

World Vision of Australia



Yashima's family in Peru received a loan from World Vision to set up a flower selling business. Her family now have an extra source of income and are better able to provide for their future.



Contents

The Really Good News – Board Chair Report	3
More Efficient, More Effective – Message from the Chief Executive	4
A Summary of Financial Results	6
A Record Year – Income and Disbursements	8
How Australians continue to change the lives of more than 10 million people	9
Child Sponsorship – Some truly amazing transformations	10
Child Rescue – Rescuing children from hurt, danger or abuse	11
Where World Vision Works	12
Corporate Governance Statement	14
Statement of Financial Performance	16
Statement of Financial Position	17
Board of Directors	18
Working with Corporate Australia	19
Independent Audit Report	21
State Offices	21
Statement of Social Responsibility	22
Smiles Around the World	24
Executive Team	27



The Annual Review has been produced in accordance with the Australian Council for Overseas Aid guidelines.

World Vision of Australia is a Christian organisation pursuing freedom, justice, peace and opportunity for everyone in the world. ABN 28 004 778 081
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The Really Good News

“What’s becoming of the world?” It’s a question we find ourselves asking more and more frequently these days.

If we were to rely solely on the information provided by the news media, it would seem that we are lurching from one global crisis to another. We could easily be forgiven for thinking that the world’s crumbling around us.

On top of this, the social commentators tell us that as a result of these uncertainties, Australians are becoming more inwardly focused and intolerant. But the good news, supported by hard facts and figures, is quite the opposite.

Research confirms that rather than hiding away from what’s happening in the world around us, Australians are choosing to become more actively engaged in the global community. They are choosing to tackle the biggest global crisis of them all – global poverty. It’s not just sentiment. It’s being backed up by concrete actions.

I rejoice in the fact that through World Vision, Australians now support over 282,000 children living in terrible poverty around the world. What’s even more remarkable is that more than 100,000 Australians have decided to sponsor a child in the past two years or so - in the wake of events such as the September 11th attacks, the terrorist bombings in Bali and Jakarta, the ongoing conflict in the Middle East and natural disasters like floods, droughts, earthquakes and famines.

If we add to these child sponsors the thousands of other new World Vision supporters - be they corporations, churches, school groups, government bodies and international donors - then we find ourselves looking at a fresh, new and heartwarming picture of hope for our world.

With these results in mind, I would like to thank the Board for their support, and acknowledge the outstanding contribution made by our outgoing Chief Executive Officer, Dr Lynn Arnold. His leadership of the management team, staff and volunteers has been an inspiration.

But most of all, I thank God for every single Australian who chose to go against the flow of pessimism in this past year and decided to take a stand for freedom, justice, peace and opportunity for everyone in the world.



Peter King
Chairman of the Board of Directors



Peter King
Chairman of the Board
of Directors



When she’s not at school, nine-year-old Houn helps her father in the rice fields.

As part of World Vision’s development projects in Cambodia, her community has seen dramatic improvements since 1996.

More Efficient, More Effective



Lynn Arnold
Chief Executive,
World Vision Australia

I am delighted to report upon the excellent results that this year has brought.

World Vision Australia's income increased by \$38.7 million or 22% in the past year. The increase in income has been achieved while reducing the proportion spent on fundraising to a five year low of 10.9%.

This has enabled us to further increase the proportion of our income available to be used in our international and domestic programs to 77.6%.

However, the most important result of this increasing efficiency will be most strongly felt in the lives of the 10.4 million people in poor communities who received assistance through World Vision during the period.

But it's not all about quantity. It's also about quality.

We in World Vision Australia are in firm agreement with our new international vision statement to bring 'life in all its fullness' to all the world's children. That's why we have put in place a bold plan to ensure the maximum impact of every dollar put to use in poorer countries around the world.

With enhanced monitoring and evaluation disciplines in place and long-term tracking of the quality of people's lives now improved, we are set to be more effective than ever.

As I leave World Vision Australia, to take on a new role leading World Vision's efforts in 26 countries across the Asia Pacific region, I marvel at what's being achieved by Australians in our combined efforts to tackle both the causes and symptoms of poverty.

I would like to thank every one of our supporters for the life-changing support they are giving. And I would also like to challenge every Australian who is not already a supporter to question their own world vision.

A better world for everyone is out there. We just have to decide to claim it.

A handwritten signature in black ink that reads "Lynn x Arnold".

Lynn Arnold
Chief Executive, World Vision Australia



A Vision for Asia

'A child conceived in the Asia Pacific in 2020 will come into a different world. A Chinese girl will stand an equal chance of being born. An Asian girl will never be trafficked or sold into sexual slavery. A brother or sister will never be sold into bonded labour. A minority child will grow up with equal rights.'

World Vision
Asia Pacific staff



Zulema, age 14, lives in a small village in Honduras. She is sponsored by an Australian from Maroochydore in Queensland. Thanks to her sponsor, Zulema can now go to school and learn how to read and write. When she's not in school, she helps her father in the fields. Her father, Justino, is proud of her achievements.

A Summary of Financial Results



Highlights

World Vision Australia's 2003 financial year was characterised by extremely strong income growth, both from the Australian public as well as government and international donors. This was coupled with increased efficiencies in fundraising and administration activities, resulting in a 24% increase in funds sent overseas.

The organisation also witnessed a further increase in the number of everyday Australians choosing to sponsor children. At the year end, over 282,000 children were sponsored, an increase of over 30,000 on the previous year.

For the first time, income topped \$200 million allowing World Vision to help 10.4 million people around the world.

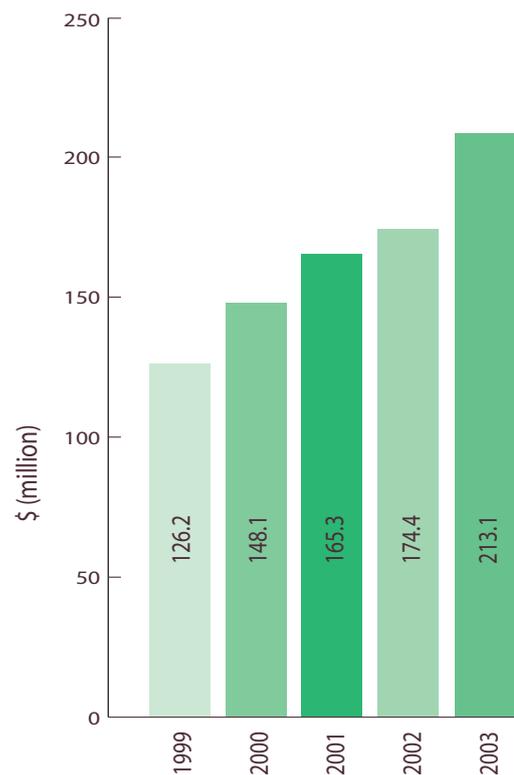
Income

Overall income increased by \$38.7 million, or 22%, on the previous year.

Income from the Australian public continued its steady climb, increasing by a further 11%. Meanwhile, grant income soared, increasing by a remarkable 61%. This was mostly due to a number of very large grants from international donors in response to the ongoing food crisis in southern Africa, where World Vision is now the biggest distributor of emergency food assistance.

No single appeal or other form of fundraising for a designated purpose generated 10% or more of total income for the period of the review.

