

**AUSTRALIAN LUTHERAN WORLD SERVICE**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**AUSTRALIAN LUTHERAN WORLD SERVICE**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**AUSTRALIAN LUTHERAN WORLD SERVICE**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**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 2024 as follows:

**1. THE NAMES OF THE DIRECTORS IN OFFICE AT ANY TIME DURING OR SINCE THE END OF THE FINANCIAL REPORTING PERIOD**

Ms J Hoff (Chairperson)

Mr P Renner (Vice Chairperson)

Mr A Kotzur

Rev M Schultz

Ms M Brookes

Mr T Brennen (resigned 13 March 2024)

Ms A Caldwell

**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 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 2024 of \$1,658,273 (2023 deficit of \$300,880).

**4. CHANGES IN THE STATE OF AFFAIRS**

The Directors resolved during the year ended 31 December 2024 to transfer the activity of the company to a separately incorporated entity controlled by them. Refer Note 2 of these financial statements.

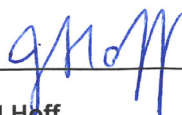
**5. EVENTS SUBSEQUENT TO BALANCE DATE**

Since the end of the financial year, the entity has transferred its activity to a newly incorporated company, Australian Lutheran World Service Limited. Refer Note 2 of these financial statements.

**6. 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:



**Ms J Hoff**  
(Chairperson)



**Mr P Renner**  
(Vice Chairperson)

Date: 21 March 2025

Place: 10 Somerset Drive, Albury NSW

**AUSTRALIAN LUTHERAN WORLD SERVICE**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

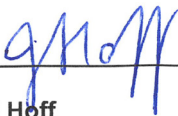
**DIRECTORS' DECLARATION**

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 7 to 22, are in accordance with the ACFID Code of Conduct and:
  - i. comply with Australian Accounting Standards – Simplified Disclosures; and the Australian Charities and Not-for-Profits Commission Regulations 2022; and
  - ii. give a true and fair view of the financial position as at 31 December 2024 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.

The Directors refers readers of the financial statements to Note 2 which identifies a change of legal structure of ALWS effective 31 December 2024.

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



**Ms J Hoff**  
(Chairperson)



**Mr P Renner**  
(Vice Chairperson)

Date: 21 March 2025

Place: 10 Somerset Drive, Albury NSW

*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](http://www.acfid.asn.au)*

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

## 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 2024, 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 2024 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Simplified Disclosures and Division 60 the *Australian Charities and Not-for-profits Commission Regulations 2022*.

## Basis for opinion

We conducted our 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 our 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 our 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.

## Responsibility of the Directors for the Financial Report

The Directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the Australian Charities and Not-for-profits Commission Act 2012 and the needs of the Board. The Directors' responsibility also includes such internal control as the Directors 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 Directors 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 Directors 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.

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

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.

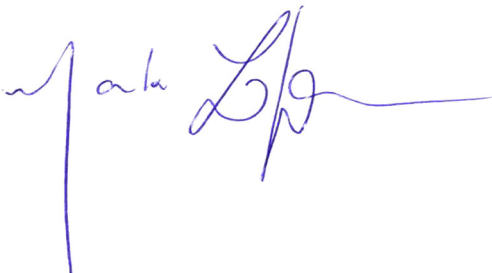
**Going Concern**

Without modifying our conclusion, we draw attention to the Directors' Report, Directors' Declaration and Note 2 of these financial statements that declare that ALWS has ceased operation within this legal framework and voluntarily transferred activity to a controlled entity, ALWS Ltd. Accordingly, ALWS should not be considered a going concern at the time of signing this report.

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.

