



Australian
Lutheran
World Service



Speak up for
people who cannot
speak for themselves.
Help people who are
in trouble ... Protect the
rights of the poor and
those who need help.

Proverbs 31:8-9
(ERV)

Annual Report 2018

HOW YOU BRING LOVE TO LIFE

**Please enjoy this report of what we did together
in 2018. Your care and compassion for people
in need is inspiring – and life-changing!**

Thank you!

How you changed lives in 2018

In our busy world, it can be easy to have good intentions to help, but never find the time to act. Yet, in 2018, you made the words of **Proverbs 31:8-9** come to life through your actions to help others. In doing so, you brought love to life through ALWS for hundreds of thousands of people in need!



‘Speak up for people who cannot speak for themselves.’

In Nepal, you helped the voices of the vulnerable be heard, including people from Dalit communities, minority ethnic groups, and people living with a disability. (p10)



ACTION: Our Community Education team met over 7,000 students through 206 school visits, and inspired and equipped them to help others! (p17)



‘Help people who are in trouble.’

In South Sudan, Kenya, Somalia and Djibouti, you reached out to people fleeing conflict, drought and hunger, and helped them find safety and care. (pp4-8)



ACTION: ALWS supporters gave over 10,800 **Gifts of Grace**, including Child Clothing Packs for refugee children, and Welcome Meals for new arrivals at Kakuma. (p5)



‘Protect the rights of the poor and those who need help.’

In Cambodia, PNG, Indonesia and Burundi, you stood up for the rights of people in need, and helped them with new skills, clean water, healthcare, and schooling.



ACTION: In 2018, there were 30 Village Partnerships in Cambodia, helping villages move towards independence with roads, community ponds and bridges. (p11)



Photo: ALWS/H Wikstrom



- 6.4% to Fundraising 'overheads' *
- 7.3% to Administration and Accountability 'overheads' *

* 'Overheads' are administration and fundraising costs as defined by the ACFID Code of Conduct. Percentages are calculated from total 2018 disbursements. ALWS aims to minimise overheads as much as possible without affecting services. Refer to full financial statements later in this report. Funds and other resources designated for the purpose of aid and development are used only for those purposes and are not used to promote a particular religious adherence or to support a political party, or to promote a candidate or organisation affiliated to a particular party.

'I used to be afraid of other people because of my bad life. I would run away and hide because I felt too shamed ... Now that I can read and write, I am the chief of Savings and Loans! I am feeling very proud. My life has changed!'

Spesi Ntimpirangeza,
Burundi

Photo: ALWS/H Wikstrom

The power of speech

If you heard me talk, you might not think I lead an Australian organisation ...

... yet my dad grew up playing rugby in Melbourne!

I was born in New York and raised in New Jersey with a strong Lutheran upbringing. Since beginning at ALWS as Executive Director in August 2018, I've been inspired by the incredible changes in communities where ALWS works, and humbled by our supporters' generosity.

As someone with 20 years' experience in community development, I'm excited about the quality evident in ALWS' country programs. Across the nine countries where you work through ALWS, the partnerships our Programs staff develop with local partners are respectful, collaborative and empowering.

These partnerships result in amazing changes not only to people's lives (like Spesi's above) at a community level, but also at the level of local and regional governance regarding how vulnerable people are served. These are substantial, long-term changes that require strong partnerships and mutual respect – and as a new addition to the team, I can confidently say ALWS has this in spades!

Over the past nine months, I've also enjoyed meeting ALWS supporters, whose generosity and readiness to help those in need humbles me. From faithful women's guilds in country churches to larger inner-city congregations, our supporters simply want to help others – without fanfare or recognition. This is why I say our supporters are one of ALWS' greatest strengths.

On top of quality programs and compassionate supporters, ALWS offers value-added service with technical assistance to local partners in areas like disability inclusion, gender, communications, governance, and child safeguarding (see p16 for the impact of our work in this area).

In 2018, we continued to leverage the power of matching grants from a variety of sources, including the Australian Government through DFAT. We have found supporters are motivated by matching grants opportunities, which substantially increase the help we can send to the field. Because of this, we will continue to seek matching grants opportunities into the future.

All of these factors mean ALWS punches well above its weight. Coupled with our low overhead rate of 13.1% average for the last 5 years, you can be sure your gifts are being used efficiently and effectively.

You'll see much to inspire you in this Annual Report – and all of it possible because of people like you who care for others through ALWS.



When I speak, I might not sound like an Aussie. Yet together, through ALWS, you and I 'speak up for people who cannot speak for themselves' (Proverbs 31:8a).


Ms Jamie Davies
Executive Director

Ms Leah Odongo was Acting Executive Director during the period February to July 2018. We thank Ms Odongo for her leadership of ALWS during this time.

KENYA

WHAT

Kakuma Refugee Assistance Project
Dadaab Refugee Assistance Project

LOCAL PARTNER

Lutheran World Federation (LWF)
Kenya-Djibouti-Somalia

WHERE

Kakuma Refugee Camp,
Turkana West Sub County
Dadaab Refugee Camp,
Garissa County

WHO

Kakuma: 30,665 people
Dadaab: 23,392 people

ALWS ACTION

Kakuma: \$212,000
Dadaab: \$50,000



Photo: ALWS/H Wikstrom

Care at the Camps

Why our help is needed

According to the UNHCR, more than 68 million people are now displaced from their homes, fleeing persecution, conflict or human rights violations. More than 25 million of these people are refugees.

Our action together

Kakuma Refugee Camp is home to more than 185,000 people. Your support in 2018 included:

- 10,715 newly arrived refugees welcomed and provided with accommodation and day to day support, including psychosocial support and food for the most vulnerable
- 15,302 children attended pre-school
- 3 classrooms constructed and 10 classrooms renovated
- 250 taxi riders trained in road safety contributing to the 30% reduction in road traffic accidents recorded in 2018
- 4 water handpumps repaired and rehabilitated
- 77 refugees trained in tailoring and dressmaking for income generation.

At **Dadaab Refugee Camp** near the border with Somalia, your help included:

- 40 hygiene and dignity kits for people with disability
- 162 people provided with various vocational skills training including tailoring, dress and soap making
- 38 teachers transported safely to schools
- 10 psychosocial support sessions reaching 300 older people
- 30 people provided with visual aids and 300 with pain management supports.

What we learned

Providing teacher transport in Dadaab allowed teachers to focus on providing quality education and provide extra lessons to students.

Our impact

In both Camps, children now have better access to improved quality education, and community members are more able to find a sustainable livelihood to support their family.

IMPACT CASE STUDY

Through ALWS and local partner LWF, you help provide hot meals for the most vulnerable newly arrived refugees, like the mother and baby pictured here. Regina Zechariah, a refugee herself, helps cook these meals, and says:

'I see LWF as like my own people, my family.'

I want to say thank you very much to the people who give. You really help us so much. There are children here who have lost their parents, but at the end of each day they have a plate of food because of you.'

'I see LWF as like my own people, my family.'

– Regina, Refugee



IMPACT CASE STUDY

Education for all

Why our help was needed

The ALWS and ECHO co-funded project began in June 2018 to promote and support the right to education and protection for refugee children in Kenya.

Our action together

Over 90,000 children now have access quality education in a protected learning environment.

In Dadaab:

- 48,898 children between the ages of 6 and 13 are accessing quality education in all the 22 primary schools. This translates to 87% of the primary school aged population
- there has been an increase in the number of national teachers from 34 to 54.

In Kakuma:

- 43,967 children are accessing regular, quality learning opportunities
- 1,084 learners have enrolled in non-formal education across the 10 Accelerated Learning Program Centres
- 48 teachers were provided professional development training
- 10 classrooms were constructed reducing classroom ratios from 1:163 to 1:149.

What we learned

By seeking a matching grant, we were able to multiply the value of our donation 4:1.

Our impact

Refugee children affected by conflict and disaster are now able to access quality education in an inclusive, age appropriate, and safe environment.

