally displaced and respond to the needs of people affected by disasters. These activities and programs are achieved in partnership with the Lutheran World Federation's (LWF) Department for World Service, ACT Alliance, the Evangelical Lutheran Church – PNG (ELC-PNG) and LWF churches in Indonesia. ALWS also assists uprooted people to resettle in Australia, provides global education programs to LCA schools, congregations and auxiliaries and liaises with government and non-government organisations to maximise the effectiveness of aid delivery.

3/ OPERATING RESULTS

There was an excess of revenue over expenditure for the year ended 31 December 2014 of \$947,964.

4/ CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of ALWS during 2014.

5/ EVENTS SUBSEQUENT TO BALANCE DATE

Since the end of the financial year, the Directors are not aware of any matters or circumstances not otherwise dealt with in the financial report that have significantly or may significantly affect the operations or the state of affairs of the agency in subsequent financial years.

6/ LIKELY DEVELOPMENTS

The Directors do not expect any developments in the operations of the agency which would affect the results of the operations in subsequent financial years.

7/ DIRECTORS' BENEFITS

No remuneration was received by or transactions entered into with the Directors or Directors' related entities during the year other than reimbursement of Board related expenses.

For and on behalf of the Board:



P B Hage
(Chairperson)



P Meyer
(Vice Chairperson)

Date: 13 / 03 / 2015

Place: 20 City Road, Southbank, Melbourne, Victoria

Directors' Declaration

The Directors of Australian Lutheran World Service declare that:

- (a) The financial statements and notes as set out on pages 9 to 19, are in accordance with the ACFID Code of Conduct and:
 - i. comply with Australian Accounting Standards; and
 - ii. give a true and fair view of the financial position as at 31 December 2014 and of the performance for the year ended on that date.
- (b) In the Directors' opinion there are reasonable grounds to believe that the organisation will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



P B Hage
(Chairperson)



P Meyer
(Vice Chairperson)

Date: 13 / 03 / 2015

Place: 20 City Road, Southbank, Melbourne, Victoria

The attached financial report has been prepared in accordance with the requirements set out in the ACFID Code of Conduct. For further information on the Code, please refer to the ACFID Code of Conduct Implementation Guidance available at www.acfid.asn.au

INDEPENDENT AUDIT REPORT TO THE BOARD OF THE AUSTRALIAN LUTHERAN WORLD SERVICE

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Australian Lutheran World Service, which comprises the Income Statement, Balance Sheet, Statement of Changes in Equity and Statement of Cash Flows as at 31 December 2014, a summary of significant accounting policies, other explanatory notes and the Directors' Declaration.

ALWS Board's Responsibility for the Financial Report

The Board of the Australian Lutheran World Service is responsible for the preparation and fair presentation of the financial report and has determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the organisation's constitution and the ACFID Code of Conduct. The Board's responsibilities also include establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the Board and the ACFID Code of Conduct. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the Auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the Auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for the purpose of fulfilling the Board's financial reporting under the organisation's constitution and the ACFID Code of Conduct. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the Directors, or for any other purpose other than that for which it was prepared.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the financial report of Australian Lutheran World Service presents fairly in all material respects the financial position of the Australian Lutheran World Service as of 31 December 2014 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 of the financial report which describes the basis of accounting. The financial report has been prepared by the Board to satisfy the requirements of the organisation's constitution and the ACFID Code of Conduct. As a result, the financial report may not be suitable for any other purpose.

MRL GROUP PTY LTD
Chartered Accountants



Mark LeCornu
Registered Company Auditor
Adelaide, 27th day of March 2015

Contact details – MRL Group Pty Ltd
PO Box 83, Kent Town SA 5071
Phone: 08 8364 3522

Income Statement

	NOTE	2014 \$	2013 \$
REVENUE			
Donations and gifts			
- Monetary		4,272,297	3,981,639
- Non-monetary		0	0
Bequests & Legacies		106,912	144,139
Grants			
- DFAT		2,666,951	1,851,253
- Other Australian		75,000	105,000
- Other Overseas		0	0
Investment Income		108,481	72,690
Other Income		11,176	15,516
Revenue for International Political or Religious Adherence Promotion Programs		0	0
TOTAL REVENUE		7,240,817	6,170,237
EXPENDITURE			
International Aid & Development Programs Expenditure			
International Programs			
- Funds to International programs	7	4,964,235	4,361,942
- Program support costs		378,255	367,889
Community Education		223,279	208,421
Fundraising costs			
- Public		247,803	231,362
- Government, multilateral & private		8,342	5,927
Accountability & Administration		449,919	378,521
Non-monetary Expenditure		0	0
Total International Aid & Development Programs Expenditure		6,271,833	5,554,062
International Political or Religious Adherence Promotion Programs Expenditure		0	0
Domestic Programs Expenditure		21,020	5,447
TOTAL EXPENDITURE		6,292,853	5,559,509
EXCESS (SHORTFALL) OF REVENUE OVER EXPENDITURE PRIOR TO GRANT REPAYMENTS		947,964	610,728
GRANT REPAYMENTS			
- DFAT Grants Repaid to DFAT		0	(514,576)
EXCESS OF REVENUE OVER EXPENDITURE		947,964	96,152

The accompanying notes form part of these financial statements

AUSTRALIAN LUTHERAN WORLD SERVICE
SPECIAL PURPOSE FINANCIAL REPORT — FOR THE YEAR ENDED 31 DECEMBER 2014

Balance Sheet

	NOTE	2014 \$	2013 \$
CURRENT ASSETS			
Cash and Cash equivalents		5,308,350	4,389,390
Trade and other receivables	2	33,642	33,619
Other financial assets		0	0
TOTAL CURRENT ASSETS		5,341,992	4,423,009
NON CURRENT ASSETS			
Property, Plant and Equipment	3	9,666	13,709
Other Non-Current Assets	4	23,876	24,186
TOTAL NON CURRENT ASSETS		33,542	37,895
TOTAL ASSETS		5,375,534	4,460,904
CURRENT LIABILITIES			
Trade and other payables	5	57,746	80,333
Provisions	6	148,261	159,008
TOTAL CURRENT LIABILITIES		206,007	239,341
NET ASSETS		5,169,527	4,221,563
EQUITY			
Retained Earnings		5,169,527	4,221,563
TOTAL EQUITY		5,169,527	4,221,563

The accompanying notes form part of these financial statements

Statement of Changes in Equity

	RETAINED EARNINGS	TOTAL
	\$	\$
Balance at beginning of period	4,221,563	4,221,563
Adjustments or changes in equity	0	0
Excess of revenue over expenses	947,964	947,964
Other amounts transferred from Reserves	0	0
Balance at end of period	5,169,527	5,169,527

Statement of Cash Flows

	NOTE	2014	2013
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Government grants and other income		7,155,403	5,605,887
Interest receipts		85,414	49,774
Operating Expenses		(6,321,310)	(5,794,238)
Net cash (used in) operating activities	12	919,507	(138,577)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of office equipment		0	0
Payments for office equipment		(501)	(1,421)
Net cash (used in) investing activities		(501)	(1,421)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net increase (decrease) in cash held		918,960	(145,018)
Cash at the beginning of the year		4,389,390	4,534,408
Cash at the end of the year	12	5,308,350	4,389,390

The accompanying notes form part of these financial statements

Note 1 Statement of Significant Accounting Policies

To assist in an understanding of the disclosures presented in the financial report the following summary explains the significant accounting policies which have been adopted in their preparation. The financial report has been prepared in accordance with the ACFID Code of Conduct; a code to which all Australian overseas aid agencies receiving government funding are required to adhere.

