

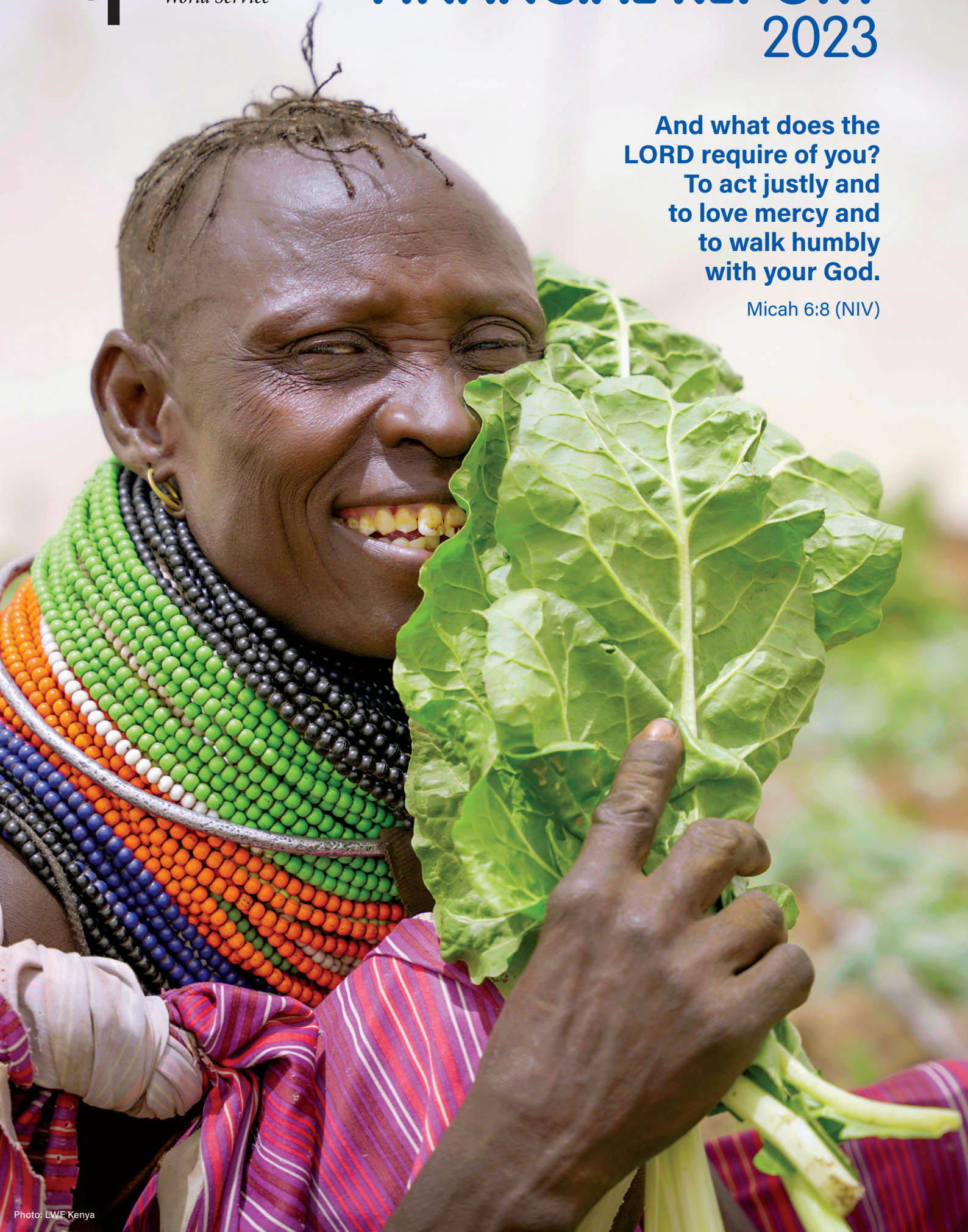


Australian
Lutheran
World Service

FINANCIAL REPORT 2023

And what does the
LORD require of you?
To act justly and
to love mercy and
to walk humbly
with your God.

Micah 6:8 (NIV)



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 2023 as follows:

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

Ms J Hoff (Chairperson)	Ms M Brookes
Mr P Renner (Vice Chairperson)	Mr T Brennan
Mr A Kotzur	Ms A Caldwell (appointed 21 April 2023)
Rev M Schultz	

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 2023 of \$300,880 (2022 surplus of \$211,734).

4. CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of ALWS during 2023.

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.