These students attend Shabelle Early Childhood Development Centre, which you helped build, at Kakuma Refugee Camp. Their teacher Asende says:

'We had a lot of challenges at this school before the new classrooms. Our old buildings simply collapsed. Now we have this new one, thanks to you.'

We appreciate so much the teaching and learning aids we receive. Our teachers are very happy ... I like teaching so much. I want these children to get knowledge like I have. If some can become teachers like me, this will be a blessing.'

KENYA

WHAT

Project to Promote and Support the Right to Education and Protection for Refugee Children in Kenya

LOCAL PARTNER

Lutheran World Federation (LWF)
Kenya-Djibouti-Somalia

WHERE

Kakuma and Dadaab Refugee Camps

WHO

92,865 school-aged children

ALWS ACTION

ALWS: \$237,982

European Commission (ECHO): €700,000



IMPACT CASE STUDY

After many years of civil war in Sudan and being forced to leave her home, Athieng Deng had nothing. **Through ALWS, you helped her rebuild her life, starting with seeds, tools and farming training.**

Athieng is now also a member of a vegetable and cereals farming group, which supports her to continue to improve her farming, and sell any excess at market.

From famine to farming and fishing

Why our help is needed

Drought, famine and ongoing conflict have forced over 4 million people from their homes.

Across the country, each primary health centre serves an average of 50,000 people, while more than 70 per cent of school-aged children are not in school.

Our action together

In 2018, the actions you supported include:

- 1,823 households provided with 6kgs of cereal crops and 350gms of vegetable seeds

- training for 600 farmers on cereal and vegetable crop production
- fishing gear for 400 fisher folks
- teaching, learning and play materials for 8,146 students in 8 primary schools
- teaching, learning and play materials for 508 students in 2 Early Childhood Development centres
- uniforms for 302 students
- salaries for 12 Early Childhood Development teachers
- two buildings (5 rooms each) renovated meaning 85 more students can now go to school
- **Matching Grant Program:** an accelerated learning program through provision of learning materials, special assistance to learners with disabilities, training for teachers and school management committees, and support to Child Rights Clubs.

SOUTH SUDAN

WHAT

Enhancing food security, livelihood options and quality education to build resilience of the vulnerable population

LOCAL PARTNER

Lutheran World Federation (LWF) South Sudan

WHERE

Jonglei State - Duk, Twic East and Uror Counties
Matching Grant program: Maban and Ajuang Thok Refugee Camps

WHO

8,300 people
Matching Grant program: 42,392 people

ALWS ACTION

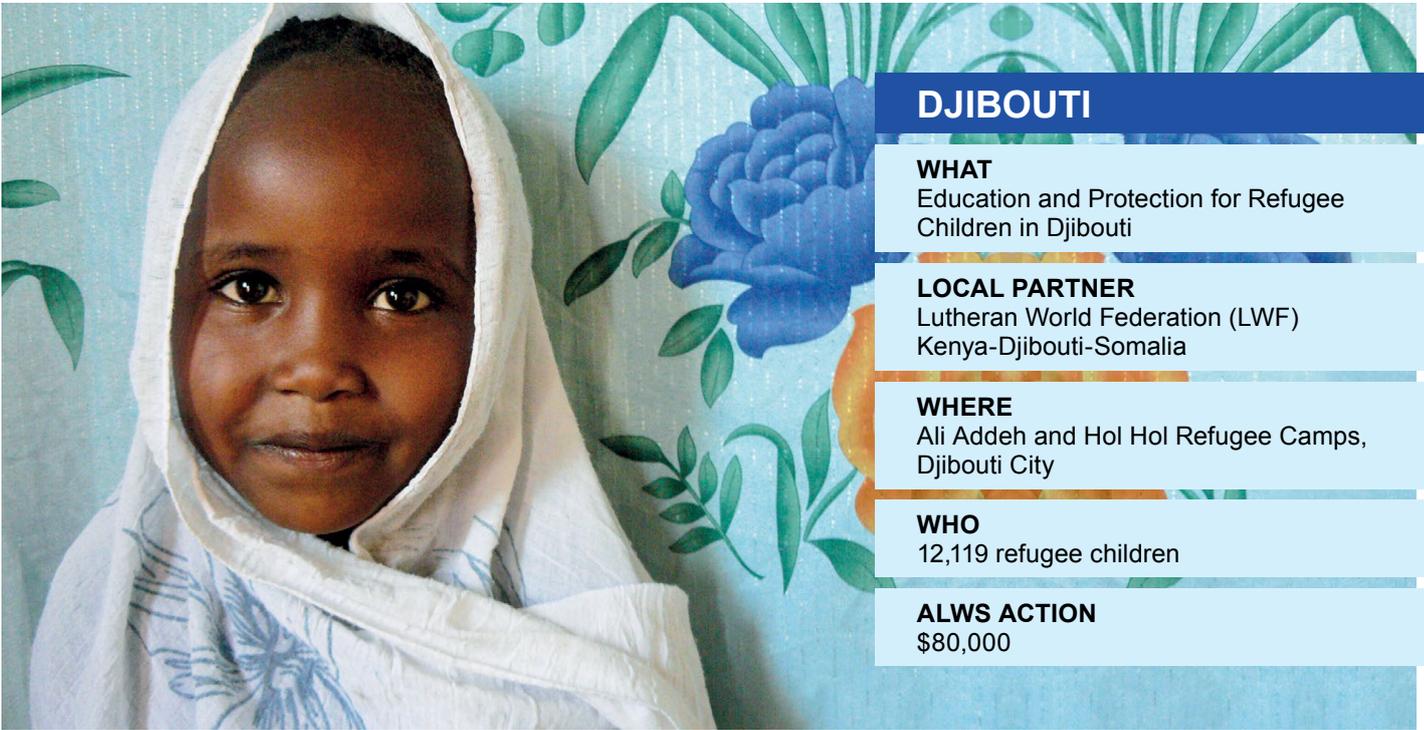
\$600,000
Matching Grant program: ALWS: \$81,413;
 European Commission (ECHO): \$1,004,000

What we learned

It is critical to support communities that stay behind during a crisis or natural disaster, as they are often the extremely poor households who cannot afford to flee, or other vulnerable groups, such as those living with disability and older people.

Our impact

At least 80% of the farming households who were part of the project were able to produce enough food to feed their families for around 4-5 months of the 6 months 'annual food gap'. Previously, they needed to rely on food relief from the World Food Program.



DJIBOUTI

WHAT

Education and Protection for Refugee Children in Djibouti

LOCAL PARTNER

Lutheran World Federation (LWF)
Kenya-Djibouti-Somalia

WHERE

Ali Addeh and Hol Hol Refugee Camps,
Djibouti City

WHO

12,119 refugee children

ALWS ACTION

\$80,000

Bringing life and light

Why our help is needed

Only 2% of secondary-school-aged refugee children in Djibouti go to school. One reason for this is many children are forced to seek work in the city to help support their families. Here, children face **the risk of exploitation, violence, crime and abuse.**

Our action together

A number of supports were provided to refugee children in Djibouti that aimed to improve well-being, enhance their safety and enable school attendance. These included:

- 110 girls trained to make reusable sanitary pads
- 60 girls trained in health and life skills
- 30 children participating in regular creative activities
- 20 youth trained in computers and literacy
- 90 community-based committee members trained in leadership development.

Other actions included provision of child and youth safe spaces, physiotherapy for children with disability, child protection awareness, vocational training skills and recreational activities. 181 children living in extreme vulnerability (orphans, unaccompanied and separated children, children with medical complications) were provided with extra help including supplementary food, clothes and medicine.

What we learned

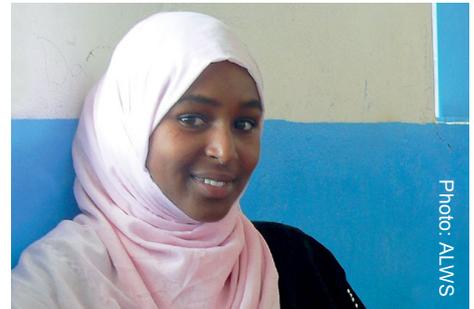
Many girls were missing a week of school per month when they menstruated, because sanitary pads were either not available in the market or they cost too much. In response, the project trained girls and parents to make reusable pads. Attendance of girls has now increased significantly.