Revenue continues to grow



Expenditure

The increase in income has been achieved while reducing the proportion spent on fundraising to a five year low of 10.9%.

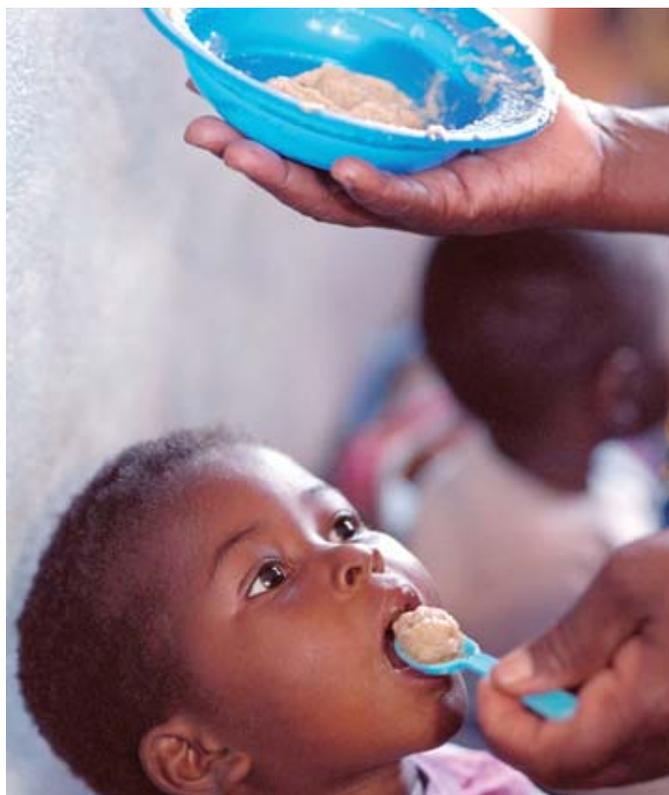
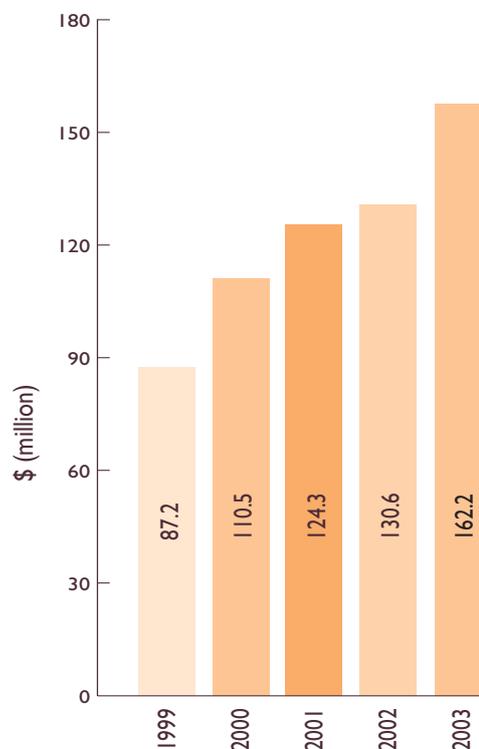
Similarly, expenditure on administration reduced from 10.5% to 9.2%. This improvement is even more remarkable, considering that it includes the costs of developing our new information system. This system will enable World Vision to better manage donations and cope with the continued growth in the supporter base, which has increased by around 60% in the past four years.

Helping People

World Vision contributed over \$162 million to our overseas projects last year – a 24% increase over the 2002 financial year. A further \$548,000 was used for indigenous and other local projects.

This enabled us to help 10.4 million people around the world in their struggle against poverty and hardship.

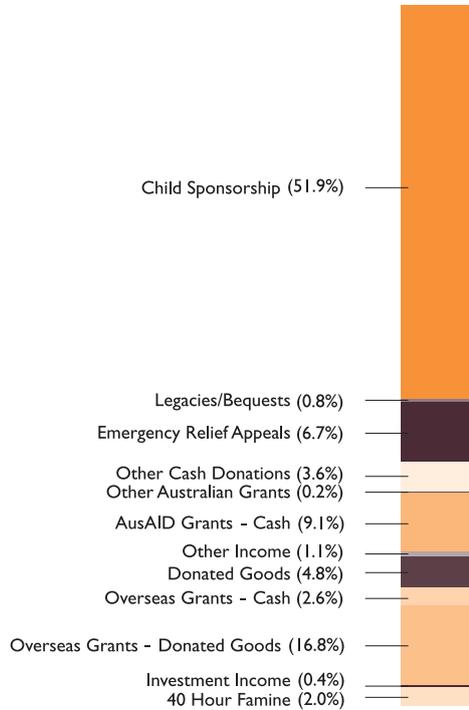
Record Funds Sent Overseas



A community volunteer feeds two-year-old orphan, Fortune, at a feeding centre in Malawi.

A record year

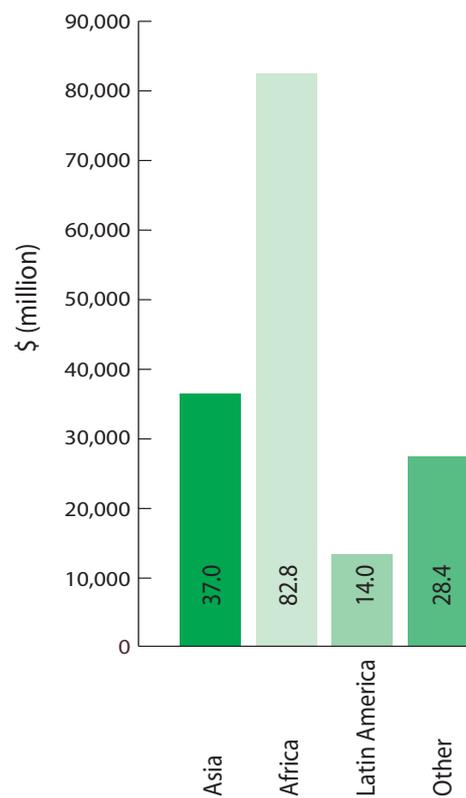
Total Income **\$213,071,217**



Disbursements **\$208,928,902**



International Development Aid and Relief
\$162,179,577



How Australians continue to change the lives of more than 10 million people

The generous support of Australians has allowed World Vision to continue helping more than 10 million people living in poverty around the world.

