

ANNUAL REPORT 2013

We invest

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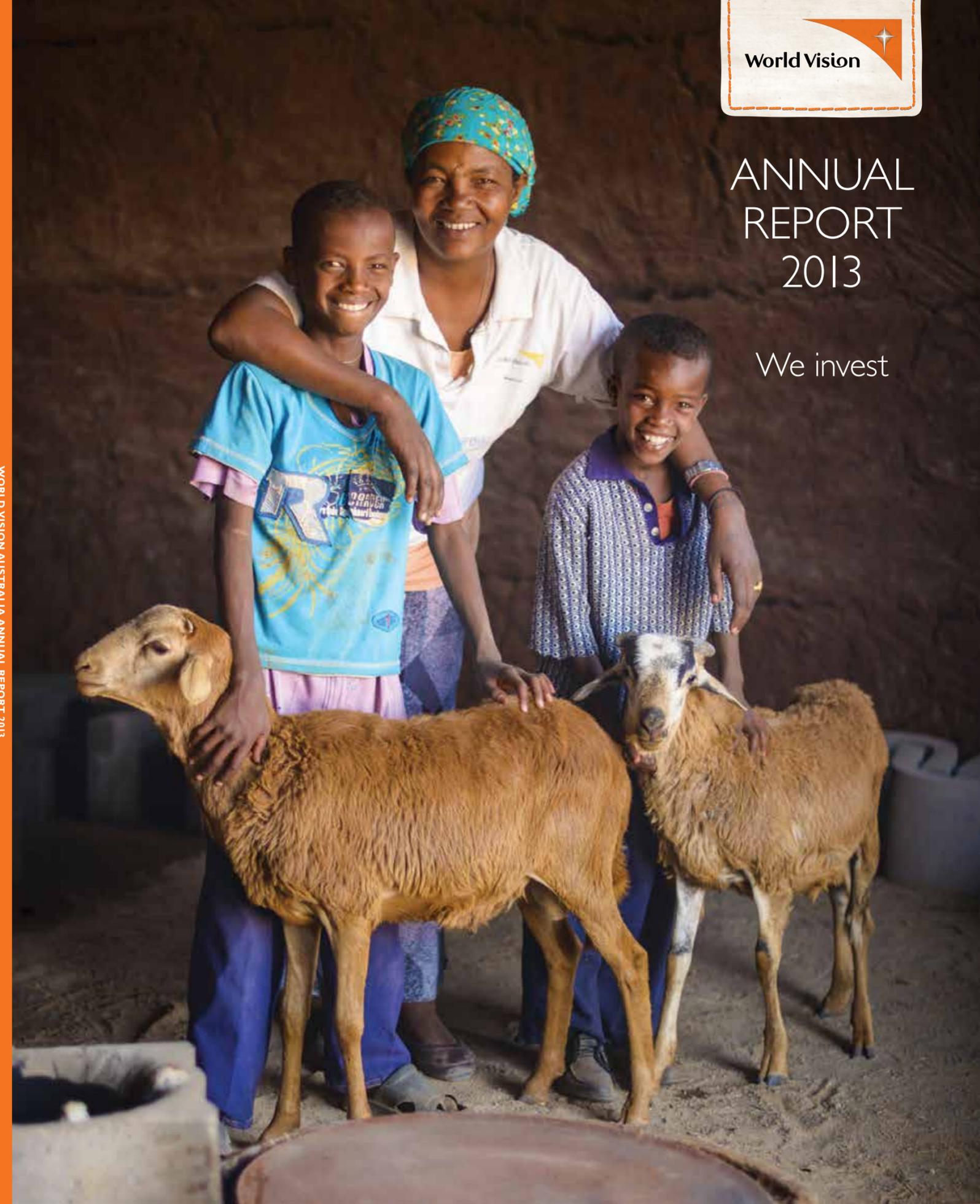
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We invest so that struggling communities can flourish.

Children from the World Vision Australia-supported Robert Sinkoya Area Development Program in Zimbabwe.
Photo: Ilana Rose/World Vision

World Vision Australia ABN 28 004 778 081
1 Vision Drive, Burwood East, Victoria

Incorporation and charitable status

- Public company limited by guarantee under the Corporations Act from 19 June 1969. Members are our current Directors.
- Registered charity with the Australian Charities and Not-for-Profits Commission from 3 December 2012.