**MTC ADVISORY PTY LTD**

Chartered Accountants



**Mark Le Cornu**

Registered Company Auditor

Adelaide, 27<sup>th</sup> day of March 2025

**Contact details – MTC Advisory Pty Ltd**  
**PO Box 83, Kent Town SA 5071**  
**Phone: 08 8364 3522**

**AUSTRALIAN LUTHERAN WORLD SERVICE**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**STATEMENT OF COMPREHENSIVE INCOME**

	Note	2024 \$	2023 \$
<b>REVENUE</b>			
Donations and gifts		4,832,928	4,658,157
Bequests and legacies		483,109	1,056,351
Grants			
- Department of Foreign Affairs and Trade (DFAT)		2,883,491	4,004,883
- Other Australian		60,000	137,693
Investment income		181,713	169,037
Other income		180,182	108,661
		8,621,423	10,134,782
<b>TOTAL REVENUE</b>			
<b>EXPENDITURE</b>			
International programs			
- Funds to international programs	12	6,730,650	7,280,470
- Program support costs		889,104	911,377
Community education		883,563	679,547
Fundraising costs			
- Public		1,057,310	962,563
- Government, multilateral & private		0	0
Accountability and administration		719,069	656,606
		10,279,696	10,490,563
<b>TOTAL EXPENDITURE</b>			
<b>(DEFICIT)</b>		<b>(1,658,273)</b>	<b>(355,781)</b>
<b>Other Comprehensive Income</b>			
Profit on revaluation of financial assets	1(h)	0	54,901
		(1,658,273)	(300,880)
<b>TOTAL COMPREHENSIVE INCOME</b>			

The accompanying notes form part of these financial statements

**AUSTRALIAN LUTHERAN WORLD SERVICE**

**FINANCIAL REPORT  
AS AT THE 31 DECEMBER 2024**

**STATEMENT OF FINANCIAL POSITION**

	Note	2024 \$	2023 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	5,847,539	7,566,654
Trade and other receivables	4	83,209	184,374
Other financial assets	5	<u>1,039,757</u>	<u>913,854</u>
<b>TOTAL CURRENT ASSETS</b>		<b><u>6,970,505</u></b>	<b><u>8,664,882</u></b>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	6	4,492	18,373
Right-of-use assets	7	<u>98,583</u>	<u>15,180</u>
<b>TOTAL NON CURRENT ASSETS</b>		<b><u>103,075</u></b>	<b><u>33,553</u></b>
<b>TOTAL ASSETS</b>		<b><u>7,073,580</u></b>	<b><u>8,698,435</u></b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	44,987	165,814
Tax liabilities	9	103,342	109,270
Lease liabilities	11	25,647	15,124
Provisions	10	<u>267,128</u>	<u>291,493</u>
<b>TOTAL CURRENT LIABILITIES</b>		<b><u>441,104</u></b>	<b><u>581,701</u></b>
<b>NON CURRENT LIABILITIES</b>			
Lease liabilities	11	74,178	0
Provisions	10	<u>117,300</u>	<u>126,117</u>
<b>TOTAL NON CURRENT LIABILITIES</b>		<b><u>191,478</u></b>	<b><u>126,117</u></b>
<b>TOTAL LIABILITIES</b>		<b><u>632,582</u></b>	<b><u>707,818</u></b>
<b>NET ASSETS</b>		<b><u>6,440,998</u></b>	<b><u>7,990,617</u></b>
<b>EQUITY</b>			
Retained earnings		6,317,758	7,976,031
Investment revaluations reserve	1(h)	<u>123,240</u>	<u>14,586</u>
<b>TOTAL EQUITY</b>		<b><u>6,440,998</u></b>	<b><u>7,990,617</u></b>

The accompanying notes form part of these financial statements



**AUSTRALIAN LUTHERAN WORLD SERVICE**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**STATEMENT OF CHANGES IN EQUITY**

	<b>Retained Earnings \$</b>	<b>Investment Revaluation Reserve \$</b>	<b>TOTAL \$</b>
Balance as at 31 December 2022	8,276,911	0	<b>8,276,911</b>
(Deficit)	(300,880)	0	<b>(300,880)</b>
Revaluation increment	0	14,586	<b>14,586</b>
Balance as at 31 December 2023	<u>7,976,031</u>	<u>14,586</u>	<u><b>7,990,617</b></u>
(Deficit)	(1,658,273)	0	<b>(1,658,273)</b>
Revaluation increment	0	108,654	<b>108,654</b>
Balance as at 31 December 2024	<u>6,317,758</u>	<u>123,240</u>	<u><b>6,440,998</b></u>