People helped – who	
People	
Men	2,603,811
Women	3,096,572
Boys	1,981,057
Girls	2,155,633
Internally Displaced People	564,519
	10,401,592

People helped – where	
Region	People
Africa	7,001,213
Asia Pacific	2,888,247
Latin America	231,392
Middle East/Eastern Europe	280,740
	10,401,592

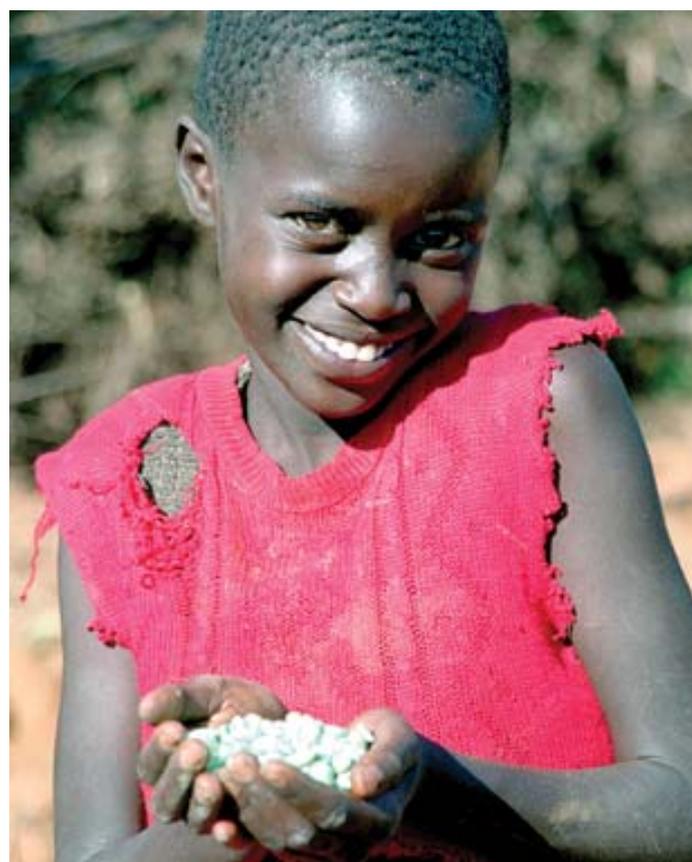
Southern Africa Drought Crisis

During the Ethiopian crisis of the mid 80s, the world at large was shown the devastating effects of drought and famine. It moved millions of people on a deep level. Songs appealing for generosity and awareness topped the charts. “Let’s start giving” was the refrain on everybody’s lips.

The impression that the famine in Ethiopia left on the world was in fact so deep that the pictures of starving children from this time have become universal icons of poverty and suffering. And even after all these years, the image of the starving child is one that strikes deep at the heart of Australians.

When drought struck again this year so savagely in countries like Zambia, where a quarter of the population, some two million people, were hungry, Australians responded. Nearly \$6 million was raised through the Multiplying Gift Appeal and a number of emergency relief appeals.

These funds have been used to provide short term relief like emergency food supplies and shelter, and also long term development. World Vision is working alongside many communities to provide training so that people are able, for example, to grow their own food and mitigate the effects of drought and famine.



With the help of Australian supporters, World Vision delivered food to children and families facing drought in Zambia.

Child Sponsorship – some truly amazing transformations



Dr Steven Christian is now a surgeon thanks to his sponsor.

We are excited to announce that it was another record breaking year for attracting new sponsors. Over 30,000 additional children were sponsored and now have the chance for a brighter future.

This year, like every other year, we have heard about some truly amazing transformations. There was John Karatina, a Maasai Kenyan who was given the chance, through sponsorship, to study at school and then university. He will soon complete a degree in veterinary science. Instead of herding animals in the fields like many traditional Maasai men, he will be able to operate on them. John was able to thank his sponsors, the Stone family, personally when he visited Australia in August as part of the 10,000 Appeal.

But thanks was not all John had for his sponsors – a guided tour of Sydney’s Taronga Zoo with an expert commentary was another treat John was delighted to provide for the Stone family.

And then there was the remarkable story of Bali’s Dr Steven Christian who was destined, he says, for “a life in the gutter”. Sponsorship allowed him to study medicine and become a surgeon. His skills were called upon in the chaotic aftermath of the Bali bombing. Dr Steven operated for 20 hours straight on blast victims, including a 20 year old Australian man with burns to his back and shrapnel wounds to his neck. Dr Steven still carries a photo of his sponsor near him, so precious is this person in his life.



John in his traditional costume with sponsors Wayne and Julie Stone.

Child Rescue – rescuing children from hurt, danger or abuse

All around the world, our workers celebrate the generosity of Australians who have decided to give a child a brighter future through our child sponsorship program.

But at the same time, they see many thousands of children who are beyond the reach of sponsorship. Beyond its reach because we can only carry out long-term development work through child sponsorship in stable communities. That's what Child Rescue is about. Finding new ways to rescue children from situations where they are vulnerable, exploited or helpless – usually without the protection of friends or family.

They might be amongst the million children in the Asian child sex industry, forced into prostitution, a truly unimaginable horror, often before their tenth birthday. When these children contract diseases, which is common in the wretched conditions of the brothels, they are turned out onto the street like unwanted animals.

They might be children who have lost their parents to HIV/AIDS. In most developing countries, orphaned children, whether they are HIV positive or not, are left to fend for themselves when parents die. There is often not an orphanage or welfare system in place to protect them.

Child Rescue is about protecting the innocence and restoring the dignity to these desperate children – giving them hope for the future. As Nelson Mandela says, “We cannot waste our precious children. Not another one. Not another day...”

And if you can judge the value of a program by the number of people that embrace it, then Child Rescue is a valuable mission indeed. By way of example, 40% of people who sponsored a child in the 10,000 Appeal also contributed to Child Rescue. We thank these, and all the other people, who have supported this initiative since it started in May 2003. We assure you, it is now very much a part of our mission.



Over 14 million children have been orphaned after losing one or both parents to AIDS related illnesses.



An estimated 250 million children aged between 5 and 14 are involved in some form of child labour. Over 120 million work full time, sometimes up to 19 hours a day.



When Child Rescue workers found Phakadey she had a roughly shaved head, a partly amputated thumb and was weeping alone on the streets of Phnom Penh, Cambodia.

Her mother had abandoned her and her employer had badly abused her. But in the care of the Bamboo Shoots centre funded by Australians she now receives food, clothes, healthcare as well as craft, dancing and singing lessons. She also gets the love and counselling that have allowed her, over time, to really blossom.



Constantine and his children in Zambia, are proud of the results of the maize crop they planted using seed provided by World Vision.