Tax concessions and fundraising

- Public Benevolent Institution (PBI) and endorsed by the Australian Taxation Office as:
 - o a Deductible Gift Recipient (DGR);
 - o an Income Tax Exempt Charity (holding tax concessions and exemptions relating to income, goods and services, and fringe benefits taxes).
- operates an Overseas Aid Fund and a Necessitous Persons Fund, endorsed as DGRs.
- fundraises throughout Australia and registered under fundraising legislation as required.
NSW – Registration no. 13579
QLD – Registration no. CH0675
SA – Licence no. CPP605
TAS – Registration no. 1
VIC – Registration no. 10214.12
WA – Licence no. 18076

Accreditations

Fully accredited by the Australian Government's international aid and development agency, AusAID (from 1 November 2013 integrated into the Department of Foreign Affairs and Trade). The accreditation process provides the Australian Government and the Australian public with confidence that they are funding a professional, well-managed, community-based organisation capable of delivering good development outcomes.

Member of the Australian Council for International Development (ACFID) and adherent to the ACFID Code of Conduct (acfid.asn.au/code-of-conduct). The code defines minimum standards of governance, management and accountability for non-government organisations and aims to improve international development outcomes and increase stakeholder trust by enhancing transparency and accountability of signatory organisations.

Feedback and complaints

Feedback on this report and on our operations and conduct more generally can be sent to service@worldvision.com.au or in writing to: Chief of Staff, Office of the CEO, 1 Vision Drive, Burwood East, Vic, 3151.

Feedback will be acknowledged and response will be given.

Complaints relating to a breach of the ACFID Code of Conduct can be made to the ACFID Code of Conduct Committee (www.acfid.asn.au/code-of-conduct/complaints).

About this Annual Report

This Annual Report covers our activities and performance for the period 1 October 2012 to 30 September 2013, our financial year.

It has been prepared to respond to specific legal requirements and the ACFID Code of Conduct and also with reference to the Global Reporting Initiative's Sustainability Reporting Guidelines and NGO Sector Supplement and the PricewaterhouseCoopers not-for-profit reporting framework. A table showing how the content of this Annual Report responds to the indicators under the GRI framework can be found on our website at [worldvision.com.au/GRI references](http://worldvision.com.au/GRI%20references).

This Annual Report is one of the ways we seek to satisfy our accountability obligations to all our stakeholders, including our partners and supporters. We believe accountability is crucial for our sustainability and therefore our ability to fulfil our Mission. By holding ourselves accountable, we demonstrate that we are worthy of this trust.

We encourage you to read this Annual Report together with:

1. Our Annual Evaluation Review 2013, available at worldvision.com.au/AnnualReports. This covers reviews undertaken in 2013 of 74 evaluation reports from projects we funded which were completed in 2012.
2. The most recent Accountability Report of the World Vision International Partnership at wvi.org/accountability. This addresses the mechanisms and processes that the Partnership of which we are a part has in place to assure quality improvement and ensure integrity, as well as the challenges the Partnership faces as a whole.

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Who we are



World Vision Australia is part of the World Vision International Partnership, which operates in more than 90 countries. As a whole, we are the world's largest non-governmental, humanitarian and development agency. All offices in the Partnership are signatories to a Covenant of Partnership.

You can find out about our history at worldvision.com.au/History and read more information about the Partnership at wvi.org.

Additionally, you will find out more about how we work and fund our projects through the Partnership on pages 26-27.