The accompanying notes form part of these financial statements

**AUSTRALIAN LUTHERAN WORLD SERVICE**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**STATEMENT OF CASH FLOWS**

	Note	2024 \$	2023 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Government grants and other income		8,955,634	10,232,711
Investment income		181,713	169,037
Operating expenses		<u>(10,834,997)</u>	<u>(10,793,149)</u>
Net cash (used in) operating activities	16	<u>(1,697,650)</u>	<u>(391,401)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of listed investments (net)		(21,465)	(124,317)
Payments for office equipment		<u>0</u>	<u>(5,026)</u>
Net cash (used in) investing activities		<u>(21,465)</u>	<u>(129,343)</u>
Net (decrease) in cash held		(1,719,115)	(520,744)
Cash at the beginning of the year		<u>7,566,654</u>	<u>8,087,398</u>
<b>Cash at the end of the year</b>	<b>3</b>	<b><u>5,847,539</u></b>	<b><u>7,566,654</u></b>

The accompanying notes form part of these financial statements

# AUSTRALIAN LUTHERAN WORLD SERVICE

## FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover Australian Lutheran World Service (ALWS) which operates as the overseas aid fund and an agency of the Lutheran Church of Australia Incorporated. ALWS is registered as a charity in its own right under Australian charitable law and regulated by the *Australian Charities and Not-for-profits Commission*.

The financial statements were authorised for issue by the Board of Australian Lutheran World Service on 21<sup>st</sup> March 2025.

#### **Basis of Preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Simplified Disclosure requirements, the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and *Australian Council for International Development (ACFID) Code of Conduct*.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

#### **Transfer of activity to new entity**

Readers of the financial statements are directed to Note 2 of these financial statements.

#### **Accounting Policies**

##### **(a) Income Tax**

No provision for income tax has been raised as Australian Lutheran World Service is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

##### **(b) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

##### **(c) Revenue recognition**

#### **Revenues from funding contracts and supporters**

The core principle of AASB 15 requires revenue to be recognised on a basis that reflects the transfer of goods or services to customers at an amount that reflects the consideration the entity expects to receive in exchange for those goods or services.

ALWS receives significant funding from the government and other parties including operational funding for overseas aid projects, donations, legacies and gifts. On initial recognition of the right to receive funding, ALWS assesses whether there is an enforceable contract that has sufficiently specific performance obligations in accordance with AASB 15. This assessment determines the timing of income recognition.

The timing of the payment with respect to income received generally corresponds with the timing of the satisfaction of the performance obligations. However, in instances where there is a difference, it may result in the recognition of a receivable, contract asset or contract liability. Specific considerations for different types of income are explained below.

**AUSTRALIAN LUTHERAN WORLD SERVICE**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**NOTE 1**

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(c) Revenue recognition (continued)**

**Grants**

Grant revenue is recognised in the statement of comprehensive income when the entity satisfies the performance obligations stated within the funding agreements, if applicable.

If conditions are attached to the grant which must be satisfied before the entity is eligible to retain the revenues, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Where the entity has assessed that there are no specific performance obligations, the grant revenue is recognised on receipt in accordance with AASB 1058.

To identify a performance obligation under AASB 15, the condition must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgment to determine whether the conditions are sufficiently specific by taking into account the nature, cost, quantity and the period of transfer related to the services promised in exchange for the development funding.

In relation to major grant funding received from the Commonwealth Department of Foreign Affairs and Trade (DFAT), grant funding is provided on the basis of ALWS' status as a fully accredited entity and subject to an agreed annual development plan. After applying the above assessment criteria, management has assessed that the funding received during the year ended 31 December 2024 from DFAT is appropriately recorded as income in the reporting period.