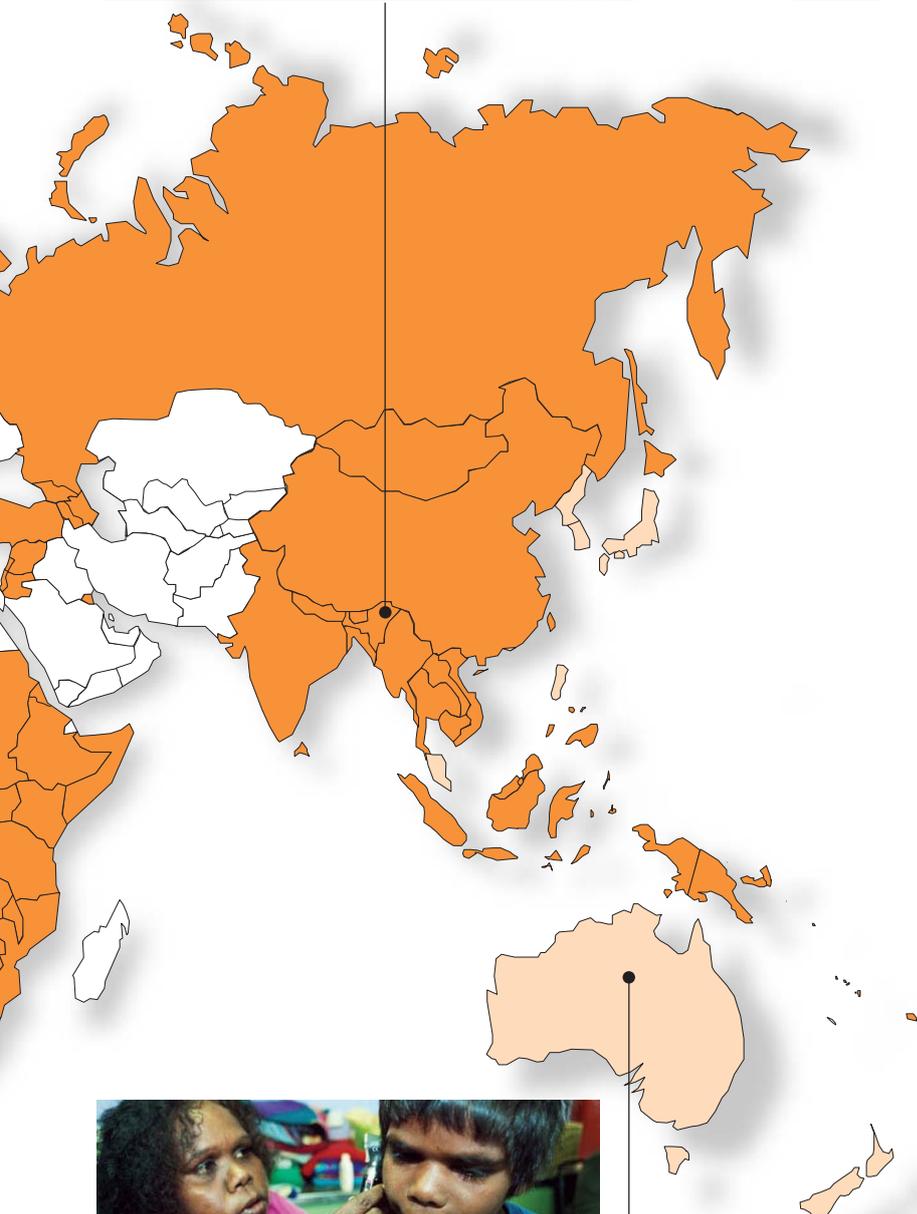
World Vision is working with local communities in El Salvador to improve the health and well being of the local people. One of the projects will provide more than 300 families in the San Francisco Mendez area with clean water.



A World Vision feeding centre in the Democratic Republic of Congo provides therapeutic feeding for children. Many of these children and their families have been displaced as a result of the violent conflicts in the country.



Arnika is one of many people in rural Bangladesh learning about improved agriculture and farming methods. World Vision provided her with chickens and training in how to look after the chickens. The chicken eggs produced provide Arnika and her family with an extra source of food and income.



Where World Vision Works

Africa

Angola
Burundi
Chad
DR Congo
Eritrea
Ethiopia
Ghana
Kenya
Lesotho
Liberia
Malawi
Mali
Mauritania
Mozambique
Niger
Rwanda
Senegal
Sierra Leone
Somalia
South Africa
Sudan
Swaziland
Tanzania
Uganda
Zambia
Zimbabwe

Asia Pacific

Australia
Bangladesh
Cambodia
China
East Timor
Hong Kong
India
Indonesia
Japan
Korea
Laos
Malaysia
Mongolia
Myanmar
Nepal
New Zealand
North Korea
Papua New Guinea
Philippines
Singapore
Solomon Islands
Sri Lanka
Taiwan
Thailand
Vanuatu
Vietnam

Central Asia

Afghanistan
Pakistan

Latin America

Bolivia
Brazil
Chile
Colombia
Costa Rica
Dominican Republic
Ecuador
El Salvador
Guatemala
Haiti
Honduras
Mexico
Nicaragua
Peru
Venezuela

Middle East/Eastern Europe

Albania
Armenia
Azerbaijan
Bosnia-Herzegovina
Georgia
Iraq
Jerusalem West Bank Gaza
Jordan
Lebanon & Syria
Montenegro
Romania
Russia-Moscow
Yugoslavia (incl. Kosovo)

Europe

Austria
Finland
France
Germany
Ireland
Netherlands
United Kingdom

North America

Canada
United States



In Australia, World Vision is working to address and improve the health of Indigenous Australians living in remote communities. Here, a trained health worker assesses the ear health of a child in Bega Garnbirringu.

 = Primarily support and fundraising
 = Primarily field operations

Corporate Governance Statement



With agricultural training, tools and seeds, families in Sierra Leone are able to grow their own food, such as pumpkins and eggplants.

This statement outlines the main corporate governance practices which were in place during the financial year. Unless otherwise stated, these practices were in place throughout the entire reporting period.

Composition of the board

The Board comprises only non-executive directors.

Board Membership

The Board maintains a Board Development Committee which presently comprises Prof. Ian Breward, Mr Peter King, Mr Gary Brown, Mr Rex Keily, Ms Anne Robinson and Dr Lynn Arnold (the company's Chief Executive).

The Committee is responsible for:

- Establishing criteria for Board membership;
- Reviewing Board membership; and
- Nominating directors.

The composition of the Board is determined using the following principles:

- The Board should comprise not more than 14 directors; and
- The Board should bring characteristics which allow a mix of qualifications, skills and experience, both nationally and internationally.

The membership of the Board is reviewed by the Board Development Committee, which meets to ensure that the Board has the appropriate mix of qualifications, skills and experience. The Board Development Committee undertakes the nomination function to select and appoint the most suitable candidate.

Appointment and Retirement of Directors

Directors are appointed by the process outlined below.

The terms and conditions of the appointment and retirement of directors are set out in a letter of appointment, which covers the following matters:

- The term of appointment;
- The expectation of the Board in relation to attending and preparation for all meetings; and
- Procedures for dealing with conflicts of interest.

Audit

The Board maintains an Audit Committee of five directors and presently comprises Mr Chris Daly, Ms Anne Robinson, Mr George Savvides, Prof. Joe Remenyi and Dr Joan Abbott-Chapman.

By invitation, Audit Committee meetings are also attended by the Chief Executive, Chief Financial Officer, the Internal Audit Manager and the external auditors.

The Audit Committee's role is to provide a direct link between the Board and the internal and external audit functions of the company. This includes reviewing and reporting to the Board that:

- The system of internal controls which management has established effectively safeguards the company's assets;
- Compliance in legal, statutory and ethical matters is ensured;
- External auditors are nominated;
- Accounting records are properly maintained in accordance with statutory requirements;
- Financial information provided in the annual report is accurate and reliable; and
- Internal and external audit functions are effective and appropriately resourced.

Marketing

The Board maintains a Marketing Committee of four directors and presently comprises Mr Peter King, Mr Simon McKeon, Ms Margaret Rodgers and Ms Kim Vanden Hengel.

The role of the Marketing Committee is to advise the Board on management's marketing and communications policies.

Marketing activities are conducted in accordance with codes of conduct as outlined by bodies such as the Australian Direct Marketing Association and the Australian Council for Overseas Aid.

Executive

The Board maintains an Executive Committee of five directors and presently comprises Mr Peter King, Prof. Ian Breward, Mr Rex Keily, Mr Simon McKeon and Mr Chris Daly.

The Committee is responsible for handling Board delegated issues which require action between Board meetings.

Human Resources Committee

The Board maintains a Human Resources Committee of five directors and presently comprises Mr Gary Brown, Mr Rex Keily, Ms Margaret Rodgers, Mr George Savvides and Mr Brian Lampton. By invitation, meetings are also attended by the Chief Executive and Group Executive Human Resources.

The Committee is responsible for reviewing policy recommendations and guidelines related to significant human resources issues, including terms of employment and remuneration strategies.