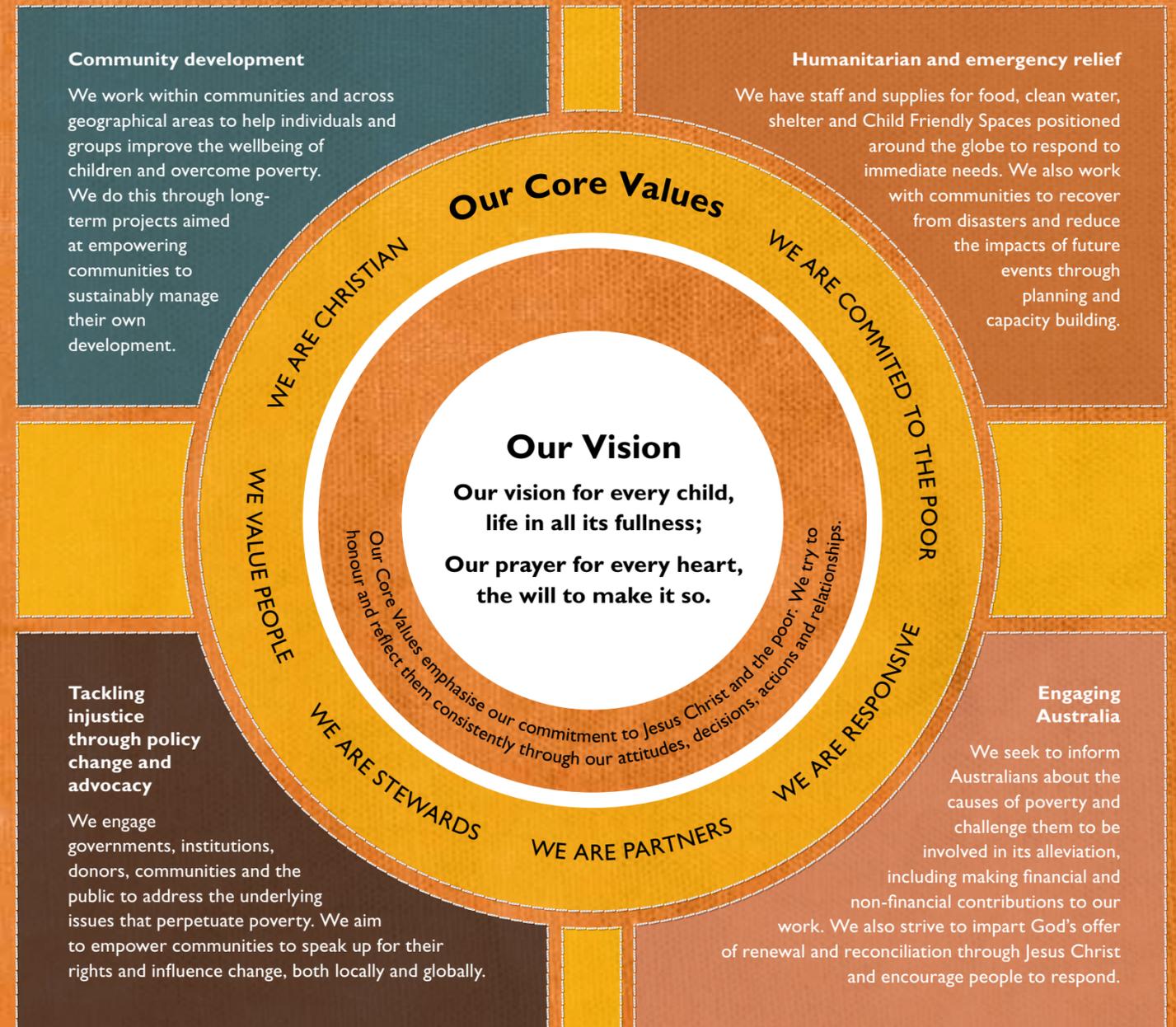
Our CEO Tim Costello with Syrian refugee children in Jordan. Photo: Stephen Levitt

Our Mission

Our Mission is to be a Christian organisation that engages people to eliminate poverty and its causes.

Our Christian faith is the foundation for all we do and we strive to follow the teachings of Jesus Christ. We are committed to the poor because we are Christian. We seek to express our Christian beliefs in an inclusive and non-judgmental manner and we are committed to working with people of all cultures, faiths and genders to achieve transformation. You can find out more about our Christian identity and how our aid and development work is informed by our Christian faith at worldvision.com.au/ChristianIdentity.

Illustrated below are our Vision, Core Values and the key focus areas of our work.



Message from our Board Chair



In my first full year as chair of the Board of World Vision Australia I have had a great opportunity to reflect on our past and to think about the organisation's future.