In relation to other sources of grant funding received during the year ended 31 December 2024, there are no specific performance obligations and grant revenue is treated as income upon receipt.

**Donations, fundraising and bequests**

ALWS recognises amounts donated or raised on behalf of the entity as income when the income is received by the entity. Bequests are recognised when the legacy is received. In-kind and non-monetary donations are recognised at fair value.

**Investment income**

Investment income comprises interest, dividends and distributions from managed investments. Interest income is recognised as it accrues, using the effective interest rate method.

Dividends and distributions from investments are recognised when the right to receive income has been established.

**Other income**

Other income consists of private funding from fundraising events and educational initiatives. This funding is recognised as income upon receipt or when the right to receive income has been established.

**AUSTRALIAN LUTHERAN WORLD SERVICE**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**NOTE 1**

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(d) Cash and cash equivalents**

Cash and cash equivalents comprises cash on hand, deposits held at call with banks and other short-term and highly liquid investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

**(e) Trade and other receivables**

Trade and other receivables represents all amounts receivable on a current basis within 12 months. Any amounts expected to be received outside of the next 12 months are treated as non-current receivables.

Receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less any provision for credit loss.

**(f) Plant and equipment**

Plant and equipment is valued at cost less any accumulated depreciation.

Depreciation is calculated on plant and equipment using the straight-line 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.

**(g) Intangibles**

Intangibles are recognised where spending on digital and electronic assets carry some value for future periods. These assets are amortised on a straight-line basis using appropriate rates as determined by management.

**(h) Financial instruments**

Financial instruments of ALWS consist of a portfolio of exchange traded and managed funds that are traded on public securities markets. Financial instruments are recognised initially on the date that the entity becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs.

Investments are subsequently disclosed at market value (refer note 5) whereby market values recorded above cost are taken to the Investment Revaluation Reserve at year end. When market values fall, decrements in value are firstly reversed against previous increments to the reserve, and then remaining decrements are treated as a non-operating expense for the relevant period.

In relation to the year ended 31 December 2023, the market value of investments rose above their cost value resulting in a recovery of the prior year decrement that was recorded as an expense. Accordingly, the prior year expense of \$54,901 was reversed and the additional increment of \$14,586 was taken to the Investment Revaluation Reserve. This accounting policy complies with the measurement component of AASB 9.

**Classification and subsequent measurement**

In line with AASB 1060, financial assets are subsequently measured at fair value through other comprehensive income. Fair value is determined using the market price as quoted in an active market on balance date.

**AUSTRALIAN LUTHERAN WORLD SERVICE**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**NOTE 1**

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(i) Employee entitlements**

Provision is made for the entity's liability for employee benefits arising from employment obligations as at balance date. The entity provides fully for annual leave entitlements payable to employees and for long service leave entitlements for employees that have reached five completed years of service.

Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits.

**(j) Right-of-use assets & leases liabilities**

All leases entered into by the entity comply with AASB 16 Leases.

The right-of-use asset is depreciated over the remaining lease term on a straight-line basis and assessed for impairment in accordance with accounting standards.

The lease liability is measured at the present value of the remaining lease payments. Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method.

This change in accounting policy has made no material impact on the net assets of the entity and no restatement of prior periods has been made.

**(k) Trade and other payables**

Trade and other payables represents liabilities for goods and services received by the company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of the recognition of the liability.

**(l) 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. The contributions of local volunteers mean that ALWS is able to deliver a greater portion of cash donations directly to overseas aid projects.

The economic value of volunteers directly supporting international projects and community education represents only a small portion of the total volunteer contribution. Historically, some volunteer time has been recognised as development expenditure for the purpose of assessing entitlement for government funding.

**(m) Comparative information**

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

**AUSTRALIAN LUTHERAN WORLD SERVICE**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**NOTE 2  
TRANSFER OF ACTIVITY TO INCORPORATED ENTITY**

During the year ended 31 December 2024, the Directors of ALWS, with the endorsement and support of the Lutheran Church of Australia Incorporated, made the decision to continue the work of ALWS in the future through a separately incorporated company limited by guarantee.