Duties include setting performance targets and annual evaluation of the Chief Executive Officer, reviewing the Chief Executive's annual assessment of senior management, and monitoring of Senior Executive appointments.

Close attention is also paid to succession planning, implementation of international policy and corporate compliance with the core values.

Identifying Significant Business Risks

The Board regularly monitors the business environment and operational and financial performance of each of the company's activities. It monitors and receives advice on areas of operational business opportunities and financial risk, and considers strategies and policies for appropriate risk management arrangements.

Systems are also established and monitored to ensure prompt and appropriate responses to complaints and inquiries.

Ethical Standards

The Board's policy is for the directors and management to conduct themselves with the highest ethical standards.

World Vision Australia has adopted a set of core values and a mission statement which is distributed to all employees. The directors regularly review these values and mission statement to ensure that the company's practices reflect best practice and corporate governance.

Independent Advice

Directors have the right (with prior approval of the Chair) to seek independent professional advice in order to discharge their duties properly.

Conflict of Interest

Any actual or potential conflict of interest must be fully disclosed to the Board. Where there is conflict, a director must decide whether to refrain from discussing and/or voting on the matter, whether to arrange that the relevant Board papers are not sent or, in an extreme case, whether to resign.



At a hospital in Ghana, baby Afia receives the first of four vaccinations that will prevent her from contracting polio.

Statement of Financial Performance

For the year ended 30 September 2003

(In Thousands of Dollars)

REVENUE	2003	2002	2001	2000	1999
Donations & Gifts from the Australian Public:					
- Child Sponsorship	110,484	96,757	89,430	77,522	69,869
- 40 Hour Famine	4,232	5,578	5,433	4,406	5,908
- Emergency and Other Appeals	14,342	14,609	8,646	8,910	11,483
- Other Cash Donations	7,580	7,461	6,149	5,135	4,662
- Donated Goods	10,256	9,139	7,994	10,165	7,138
	146,894	133,544	117,652	106,138	99,060
Legacies / Bequests	1,809	882	712	1,007	1,586
Grants:					
- AusAID Cash	19,352	14,725	16,715	16,425	12,459
- Other Australian	357	192	239	0	0
- Other Overseas - Cash	5,590	4,484	5,110	3,426	2,682
- Donated Goods	35,807	18,577	22,595	19,303	8,414
	61,106	37,978	44,659	39,154	23,555
Investment Income	809	648	598	393	309
Other Income:					
- Commercial Activities	2,387	1,250	1,613	1,287	1,561
- Other	66	60	41	85	162
	2,453	1,310	1,654	1,372	1,723
Total Revenue	213,071	174,362	165,275	148,064	126,233
DISBURSEMENTS					
Overseas Projects:					
- Cash	115,488	99,595	92,603	78,108	71,146
- Donated Goods	44,192	28,627	29,331	30,196	13,899
- Project Design, Development, Management etc	2,500	2,338	2,366	2,237	2,100
	162,180	130,560	124,300	110,541	87,145
Domestic Projects:					
Indigenous:					
- Cash	538	864	1,181	1,215	1,107
- Donated Goods	10	0	9	119	0
- Other Local	0	10	107	46	67
	548	874	1,297	1,380	1,174
Community Education	1,107	897	896	1,297	1,321
Fundraising:					
- Public	22,856	20,825	20,747	18,276	18,299
- Government	395	360	399	402	355
	23,251	21,185	21,146	18,678	18,654
Administration	19,619	18,293	15,689	14,473	11,729
Commercial Activities	2,224	1,338	1,547	1,348	1,516
Total Disbursements	208,929	173,147	164,875	147,717	121,539
Excess of Revenue over Disbursements	4,142	1,215	400	346	4,694
Funds available for future use at beginning of Financial Year	19,334	18,118	17,718	17,372	12,678
Funds available for future use at the end of the Financial Year	23,476	19,333	18,118	17,718	17,372

Statement of Financial Position

As at 30 September 2003

(In Thousands of Dollars)

CURRENT ASSETS	2003	2002
Cash and Short Term Deposits	15,823	11,338
Receivables	2,087	659
Inventories	299	237
Other	4,423	2,515
Total Current Assets	22,632	14,749
NON-CURRENT ASSETS		
Financial Assets	215	216
Property, Plant and Equipment	21,270	21,793
Total Non-Current Assets	21,485	22,009
Total Assets	44,117	36,758
CURRENT LIABILITIES		
Accounts Payable	7,595	4,510
Employee Entitlements	2,657	2,426
Total Current Liabilities	10,252	6,936
NON-CURRENT LIABILITIES		
Employee Entitlements	411	511
Total Non-Current Liabilities	411	511
Total Liabilities	10,663	7,447
Net Assets	33,453	29,311
EQUITY		
Reserves	9,977	9,977
Funds available for future use	23,476	19,334
Total Equity	33,453	29,311



World Vision helped to establish this village pharmacy in the Philippines which provides the community with essential medicines. Villagers no longer have to travel to the city to get medicines.

Board of Directors



The World Vision Australia Board of Directors is required to monitor the operational and financial performance of the organisation. The Board, comprising 14 members in 2003, met regularly to receive advice on operational and financial risk and to consider strategies for appropriate risk management arrangements.

Director	Experience	Special Responsibilities
Peter King FAICD	Director since 1994. Director of World Vision International. Company Director. Appointed Chair August 29, 1995	Board Executive Board Development Committee Marketing Committee
Rev Prof. Ian Breward MA BD PhD	Director since 1983. Emeritus Prof. of Church History, United Faculty of Theology, Melbourne. Former Director of World Vision International. Archivist for Uniting Church in Victoria 2000.	Board Executive Board Development Committee
Gary Brown Dip Bus	Director since 2000. Director Dawson Brown & Associates Pty Ltd and Director Labour Union Cooperative Retirement Fund.	Board Development Committee Human Resources Committee
Dr Joan Abbott-Chapman MA PhD (Social Anthropology) FACE	Director since 2003. Honorary Research Fellow and former Associate Professor, Faculty of Education, University of Tasmania. Former sociologist with the British Ministry of Overseas Development & Social Adviser, Overseas Aid Program.	Audit Committee
Christopher Daly BBus CA CPA	Director since 1994. Former National Corporate Finance & Recovery Services Partner – PricewaterhouseCoopers.	Audit Committee Board Executive
Dean R Hirsh BA MSc LLd	Director since 1997. President and Chief Executive Officer of World Vision International. Chair Member, NGO Advisory Committee to UNICEF. Chair, Global Movement for Children.	
Rex J. Keily AM AFAIPMM	Director since 1993. General Manager - Community Affairs, Mitsubishi Motors Australia Ltd. President, Scout Assoc. of Australia, South Australian Branch.	Board Executive Human Resources Committee Board Development Committee
Brian Lampton	Director since 2001. Director/CEO, Power of the Spirit Ltd; Chairman, Aboriginal Leadership Council (Haggai Australia); Director, Indigenous Community Care & Training Support Ltd.	Human Resources Committee
Simon McKeon BCom LLB	Director since 1994. Executive Director, Macquarie Bank Limited. President, Australian Takeovers Panel. Director of MS Australia and MS Victoria.	Board Executive Marketing Committee
Prof. Joseph V. Remenyi BCom(Hons) MA DipEd PhD	Director since 1991. Director, Faculty of Arts, International and Community Development, Deakin University. CEO, DIP Pty Ltd.	Audit Committee
Anne Robinson BA LLB (Hons) FAICD	Director since 2000. Principal of Judd Robinson & Associates Pty Ltd. Director of Anglican Deaconess Institution Sydney Ltd, Hope Healthcare Ltd. Chairman of Board of Home of Peace Hospitals Ltd. Chairman of Board of Church of England Deaconess Institution Sydney Ltd. Member of Barker College Council.	Board Development Committee Audit Committee
Margaret Rodgers BA BD ThL	Director since 1999. CEO, Anglican Media Ltd. Trustee Director of the Anglican Deaconess Institution Sydney Ltd (ADISL) and Council of Churches Broadcasters Ltd.	Marketing Committee Human Resources Committee
George Savvides BE (Hons) MBA FAICD	Director since 1998. Managing Director of Medibank Private. Former Managing Director, Sigma Co Pty Ltd. Director World Vision International since 2001.	Audit Committee Human Resources Committee
Kim Vanden Hengel BA Dip Ed MA (Development Studies)	Director since 2002. Administrator for the Communications Division of Anglicare Sydney. Manager of the Archbishop of Sydney's Appeals Unit.	Marketing Committee
Dr Rosanna Wong DBE JP (alternate director to Dean Hirsch)	Director since 2003. Executive Director, The Hong Kong Federation of Youth Groups. Chairman, Education Commission of the Hong Kong Special Administrative Region. Non-Executive Director, Hong Kong & Shanghai Banking Corporation Ltd. Non-Executive Director, Cheung Kong (Holdings) Ltd.	