Our impact

Children who had missed out on schooling are now in a safe and protected learning environment.

Through ALWS, you help children like 7 year old Ayane, who lives in a refugee camp in Djibouti. She is an orphan and is cared for by her 17 year old brother Ahmed. Photo: ALWS

IMPACT CASE STUDY



Hayat attends the new school the ALWS family helped build at Ali Addeh Refugee Camp. She says:

'This Kulmiye school here is important for many things. If it is not here, there is no place for people to learn.'

I believe education is the backbone of life. It is light. If you don't have education, it is like you have no eyes. You are blind. All your life you are without light.

I thank the people who have given money for this school.'

SOMALIA

WHAT

Support for Ministry of Education of Jubaland (Somalia) to Rebuild the State's Education Sector

LOCAL PARTNER

Lutheran World Federation (LWF)
Kenya-Djibouti-Somalia

WHERE

Kismayu, Somalia

WHO

1,000 school children

ALWS ACTION

\$197,395
(ALWS: \$32,400; DFAT: \$164,995)



Photo: ACT Alliance/
Håvard Bjelland/Kirkens Nødhjelp

IMPACT CASE STUDY

The photo below shows one of the new classrooms for children who had missed out on school in Kismayu. Leader of the Internally Displaced Persons (IDP) Camp where these children and their families live, Khadija Adan Hassan, says:

'Life in this IDP camp is really challenging and tough. Hardship and bad economic circumstances is really pushing us to the wall, and therefore we have sacrificed the future of our children's education at the expense of daily access to food.'

Now we are very lucky that we have a school built within our neighbourhood where our children are accessing education and they have all they need in order to learn and stay at schools. As part of the IDP parents, I am very happy and feel our children are now safe and free from protection risks.'

Safe at school

Why our help is needed

Because of conflict, displacement and poverty many children have missed out on school. An accelerated learning program was needed to fast-track children to the same academic level as other children of the same age at school.

Our action together

Your help in 2018 included:

- 9 teachers recruited
- 2 safe and secure learning centres established
- 2 water tanks at the learning centres installed
- 90 desks provided
- 1,000 children who had missed school because of conflict, displacement and poverty now enrolled and learning in a safe and secure environment.

What we learned

The education sector is one of the most severely impacted services in the ongoing conflict in Somalia. LWF is currently working with the Government and other stakeholders to improve education for children.



Photo: LWF

Our impact

Due to the project's strong work and proven results in the area of education, local government is looking to expand LWF's education work to all children in the region.

ALWS acknowledges the support of the Australian Government in Somalia through the Australian NGO Cooperation Program (ANCP).





IMPACT CASE STUDY

Through ALWS, you began work in Regine's village in 2006. As families returned from refugee camps after war, you helped them start again with farming tools, seeds and training.

Now, 12 years later, Regine is strong and healthy. She says:

'Now I have enough food to eat. In the first year they gave me the seeds, tools and training. In the second year, they taught me how to harvest and gather the seeds. Then in the third year I can help someone else. We help each other once you help us start.'



Helping each other

Why our help was needed

Burundi is one of the world's poorest nations, ranking 185 out of 188 countries on the UNDP 2018 Human Development Index. Changing climate, conflict and natural disasters mean one in four people (26%) don't have enough to eat.

Our action together

In 2018, 3,232 households were supported to:

- increase their food production
- establish profitable business opportunities
- increase their literacy level.

Further action included:

- construction of 4 public latrines
- rehabilitation of roads for better access to markets and schools
- 80 households supported to construct mud brick houses
- community leaders trained on good governance.

What we learned

Despite continued political and economic instability in Burundi in 2018, the project areas remained calm with minimal impact on project activities. This is due to community empowerment activities winning trust with both individuals and government officials.

Our impact

Traditionally, the lean season (November-January) has often led to a severe shortage of food. Now, communities are able to grow more during this time because of training in improved farming techniques. A further impact is the establishment of a vegetable oil production cooperative which generates substantial income for families involved, and means the wider community can buy vegetable oil for a lower cost.

BURUNDI

WHAT

Community Empowerment Project

LOCAL PARTNER

Lutheran World Federation (LWF) Burundi

WHERE

Cankuzo and Ruyigi Provinces

WHO

6,654 people
37,715 people (flow-on benefits)

ALWS ACTION

\$415,000

Photo: ALWS

EmPOWERed people, confident communities

Why our help is needed

The families you work with through ALWS experience poverty and discrimination due to being from Dalit communities, minority ethnic groups, living with a disability or other social situations that increase their vulnerability.

Our action together

In 2018, together with LWF Nepal, you supported:

- 889 families to use improved farming techniques for increased nutrition and household income
- 647 people to set up small businesses such as motorbike repairs, tailoring, and mobile phone repairing
- 2,378 families to have access to safe drinking water and sanitation facilities
- 407 people to participate in Transformative Education classes
- 879 people to learn how to prepare and plan for natural disasters
- the community groups we work with to connect with local government and help them to access more than \$120,000 worth of funding for infrastructure and community development activities
- **the POWER project**, a joint initiative with 3 other faith-based agencies: Caritas, Adventist Development and Relief Agency, and International Nepal Fellowship. Together we aim to improve the lives of women and girls by raising awareness about women's rights, and supporting communities to lobby local government to allocate adequate resources for development activities that support women.



IMPACT CASE STUDY

Udaiya Malla was given a grant to buy some chickens and a chicken shed. She also received training on chicken raising, including keeping their shed clean, vaccinating them and feeding them.

Now Udaiya is able to sell about 10 per day. In the past 6 months, she has earned around 200,000 Nepalese rupees (about \$2,500).

Udaiya is proud of her chicken business and says:

'I am so happy doing poultry raising. It is enjoyable work and I am earning a good income.'

ALWS acknowledges the support of the Australian Government in Nepal through the Australian NGO Cooperation Program (ANCP).



NEPAL

WHAT

Nepal Development Program

LOCAL PARTNER

Lutheran World Federation (LWF) Nepal

WHERE

Kailali, Doti, Dailekh, Jhapa, Morang, Lalitpur Districts

WHO

8,522 people

POWER Project: 1,859 people

ALWS ACTION

\$596,634 (ALWS: \$146,058; DFAT: \$450,576)

POWER Project: \$19,046 (ALWS: \$4,761; DFAT: \$14,285)

What we learned

When government staff are provided with awareness about the challenges and rights of people with a disability, they become motivated to provide the services and resources that people with a disability are entitled to, such as free health care, access to assistive devices and free travel on public transport.

Our impact

Through their membership of community groups, families are learning the skills and gaining the confidence to use new and more profitable agricultural and business techniques, approach their local governments for resources and services, and to plan ahead to stay safe if and when natural disasters strike.

IMPACT CASE STUDY

Through ALWS, you help farmers like Hour Eam adapt their techniques for higher yield. Hour Eam was also linked to a community agricultural cooperative to help with selling his vegetables at the market.

As a result, Eam has been able to double his earnings, and says:

'I am so happy with the vegetable and crop planting training, and very satisfied to be part of the agricultural cooperative.'

Photo: LWD



Going forward in LEAPS

Why our help is needed

Communities are struggling with changing climate and lack of water. Their farming practices no longer generate enough income for their families. Some families cross the border into Thailand to look for work, but are often exploited or end up in dangerous conditions.

Our action together

Key achievements from 2018 include:

- 567 families more than doubled their annual income through using improved farming techniques and having better access to markets
- 247 villages have assessed the disaster and climate risks to their villages and are using agricultural techniques, water-collecting and water-saving approaches, tree planting and disaster readiness planning to respond to these risks
- 9 roads were constructed, connecting villages with schools, markets and health services
- 4 community pre-schools were constructed
- 12 community ponds, 3 canals, 2 water gates, 1 spillway, 2 water supply systems were constructed to supply water to villages and farmland
- providing information on risks of migrating to Thailand, and how to safely and legally do so if they choose to.