Accordingly, effective as at 31 December 2024, Australian Lutheran World Service, operating as an agency of the Lutheran Church of Australia, has transferred its net assets and contractual activities to Australian Lutheran World Service Limited (ABN 70 679 042 169) (**ALWS Ltd**).

ALWS Ltd is a fully registered charity and an accredited overseas aid fund in Australia. The Directors of ALWS Ltd, established under the Corporations Law, are the same persons as the Directors named in this report and the entity is therefore commonly controlled for the purposes of financial reporting.

The reorganisation of ALWS to a corporate entity ensures a modernisation of legal framework including a more robust governance structure and enables ALWS Limited to engage more effectively with Government and aid agencies.

The change of legal structure to ALWS Ltd occurred through a Deed of Transfer that took effect at the completion of the financial reporting period ended 31 December 2024. For the purposes of financial reporting and given the entity is commonly controlled, the recognition of net assets in ALWS Ltd has occurred on 1 January 2025.

These financial statements have been prepared on the basis that ALWS is not a going concern as the Deed of Transfer has transferred all activity to ALWS Ltd at the time of signing the financial statements.

**AUSTRALIAN LUTHERAN WORLD SERVICE**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

	<b>2024</b>	<b>2023</b>
	\$	\$
<b>NOTE 3</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Petty cash	100	100
Commonwealth Bank	637,055	659,041
Lutheran Laypeople's League	5,051,820	6,770,867
Macquarie Bank	<u>158,564</u>	<u>136,646</u>
	<b><u>5,847,539</u></b>	<b><u>7,566,654</u></b>
<b>NOTE 4</b>		
<b>TRADE AND OTHER RECEIVABLES</b>		
Prepayments	10,200	1,792
Trade debtors	12,250	2,500
Debtors - other	<u>60,759</u>	<u>180,082</u>
	<b><u>83,209</u></b>	<b><u>184,374</u></b>
<b>NOTE 5</b>		
<b>OTHER FINANCIAL ASSETS</b>		
Managed funds at cost	916,517	899,268
Gain on revaluation of financial assets	<u>123,240</u>	<u>14,586</u>
<b>Managed funds at fair value</b>	<b><u>1,039,757</u></b>	<b><u>913,854</u></b>
<b>NOTE 6</b>		
<b>PROPERTY, PLANT AND EQUIPMENT</b>		
<b>(a) Summary</b>		
Office equipment, at cost	82,536	82,536
Less: Accumulated depreciation	<u>(78,044)</u>	<u>(64,163)</u>
	<b><u>4,492</u></b>	<b><u>18,373</u></b>



**AUSTRALIAN LUTHERAN WORLD SERVICE**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

	<b>2024</b>	<b>2023</b>
	\$	\$

**NOTE 6  
PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

**(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	18,373	32,660
Plus: Additions	0	5,026
Less: Disposals	0	0
Less: Movements in asset class	0	0
Less: Depreciation	<u>(13,881)</u>	<u>(19,313)</u>
Carrying amount at end of year	<u><b>4,492</b></u>	<u><b>18,373</b></u>

**NOTE 7  
RIGHT-OF-USE ASSET**

Right-of-use asset	110,047	67,224
Less: accumulated depreciation	<u>(11,463)</u>	<u>(52,044)</u>
	<u><b>98,583</b></u>	<u><b>15,180</b></u>

**NOTE 8  
TRADE AND OTHER PAYABLES**

Trade creditors	44,915	24,885
Credit cards	73	1,884
Accruals	<u>0</u>	<u>139,045</u>
	<u><b>44,987</b></u>	<u><b>165,814</b></u>

**NOTE 9  
TAX LIABILITIES**

GST and employment related tax liabilities	<u>103,342</u>	<u>109,270</u>
	<u><b>103,342</b></u>	<u><b>109,270</b></u>