Working with Corporate Australia

It has been an exciting year for the Corporate Development group in World Vision. The team was restructured enabling World Vision to work more effectively with Corporate Australia. Through efforts to date, Corporate Development has experienced an encouraging growth in overall income of 8% over last financial year's results. World Vision continues to successfully work with many Australian corporations on projects which have benefited many communities living in poverty across the globe.

We have entered our second year of BHP Billiton's Generation Success project – working with the youth in the remote Peruvian region of Espinar. Over the coming year, the project will see 50 young people begin their own small businesses, after they have been given thorough training and financial assistance from World Vision. This has all been made possible with the generous support of BHP Billiton.

The alliance between World Vision, ANZ Banking Group and Recruitnet has seen over 500 refurbished computers sent to countries including Ghana, Romania, Papua New Guinea, East Timor, Zambia, Kenya and Lebanon. These computers have given many people, particularly school children, an opportunity to expand their educational and developmental opportunities. A further 600 computers are planned for distribution in the near future. This project has also been supported by the Melbourne PC Users Group, Department of Employment and Workplace Relations, EcoRecycle Victoria, Relay Pty Ltd, the Pratt Foundation and Visy Industries Pty Ltd.

The AFL/Channel 10 KickStart program was launched in the Northern Territory community of Papunya. Working with indigenous youth and leveraging their love of sports, the KickStart program integrates football clinics into a range of educational, sporting and health initiatives. KickStart aims to improve the self esteem, confidence and well being of participants and has also been supported by Trust Company and Medicines Australia.

We saw the launch of 85 classrooms in Gujarat, India, which were built with the assistance of BHP Steel and BHP Billiton. These were to replace schools destroyed in the devastating 2001 earthquakes.

The Corporate Development group have also established a new office at 410 Collins Street, Melbourne, with two team members permanently relocating from East Burwood. This move has been in response to feedback from many corporate supporters and gives World Vision the ability to be far more responsive to the needs of our corporate partners.



Students from the BHP Billiton and World Vision 'Generation Success' program will now have skills to start their own business or gain better employment opportunities.

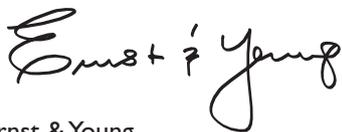
Eight year old Catherine, from Zambia, sits in front of an overflowing corn bin. This spectacular crop is the result of new farming techniques World Vision has introduced, thanks to the support of Australians.



Independent Audit Report

We have audited the summarised financial report of World Vision of Australia for the year ended 30 September 2003, comprising the statement of financial position, statement of financial performance, statement of cash flows and accompanying notes to the financial statements, in accordance with Australian Auditing Standards.

In our opinion, the information reported in the summarised financial report is consistent with the annual statutory financial report from which it is derived and upon which we expressed an unqualified audit opinion in our report to the members dated 28 November 2003. For a better understanding of the scope of our audit, this report should be read in conjunction with our audit report on the annual statutory financial report.



Ernst & Young
28 November 2003.

Core Values

We are Christian

We are Committed to the Poor

We Value People

We are Stewards

We are Partners

We are Responsive

World Vision State Offices

Victoria

1 Vision Drive
East Burwood VIC 3151
Registered Office

New South Wales

Level 3, 91 Phillip Street
Parramatta NSW 2150

Newcastle

Suite 8, 1st Floor
153 Pacific Highway
Charlestown NSW 2290

Canberra

Suite 4, 1st Floor
71 Northbourne Avenue
Canberra ACT 2601

Queensland

Level 3
3350 Pacific Highway
Springwood QLD 4127

South Australia/NT

11 Eliza Street
Adelaide SA 5000

Western Australia

8th Floor
Septimus Roe Square
256 Adelaide Terrace
Perth WA 6000

Tasmania

121 Bathurst Street
Hobart TAS 7000

Statement of Social Responsibility

In the same spirit that World Vision encourages our corporate partners to become socially responsible global citizens, we also hold ourselves accountable to our key constituents.

As well as committing ourselves to being good stewards of the resources entrusted to us, we also aim to excel in non-financial areas. These include contributing to the society in which we operate, serving our supporters, caring for our staff and volunteers, valuing our commercial partners and caring for the environment.

Contributing to Society

Whilst World Vision was set up to improve the lives of people living in poor communities overseas, we also believe that we have a responsibility to enrich the lives of people in Australia. We do this through additionally focusing our efforts on improving the lives of our most disadvantaged people group, Indigenous Australians, and more recently, children at risk within our Australian society.

In the 2003 financial year, World Vision carried out programs with a financial value of over \$500,000, aimed at improving the health and life chances of Australians living in remote indigenous communities. We also completed the initial planning phases of our 'Kids Hope' program which commenced in October 2003. This bold new project seeks to link churches with schools within Australia in order to provide mentoring and support services to children identified as struggling academically, socially and/or emotionally.

Furthermore, World Vision aims, through our community education activities, to encourage Australians to become informed, global citizens, committed to tackling the causes and symptoms of poverty around the world. In 2002/3, we committed over \$1.1 million to this mission.

In order to assess our effectiveness in influencing public attitudes, World Vision subscribes to an extensive omnibus research program carried out by Roy Morgan Research. It is heartening to note that since 2001, the proportion of Australians who now agree with statements such as 'Charities can make a long term difference in the lives of the poor' and 'Everyday people like me can change the lives of poor people overseas' increased by 26% and 16% respectively. A significant shift.

Caring for the Environment

We take our responsibility for the environment seriously. World Vision's main office in East Burwood, Victoria, won awards for energy efficiency when it was designed. We operate proactive recycling practices, many championed by staff. All stationery and literature is printed on paper from sustainable, managed forests.