CAMBODIA

WHAT

Livelihood Enhancement Action Program (LEAP)

LOCAL PARTNER

Life With Dignity (LWD)

WHERE

Battambang, Kampong Chhnang, Kampong Speu and Pursat Provinces

WHO

48,357 people

ALWS ACTION

\$1,036,869

(ALWS: \$268,720; DFAT: \$768,149)

What we learned

This year we learnt that farmer groups benefit from visiting other farmers' agricultural businesses to learn and be motivated to use new farming techniques. They also benefit from working with their local Agricultural Cooperatives (also part of the LEAP project) for agricultural supplies such as fencing for chicken raising, fertiliser and other materials.

Our impact

In addition to improving families' well-being through program activities, you are helping LWD to move to independence through exploring fundraising opportunities in-country, and helping build the capacity of fundraising staff.

ALWS acknowledges the support of the Australian Government in Cambodia through the Australian NGO Cooperation Program (ANCP).



INDONESIA

WHAT

Empowerment Towards Disaster Risk Reduction and Sustainable Development in Sumatra

LOCAL PARTNER

Center for Disaster Risk Management & Community Development Studies

WHERE

Mentawai and Nias Islands in North Sumatra & West Sumatra Provinces

WHO

17,000 people

ALWS ACTION

\$286,699

(ALWS: \$19,931; LLL: \$125,000; DFAT: \$141,768)



Photo: ALWS

Healthy and happy

Why our help is needed

Mentawai and Nias Islands are very remote, and many of the communities are living in extreme levels of poverty. They are also at risk of natural disaster.

Our action together

Activities during 2018 included:

- training for communities on how to use water filters
- construction of latrines for vulnerable families
- training in Disaster Risk Reduction (DRR) and Preparedness, including equipping schools and making DRR practices Disability-Inclusive
- workshops with government to increase their understanding of how to support communities in Disaster Risk Management
- training for teachers on Inclusive Education so they can better support students with disability

- support for people with a disability to start up income generating activities
- training on growing higher yields of rice provided to farmers groups.

What we learned

In the wake of the Earthquake in Sulawesi (p15), we learned it's important to have partners on the ground, so we can respond immediately after emergencies to those who need it most.

Our impact

Families in 38 villages in North and West Sumatra are able to earn a higher income and be better prepared for natural disasters. In addition, your support through ALWS means the local government is now making larger and more regular contributions to local development work in communities, particularly for rural infrastructure such as roads.

IMPACT CASE STUDY

Before your help through ALWS, Hezisoskhi and his family were often sick:

'My children often had diarrhoea and skin disease from the dirty water ...

Now my family and I are really happy after the support in getting a clean water filter system. Before, someone in the family would be sick every month, or even every week. Now, I find my family hardly ever get sick any more. We have no more diarrhoea or skin disease.'



ALWS acknowledges the support of the Australian Government in Indonesia through the Australian NGO Cooperation Program (ANCP).

Think ‘possible’!

Why our help was needed

Sadly, people with disability and their families are often stigmatised by community members, including their family, the wider community, institutions and the government. **They are marginalised, and unable to access their economic, educational, medical, social and civil rights.**

Our action together

In 2018, you helped empower people with disability to access their rights through:

- helping 62 children with disability to begin school
- supporting 394 people with disability to acquire health insurance
- supporting 112 people with disability in income generation activities
- providing assistive devices for 73 people with disability
- conducting Needs Assessments of people with disability and their families
- counselling and awareness raising for people with disability and their families
- organising and empowering volunteers in community-based disability support work
- facilitating relevant trainings for volunteers, groups, government representatives, people with disability and their families
- advocating for the rights of people with disability in education, health, and livelihood support from government and non-government organisations.

INDONESIA

WHAT

Strengthening Panti Karya Hephata's Services for People with Disabilities Through Community Based Rehabilitation Program

LOCAL PARTNER

Panti Karya Hephata - Huria Kristen Batak Protestan (HKBP)

WHERE

7 districts (Sibolga Municipality, Tapanuli Tengah, Tapanuli Selatan, Tapanuli Utara, Toba Samosir, Humbanghasundutan and Dairi District) in North Sumatra Province

WHO

8,522 people, including 738 people with a disability

ALWS ACTION

\$48,268

What we learned

The Community Based Rehabilitation program has so far been mostly focused on empowerment of people with disability and their families, volunteers, groups and government representatives. The next step in this work is to form and empower Disabled People's Organisations in the wider community.

Our impact

More people with disability now have access to basic services for assistive devices, education, health and livelihood. The community and government have developed a more positive attitude and approach to people with disability and are more inclusive.



IMPACT CASE STUDY

When Rita's arm had to be amputated in 2012, she was very worried about how she would care for her children: *'I felt shy and shame, and did not want to go out into the community. I just stayed in the house.'*

That's when ALWS' partners in Indonesia came to Rita's village, and offered her tailoring training. Rita says:

'After I had made the first clothing, I felt very happy because I could do it!

*Now I am feeling strong and confident. I tell others to be confident too. Don't hide. **Don't think 'impossible'! Think 'possible'! It is possible if you keep trying!***

PAPUA NEW GUINEA

WHAT

Church Partnership Program (CPP)

LOCAL PARTNER

Evangelical Lutheran Church of Papua New Guinea (ELCPNG)

WHERE

Country-wide

WHO

2,181 people

ALWS ACTION

DFAT: \$466,633



Photo: ALWS

IMPACT CASE STUDY

Lucy and Foniu attend an Adult Literacy class together. Foniu (right) shares:

'I never went to school in my life. When I grew up I realised I could not read and write, and it was a burden to me.

I would cry, and pray to God. To get a job you had to be able to sign your name. I could not. So I could not have a job to earn money to care for my family.

Before our teacher came here, she told another person to come and raise awareness of the school. I went around house to house and told people we needed to have this school ...

Now, my children are in the formal school, and this makes me very happy. I tell them 'Do not be like me – you must have education.'



PNGAus Partnership

Partners in PNG

Why our help is needed

In PNG, many communities rely on the Evangelical Lutheran Church of PNG (ELCPNG) to provide health, education and community services. Your help through ALWS supports the ELCPNG to more effectively deliver these services.

Our action together

The CPP supported activities in the areas of health, education, gender equality and social inclusion, peace building, Disaster Risk Reduction and strengthening of partnerships within the church and with other PNG churches.

Your support in 2018 included:

- HIV/AIDS awareness
- 92 people trained to be community advocates for people with disability
- development of ELCPNG Disaster Risk Management Plan to better help communities in emergencies
- building 2 incinerators for 2 health facilities
- workshops for the ELCPNG Capacity Building Plan for whole of church strengthening
- work on gender equality across the church
- review of District Women's Plans in all 17 Church Districts
- leadership on Disability Inclusion Action Plan for the 7 churches (see below).

What we learned

In May 2018, ELCPNG and ALWS commissioned CBM Australia to conduct Disability-Inclusion Assessment with a gender focus amongst the seven partner churches in the CPP. The assessment found that volunteers and church laity networks form a valuable resource for disability inclusion, and that all churches would benefit from making better use of these networks.

Our impact

Because of work through the CPP, there are now 23 disability hubs based in Lutheran parishes in PNG, offering awareness raising, screening, referral and other services.

ALWS acknowledges the support of the Australian Government through the PNGAusPartnership.

When help can't wait

INDONESIA: EARTHQUAKE

WHO AFFECTED

2,256 casualties, more than 10,000 injured, more than 74,000 people displaced

WHERE YOU HELPED Sulawesi island

ALWS ACTION \$40,731



Photo: Christoph Pueschner/DKH

Why our help was needed

On 28 September 2018 a series of powerful earthquakes struck Central Sulawesi Province. The most powerful earthquake measured 7.5 on the Richter scale. The earthquake, including more than 170 aftershocks, killed and injured thousands, and caused significant damage to homes and buildings. It also triggered a tsunami that added further devastation in Central Sulawesi Province.