(a) **Basis of accounting**

The financial report has been prepared primarily on the basis of historical cost and does not take into account changing money value or current valuations of non-current assets. The financial report has been prepared in accordance with current Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards, and other mandatory reporting requirements.

(b) **Depreciation**

Plant and equipment is valued at cost.

Depreciation is calculated on plant and equipment using the prime cost method based on the expected useful life of each asset. Surpluses and losses on disposal of plant and equipment are taken into account in determining the operating result for the year. Assets are depreciated at an average rate of 15%.

(c) **Employee entitlements**

Employee entitlements are accounted for in accordance with AASB119. The amount expected to be paid to employees for their pro-rata entitlements to annual leave are accrued annually at current wage rates. Long service leave is accrued in respect of employees at the estimated present value of the future amounts expected to be paid on their current entitlements.

(d) **Income policy**

Grants and donations received are recognised as revenue upon receipt.

(e) **Comparative information**

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

AUSTRALIAN LUTHERAN WORLD SERVICE
SPECIAL PURPOSE FINANCIAL REPORT — FOR THE YEAR ENDED 31 DECEMBER 2014
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

	2014	2013
	\$	\$

Note 2 TRADE & OTHER RECEIVABLES

Prepayments	14,404	20,692
Debtors - Other	0	0
LWF Projects (Aust) Pty Ltd	19,238	12,927
	<u>33,642</u>	<u>33,619</u>

Note 3 PROPERTY, PLANT & EQUIPMENT

(a) Summary

Office Equipment, at cost	79,710	79,209
Less Accumulated depreciation	(70,044)	(65,500)
Total Office Equipment	<u>9,666</u>	<u>13,709</u>

(b) Reconciliation of movements

A reconciliation of the carrying amount of each class of asset for the year is set out below:

Office Equipment		
Carrying amount at beginning of year	13,709	17,618
Plus Additions	501	1,421
Less Disposals	0	0
Less Depreciation	(4,544)	(5,330)
Carrying amount at end of year	<u>9,666</u>	<u>13,709</u>

Note 4 OTHER NON CURRENT ASSETS

Gross loan amounts outstanding	32,092	32,402
Less provision for doubtful debts	(8,216)	(8,216)
	<u>23,876</u>	<u>24,186</u>

Note 5 TRADE AND OTHER PAYABLES

Creditors	57,746	54,782
Accruals	0	25,551
	<u>57,746</u>	<u>80,333</u>

Note 6 PROVISIONS

Long Service Leave	29,735	49,014
Annual Leave	118,526	109,994
	<u>148,261</u>	<u>159,008</u>
Current portion	148,261	159,008
Non-Current portion	0	0
	<u>148,261</u>	<u>159,008</u>

AUSTRALIAN LUTHERAN WORLD SERVICE
SPECIAL PURPOSE FINANCIAL REPORT __ FOR THE YEAR ENDED 31 DECEMBER 2014
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 7 Disbursements to Overseas Projects

COUNTRY	PROJECT	ALWS	DFAT	TOTAL
DEVELOPMENT PROGRAMS				
Burundi	- Community Empowerment Program	124,500	300,016	424,516
Cambodia	- Integrated Rural Development & Empowerment Project, Oral & Krovanh Districts	305,802	738,747	1,044,549
Cambodia	- Kandal/Takeo Transition	20,000		20,000
Disability Inclusive Development	- AZEECON Disability Training	5,373	12,536	17,909
Disability Inclusive Development	- Refugee Support Program (Kenya-Dadaab)	4,946	11,541	16,487
Child Protection	- Child Protection	3,614	8,433	12,047
Emergency Hubs	- LWF Emergency (DWS)	250,000		250,000
India	- Grihini Project	25,000		25,000
Indonesia	- CDRM & CDS Program	183,496	216,171	399,667
Kenya	- Kakuma Refugee Camp	202,180		202,180
Kenya	- Dadaab Refugee Camp	50,000		50,000
Mozambique	- Gaza Development Program	155,000		155,000
Regional	- AZEECON Project	20,000		20,000
Nepal	- Nepal Development Program	145,685	362,308	507,993
PNG - CPP	- Church Partnership Program		469,247	469,247
South Sudan	- Crisis Response Plan	479,882		479,882
EMERGENCY & REFUGEE RESPONSE				
Iraq	- Iraq Appeal IRQ 141	73,474		73,474
Nepal	- Western Nepal NPL141 Flood Appeal	30,000		30,000
Sudan	- Darfur Emergency	50,000		50,000
Syria	- Regional Humanitarian Response	62,998		62,998
Philippines	- Typhoon Haiyan	230,932		230,932
Kenya	- Kenya Appeal - KEN141	31,921		31,921
Ebola Emergency Appeal	- Ebola Crisis Appeal - LBR141	327,253		327,253
GLOBAL PROGRAM MANAGEMENT				
	- DWS Coordination	21,000		21,000
	- DWS Program Support / Communications	7,030		7,030
	- DWS Audit Unit	7,030		7,030
	- DWS Monitoring & Evaluation	28,120		28,120
TOTAL		2,845,236	2,118,999	4,964,235

AUSTRALIAN LUTHERAN WORLD SERVICE
SPECIAL PURPOSE FINANCIAL REPORT — FOR THE YEAR ENDED 31 DECEMBER 2014
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 8 Table of Cash Movements for Designated Purposes

SOURCE	CASH AVAILABLE AT BEGINNING OF 2014	CASH RAISED DURING 2014	CASH DISBURSED DURING 2014	CASH AVAILABLE AT END OF 2014 FOR FUTURE USE
DFAT - Cambodia	369,988	745,294	749,947	365,335
DFAT - Indonesia CDRM	115,663	243,797	254,410	105,050
DFAT - Burundi	177,743	340,303	347,509	170,537
DFAT - Disability Inclusive Development	61,383	80,947	63,203	79,127
DFAT - Child Protection	0	41,039	10,533	30,506
DFAT - PNG	224,203	831,988	641,478	414,713
DFAT - Nepal	177,690	417,608	388,714	206,584
Philippines Typhoon Haiyan Appeal	130,938	105,194	236,132	0
Syria Regional Humanitarian Response Appeal	31,635	33,813	64,648	800
Iraq Appeal	0	82,177	81,637	540
Ebola Emergency Appeal	0	392,997	363,614	29,383
TOTAL - Other Purposes	3,100,147	3,925,660	3,120,032	3,905,775
TOTAL	4,389,390	7,240,817	6,321,857	5,308,350

Notes: (a) Cash available at end of 2014 for future use is shown on the balance sheet as follows:

Cash and Cash equivalents 5,308,350

(b) This schedule should be read in conjunction with the Statement of Cash Flows on page 19.