Serving our supporters

World Vision has no money of its own, only that entrusted to us by our donors. We recognise that unless we meet or exceed the expectations of these supporters, we shall have failed.

World Vision works to improve the life chances of Indigenous Australians living in remote communities such as Papunya.



World Vision keeps our supporters updated on our progress, our financial effectiveness and world issues through various communications, most notably our magazine, World Vision News. This is sent to around 250,000 supporters three times a year, making it one of Australia's top 20 magazines. On our behalf, the independent research agency, Bristow, Prentice, Lambaart, Budd, carries out regular telephone surveys of supporters to ascertain whether this communication meets their needs. We are pleased to report that supporter satisfaction, via this feedback tool, is continually improving.

Should supporters or members of the public wish to give feedback, either positive or negative, we also have in place well-functioning complaints and feedback procedures which are monitored by the Chief Executive's office.

Valuing our Partners

Whilst World Vision is a charitable organisation, we aim to be a professional, responsible partner with the commercial organisations without whom we could not achieve our goals. To this end, we regularly poll our major suppliers to ascertain their satisfaction with us through Quantum.

Additionally, we poll the views of our government and other NGO partners through telephone research. This research is carried out on our behalf by the Bristow, Prentice, Lambaart, Budd research company.

Caring for our staff

World Vision aims for best practice in our human resources policy and practices. A firmly established staff manual is readily available to all employees and volunteers. This contains robust grievance procedures as well as detailed training and development policies.

A number of wellness programs have also been introduced for staff with the aim of reinforcing the value of work life balance. Awards have also been won for World Vision's family friendly approach.

In addition to well structured lines of communication between management and staff, World Vision also carries out a biannual staff survey. This is an anonymous, independent survey carried out by the research group, Quantum. The findings are made available to staff and feedback is acted upon.

Looking Ahead

World Vision does not exist for purposes that can be measured via solely financial indicators. Therefore, the concept of a purely financially-based annual review does not do justice to our mission.

This is why, during 2004, World Vision aims to further develop our non-financial performance measures – indicators of effectiveness that will become as important as those attached to dollar symbols.

We look forward to expanding our non-financial reporting disciplines in forthcoming annual review publications.



World Vision recognised and celebrated the dedication of our Customer Service Centre staff with a 'Night of Stars'.

Katrina Gaze (pictured) was one of the staff who received an award for outstanding customer service.

Smiles around the world



One of the gifts in the 2002/03 Smiles Gift Catalogue was a year's primary education for a child in Rwanda.

In Rwanda, more than a third of children from low income families grow up unable to read or write. A year's education pays for fees, school supplies and other essentials - and opens up a world of opportunities for a child.

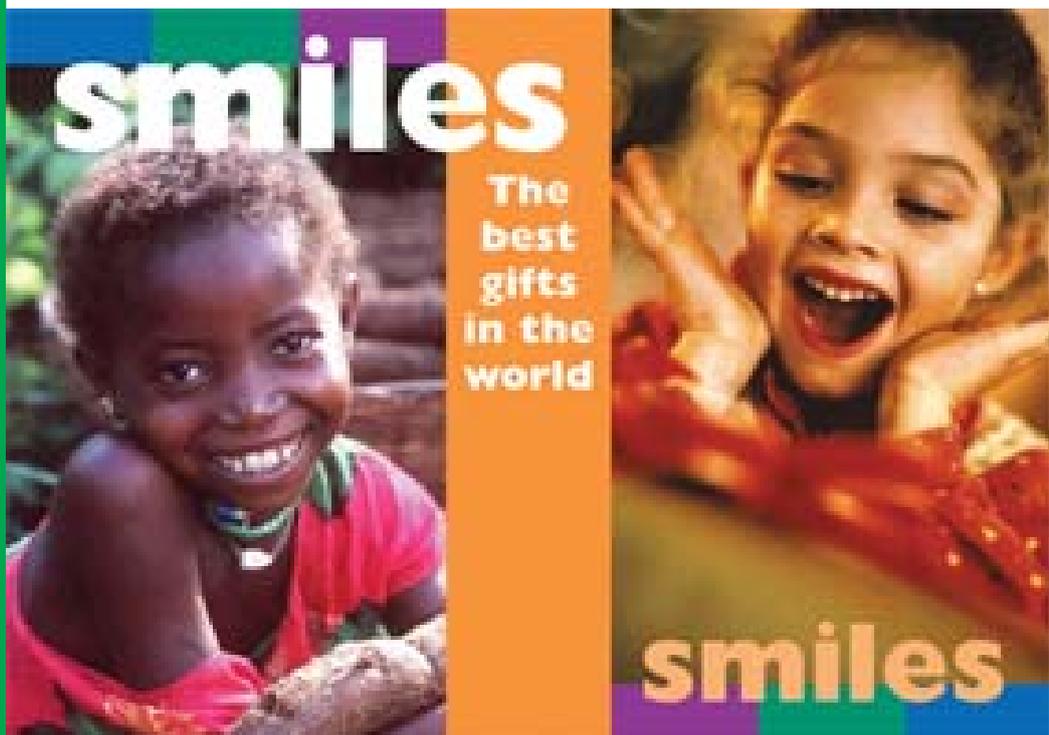
Christmas. For some, the most important time of the year. For others, a commercialised nightmare. For people in between, it's a difficult balancing act. How do you express your goodwill to the ones you love without buying into the hype and commercialism of Christmas?

Our solution to this conundrum is the Smiles Gift Catalogue.

The idea is simple. We give supporters a chance to buy gifts that will benefit those in need. For instance, a year's primary education for a child in Rwanda. Supporters can then send a gift card featuring a photo of the gift to their loved one or friend so that they can share in the gift of giving.