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	<b>2024</b>	<b>2023</b>
	\$	\$
<b>NOTE 10</b>		
<b>PROVISIONS</b>		
Annual leave	234,063	229,968
Long service leave	<u>150,365</u>	<u>187,642</u>
	<b><u>384,428</u></b>	<b><u>417,610</u></b>
Comprised of:		
Current liability	267,128	291,493
Non-current liability	<u>117,300</u>	<u>126,117</u>
	<b><u>384,428</u></b>	<b><u>417,610</u></b>
 <b>NOTE 11</b>		
<b>LEASE LIABILITIES</b>		
Current lease liabilities	25,647	15,124
Non-current lease liabilities	<u>74,178</u>	<u>0</u>
	<b><u>99,825</u></b>	<b><u>15,124</u></b>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**NOTE 12  
DISBURSEMENTS TO OVERSEAS PROJECTS**

<b>DEVELOPMENT PROGRAMS COUNTRY/PROGRAM</b>	<b>ALWS 2024</b>	<b>DFAT 2024</b>	<b>TOTAL 2024</b>	<b>TOTAL 2023</b>
Burundi	130,222	404,604	534,826	479,224
Cambodia	0	0	0	175,000
Ethiopia	500,000	0	500,000	365,000
India	60,735	0	60,735	43,939
Indonesia	97,797	344,637	442,434	433,728
Myanmar	113,827	323,986	437,813	568,023
Nepal	195,700	597,583	793,283	760,182
Papua New Guinea	0	617,687	617,687	608,811
Somalia	171,758	287,254	459,012	630,407
South Sudan	770,000	0	770,000	620,000
	<u>2,040,039</u>	<u>2,575,751</u>	<u>4,615,790</u>	<u>4,684,314</u>
Capacity building	114,755	0	114,755	144,724
Gender	15,643	59,357	75,000	78,836
	<u>2,170,437</u>	<u>2,635,108</u>	<u>4,805,545</u>	<u>4,907,874</u>

<b>PROTRACTED CRISIS COUNTRY</b>	<b>ALWS 2024</b>	<b>DFAT 2024</b>	<b>TOTAL 2024</b>	<b>TOTAL 2023</b>
Bangladesh	140,000	0	140,000	532,025
Kenya	717,500	0	717,500	650,000
Myanmar	49,804	0	49,804	215,821
Ukraine	530,975	0	530,975	0
	<u>1,438,279</u>	<u>0</u>	<u>1,438,279</u>	<u>1,397,846</u>

<b>HUMANITARIAN RESPONSE COUNTRY</b>	<b>ALWS 2024</b>	<b>EAA 2024</b>	<b>TOTAL 2024</b>	<b>TOTAL 2023</b>
Ethiopia	0	0	0	1,844
Israel / Gaza	145,921	0	145,921	0
Kenya	50,000	0	50,000	0
Myanmar	0	0	0	150,000
Nepal	50,000	0	50,000	65,000
Papua New Guinea	29,033	0	29,033	0
Somalia	50,000	0	50,000	0
South Sudan	0	0	0	250,000
Türkiye-Syria	0	0	0	351,563
Ukraine	0	0	0	4,760
	<u>324,954</u>	<u>0</u>	<u>324,954</u>	<u>823,167</u>

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**FINANCIAL REPORT  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**NOTE 12  
DISBURSEMENTS TO OVERSEAS PROJECTS (CONTINUED)**

<b>GLOBAL PARTNER SUPPORT</b>	<b>ALWS 2024</b>	<b>DFAT/EAA 2024</b>	<b>TOTAL 2024</b>	<b>TOTAL 2023</b>
ACT Alliance	20,000	0	20,000	0
LWF	141,873	0	141,873	151,583
	<u>161,873</u>	<u>0</u>	<u>161,873</u>	<u>151,583</u>
	<b>ALWS 2024</b>	<b>DFAT/EAA 2024</b>	<b>TOTAL 2024</b>	<b>TOTAL 2023</b>
<b>TOTAL DISBURSEMENTS</b>	<u><b>4,095,542</b></u>	<u><b>2,635,108</b></u>	<u><b>6,730,650</b></u>	<u><b>7,280,470</b></u>