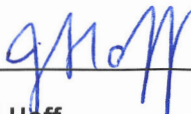
6. LIKELY DEVELOPMENTS

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:



Ms J Hoff
(Chairperson)



Mr P Renner
(Vice Chairperson)

Date: 23 March 2024

Place: 10 Somerset Drive, Albury NSW

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 21, 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 2023 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.



Ms J Hoff
(Chairperson)



Mr P Renner
(Vice Chairperson)

Date: 23 March 2024

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

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 2023, 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 2023 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

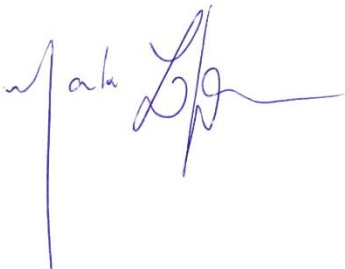
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that 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.

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.

MTC ADVISORY PTY LTD
Chartered Accountants



Mark Le Cornu
Registered Company Auditor

Adelaide, 27th day of March 2024

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

STATEMENT OF COMPREHENSIVE INCOME

	Note	2023 \$	2022 \$
REVENUE			
Donations and gifts		4,658,157	4,924,306
Bequests and legacies		1,056,351	1,031,729
Grants			
- Department of Foreign Affairs and Trade (DFAT)		4,004,883	3,520,434
- Other Australian		137,693	321,262
Investment income		169,037	56,704
Other income		108,661	51,782
		10,134,782	9,906,217
TOTAL REVENUE			
EXPENDITURE			
International programs			
- Funds to international programs	11	7,280,470	7,069,350
- Program support costs		911,377	561,330
Community education		679,547	521,071
Fundraising costs			
- Public		962,563	821,341
- Government, multilateral & private		0	24,959
Accountability and administration		656,606	641,531
		10,490,563	9,639,582
TOTAL EXPENDITURE			
(DEFICIT) SURPLUS		(355,781)	266,635
Other Comprehensive Income			
Profit (Loss) on revaluation of financial assets	1(h)	54,901	(54,901)
		(300,880)	211,734
TOTAL COMPREHENSIVE INCOME		(300,880)	211,734

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	7,566,654	8,087,398
Trade and other receivables	3	184,374	40,797
Other financial assets	4	<u>913,854</u>	<u>720,050</u>
TOTAL CURRENT ASSETS		<u>8,664,882</u>	<u>8,848,245</u>
NON CURRENT ASSETS			
Property, plant and equipment	5	18,373	32,660
Right-of-use assets	6	<u>15,180</u>	<u>41,202</u>
TOTAL NON CURRENT ASSETS		<u>33,553</u>	<u>73,862</u>
TOTAL ASSETS		<u>8,698,435</u>	<u>8,922,107</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	165,814	69,692
Tax liabilities	8	109,270	80,877
Lease liabilities	10	15,124	26,664
Provisions	9	<u>291,493</u>	<u>242,445</u>
TOTAL CURRENT LIABILITIES		<u>581,701</u>	<u>419,678</u>
NON CURRENT LIABILITIES			
Lease liabilities	10	0	16,015
Provisions	9	<u>126,117</u>	<u>209,503</u>
TOTAL NON CURRENT LIABILITIES		<u>126,117</u>	<u>225,518</u>
TOTAL LIABILITIES		<u>707,818</u>	<u>645,196</u>
NET ASSETS		<u>7,990,617</u>	<u>8,276,911</u>
EQUITY			
Retained earnings		7,976,031	8,276,911
Investment revaluations reserve	1(h)	<u>14,586</u>	<u>0</u>
TOTAL EQUITY		<u>7,990,617</u>	<u>8,276,911</u>

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY

	Retained Earnings \$	Investment Revaluation Reserve \$	TOTAL \$
Balance as at 31 December 2021	8,065,177	0	8,065,177
Surplus	211,734	0	211,734
Balance as at 31 December 2022	8,276,911	0	8,276,911
(Deficit)	(300,880)	0	(300,880)
Revaluation increment	0	14,586	14,586
Balance as at 31 December 2023	7,976,031	14,586	7,990,617

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Government grants and other income		10,232,711	10,185,431
Investment income		169,037	56,704
Operating expenses		<u>(10,793,149)</u>	<u>(10,007,041)</u>
Net cash (used in) generated by operating activities	15	<u>(391,401)</u>	<u>235,094</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of listed investments		(124,317)	(774,951)
Payments for office equipment		<u>(5,026)</u>	<u>(24,218)</u>
Net cash (used in) investing activities		<u>(129,343)</u>	<u>(799,169)</u>
Net (decrease) in cash held		(520,744)	(564,075)
Cash at the beginning of the year		<u>8,087,398</u>	<u>8,651,473</u>
Cash at the end of the year	2	<u>7,566,654</u>	<u>8,087,398</u>

The accompanying notes form part of these 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 25th March 2024.