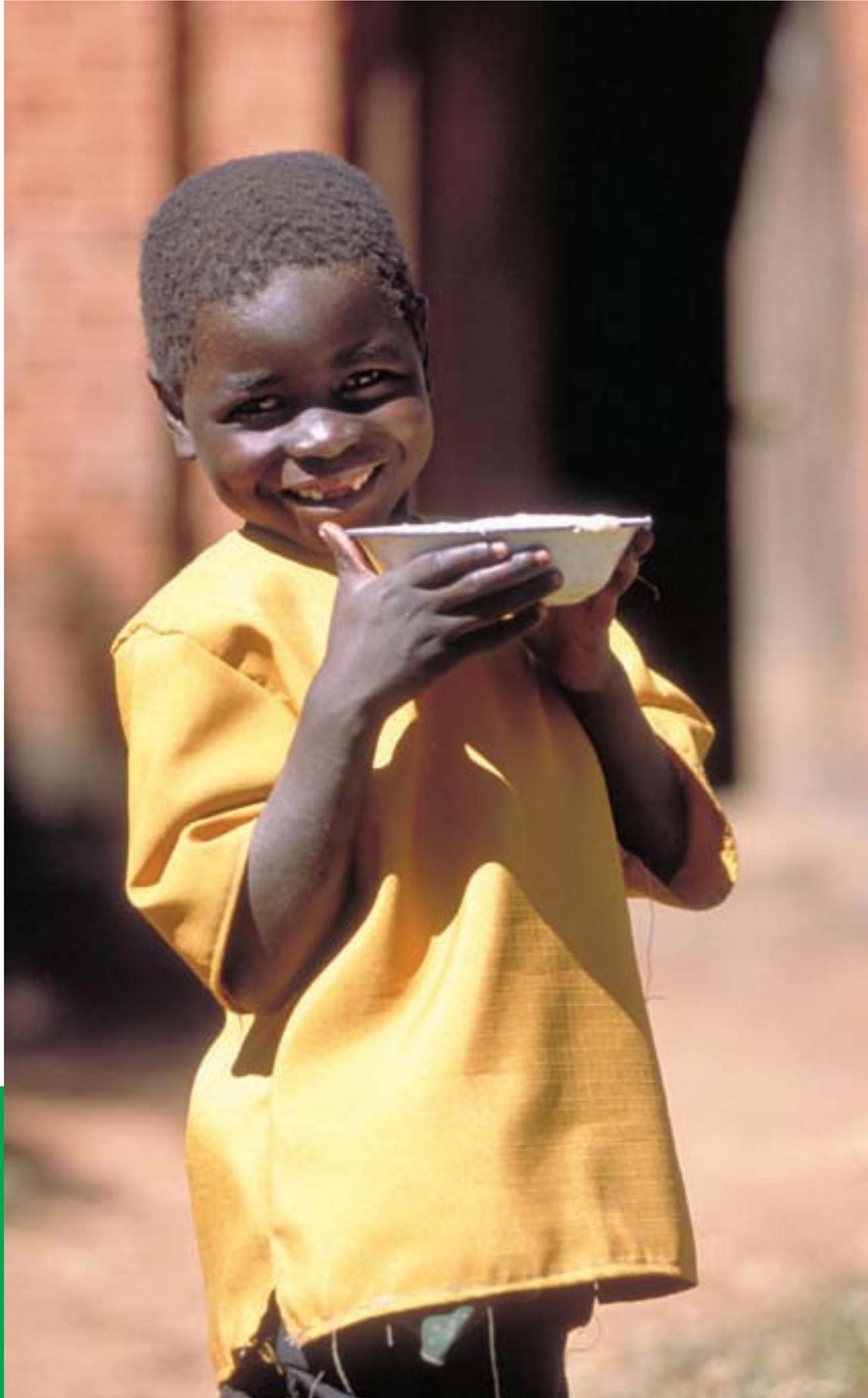
And the feeling of goodwill created by improving the life of a child, family or community has proven to be a very popular gift! The Smiles Gift Catalogue has captured the imagination of Australians – generating \$1.6 million in 2003.

The Smiles Gift Catalogue is a success because it offers quirky, affordable and above all practical gifts for people and communities in need. It also provides Aussie supporters with a useful alternative to the traditional retail focus at Christmas time. And, best of all, it does so by creating smiles all over the world.



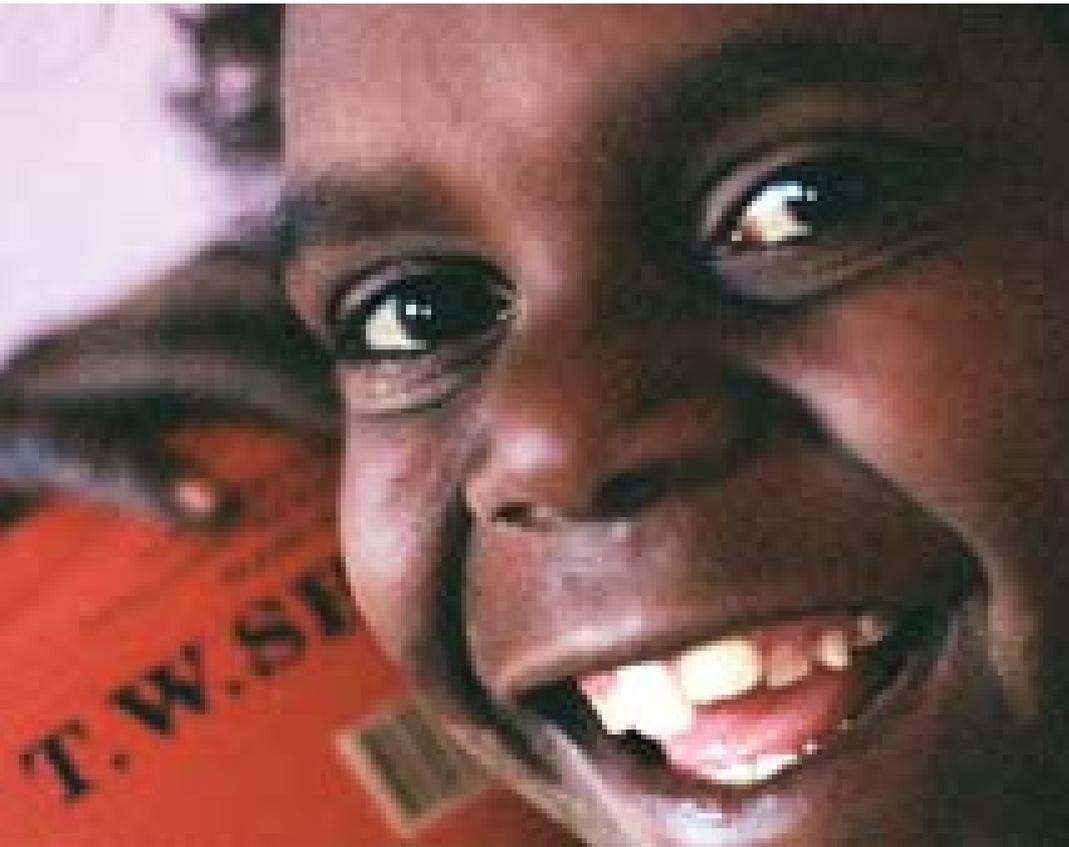


The smiles say it all. Albertina (right) and her mother Ilariou, from Guatemala, weave and embroider guipiles (indigenous blouses). They started this business through a small loan funded by World Vision supporters. They are now able to provide a better future for their family.



In Malawi, many children have lost one or both parents because of AIDS.

The children often have no one to turn to and must fend for themselves. This boy is one of over 150 orphans and vulnerable children receiving food and care in a project run by World Vision.



Through active participation in sports programs and group activities, young Indigenous Australians in Epenarra are enjoying an improved sense of social well being.



Executive Team

Dr Lynn Arnold PhD BA BEd Dip ADE (ESADE) JP
Chief Executive Officer

Andrew Barnes BA (Hons) DipM
Marketing & Communications

Ray Bell BSc MBA
Information Services

Ainsley Corteling CPA
Finance and Budgeting

Greg Hemenstall Grad Dip Bus FCPA FCIS FAICD
Finance / Company Secretary

Karin Knoester BA (Hons) MA (Dev Studies) Grad Dip Org Behaviour
Donor Partnering

Maria McCarthy
Corporate Development

Andrea Pink BA (Psych) GAICD
Human Resources

Sheldon Rankin BA (Hons) MA (Cantab) MA (York)
Development and Relief Services

Dr Sekai Shand RN RSCN BA (Hons) PhD
Advocacy, Media and Church Partnerships

Denis Green LLB BD MA
Child Sponsorship Co-ordinator

“Do all the good
you can, by all the
means you can,
in all the ways you
can, in all the places
you can, at all the
times you can,
to all the people
you can, as long as
you ever can.”

John Wesley



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Many families in Ghana are unable to send their children to school because they cannot afford school books or stationery. Thanks to the help of World Vision supporters, these happy children now have uniforms, school bags and supplies, and can concentrate on their studies.