**NOTE 13  
FINANCIAL INSTRUMENTS**

Interest Rate Risk

	<b>Floating Interest Rate</b>	<b>Fixed Interest 1 Year or Less</b>	<b>1 to 2 Years</b>	<b>2 to 5 Years</b>	<b>Non Interest Bearing</b>	<b>Total Book Value</b>	<b>Net Market Value</b>
<b>Financial Assets</b>							
Cash on hand	0	0	0	0	100	100	100
Cash at bank	5,347,439	0	0	0	0	5,347,439	5,347,439
Bank term deposits	0	500,000	0	0	0	500,000	500,000
Trade and other	0	0	0	0	0	0	0
Receivables	0	0	0	0	83,209	83,209	83,209
<b>Total Financial Assets</b>	<u>5,347,439</u>	<u>500,000</u>	<u>0</u>	<u>0</u>	<u>83,309</u>	<u>5,930,748</u>	<u>5,930,748</u>
<b>Financial Liabilities</b>							
Trade and other payables	0	0	0	0	148,256	148,256	148,256
<b>Total Financial Liabilities</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>148,256</u>	<u>148,256</u>	<u>148,256</u>
<b>Net Financial Assets</b>	<u><b>5,347,439</b></u>	<u><b>500,000</b></u>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>(64,947)</b></u>	<u><b>5,782,492</b></u>	<u><b>5,782,492</b></u>

Weighted average interest rate for financial assets approx. 2.20%

ALWS has \$1,039,757 invested in managed funds which are financial instruments but are not subject to direct interest rate risk and are therefore not included in the table above. The managed funds are subject to general market risk which is influenced by interest rate decisions.

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	2024	2023
	\$	\$
<b>NOTE 14</b>		
<b>AUDITOR'S REMUNERATION</b>		
Remuneration of the Auditor of the entity for:		
Auditing the financial statements	19,000	19,000
Other services	<u>10,982</u>	<u>2,210</u>
	<u><b>29,982</b></u>	<u><b>21,210</b></u>

**NOTE 15**  
**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) 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 \$4,369,228 in support of its programs during the year ended 31 December 2024 (2023 \$5,308,637).

**(c) 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 \$20,000 in support of its programs during the year ended 31 December 2024 (2023 \$111,364).

**(d) Key Management Personnel Remuneration**

The Key Management Personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the entity either directly or indirectly. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

The remuneration paid to key management personnel during the year was \$530,608 (2023 \$417,374).

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 16</b>		
<b>CASH FLOW INFORMATION</b>		
<b>(a) Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash at bank and on hand	5,347,539	5,566,654
Term deposits	<u>500,000</u>	<u>2,000,000</u>
<b>Cash at the end of the year</b>	<b><u>5,847,539</u></b>	<b><u>7,566,654</u></b>
 <b>(b) Reconciliation of cash flow from operations to operating result:</b>		
<b>(Deficit)</b>	<b>(1,658,273)</b>	<b>(300,880)</b>
 <b>Non-cash flows in operating surplus:</b>		
Depreciation and amortisation	15,178	19,313
Revaluation of investments	0	(54,901)
Accrued interest	60,719	81,966
Lease liability	0	(1,533)
 <b>Cash-flow not disclosed in operating result</b>		
Return of capital on investment distributions	4,216	0
 <b>Changes in assets and liabilities:</b>		
Decrease (Increase) in trade and other receivables	40,446	(225,543)
(Decrease) Increase in trade and other payables	(120,826)	96,122
(Decrease) in provisions for employee entitlements	(33,182)	(34,338)
(Decrease) Increase in other liabilities	<u>(5,928)</u>	<u>28,393</u>
<b>Net cash (used in) provided by operating activities</b>	<b><u>(1,697,650)</u></b>	<b><u>(391,401)</u></b>