Note 9 Related Party Information

(a) Lutheran Church of Australia Incorporated (LCA)

ALWS serves as the overseas aid and resettlement agency of the Lutheran Church of Australia. The LCA endorses and indemnifies the activity of ALWS and has authorised the ALWS Executive Secretary, Program Manager and Asia Pacific Program Officer to sign contracts and resulting financial declarations for work to be carried out by ALWS in accordance with its Constitution and By-Laws.

(b) Directors

Persons holding the position of Director of the agency during the financial year were:

Rev P Hage Mrs J Murray
Dr P Meyer Ms M Brookes
Mr J Braun

(c) Lutheran World Federation, Department for World Service (LWF)

ALWS is a Related Agency to the Lutheran World Federation, Department for World Service. ALWS paid funds totalling \$3,263,744 in support of its programs during the year ended 31 December 2014.

(d) Action by Churches Together (ACT) Alliance

ACT Alliance, the coordination office for emergency relief projects organisationally based in the Lutheran World Federation and World Council of Churches, was paid \$806,578 in support of its programs during the year ended 31 December 2014.

(e) LWF Projects (Aust) Pty Ltd

The above company is a related party to ALWS. No remuneration was received by or transactions entered into with the company, its Directors or Director related entities during the year other than receipt of management fees totalling \$8,409 from LWF Projects (Aust) Pty Ltd.

AUSTRALIAN LUTHERAN WORLD SERVICE
SPECIAL PURPOSE FINANCIAL REPORT __ FOR THE YEAR ENDED 31 DECEMBER 2014
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 10 Financial Instruments

Interest Rate Risk							
	FLOATING INTEREST RATE	FIXED INTEREST RATE MATURING 1 YEAR OR LESS	FIXED INTEREST RATE MATURING 1 TO 2 YEARS	FIXED INTEREST RATE MATURING 2 TO 5 YEARS	NON INTEREST BEARING	TOTAL BOOK VALUE	NET MARKET VALUE
FINANCIAL ASSETS							
Cash on hand					100	100	100
Cash at bank	5,308,250					5,308,250	5,308,250
Bank term deposits						0	0
Receivables					33,642	33,642	33,642
TOTAL FINANCIAL ASSETS	5,308,250				33,742	5,341,992	5,341,992
FINANCIAL LIABILITIES							
Trade and other payables					57,746	57,746	57,746
TOTAL FINANCIAL LIABILITIES					57,746	57,746	57,746
NET FINANCIAL ASSETS	5,308,250				(24,004)	5,284,246	5,284,246

Weighted average interest rate for financial assets approx. 3.25%

Note 11 Contingent Liability

ALWS is aware of a potential instance involving misappropriation of funds pertaining to an overseas aid program via an affiliate entity of ALWS. As at 31 December 2014, it is anticipated that the exposure of ALWS to any potential liability arising from this matter will not be material.

Note 12 Cash Flow Information

	2014	2013
(a) Reconciliation of cash		
Cash at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the related items in the Balance Sheet as follows:	\$	\$
Cash at bank and on hand	5,308,350	4,389,390
Term Deposits	0	0
Cash at the end of the year	5,308,350	4,389,390
(b) Reconciliation of cash flow from operations to operating result:		
Excess of Revenue over Expenditure	947,964	96,152
Non-cash flows in operating surplus:		
Change to Provisions for Long Service and Annual Leave	(10,747)	(10,356)
Depreciation	4,544	5,330
Change to Provision for Doubtful Debts	0	0
Changes in assets and liabilities:		
Movement in non-current assets (Resettlement Loans)	310	3,596
Movement in trade and other receivables	23	2,511
Movement in trade and other payables	(22,587)	(235,810)
Net cash provided by operating activities	919,507	(138,577)

Working together to help others

A FINANCIAL REPORT SUMMARY

In 2014, our income was \$7.2 million. This allowed ALWS to give more money to work which supported overseas projects and community education than any other time in our recorded history (apart from 2012 when Australia responded so generously to the drought in East Africa). It also allowed us to meet our budgeted expenses comfortably.

This was largely possible because of the great kindness of the ALWS family, the generosity of Lutheran Laypeople's League, and support from the Australian Government's Department of Foreign Affairs and Trade.

During 2014, ALWS committed funds to seven emergency appeals – more than we have in many years – while still maintaining our commitments to our eight core programs.

Despite the increasing costs to operate as an aid agency today, our overheads (fundraising and administration costs as defined by ACFID) have remained steady – from around 10% in 2009 compared to 11.22% in 2014.

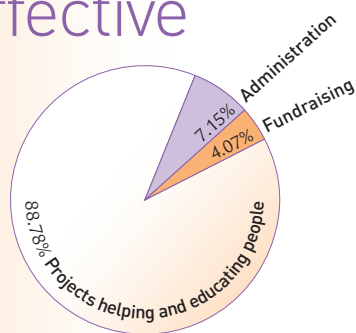
This means almost 90% of the money we received in 2014 went towards work supporting projects that help and educate people. ALWS strives to find the right balance between keeping the overhead rate as efficient as possible, while maintaining effectiveness and investing for the long-term strength of the organisation. This is essential to make sure we can have the greatest impact on the communities we seek to serve.

Looking forward, we believe it prudent to prepare ourselves for a broad cut to the Government's foreign aid budget.

Any Government cutbacks will be a tragic outcome for people living in poverty. Therefore, ALWS will budget carefully in order to minimise the impact of cutbacks, and seek to diversify our funding sources as best we can, rather than rely too heavily on Government grants. We will also look at ways of using our international networks to unlock extra money to go to the field, making the impact of each of our dollars even greater. The ALWS supporter family is critical in this, and we give great thanks for their continued generosity in uncertain times.

Despite the uncertainty looking forward, ALWS maintains a sound financial position at 31 December 2014. It has the capacity to meet all of its obligations as and when they fall due, and retains enough money in reserve to meet its legal obligations. Notwithstanding forecast cuts to the foreign aid budget mentioned above, in 2015, ALWS does not anticipate any significant impact on its financial health.

Efficient *and* effective



ALWS is committed to using your gifts wisely. We are audited every year by independent auditors in Australia. In 2015 ALWS will begin its five yearly accreditation process with the Australian Government. ALWS will be required to meet 50 criteria related to all areas of our operation, including governance, finance, programs and communication. This is further assurance to you that ALWS will use your donations properly to help others.

Together, 'Administration' and 'Fundraising' = 'Overheads' as defined by the ACFID Code of Conduct. Percentages are calculated from 2014 disbursements. ALWS aims to minimise overheads as much as possible without affecting services, or avoiding essential investment for the future. Potential decreases in Australian Government funding, and increased costs in meeting accreditation and compliance requirements, mean this overhead percentage may increase. Please refer to full financial statements.