This year saw the passing of our first CEO, Bernard Barron, and our first Board Chair, Rev Geoffrey Fletcher. These exceptional leaders built strong foundations, and their work reminds me of the importance of a long-term vision. Approaching its 50th anniversary, World Vision Australia continues to grow and evolve to meet changing needs and circumstances, drawing on the same faith-inspired love and compassion for the world's poorest children that brought us into being.

This year the Board has made a decisive choice to reframe and strengthen our critical relationships with supporters. Our supporters are co-investors in our mission at World Vision. Their passion and advocacy attracts the resources and encouragement we need to do our work. After an extensive process of review the Board has endorsed an exciting management plan that will bring supporters closer to our work and the communities we work with around the world.

We continue to pursue the best stewardship of our resources, managing costs to achieve the maximum yield to field programs, whilst being diligent to ensure high standards of program impact, quality and accountability.

World Vision Australia is a founding member of the World Vision International Partnership and in early 2013 we underwent a process of peer review covering governance, stewardship and core values alignment. The result was a very strong scorecard, reflecting well on the leadership of our CEO Tim Costello and his executive team and our strong governance practices. We also received a very positive report card following a rigorous and exhaustive accreditation process under the Australian Government's aid program.

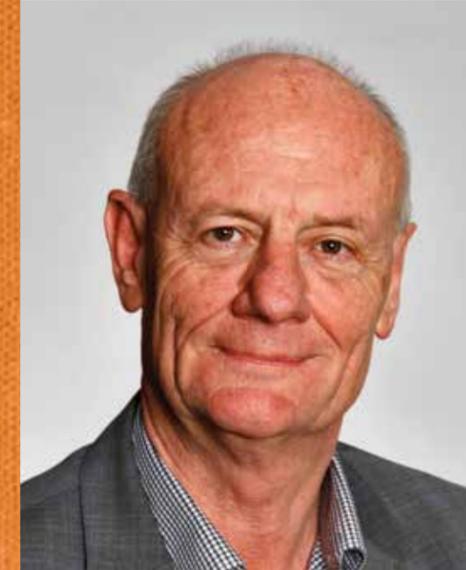
A personal highlight of the year was the creation of a Youth Advisory Council who bring a passionate young voice of compassion for children who live with danger, hunger or exploitation. We have committed to give our young people a strong voice in how we do our work and how we communicate to the next generation of supporters. This year also saw the expansion of our Business Advisory Council, tapping into yet another important supporter group that brings a strong resource base and talent to contribute to growing our capacity and impact.

The Board has been pursuing a deliberate phase of renewal, with new Directors who bring diversity and specialist skills and experience needed to meet the challenges ahead. This last year we have welcomed Judy Barraclough, Tim McCormack and Wendy Simpson to the Board. It has been a pleasure to chair such a talented governance Board.

Finally, I would like to acknowledge our outstanding leaders and staff, many having to extend themselves in the most difficult contexts the world can present. We also give thanks to our committed volunteers and the faithful and generous supporters who give us unfailing encouragement and strength. World Vision has made a real difference to the lives of millions of people, and we must continue to strive to meet the growing need.

George Savvides

Message from our Chief Executive



This year World Vision Australia's work has taken me to places where children and communities are grappling with the challenges of poverty, disaster and conflict.

In Mongolia I accompanied one of our World Vision ambassadors, Channel 7's Melissa Doyle, to meet her sponsored child, Khulan. Mel had visited Khulan in 2006 and met a shy eight year old. Now Khulan has grown into a confident, outgoing girl about to finish school and ready to pursue a career. Later I visited communities in Uganda with the CEO of one of Australia's largest retailers. We saw extraordinary progress being achieved through a program approach called Citizen Voice and Action, where poor people are finding the confidence to participate in dialogue and decision-making. With one of our Board members, Bishop John Harrower, I experienced an uplifting visit to Solomon Islands, where World Vision's Channels of Hope program is tackling the terrible blight of domestic violence by supporting church and community leaders to advocate for women's rights and needs.

All of these were places where World Vision was playing an enabling role as communities work towards shaping a more secure and just future. By contrast, other communities are dealing with different challenges in the form of disaster and conflict.