Our action together

Immediately following the disaster ALWS was in regular contact with our partner CDRM&CDS as well as ACT Alliance in Indonesia to provide support to the response.

At the same time ALWS engaged with the Church Agency Network Disaster Operations (CAN DO) to seek Australian Government funding for other Church partners involved in the large-scale response.

Through your support, a number of our partners were able to provide a rapid distribution of non-food items and deliver lifesaving help including first aid and the provision of safe water, sanitation facilities and improved hygiene.

ALWS acknowledges the support of the Australian Government and the New Zealand Government in the PNG Earthquake Response.

EMERGENCY ACTION



Photo: ALWS

PNG: EARTHQUAKE

WHO AFFECTED Approx. 544,000 people

WHERE YOU HELPED Highlands

WHO YOU HELPED 58,972 people

ALWS ACTION

ALWS: \$68,559; DFAT: \$54,881; MFAT (NZ): \$58,375

Why our help was needed

On 26 February 2018, an earthquake devastated the Highlands region of PNG. More than 270,000 people were in immediate need of assistance.

Our action together

ALWS and other Church Agency Network Disaster Operations (CAN DO) members coordinated a rapid response with Church partners in PNG. Through ALWS, you were able to help 37 villages with:

- 51 rainwater tanks to improve accessibility to safe drinking water
- 31 disability-inclusive ventilated and improved pit latrines
- counselling/peace building community outreach
- hygiene promotion.

What we learned

Following a report into the response, the Australian Government gave positive feedback on local partner ELCPNG and ALWS' response, including:

- the high percentage of people living with disability supported
- the use of local supply chains to provide materials
- community input into the inclusive design of rainwater tanks and latrines.





Your work in Child Safeguarding helps to protect children like Samuel. Children who are refugees, orphans, or have a disability are at even higher risk.

Caring for Children: Building Child Safe Organisations

ALWS is taking the lead across the LWF and ACT Alliance networks in supporting projects to have world best practice in Child Safeguarding. ALWS acknowledges the funding received from the Australian Government through DFAT to support this aspect of our work.

Why our help is needed

ALWS supports the partners and networks we work with to have child safe practices to avoid children being harmed, abused or exploited.

Our action together

In 2018 ALWS supported trainings, workshops and community consultations about Child Safeguarding in four countries where children may be at high risk – Kenya, South Sudan, Uganda and Myanmar. As a result, LWF staff and communities in these programs are better equipped to keep children safe from abuse and exploitation. ALWS attended the ACT Assembly,

which takes place every 4 years and brings together the 151 member churches and organisations from more than 125 countries worldwide. ALWS organised and hosted an exhibition stall promoting Child Safeguarding in development and humanitarian organisations by sharing resources, talking with Assembly participants and encouraging members to develop, implement and strengthen Child Safeguarding policies.

What we learned

An independent evaluation in February 2018 of ALWS' work in building child safe organisations since 2014 found that ALWS and DFAT support contributed to significant changes in policy and practice for the ACT Alliance and LWF DWS programs. For example, by 2018 87% of ACT members that responded to the evaluation's survey had child safeguarding policies, up from 32% in 2014.

Funding in 2018: DFAT \$42,990



Students from St Peter's Lutheran College (Springfield, QLD) take part in a refugee sleepout to experience a tiny part of life as a refugee. They must sleep with no mattress or pillow, carry their own water, eat simple porridge for breakfast, and practise digging their own toilet. Photo: ALWS

Raising awareness, inspiring action

In 2018, **more than 7,000 students** were inspired, encouraged and equipped to help others through face to face visits by the Community Action team.

One of the ways the team engaged with students was through **Awareness Days**. With the theme 'Survive. Or ...' the day of presentations, challenges and hands-on activities allowed students and teachers to consider the difficulties people living in poverty can face, and then how they could be a part of the story in helping 'survivors' become 'thrivers'.

The feedback from both students and teachers was positive. A teacher from St Peter's Lutheran School (Blackwood, SA) shared:

'I always learn so much from your sessions, and the kids have really taken on thinking about the needs of other people and what they can do about it. It was fantastic.'

Another exciting initiative in 2018 was '**What's My Business?**'. Developed by a team of Community Action staff and teachers in Victoria, the unit of work encompasses many curriculum areas for an innovative approach to learning.

Students have the opportunity to take a loan, develop a business plan, and then run their business at a market day. They then donate the profits to ALWS – however, some students decided to donate all funds raised, without deducting their expenses, so that even more people could be helped.

Feedback from students and teachers has been inspiring. One Year 6 student shared:

'I used to think my ability to make a difference was unlikely and no one would listen to me because I am so young. But I discovered I have a voice and I can make a difference.'

As well as presenting in schools, the Community Action team also made **88 visits to churches**, church groups, and other community groups. We love to meet you face to face to thank you, and share stories of those you help.

Dear Julie,

I really loved listening to your talk on Wednesday. I would love to do a fundraiser for your work. What I was thinking of doing was I would get people to sponsor me to eat only what some poor people in other countries have for a whole week. I am so inspired by what you do and I would love to work for ALWS when I am older.

Lots of Hope and Love from Ellie

Feedback from a Year 6 student,
South Australia

**Invite an ALWS Speaker:
1300 763 407 • alws@alws.org.au**

Face to face in 2018	Total
Awareness Days – Senior	73
Awareness Days – Junior	20
Other school presentations	113
Church & Church Group Visits	88
TOTAL VISITS	294

How you bring love to life

People find all sorts of ways to help others through ALWS. We're so grateful to our supporters for their amazing generosity and compassion. Thank you!



Small change makes lives change!

Noah (11) and Joshua (4) raided their piggy banks to help provide a **Gifts of Grace Water Filter** for clean, safe water and healthy families.



Invaluable Volunteers

In 2018, volunteers donated 1,136 hours of time at ALWS, saving us over \$28,000 in costs – which means more of your donation gets to those who need it. **Thank you, Volunteers!**

What you gave in 2018 – Thank you!

WHERE YOU LIVE	WHAT YOU GAVE
QUEENSLAND	\$777,648
NEW SOUTH WALES	\$331,922
ACT	\$131,642
VICTORIA	\$945,135
TASMANIA	\$6,784
SOUTH AUSTRALIA	\$1,742,718
WESTERN AUSTRALIA	\$102,019
NORTHERN TERRITORY	\$33,924
NEW ZEALAND	\$17,890
OTHER *	\$247,486
TOTAL	\$4,337,168

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



Food for faraway friends

What does a Lutheran lunch on the banks of the Murray have to do with a Refugee Camp in Kenya?

The 25 people gathered at Nildottie Church in rural SA for the Longest Lutheran Lunch decided they also wanted to share food with others in need ...

... and raised enough to provide hot meals for 1,080 refugees arriving at Kakuma Refugee Camp!



Farmers for Farmers

Despite drought in 2018, generous farmers in Australia gave 44 tonnes of wheat and 25 tonnes of red lentils to ALWS to sell ...

... raising \$21,338 to help farmers in countries like Cambodia and Burundi. Thank you!



Photo: Supplied by family

TV, takeaway... or Take Action?

After a classroom visit from the ALWS Community Action team, year 4 student Olivia was fired up to help. She asked her friends and family to sponsor her to go without TV and takeaway so she could help people in Indonesia after the disaster.

Olivia raised \$580 to help provide **58 Water Filters!** She says:

"I have found it challenging not to watch TV and eat takeaway but feel great about helping and have learnt a lot from this experience and how one person like me can make a big impact".

Thank you, Olivia!



Photo: Anthony Bothe

Running for their lives

Anthony Bothe ran his first marathon to help refugees around the world – and raised enough to help provide **155 Gifts of Grace Clothing Packs** for refugee children.