ALWS Board of Directors

Reverend Peter Hage, BTh GradDipMin – Chair Peter is Parish Pastor at St Mark's Lutheran Church at Mount Gravatt in Queensland. He previously served at parishes in Mt Barker and Freeling/Rosedale in South Australia. He also served as a Missionary/Pastor and lecturer in Papua New Guinea for 10 years. He currently serves as a Board member for LCA Mission International, and has visited ALWS projects in Papua New Guinea, Cambodia, Burundi and South Sudan.

Dr Paul Meyer, BA MA PhD (Demography) – New South Wales Director & Vice-Chair Paul is a retired senior data analyst and project manager at the Australian Institute of Health and Welfare. Previously Paul lectured in the Graduate Program in Demography at the Australian National University, and was a Research Fellow at the Population Research Institute at Gadjah Mada University in Indonesia. He serves on the LCA's Commission for Social and Bioethical Questions. Paul was a US Peace Corps volunteer in Tonga, and has visited ALWS projects in Indonesia and Cambodia.

Mr John Braun, Btech Electronic Engineering – Victoria Director John is a retired senior manager for IBM Global Services, and has more than 30 years of experience with design and implementation of communications and information technology infrastructure projects in the Asia Pacific region.

Dr Judith Murray, BA (Hons) DipEd BEdSt PhD MAPS BNurs RN – Queensland Director Judith is Associate Professor of Counselling and Counselling Psychology at The University of Queensland. She also lectures in the Master of Counselling and Master of Applied Psychology programs. She is a Registered Nurse in Haematology and Oncology at Princess Alexandra Hospital in Brisbane. She has visited the ALWS project in Kenya.

Ms Morgan Brookes, BA, B Ed – South Australia / Northern Territory Director Morgan plays a key role in the Kalahari training initiative of Concordia College in Adelaide, where she is also a teacher. She has visited the ALWS project in Indonesia.

The ALWS Board met in March and September 2014. The Administrative Committee convened in January, May, July, September, October and December 2014.

ALWS has a Complaints Policy which can be found at www.alws.org.au/policies. To lodge a complaint against ALWS, contact Board Chair Pastor Peter Hage Pastor@stmarksmtgravatt.org.au or 07 3349 9512.



[photo: AZEECON]

Action by generous Australians through ALWS supports farmers in Indonesia to build reliable water supply systems, helping increase crop production and family income.

Our ALWS family of supporters

More than 60% of the money ALWS used to support work which helped and educated people in 2014 was donated by our ALWS family and the wider Lutheran Community. Support for everything we do came from the kindness of people right across Australia and New Zealand.

ALWS was also pleased to welcome 940 people and 30 churches, schools and other groups who helped people through ALWS for the first time in 2014. As conflict, injustice, natural disasters and climate change continue to threaten people living in poverty, the generosity of everyday people becomes even more important — thank you!

SA	\$1,745,458.79
NT	28,412.15
QLD	896,543.48
NSW	357,934.93
VIC	772,760.79
TAS	9,361.40
WA	103,216.14
ACT	70,683.00
NZ	709.09
OTHER*	394,130.30
TOTAL DONATIONS	\$4,379,210.07

**Lutheran Women of Australia, grants from LLL Permanent Funds, interest foregone on LLL accounts etc*

Volunteers are vital ALBURY

Volunteers like Glenda Walter (left) and Wilma Stieber are precious in their hands-on help they give at our Albury ALWS head office. Meanwhile other caring people around the country organise students in Lutheran schools, lead fundraising activities in their congregation or fellowship groups, grow and sell plants to help others, bake cakes, make toffee, or find other ways to use their gifts of skills, talent and time to reach out in love. To all of you — thank you!!!



[photo: ALWS]

Care through crisis

SOUTH SUDAN

2014 was a year of insecurity and conflict for South Sudan.

Jonglei State, where ALWS partners with Lutheran World Federation (LWF), was one of the worst affected areas. The outbreak of civil war meant our integrated rural development activities had to halt, and emergency care be provided to displaced families and communities instead.

Key actions included disaster risk reduction, health, hygiene, education, psychosocial support and food security. 49,302 families received mosquito nets to prevent malaria. 3,116 conflict-affected women received hygiene and dignity kits. Hygiene promotion campaigns reached four communities. Two blocks of latrines were constructed in child-friendly spaces.

Teachers and Parent and Teacher Associations were trained to support children affected by the conflict.

The fighting and then floods disrupted regular farming cycles. People lost their cattle along with crops, and displaced people had no access to food. The Lutheran team responded by providing 2,500 families with fishing equipment. 2,000 families received seeds to grow crops to improve family nutrition.

This area of South Sudan is vulnerable to flooding as many communities live close to the dykes that hold back the waters of the White Nile River. It is vital communities maintain and repair these dykes in a coordinated way. LWF training and support equipped communities and local governments to prevent, prepare for and respond to flooding emergencies.

COUNTRY	SOUTH SUDAN
WHAT	Emergency Response and Disaster Risk Management Project
WHERE	Jonglei State
WHO	49,302 people in partnership with other agencies
ALWS ACTION	\$479,882



making a difference

A review of LWF's actions showed malaria cases reduced in communities that received mosquito nets. The fishing equipment and seeds improved displaced communities' access to food and provided opportunities to earn income.

(photo: LWF)



(photo: LWF)

Welcomed

"I saw five people get stung to death by bees.

It is very painful to me that so many of us were not able to reach safety here. The elderly could not survive the hunger and harsh conditions we went through.

Breastfeeding babies also died because their mothers could not produce any milk."

25 year old Nyathijin lost not only her father, but many friends and relatives, as she fled the conflict in Jonglei State in South Sudan. After her village was burnt down, all her cattle and goats stolen, and property looted, Nyathijin spent one month hiding in the forest with her three children.

Finally reaching (relative) safety in Twic East, Nyathijin and her children were welcomed and hosted by Alek and his family. Alek explains:

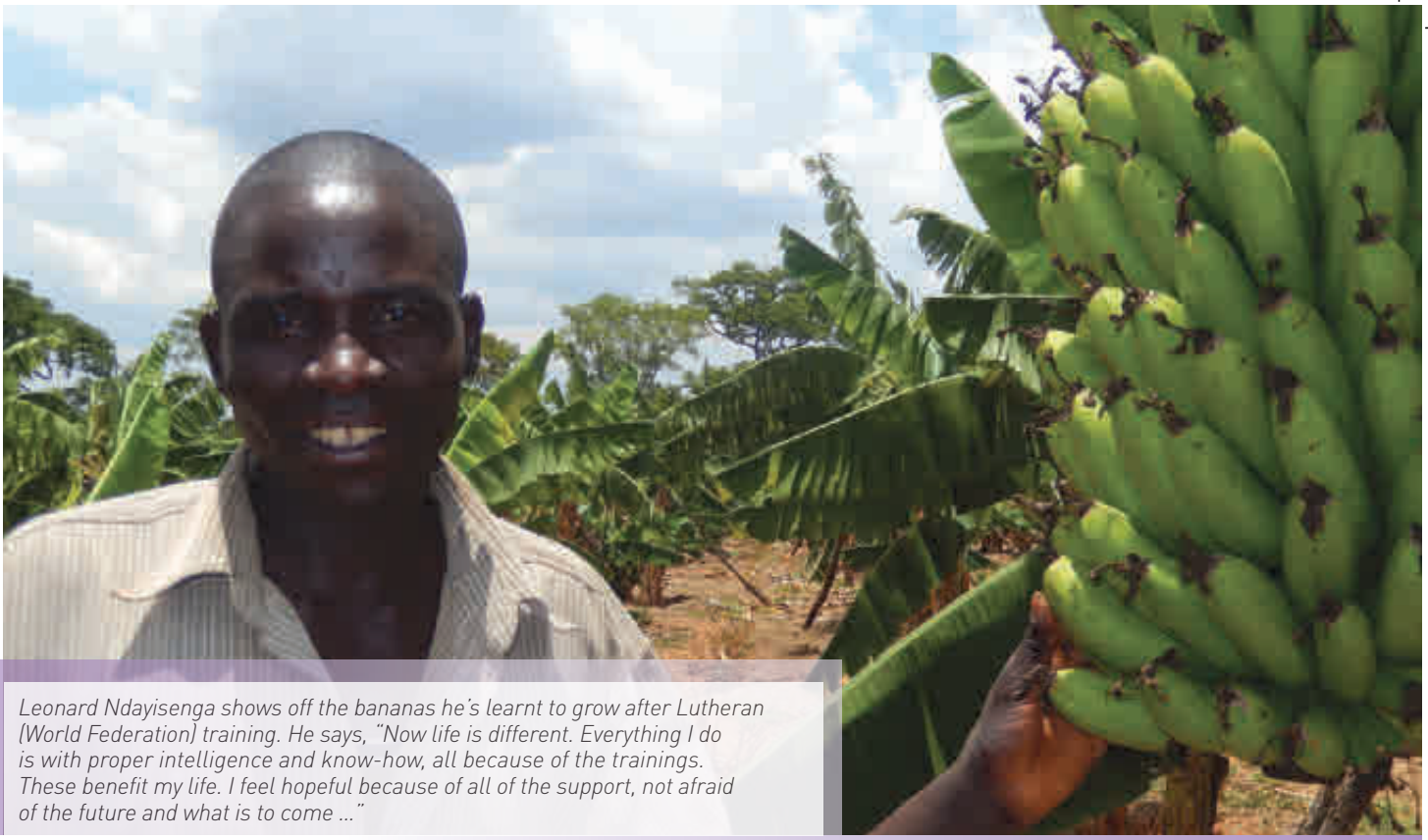
"The children were weak and sickly. I decided to let them live here because they had nowhere else to go."

Both families were supported by the Lutheran (World Federation) team which the ALWS family partners. Sleeping mats, blankets, mosquito nets, food and safe water are making all the difference. Nyathijin says:

"My children no longer get as sick as they used to."

"When I was hungry, you gave me something to eat, and when I was thirsty, you gave me something to drink."

JESUS (MATTHEW 25:35a)



Leonard Ndayisenga shows off the bananas he's learnt to grow after Lutheran (World Federation) training. He says, "Now life is different. Everything I do is with proper intelligence and know-how, all because of the trainings. These benefit my life. I feel hopeful because of all of the support, not afraid of the future and what is to come ..."

[photo: ALWS]

Peace and Progress BURUNDI

The Community Empowerment Project ALWS supports through the Lutheran (World Federation) team in Burundi is having a strong impact on people's lives:

- 878 men and 690 women are enrolled in weekly literacy classes
- Skills training sessions were provided for rights-holders on a fortnightly basis
- 1,097 people were involved in campaigns on gender sensitisation, human rights, disaster prevention, and hygiene issues
- 35 Agricultural Associations and 55 Livestock Associations were supported to improve their production.
- Trainings and community discussions were held concerning price dynamics, market networking, harvest management, vegetable growing techniques, growing climate hazard resistant crops, business plan writing and entrepreneurial skills management.
- 5 Fish Breeding Associations were supported
- 2 Mushroom Growing Associations were supported
- 19 other income generation activities were supported to assist people in improving their living conditions and diversifying their sources of income.
- 30 of the most vulnerable households were supported to improve their shelter
- in Mwiruzi colline a water gravity scheme was extended to the community centre (with the community providing money to buy pipes, labour for digging gutters, and the fixing of the pipelines)
- in Musha colline a feeder road was built to connect with Kabuyenge colline where there is a health centre and market

As vulnerable people take charge of their own development, there is a growing sense of solidarity and unity in the community.

COUNTRY	BURUNDI
WHAT	Community Empowerment Project
WHERE	Cankuzo and Ruyigi provinces
ALWS ACTION	DFAT: \$300,016 ALWS: \$124,500 TOTAL: \$424,516

Local leaders act responsibly and professionally in carrying out their duties. They continue to improve their management of community development, such as effectively leading meetings and keeping accurate records. Community members have shown high degrees of participation in and initiation of activities.

This contributes to a real sense of peace among the community members.

making a difference

The LWF Burundi program underwent an evaluation mid-2014 to review the progress from 2009-2014. It noted:

- Food security and the quality and quantity of meals have improved
- Displaced individuals accepted and reintegrated into communities of origin
- Communities locally resolve intra- and inter-community conflicts
- Suspicion and prejudice between previously divided communities is reduced
- Land disputes are nearly always referred to appropriate judicial source
- Environmental practices and better management of harvests has reduced vulnerability to natural disaster
- Access to social services and basic infrastructure have improved

Ebola Emergency LIBERIA

The aggressive Ebola virus first hit Liberia in March 2014, in an emergency that to now has taken more than 10,000 lives across West Africa. 1,639 cases were reported in Liberia in the first six months as the country struggled with a low capacity health system, and lack of understanding of the virus by the population.

In response, ALWS supported the Lutheran Development Service in Liberia through ACT Alliance, working with the Lutheran Church in Liberia, the Christian Health Association in Liberia and the Government of Liberia.

Urgent lifesaving action included:

- Food and non-food items for quarantined families
- Hand washing materials
- Ebola awareness and sensitisation workshops for communities
- Training for health workers
- Staff capacity building workshop
- Psychosocial workshops for service providers, community and religious leaders, and marginalised groups



making a difference

'Today, 9 May 2015, WHO declares Liberia free of Ebola virus transmission. Forty-two days have passed since the last laboratory-confirmed case was buried on 28 March. The outbreak of Ebola virus disease in Liberia is over.'

World Health Organisation, 9 May 2015

[photo: ACT Alliance]

When the Ebola outbreak in West Africa was confirmed, ALWS supported quick action through ACT Alliance to save lives. Here a young girl receives treatment.