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.

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.

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 2023 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 2023, 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.

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 4) 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.

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. AASB 16 was adopted for the first time for the year ended 31 December 2022 whereby the right-of-use asset was recognised for the remaining lease term and associated lease liability recognised. Refer Notes 6 and 10.

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.

In relation to volunteers used directly for the support of international projects and community education, the economic value of volunteers is calculated to be \$448 for the year ended 31 December 2023 (\$10,621 for the 2022 year). This amount is considered recognised 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.

2023
\$

2022
\$

NOTE 2 CASH AND CASH EQUIVALENTS

Petty cash	100	100
Commonwealth Bank	659,041	582,253
Lutheran Laypeople's League	6,770,867	7,270,700
Macquarie Bank	<u>136,646</u>	<u>234,345</u>
	<u>7,566,654</u>	<u>8,087,398</u>

NOTE 3 TRADE AND OTHER RECEIVABLES

Prepayments	1,792	219
Trade debtors	2,500	0
Debtors - other	<u>180,082</u>	<u>40,578</u>
	<u>184,374</u>	<u>40,797</u>

NOTE 4 OTHER FINANCIAL ASSETS

Managed funds at cost	899,268	774,951
Gain (Loss) on revaluation of financial assets	<u>14,586</u>	<u>(54,901)</u>
Managed funds at fair value	<u>913,854</u>	<u>720,050</u>

NOTE 5 PROPERTY, PLANT AND EQUIPMENT

(a) Summary		
Office equipment, at cost	82,536	77,511
Less: Accumulated depreciation	<u>(64,163)</u>	<u>(44,851)</u>
	<u>18,373</u>	<u>32,660</u>

2023 **2022**
\$ \$

NOTE 5 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	32,660	23,212
Plus: Additions	5,026	24,217
Less: Disposals	0	0
Less: Movements in asset class	0	0
Less: Depreciation	<u>(19,313)</u>	<u>(14,769)</u>
Carrying amount at end of year	<u>18,373</u>	<u>32,660</u>

NOTE 6 RIGHT-OF-USE ASSET

Right-of-use asset	67,224	67,224
Less: accumulated depreciation	<u>(52,044)</u>	<u>(26,022)</u>
	<u>15,180</u>	<u>41,202</u>

NOTE 7 TRADE AND OTHER PAYABLES

Trade creditors	24,885	5,164
Credit cards	1,884	0
Accruals	<u>139,045</u>	<u>64,528</u>
	<u>165,814</u>	<u>69,692</u>

NOTE 8 TAX LIABILITIES

GST and employment related tax liabilities	<u>109,270</u>	<u>80,877</u>
	<u>109,270</u>	<u>80,877</u>

	2023	2022
	\$	\$
NOTE 9 PROVISIONS		
Annual leave	229,968	212,465
Long service leave	<u>187,642</u>	<u>239,483</u>
	<u>417,610</u>	<u>451,948</u>
Comprised of:		
Current liability	291,493	242,445
Non-current liability	<u>126,117</u>	<u>209,503</u>
	<u>417,610</u>	<u>451,948</u>

NOTE 10 LEASE LIABILITIES

Current lease liabilities	15,124	26,664
Non-current lease liabilities	<u>0</u>	<u>16,015</u>
	<u>15,124</u>	<u>42,679</u>

NOTE 11 DISBURSEMENTS TO OVERSEAS PROJECTS

DEVELOPMENT PROGRAMS COUNTRY/PROGRAM	ALWS 2023	DFAT 2023	TOTAL 2023	TOTAL 2022
Burundi	117,160	362,064	479,224	367,755
Cambodia	175,000		175,000	350,000
India	43,939		43,939	1,000
Indonesia	68,304	365,424	433,728	445,070
Ethiopia	365,000		365,000	
Myanmar	144,167	423,856	568,023	586,000
Nepal	139,974	620,208	760,182	703,531
Papua New Guinea	19,050	589,761	608,811	473,360
Somalia	300,363	330,044	630,407	300,134
South Sudan	620,000		620,000	741,069
	<u>1,992,957</u>	<u>2,691,357</u>	<u>4,684,314</u>	<u>3,967,919</u>
Capacity building	144,724		144,724	244,918
Gender	26,999	51,837	78,836	93,901
	<u>2,164,680</u>	<u>2,743,194</u>	<u>4,907,874</u>	<u>4,306,738</u>