An act of Grace

If anyone embodies their name, surely it's 11 year old Grace from Queensland.

She won First Prize in the Australian National Busking Championship (Primary category) in Noosa ...

... and instead of having a birthday party, decided to donate her \$250 prize money to help children at Kakuma Refugee Camp!

Grace said she was excited to use the 4:1 Matching Grant (p5) to donate her winnings plus busking money to help refugee children go to school.

What a lovely act of grace, Grace - thank you!



Photo: Supplied by family

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 2018 as follows:

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

Rev P Hage (Chairperson)	Mr P Renner
Rev I Rentsch (Vice Chairperson)	Ms M Brookes

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 a shortfall of revenue over expenditure for the year ended 31 December 2018 of \$108,296.

4. CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of ALWS during 2018.

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:



Rev P B Hage
(Chairperson)



Rev I Rentsch
(Vice Chairperson)

Date: 08 March 2019

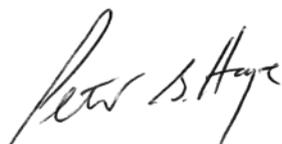
Place: 1 Freshwater Place, Southbank, Melbourne, Victoria

DIRECTORS' DECLARATION

The Directors of Australian Lutheran World Service declare that the financial report has been prepared in accordance with the Australian Charities and Not-for-Profits Commission Act 2012, including:

- (a) The financial statements and notes as set out on pages 20 to 32, are in accordance with the ACFID Code of Conduct and:
 - i. comply with Australian Accounting Standards and the Australian Charities and Not-for-Profits Commission Regulation 2013; and
 - ii. give a true and fair view of the financial position as at 31 December 2018 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.



Rev P B Hage
(Chairperson)



Rev I Rentsch
(Vice Chairperson)

Date: 08 March 2019

Place: 1 Freshwater Place, 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 website available at www.acfid.asn.au

Report on the Audit of the Financial Report

We have audited the financial report of Australian Lutheran World Service, which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the financial report of Australian Lutheran World Service has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 31 December 2018 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

We conducted my audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. We are independent of the registered entity in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act), the ACFID Code of Conduct and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. We have also fulfilled my other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the registered entity's financial reporting responsibilities under the ACNC Act and are also consistent with the financial reporting requirements of the organisation's constitution and the ACFID Code of Conduct. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibility of the Responsible Entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act, the ACFID Code of Conduct and the needs of the Board. The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the responsible entities either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

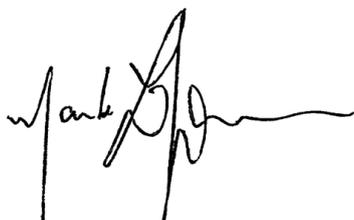
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of responsible entities' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

MRL GROUP PTY LTD
Chartered Accountants



Mark LeCornu
Registered Company Auditor
Adelaide, 27th day of March 2019

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

STATEMENT OF COMPREHENSIVE INCOME

	NOTE	2018	2017
		\$	\$
REVENUE			
Donations and gifts			
- Monetary		3,910,581	4,768,505
- Non-monetary		0	0
Bequests & Legacies		426,587	992,755
Grants			
- Department of Foreign Affairs and Trade (DFAT)		2,304,503	2,672,945
- Other Australian		110,800	113,500
- Other Overseas		58,374	0
Investment Income		128,610	100,724
Commercial Activities Income		0	0
Other Income		6,006	34,504
Revenue for International Political or Religious Adherence Promotion Programs		0	0
TOTAL REVENUE		6,945,461	8,682,933
EXPENDITURE			
International Aid & Development Programs Expenditure			
International Programs			
- Funds to International programs	8	5,010,455	5,134,909
- Program support costs		575,130	442,067
Community Education		498,510	427,909
Fundraising costs			
- Public		443,210	461,174
- Government, multilateral & private		12,066	7,179
Accountability & Administration		513,786	629,032
Non-monetary Expenditure		0	0
Total International Aid & Development Programs Expenditure		7,053,157	7,102,270
International Political or Religious Adherence Promotion Programs Expenditure		0	0
Domestic Programs Expenditure		600	17,449
Commercial Activities Expenditure		0	0
Other Expenditure		0	0
TOTAL EXPENDITURE		7,053,757	7,119,719
SURPLUS (DEFICIT) OF REVENUE OVER EXPENDITURE		(108,296)	1,563,214
Other Comprehensive Income		0	0
TOTAL COMPREHENSIVE INCOME (DEFICIT)		(108,296)	1,563,214

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION

	NOTE	2018	2017
ASSETS		\$	\$
CURRENT ASSETS			
Cash and Cash Equivalents		7,339,984	6,967,000
Trade and Other Receivables	2	19,951	601,498
Inventories		0	0
Assets Held for Sale		0	0
Other Financial Assets		0	0
TOTAL CURRENT ASSETS		7,359,935	7,568,498
NON CURRENT ASSETS			
Trade and Other Receivables		0	0
Other Financial Assets		0	0
Property, Plant and Equipment	3	38,541	15,938
Investment Property		0	0
Intangibles		0	0
Other Non-Current Assets	4	23,546	18,840
TOTAL NON CURRENT ASSETS		62,087	34,778
TOTAL ASSETS		7,422,022	7,603,276
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	5	46,573	22,433
Borrowings		0	0
Current Tax Liabilities	6	26,522	78,004
Other Financial Liabilities		0	0
Provisions	7	262,777	321,248
Other		0	0
TOTAL CURRENT LIABILITIES		335,872	421,685
NON CURRENT LIABILITIES			
Borrowings		0	0
Other Financial Liabilities		0	0
Provisions	7	52,082	39,227
Other		0	0
TOTAL NON CURRENT LIABILITIES		52,082	39,227
TOTAL LIABILITIES		387,954	460,912
NET ASSETS		7,034,068	7,142,364
EQUITY			
General Reserves		0	0
Restricted Reserves		0	0
Retained Earnings		7,034,068	7,142,364
TOTAL EQUITY		7,034,068	7,142,364

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY

	RETAINED EARNINGS	TOTAL
	\$	\$
Balance at beginning of period	7,142,364	7,142,364
Adjustments or changes in equity	0	0
Items of other comprehensive income	0	0
Excess / (Shortfall) of revenue over expenses	(108,296)	(108,296)
Other amounts transferred (to) from Reserves	0	0
BALANCE AT END OF PERIOD	7,034,068	7,034,068

STATEMENT OF CASH FLOWS

	NOTE	2018	2017
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Government grants and other income		7,694,616	8,938,255
Interest receipts		128,610	100,724
Operating Expenses		(7,407,697)	(7,889,996)
Net cash (used) generated from operating activities	11	415,529	1,148,983
CASH FLOWS FROM INVESTING ACTIVITIES			
Net proceeds from loans		(4,706)	(8,662)
Proceeds from sale of office equipment		0	0
Payments for office equipment		(37,839)	(12,052)
Net cash (used in) investing activities		(42,545)	(20,714)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net increase (decrease) in cash held		372,984	1,128,269
Cash at the beginning of the year		6,967,000	5,838,731
Cash at the end of the year	11	7,339,984	6,967,000

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. The financial report has also been prepared in accordance with the Australian Charities and Not-for-Profits Commission Act 2012.

(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 on a straight line basis using appropriate rates as determined by management.

(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) Value of volunteers

The work of Australian Lutheran World Service is supported by a large number of volunteers each year. The value of services provided by volunteers is not included in revenue or expenditure because of the practical difficulties involved.

In relation to volunteers used directly for the support of international projects and community education, the economic value of volunteers is calculated to be \$11,833 for the year ended 31 December 2018 (\$6,379 for the 2017 year). This amount is considered recognised development expenditure for the purpose of assessing entitlement for government funding.