COUNTRY	LIBERIA
WHAT	Ebola Sensitisation and Prevention response
WHERE	Bong, Lofa, Gbarmpolu, Grand Cape Mount and Montserrado counties
ALWS ACTION	\$327,253



making a difference

Here you see the maize storage method Mr. Julião Malhaule learned from the Lutheran (World Federation) team in Gaza, Mozambique. With crops now safe from pests, Mr Malhaule has increased income to send his children to secondary school, while also buying household essentials like bathing soap, cooking oil and clothes.

[photo: LWF Mozambique]

Ready to respond MOZAMBIQUE

Our ALWS work in Gaza Province in Mozambique has four clear goals to reduce poverty:

- Support people living in poverty to achieve sustainable livelihoods
- Equip communities to prevent, manage and minimise the impact of HIV/AIDS, malaria and cholera
- Motivate and train communities to conserve and manage natural resources, and effectively prepare and respond to disasters
- Ensure LWF and community organisations are highly efficient and effective.

The result is rights-holders have increased their meals per day from one to three. 80 members of Savings and Credit Groups started small businesses to meet their families' basic needs. 18 Water Committees trained in managing water sources, on water treatment, and in advocacy. 24 communities were taught how to grow drought-tolerant crops such as cassava, maize and sweet potato. Young people were trained in carpentry and welding.

The project focuses on those who are most vulnerable and at most risk of poverty, including people with disability, the elderly, people living with HIV/AIDS, people affected by natural disaster, and women.

COUNTRY	MOZAMBIQUE
WHAT	Community Empowerment Project
WHERE	Gaza Province
WHO*	Direct: 3,158 people, Indirect: 17,321 people
ALWS ACTION	\$150,000

**Direct beneficiaries: people who participate in program. Indirect beneficiaries: people who benefit from results of program.*

Capable communities NEPAL

The Nepal Development Program (NDP) you support through ALWS focuses on building the capacity of people in three thematic areas:

- disaster risk reduction, emergency preparedness and response
- sustainable livelihoods
- community-led action for governance and justice.

Nepal is a country prone to disasters, including floods and landslides. The Lutheran (World Federation) team formed 11 Disaster Management Teams, with 377 people. Among them, 11 participants are people with disability. As well as developing disaster risk management plans, these teams can supply life-saving assistance in emergencies.

To help families free themselves from poverty, and build independent sustainable income, 471 households have been supported to adopt kitchen gardens, vegetable farming, or new technology in livestock or cereal production. 311 people, 190 of whom are women, received training to start their own small business.

People who live in poverty often feel excluded from community decision-making, and go unheard. The program trains people to know their rights, and how to stand up for them. This included a group of 26 people with disabilities who were successful in obtaining funding and office space from the local government for their candle making enterprise.

Flood Crisis Response

- WHEN _____ August 2014
- WHAT _____ Heavy rains in western Nepal caused flooding and landslides that killed 113 people, injured 155 people and left 77 people missing.
- WHERE _____ Villages in Surkhet, Bardiya and Kailali Districts
- IMPACT _____ Infrastructure was destroyed, thousands of people lost their belongings, crops and livestock were destroyed, and many people lost their homes.
- RESPONSE _____ ALWS provided \$30,000 through ACT Alliance, (in addition to the ALWS Action amount shown above).
- ACTION _____ The most vulnerable families received care including:
- Life-saving assistance through food and non-food item
 - Psychosocial support and counselling
 - Support to restore agricultural and non-agricultural livelihoods
 - Rehabilitation of water, sanitation and hygiene facilities, shelter
 - Restoration of schools

COUNTRY	NEPAL
WHAT	Nepal Development Program
WHERE	Kailai, Dailekh, Doti, Jhapa, Morang & Lalitpur Districts
WHO*	Direct: 25,342 people Indirect: 126,410 people
ALWS ACTION	DFAT: \$362,308, ALWS: \$145,685, TOTAL: \$507,993

**Direct beneficiaries: people who participate in program. Indirect beneficiaries: people who benefit from results of program.*

making a difference

Padma was struggling to feed her family when she joined Kopila Women's Group. After six months of Empowerment Education Classes, Padma began a business rearing chickens. With a loan from the group, she bought more chickens, and built a chicken shed. She now rears 400 chickens and encourages other farmers to expand their poultry farming.

Supported by ALWS, a group of 26 people with disabilities have developed their own candle-making enterprise. They have made profits of up to 250%, but more importantly are now valued by their community. The group's Chair says: "Thank you for the opportunity to work towards self-reliance. We will keep working and hope you will continue to support us".



[photo: ALWS]

Strengthening service

PAPUA NEW GUINEA

Photo: ELCPNG Communications Unit



There was much excitement at the National Women's Conference where the Prime Minister of PNG helped launch a 5 year women's plan. The plan whose development ALWS helped support, includes action to get more girls into school and improve the literacy of women.

The Lutheran Church has a long tradition of reaching out to the people of PNG. This continues today as ALWS works with the Lutheran Church in PNG to create positive change in people's lives. We do this through strengthening the church's ability to provide services which meet people's needs.

This work is fully funded by the Australian Government. Vital activities have included the training of volunteers in preventative HIV/AIDS counselling and the improvement of financial management within Lutheran Health Service – one of the biggest health providers in PNG.

ALWS works closely with PNG's Lutheran Overseas Partner Churches, which includes Lutheran churches from Europe, the USA and our own LCA. ALWS also works with other Christian denominations in PNG and Australia, seeking ways to work together for the benefit of all.

This program seeks to make lasting institutional change within PNG churches. For example, to improve the sustainability of the program, ALWS will work with the church to integrate adult literacy teacher training within the church's existing institutions and programs.

COUNTRY	PAPUA NEW GUINEA
WHAT	Church Partnership Program
WHERE	Nation-wide
ALWS ACTION	DFAT: \$469,247

making a difference

A recent evaluation by the Australian Government found the impact of the program is positive. An evaluation of the adult literacy program found many more people are now able to read and write, and have rejoined the formal education system, or have the confidence to start their own market activities.

Typhoon Haiyan

PHILIPPINES

When Typhoon Haiyan hit the Philippines on 8th November 2013, the country was still recovering from an earlier earthquake. ALWS supported ACT Alliance urgently implementing a response through five humanitarian agencies, including Lutheran World Relief.

The first phase of action to April 2014 focussed on relief and rehabilitation through the distribution of relief goods, water, sanitation and hygiene, cash transfers, semi-permanent shelter, livelihoods restoration, and psychosocial care.

This emergency response transitioned from May 2014 to food security and nutrition, distribution of non-food items, semi- and permanent shelter, shelter reparation, disaster risk

reduction activities (eg construction of cyclone shelters), water, sanitation and hygiene support, livelihood restoration and psychosocial care.

COUNTRY	PHILIPPINES
WHAT	Typhoon Haiyan
WHERE	Nation-wide
WHO	14,096 families - emergency shelter 4,981 families - cash-for-work 24,787 families - basic food needs 4,004 families - hygiene kits 8,345 families - sleeping materials and kitchen sets 1,050 families - latrines
ALWS ACTION	\$160,369

Cooperating for change

CAMBODIA

ALWS works through local partner Life with Dignity (an Associate Program of Lutheran World Federation) to support communities as they improve their levels of health, education, income, awareness of human rights, gender equality, climate change adaptation and governance of their own community structures.