PROTRACTED CRISIS COUNTRY	ALWS	DFAT	TOTAL	TOTAL
Bangladesh	140,000	392,025	532,025	512,330
Kenya	650,000		650,000	400,000
Myanmar	7,827	207,994	215,821	438,333
	<u>797,827</u>	<u>600,019</u>	<u>1,397,846</u>	<u>1,350,663</u>

HUMANITARIAN RESPONSE COUNTRY	ALWS 2023	EAA 2023	TOTAL 2023	TOTAL 2022
Bangladesh			0	54,348
Ethiopia		1,844	1,844	433,150
Myanmar	150,000		150,000	0
Nepal	65,000		65,000	0
Somalia			0	363,149
South Sudan	250,000		250,000	0
Tonga			0	30,000
Türkiye-Syria	285,450	66,113	351,563	0
Ukraine		4,760	4,760	300,000
	<u>750,450</u>	<u>72,717</u>	<u>823,167</u>	<u>1,180,647</u>

NOTE 11 DISBURSEMENTS TO OVERSEAS PROJECTS (CONTINUED)

GLOBAL PARTNER SUPPORT	ALWS 2023	DFAT/EAA 2023	TOTAL 2023	TOTAL 2022
ACT Alliance			0	62,126
LWF	151,583		151,583	169,176
	<u>151,583</u>	<u>0</u>	<u>151,583</u>	<u>231,302</u>
	ALWS 2023	DFAT/EAA 2023	TOTAL 2023	TOTAL 2022
TOTAL DISBURSEMENTS	<u>3,864,540</u>	<u>3,415,930</u>	<u>7,280,470</u>	<u>7,069,350</u>

NOTE 12 FINANCIAL INSTRUMENTS

Interest Rate Risk

	Floating Interest Rate	Fixed Interest Rate 1 Year or Less	1 to 2 Years	2 to 5 Years	Non Interest Bearing	Total Book Value	Net Market Value
Financial Assets							
Cash on hand					100	100	100
Cash at bank	5,566,554					5,566,554	5,566,554
Bank term deposits		2,000,000				2,000,000	2,000,000
Trade and other Receivables					184,374	184,374	184,374
Total Financial Assets	<u>5,566,554</u>	<u>2,000,000</u>	<u>0</u>	<u>0</u>	<u>184,474</u>	<u>7,751,028</u>	<u>7,751,028</u>
Financial Liabilities							
Trade and other payables					273,199	273,199	273,199
Total Financial Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>273,199</u>	<u>273,199</u>	<u>273,199</u>
Net Financial Assets	<u>5,566,554</u>	<u>2,000,000</u>	<u>0</u>	<u>0</u>	<u>(88,725)</u>	<u>7,477,829</u>	<u>7,477,829</u>

Weighted average interest rate for financial assets approx. 1.70%

ALWS has \$913,854 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.

	2023	2022
	\$	\$

NOTE 13 AUDITOR'S REMUNERATION

Remuneration of the Auditor of the entity for:

Auditing the financial statements	19,000	19,000
Other services	<u>2,210</u>	<u>0</u>
	<u>21,210</u>	<u>19,000</u>

NOTE 14 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 \$5,308,637 in support of its programs during the year ended 31 December 2023 (2022 \$3,783,661).

(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 \$111,364 in support of its programs during the year ended 31 December 2023 (2022 \$1,163,260).

(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 \$417,374 (2022 \$348,333).

2023
\$

2022
\$

NOTE 15 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 Statement of Financial Position as follows:

Cash at bank and on hand	5,566,654	8,087,398
Term deposits	<u>2,000,000</u>	<u>0</u>
Cash at the end of the year	<u>7,566,654</u>	<u>8,087,398</u>

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

(Deficit) Surplus	(300,880)	211,734
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Non-cash flows in operating surplus:

Depreciation and amortisation	19,313	37,059
Revaluation of investments	(54,901)	54,901
Accrued interest	(81,966)	40,567
Lease liability	(1,533)	0

Changes in assets and liabilities:

(Increase) in trade and other receivables	(225,543)	(45,398)
Increase in trade and other payables	96,122	39,872
(Decrease) in provisions for employee entitlements	(34,338)	(105,188)
Increase in other liabilities	<u>28,393</u>	<u>1,547</u>

Net cash (used in) provided by operating activities	<u>(391,401)</u>	<u>235,094</u>
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