(f) Comparative information

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

	2018	2017
	\$	\$
NOTE 2 TRADE & OTHER RECEIVABLES		
Prepayments	18,151	19,038
Debtors - Other	1,800	582,460
	<u>19,951</u>	<u>601,498</u>
NOTE 3 PROPERTY, PLANT & EQUIPMENT		
(a) Summary		
Office Equipment, at cost	140,476	102,637
Less Accumulated depreciation	(101,935)	(86,699)
Total Office Equipment	38,541	15,938
(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	15,938	11,567
Plus Additions	37,839	12,052
Less Disposals	0	0
Less Depreciation	(15,236)	(7,681)
Carrying amount at end of year	38,541	15,938
NOTE 4 OTHER NON CURRENT ASSETS		
Gross loan amounts outstanding	39,699	34,993
Less provision for doubtful debts	(16,153)	(16,153)
	<u>23,546</u>	<u>18,840</u>
NOTE 5 TRADE & OTHER PAYABLES		
Creditors	46,573	22,433
Funding held in advance	0	0
Accruals	0	0
	<u>46,573</u>	<u>22,433</u>
NOTE 6 CURRENT TAX LIABILITIES		
Current Tax Liabilities	26,522	78,004
	<u>26,522</u>	<u>78,004</u>
NOTE 7 PROVISIONS		
Long Service Leave	103,991	129,531
Annual Leave	210,868	230,944
	<u>314,859</u>	<u>360,475</u>
Current Liability	262,777	321,248
Non-Current Liability	52,082	39,227
	<u>314,859</u>	<u>360,475</u>

NOTE 8 DISBURSEMENTS TO OVERSEAS PROJECTS

COUNTRY	PROJECT	ALWS	DFAT	TOTAL
DEVELOPMENT PROGRAMS				
Burundi	Community Empowerment Program	415,000		415,000
Cambodia	Integrated Rural Development & Empowerment Project	268,720	768,149	1,036,869
Disability Inclusive Development	Disability Inclusive Development	6,584		6,584
Child Protection	Child Protection		42,990	42,990
India	Grihini Project	83,833		83,833
Indonesia	CDRM & CDS Program	144,931	141,768	286,699
Indonesia	Hephata Program	48,268		48,268
Kenya	Kakuma Refugee Camp	212,000		212,000
Kenya	Dadaab Refugee Camp	50,000		50,000
Kenya	Djibouti Refugee Camp	80,000		80,000
Kenya	Djibouti Gender Analysis & Action Project	5,379	9,621	15,000
Kenya	Somalia Rebuild State Education System	32,400	164,995	197,395
Regional	AZEECON Project	42,096		42,096
Regional	AZEECON Graduation Guidelines	17,760		17,760
Regional	Protection against sexual exploitation and abuse (PSEA)	29,857		29,857
Regional	Partner Advocacy Support	4,979		4,979
Regional	Partner Gender Equality Support Nepal in 2018	12,000		12,000
Regional	Good Practice in Emergencies Nepal in 2018	15,000		15,000
Nepal	Nepal Development Program	146,058	450,576	596,634
Nepal	Nepal NGO Partner Collaboration Program (POWER)	4,761	14,285	19,046
PNG - CPP	Church Partnership Program		466,633	466,633
PNG - CPP	Church Partnership Program (Special Projects)	1,431		1,431
Manus Island	Manus Island Social Cohesion Project	23,000		23,000
South Sudan	Resilience Building Project	600,000		600,000
EMERGENCY & REFUGEE RESPONSE				
PNG Earthquake	Regional Response - DFAT Funding		54,881	54,881
PNG Earthquake	Regional Response - MFAT (NZ) Funding		58,375	58,375
PNG Earthquake	Regional Response - ALWS Funding	68,559		68,559
Indonesia Earthquake	Regional Response - ALWS Funding	40,731		40,731
Syria/Jordan	Regional Response – SYR181	50,000		50,000

continued over page ...

NOTE 8 DISBURSEMENTS TO OVERSEAS PROJECTS (continued)

COUNTRY	PROJECT	ALWS	DFAT	TOTAL
MATCHING GRANTS				
Kakuma	Refugee Education & Child Protection	118,991		118,991
Dadaab	Refugee Education & Child Protection	118,991		118,991
South Sudan	Refugee Education Program (2017/18)	81,413		81,413
GLOBAL PROGRAM MANAGEMENT				
	DWS Coordination	41,440		41,440
	DWS Program Support / Communications / Accountability	29,600		29,600
	DWS Audit Unit	14,800		14,800
	DWS Resource Mobilization	14,800		14,800
	DWS PMER	14,800		14,800
TOTAL		2,838,182	2,172,273	5,010,455

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 Director and Deputy Executive Director 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	Dr J Murray (retired 07/09/2018)	Rev I Rentsch
Mr P Renner	Ms M Brookes	

(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 \$3,874,142 in support of its programs during the year ended 31 December 2018.

(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 \$40,731 in support of its programs during the year ended 31 December 2018.

(e) Contracting of associate

During the year ended 31 December 2018, a family member of an employee of ALWS was engaged to provide multimedia design services on a contractual basis. The services were to produce a video clip for educational material consistent with core activities of ALWS. The services were engaged on an arm's length basis on regular commercial terms and were subject to external audit including compliance assurance with ALWS policy.

NOTE 10 FINANCIAL INSTRUMENTS

INTEREST RATE RISK

	FLOATING INTEREST RATE	FIXED INTEREST RATE 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	7,339,884					7,339,884	7,339,884
Bank term deposits						0	0
Receivables					19,951	19,951	19,951
TOTAL FINANCIAL ASSETS	7,339,884				20,051	7,359,935	7,359,935
FINANCIAL LIABILITIES							
Trade and other payables					73,095	73,095	73,095
TOTAL FINANCIAL LIABILITIES					73,095	73,095	73,095
NET FINANCIAL ASSETS	7,339,884				(53,044)	7,286,840	7,286,840

Weighted average interest rate for financial assets approx. 2.25%

NOTE 11 CASH FLOW INFORMATION

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

	2018	2017
	\$	\$
Cash at bank and on hand	7,339,984	6,967,000
Term Deposits	0	0
CASH AT THE END OF THE YEAR	7,339,984	6,967,000

(b) Reconciliation of cash flow from operations to operating result

Surplus (Deficit) of Revenue over Expenditure	(108,296)	1,563,214
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NON-CASH FLOWS IN OPERATING SURPLUS:

Depreciation	15,236	7,681
Change in Provision for Doubtful Debts	0	6,704
Bad Debt Write-Offs	0	9,817

CHANGES IN ASSETS AND LIABILITIES:

Movement in trade and other receivables	581,547	(573,740)
Movement in trade and other payables	(27,342)	50,849
Change to Provisions for Long Service Leave and Annual Leave	(45,616)	84,458

NET CASH PROVIDED BY OPERATING ACTIVITIES	415,529	1,148,983
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Financial Report Summary

The generosity of the ALWS family, and support from the Lutheran Laypeople's League and the Australian Government's Department of Foreign Affairs and Trade, have all contributed towards our income of \$6.9 million for the 2018 year. **Your kindness through ALWS has enabled us to meet our budgeted expenses and continue our work to support overseas projects and community education. Thank you for your wonderful support!**

During 2018 this funding allowed us to maintain commitments to our 10 core programs, disburse funds to three emergency appeals, support matching grants, as well as support a range of capacity building initiatives.

There was a shortfall of revenue over expenditure for the year ended 31 December 2018. The main reason for this was a timing difference, with some funding being sent overseas earlier than anticipated. Taking this into account, ALWS remains financially sound.

While we strive to keep operating costs as low and efficient as possible, the reality is the costs of compliance, accountability and operating an aid agency today are increasing. Despite this, our overheads (fundraising and administration & accountability costs as defined by ACFID) have remained relatively low, with 13.74% overheads in 2018, and a 5 year average of 13.12%.

This means over 86% of the money we received in 2018 went towards work supporting projects that help and educate people. At ALWS, we continually endeavour

to deliver quality, effective programs, while meeting compliance requirements and investing for the long-term strength and sustainability of the organisation. This is vital to ensure we can bring the greatest benefit to the communities we seek to serve.