Community members share their knowledge, support each other and participate in capacity building activities, including training on effective agricultural techniques, climate change adaptation, disaster risk reduction, and first aid, and awareness raising in areas such as domestic violence, human rights, women's rights, children's rights, gender, effective governance, leadership, HIV/AIDS, advocacy, health and hygiene, and nutrition.

Villages are supported to organise and run pre-schools, non-formal education, Village Banks, Agricultural Cooperatives, women's groups, youth groups and Village Development Councils. Village Development Councils prioritise and plan development activities for each year. In 2014, the infrastructure activities supported include construction of roads, village ponds, latrines, community halls, village learning centres, water supply projects and bridges.



Pigs have turned to profit for the family of Sat Vuthy. After agricultural training, the family say chickens, ducks, vegetable-growing and pigs are leading to income strong enough that the family's two children can now go to school. [photo: LWD]

COUNTRY	CAMBODIA
WHAT	IRDEP (Integrated Rural Development through Empowerment Project)
WHERE	Aoral, Phnom Krovanh, Phnom Sruoch, Battambang, Thpong and Kampong Chhnang Provinces
WHO	14,736 families, in partnership with other agencies
ALWS ACTION	DFAT: \$738,747 ALWS: \$305,802 TOTAL: \$1,044,549

making a difference

A program evaluation in 2014 found communities felt they had increased access to food and income, and more skills in managing their households and communities. One respondent shared: "...people better understand about rights and advocacy. They are less afraid to raise their ideas, concerns and needs."

Trained for Transition

ALWS works hard to ensure the development you support is sustainable, and therefore has a lasting impact. In Takeo and Kandal districts, ALWS' partner, Life With Dignity (formerly an Associate Program of Lutheran World Federation) worked with communities from 1996 until the villages themselves identified they had 'graduated' in 2002. They assessed themselves as having enough skills, knowledge and confidence to direct their own development.

LWD continued 'accompanying' these communities for a number of years, giving consistent, but less intensive, support.

For the past three years ALWS has supported a final 'sharing and learning' phase, where villages are trained to develop their own development proposals. Last year 7 proposals were selected by a representative expert panel for support. These included road and pond rehabilitation, latrine construction and meeting hall construction and training for communities.

This process gives communities the skills to apply for grants from government and non-government organisations, and then plan, carry out and monitor such projects.

COUNTRY	CAMBODIA
WHAT	Transition Program
WHERE	Takeo and Kandal Districts
WHO	1,370 families
ALWS ACTION	\$20,000



“Now, thanks to God, the irrigation functions well ... I am happy I can till the soil and plant rice in my rice fields during the dry season. We hope we will avoid the risks of starvation in future.”
Resni Taileleu

[photo: CDRM&CDS]

Partners against poverty

INDONESIA

Our Australian help in Indonesia is delivered through Lutheran partners at the Centre for Disaster Risk Management (CDRM) and Community Development Studies (CDS).

Support from Australia is also a partnership – between LCA Mission International, Lutheran Education Australia, the Lutheran Laypeople’s League and the Australian Government, brought together through ALWS.

This is a longer-term project which seeks to have a lasting impact through building the skills of Lutheran church workers serving their communities. The work also includes preparing Lutheran churches to respond to emergencies in this disaster-prone region.

Direct help to communities is provided through the centre as well. This help focuses on strengthening communities’ ability to build a secure future with their own hands.

This support is in the areas of agriculture, small business development, environmental awareness, improved literacy, sanitation and access to water and mother and child health education. The centre works hard to ensure that people with disabilities are included in their work.

A recent evaluation found the project had made a solid contribution to increasing the living standards of people affected by poverty, as well as making good progress in preparing communities for disaster.

COUNTRY	INDONESIA
WHAT	Centre for Disaster Risk Management and Community Development Studies (CDRM&CDS)
WHERE	North and West Sumatra
WHO*	Direct: 9,312 people, Indirect: 46,560 people
ALWS ACTION	DFAT: \$216,171 ALWS: \$183,496 TOTAL: \$399,667

**Direct beneficiaries: people who participate in program.
 Indirect beneficiaries: people who benefit from results of program.*

making a difference

Resni Taileleu from Mentawai Islands says, “CDRM&CDS has trained us about global warming, and told us how to adapt with, and to mitigate the risks of, climate change. During the training, we discussed and identified that one of the hazards of climate change in our village is the long dry season that has impacted farmers who could not plant rice. CDRM&CDS facilitated us to construct an environmentally-friendly simple irrigation system using bamboo.”

Supporting Ability

In 2014 School Packs were provided to 146 children with disabilities. The School Packs consist of uniform, shoes, bags, writing books, hats, neckties and pens. 10 year old Jerindah said the School Packs meant “I will study better in the future”.

Awareness and Action

AUSTRALIA

ALWS is committed to providing schools with education resources that can inspire, equip and encourage students to explore their role in issues like social justice, human rights and development. At the same time we recognise and work under the clear Biblical mandate to care for those less fortunate than ourselves, and our resources reflect this understanding.

In 2014, ALWS employed two trained teachers to provide the Lutheran school system with educational resources and personal support to enable young people to develop awareness, and then turn that awareness into action.

Awareness Week

ALWS offered schools resources for all year levels, linking in to a range of subject curricula, focusing on a number of Australia-relevant countries. Awareness Week enables schools to focus on activities and action that might otherwise be missed in a busy school life.



[photo: ALWS]

Awareness Days

A key activity of our Community Education team is to offer schools a whole day hands-on learning experience for students of all ages in issues of justice and development.

In 2014 the team ran 23 Awareness Days across the country, talking directly to more than 2,700 students and staff.

An awareness Day is designed to challenge and equip school leaders and students to make a difference in this world. Awareness Days have whole group and small group activities, guest speakers, workshops, audio visual presentations, food and culture used to inform and challenge students about injustice in the world and what we can do to help.

Students return to their schools fired-up for the work to help others. They often take a lead in service learning activities within the school, or run fundraising activities like raising money to buy 'gifts' from the ALWS Gifts of Grace catalogue.



making a difference

"Our bus trip home was buzzing – the students were really starting to identify with how lucky we are and the gap between us and some others."

Brad Pfeiffer – Teacher at St Michael's Lutheran Primary School, Hahndorf

[photo: ALWS]





making a difference

"I learnt that empowerment is the key to change and success in communities... ALWS supports work which starts with empowerment because they know that unless someone sees themselves as being worthy, and has the knowledge and the education and the motivation, that they will not fight to better their living circumstances and or their community's ..."

Anita Robinson, Teacher at Redeemer Lutheran College, Queensland

[photo: ALWS]

Teacher Study Tour — Nepal

16 staff and chaplains from Lutheran schools in 4 states joined together to visit ALWS-supported projects in Nepal, to see the impact of long-term development in a region suffering severe poverty, under constant threat from natural disasters, and working with people from socially-excluded groups.

The group saw new farming technologies, visited and learnt from Dalit communities, and celebrated with freed bonded labourers, who shared personal stories of the hardships they'd suffered, and how they had been supported to overcome these.

The group also visited areas given emergency flood relief, as well as Bhutanese refugee camps.

Teacher Study Tour — Indonesia

Staff and students from St Pauls College Walla Walla, Faith College Tanunda and Concordia Toowoomba visited ALWS-supported projects in Indonesia. The team took part in activities like building a water filtration system, cooking local snacks and weaving purses.

Meeting with community members, and learning from the CDRM&CDS team's expertise, helped students build a more sophisticated understanding of development.

Teacher Study Tour — Cambodia

Students and staff were from Redeemer Lutheran College and Faith Lutheran College in Queensland, and Cornerstone College in South Australia, visited Kampong Chhnang, a new area of ALWS-supported work. Team members particularly enjoyed their time in the villages with the local people, and reported learning a lot.

Presentations — Australia

During 2014, ALWS team members did dozens of presentations to congregations, church and fellowship groups across Australia. Using stories and images, and little known facts about the reality of Australia's overseas aid effort, a key goal was to thank people for their great kindness by showing them the impact they make. A further goal was to motivate people to let politicians on both sides know that caring for others through our Overseas Aid budget is an important issue to them.



[photo: ALWS]

Positive, powerful partnerships



Lutheran Church of Australia

ALWS is the Overseas Aid and Resettlement Agency of the Lutheran Church of Australia, working to enable the Lutheran family in Australia and New Zealand to bring love to life by reaching out in love, for justice.



Australian Government

ALWS is a fully accredited organisation with the Australian Government. It received funding via the Department of Foreign Affairs and Trade's Australian NGO Cooperation Program (ANCP) for programs in Burundi, Cambodia, Indonesia and Nepal, together with programs on Disability Inclusive Development and Child Protection. The Australian Government also supported the Church Partnership Program for activities in Papua New Guinea. ALWS gratefully acknowledges the Australian Government's support for these programs.



Lutheran World Federation / Department for World Service

LWF/DWS is the main implementer of overseas aid for ALWS. It has a global program embracing over thirty developing countries in Africa, Central America, South Asia, South-East Asia and the Middle East. It is a certified member of the Humanitarian Accountability Partnership (HAP) and is the world's fifth largest partner to the United Nations High Commissioner for Refugees (UNHCR). Executive Secretary Chey Mattner is a member of the LWF/DWS Committee for World Service.



Action by Churches Together (ACT Alliance)

ACT Alliance is a network of over 140 churches and affiliated organisations that work together in humanitarian assistance and development. ACT Alliance works in 140 countries and mobilises US\$1.5 billion annually in its work for a just world. It is a certified member of the Humanitarian Accountability Partnership (HAP).

ALWS is a member of ACT Alliance and its Pacific Australia and New Zealand Forum. ALWS Board Member Judith Murray is a member of the Psychosocial Community of Practice. Program Officer Lauren Kathage is a member of the Disability Inclusive Development Community of Practice, of which ALWS is the lead agency. Program Officer Hayley Elmore is a member of the Gender Equality and Justice Community of Practice, and Program Officer Anne Fitzpatrick is a member of the Child Protection Policy Working Group.



Lutheran Laypeople's League (LLL)

The LLL provides generous support for our institutional strengthening work in Indonesia, in partnership with LCA Mission International and Lutheran Education Australia. The LLL also supports ALWS' work in community education and administration.



National Council of Churches Australia — Act for Peace

The NCCA has its own overseas aid agency, Act for Peace. Executive Secretary Chey Mattner serves on its Commission.



Australian Council for International Development (ACFID)

ALWS is a signatory to the ACFID Code of Conduct. ACFID is the umbrella organisation for Australian overseas aid agencies. Its Code requires members to meet high standards of corporate governance, public accountability and financial management. ALWS is committed to full adherence to the Code.

For more information or to lodge a complaint for breach of the Code with the ACFID Code of Conduct Committee, please contact:

Website: www.acfid.asn.au Email: acfid@acfid.asn.au
Tel: (02) 6285 1816 Fax: (02) 6285 1720

Welcoming the Stranger

In December 2012, UN High Commissioner for Refugees Antonio Guterres called on faith leaders to develop a Code of Conduct for welcoming migrants, refugees and other forcibly displaced people. In response a coalition of leading faith-based humanitarian organisations developed the following affirmation. ALWS believes this affirmation can have a vital role in challenging and leading our Australian community to use the resources with which we have been blessed to bless those seeking safety, shelter and support.



Dalit communities in Nepal, who in the past have experienced rejection from their communities, are a special focus of the Lutheran (World Federation) team ALWS supports. Children are welcomed, and given fresh hope for the future.

[photo: ALWS]

A core value of my faith is to welcome the stranger, the refugee, the internally displaced, the other. I shall treat him or her as I would like to be treated.

I will challenge others, even leaders in my faith community, to do the same.

Together with faith leaders, faith-based organizations and communities of conscience around the world, I affirm:

- I will welcome the stranger.
- My faith teaches that compassion, mercy, love and hospitality are for everyone: the native born and the foreign born, the member of my community and the newcomer.
- I will remember and remind members of my community that we are all considered “strangers” somewhere, that we should treat the stranger to our community as we would like to be treated, and challenge intolerance.
- I will remember and remind others in my community that no one leaves his or her homeland without a reason: some flee because of persecution, violence or exploitation; others due to natural disaster; yet others out of love to provide better lives for their families.
- I recognize that all persons are entitled to dignity and respect as human beings. All those in my country, including the stranger, are subject to its laws, and none should be subject to hostility or discrimination.
- I acknowledge that welcoming the stranger sometimes takes courage, but the joys and the hopes of doing so outweigh the risks and the challenges. I will support others who exercise courage in welcoming the stranger.
- I will offer the stranger hospitality, for this brings blessings upon the community, upon my family, upon the stranger and upon me.
- I will respect and honor the reality that the stranger may be of a different faith or hold beliefs different from mine or other members of my community.
- I will respect the right of the stranger to practice his or her own faith freely. I will seek to create space where he or she can freely worship.
- I will speak of my own faith without demeaning or ridiculing the faith of others.
- I will build bridges between the stranger and myself. Through my example, I will encourage others to do the same.
- I will make an effort not only to welcome the stranger, but also to listen to him or her deeply, and to promote understanding and welcome in my community.
- I will speak out for social justice for the stranger, just as I do for other members of my community.
- Where I see hostility towards the stranger in my community, whether through words or deeds, I will not ignore it, but will instead endeavor to establish a dialogue and facilitate peace.
- I will not keep silent when I see others, even leaders in my faith community, speaking ill of strangers, judging them without coming to know them, or when I see them being excluded, wronged or oppressed.
- I will encourage my faith community to work with other faith communities and faith-based organizations to find better ways to assist the stranger.

I will welcome the stranger.



reaching out in love...for justice!

Australian Lutheran World service (ALWS) is the Overseas Aid and Resettlement Agency of the Lutheran Church of Australia
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