Looking forward to 2019, we want to build on our strengths, seeking ways of leveraging additional support using our networks and international partners, to increase the impact to the communities we seek to serve. We will also look to diversify our income where possible and strengthen our organisation. The ALWS supporter family is essential in this work, and we give thanks for their continued generosity and kindness.

ALWS maintains a sound financial position at 31 December 2018. 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. In 2019 ALWS does not anticipate any significant impact on its financial health.

“Whenever you did it for any of my people, no matter how unimportant they seemed, you did it for me.”

- Jesus

Matthew 25:40 (CEV)

ALWS Board of Directors

Rev Peter Hage, BTh GradDipMin – Chair

Peter is Parish Pastor at St John's Lutheran Church in Perth, Western Australia. He has previously served in parishes in Queensland and South Australia. He was also a Missionary/Pastor and Seminary Lecturer in PNG for 10 years. He currently serves as Council member for LCA International Mission, and has visited ALWS projects in PNG, Cambodia, Nepal, Burundi and South Sudan.

Rev Ian Rentsch, BA, Dip Ed, B Soc Admin, MBA, MA (Theology) – NSW/ACT Director

Ian's background is in the management of non-profit/community sector organisations, including Lutheran Community Care (South Australia). In June 2014, he resigned to take up full time study in theology. He now works for the Lutheran Church of Australia as Coordinator of the Church's Prevention of Domestic and Family Violence Campaign and is now an ordained pastor at Holy Cross Lutheran Church, Belconnen, ACT. Over the years, he has had voluntary membership on a wide range of boards and committees.

Mr Peter Renner – VIC/TAS Director

Peter is a retired bank executive with a 39-year career, with the last 15 years in Human Resources. Peter is currently the chairman of two residential body corporate organisations. He has been a member of Ringwood Lutheran Church for the past 39 years, and is the chairman of the parish, congregation and retirement village. Peter also serves on the LCA Victorian District committee for audit, risk and finance, and on the Good News Lutheran College Council. Peter is married to Robyn and has two adult children.

Dr Judith Murray, BA (Hons) DipEd BEdSt PhD MAPS BNurs RN – QLD Director (concluded September 2018)

Judith is an endorsed Counselling Psychologist and works as an Associate Professor of Counselling and Counselling Psychology at The University of Queensland. She is Program Director of both the Master of Counselling and Master of Psychology Programs. She is also a registered teacher and registered nurse having worked as a secondary Maths/History teacher and later a haematology and oncology nurse. She has visited the ALWS project in Kenya.

Ms Morgan Brookes, BA BEd Middle/Secondary (Honours) – SA/NT Director

Morgan is a Secondary Science teacher at Cornerstone College, Mount Barker. She has been the leader of a school educational service trip to the Kalahari Desert, South Africa, for several years. In 2013 she visited ALWS' project in Indonesia and has served on the Board since 2010.

The ALWS Board met in February and September 2018. The Administrative Committee convened in April, May, July, and December 2018.

ALWS has a Complaints Policy which can be found at www.alws.org.au To lodge a complaint regarding ALWS, contact Executive Director Jamie Davies at jamied@alws.org.au or 02 6021 5329, or if the complaint is against the Executive Director contact Board Chair Pastor Peter Hage peter.hage@lca.org.au or 0466 303 999.

Board Advisory Group

The Board Advisory Group comprises a body of individuals who are 'on call' to the Board and Executive Director when matters arise requiring assistance in specific areas of expertise. It is not a decision-making body, nor one which meets as a group. The members and their areas of expertise are as follows:

Finance:

Mr Ron Asquith, CPA, BA Comm – Director, ATS Accountants

Human Resources:

Mr Don Elder, BBus(HRM/IR)JPNSW – Human Resources Manager, Lutheran Aged Care

Risk & Accountability:

Ms Yung Nietschke, MA(Ed), BA/BSc – Consultant

Legal:

Mr Fred Kleinschmidt BA/LLB – Solicitor

Education:

Ms Jodie Hoff, BTeach, BEd, Grad DipEd (Theology), MEdLeadership – Principal, LORDS College

Programs:

Ms Jamie Davies, MInterAffairs & African Studies – International Programs Director, Caritas Australia (concluded February 2018)

Geoff Robinson, BAppSc – Expert Disaster Risk Resilience, Senior Program Manager, Act For Peace

Anthony Sell, MCouns, BA – Director of International Programs, Baptist World Aid Australia/Transform Aid International (commenced September 2018)



Positive Partnerships



Lutheran Church of Australian (LCA)

The LCA seeks to bring love to life, and has tasked ALWS to implement this as the church's Overseas Aid and Resettlement Agency. ALWS Chair Rev Peter Hage is a member of the LCA International Mission's Board.



Australian Government

Department of Foreign Affairs and Trade (DFAT)

ALWS is accredited by the Australian Department of Foreign Affairs and Trade (DFAT), responsible for managing Australia's aid program. To maintain accreditation, ALWS' systems, policies and processes are rigorously reviewed by the Australian Government. In 2018, ALWS received support through the Australian NGO Cooperation Program (ANCP) for the programs in Cambodia, Indonesia, Nepal and Somalia, along with a project in Child Safeguarding. The Australian Government through the PNGAusPartnership also supported the Church Partnership Program in PNG and provided funds for an emergency response to the earthquake. ALWS gratefully acknowledges DFAT's support for these programs.



Lutheran World Federation/Department for World Service (LWF World Service)

LWF World Service is the main implementer of overseas aid for ALWS. It has a global program embracing developing countries in Africa, Central America, South-East Asia and the Middle East. It is certified by the Core Humanitarian Standard (CHS) and is the world's fifth largest partner to the United Nations High Commissioner for Refugees (UNHCR). ALWS Executive Director Jamie Davies is a member of LWF World Service's governing body, the Committee for World Service.



ACT Alliance

ACT Alliance is a network of 151 churches and affiliated organisations that work together in humanitarian assistance and development. ACT Alliance works in over 125 countries in its work for a just world. ALWS is a member of the ACT Alliance and its Pacific Australian and New Zealand Forum. ALWS is the chair of the ACT Alliance Child Safeguarding Community Practice.



Lutheran Laypeople's League (LLL)

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



National Council of Churches Australia (NCCA) – Act for Peace

The NCCA has its own overseas aid agency, Act for Peace, now separately incorporated. ALWS Executive Director Jamie Davies is a member of the Act for Peace Board.



Church Agency Network (CAN)

The CAN is a group of 11 Australian church-based aid and development agencies. The network is an opportunity to work together and to share experiences and practice, recognising that together we can achieve much more. ALWS is actively engaged in all CAN groups, which include CEOs, Program Managers, Program Effectiveness and Finance Managers. In 2018, Acting Executive Director Leah Odongo was chair of the CAN Disaster Operations (CAN DO) Steering Committee, which also includes Executive Director Jamie Davies.



Australian Charities and Not-for-profits Commission (ACNC)

The ACNC is the independent national regulator of all Australian charities. The ACNC has been set up to maintain, protect and enhance public trust and confidence in the sector through increased accountability and transparency. ALWS is registered with ACNC and adheres to all requirements of an Australian not-for-profit organisation.



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 and development 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. ALWS staff are also members of various ACFID committees.

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

W: www.acfid.asn.au / **E:** acfid@acfid.asn.au / **T:** 02 6285 1816 / **F:** 02 6285 1720



Photo: ALWS

Vision, Mission, Passion

Our 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.” (Matt 25:35, 36, 40).

Our 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 Gal 2:10 & Lev 25:35)

Our 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.

Our 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.

Our 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.

Like to know more? 1300 763 407 • alws.org.au • alws@alws.org.au • PO Box 488 Albury NSW 2640



Reaching out in love ... for justice!
Australian Lutheran World Service (ALWS) is the Overseas Aid and Resettlement Agency of the Lutheran Church of Australia. ABN 36 660 551 871