2013 has seen both sudden onset disasters like typhoons and floods, and catastrophic situations that develop over time like droughts and ensuing food crises. From West Africa to the Philippines, and from China to the Pacific, we have worked to achieve both immediate relief and long-term rehabilitation. Through Child Friendly Spaces and psychosocial support, we focus especially on the protection and resilience of children.

In Lebanon and Jordan I met people who have survived another kind of disaster. The Syrian conflict has now forced over 2 million people to flee into neighbouring countries. I was impressed and humbled by the hospitality being shown by small countries with few resources and serious social and economic challenges of their own.

Compared to these encounters, time spent at G20 meetings in Russia seemed abstract and distant from reality. Yet to make a difference in the face of poverty and tragedy, we need both direct action on the ground, and strong, unified leadership at the international level. As Australia gets ready to lead the G20, we must seize the chance to show real leadership for sustainable, inclusive development.

Australia remains one of the most blessed of nations, and I am always grateful that so many Australians give so generously to support the world's poorest and most vulnerable people. We also show solidarity with our neighbours through the Australian aid program. Australian aid provides outstanding value. It saves lives and improves lives. This year Australian governments have reduced their commitment to aid. I believe Australia has both the opportunity and responsibility to help build our neighbours' health, security and prosperity, and I will continue to advocate for a strong and effective aid program.

World Vision does life-changing work in humanitarian emergencies, in community development, and in advocating for children and communities in need around the world. For this opportunity I want to say thank you to all of those caring and passionate Australians who support us with such generosity and faithfulness.

Tim Costello



We invest in people so
they can do great things.

Simel, aged eight, and her family benefited from a food for work program in Zimbabwe, supported through our Multiplying Gift Appeal. Photo: Ilana Rose/World Vision

Our people

We celebrate our diverse employees around Australia and the passion and skills they bring to enable lasting change for children and communities.

Our staff work with our supporters and partners across all sectors of society (as illustrated by the examples on the following pages), including other NGOs in coalitions such as Make Poverty History and Micah Challenge to achieve greater impact.

Most importantly, our staff work with the people we serve all over the world (see also following pages) and partner with local communities and civil society to ensure child wellbeing is sustained long after we leave.

1,224
volunteers

609
total employees

31,581
hours volunteered

6
State offices

494
full-time employees

115
part-time employees

225
male employees

12
Board members

384
female employees

More information about our Board and management can be found on page 66-68 and about our staff and volunteers on pages 73-75. For more information about how and where we work, see pages 26-33.

Our partners and supporters

Advocates

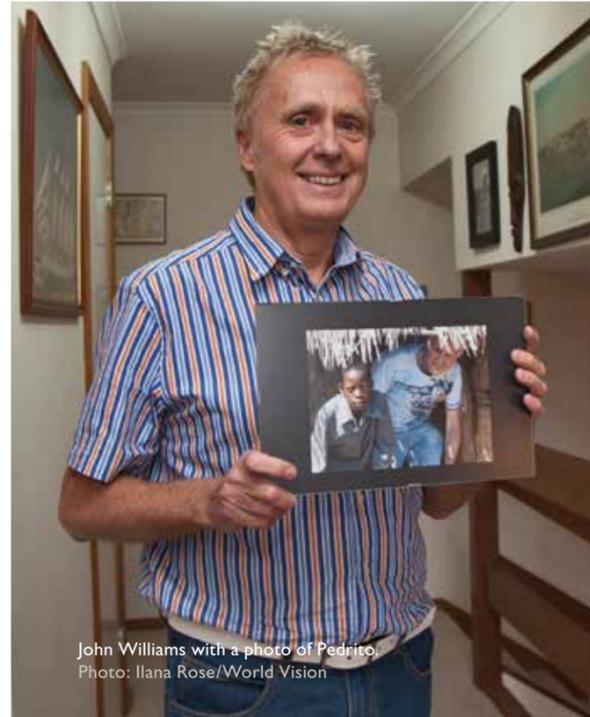
Each year thousands of supporters join us in campaigning for change to the systems and structures that perpetuate poverty. Among them are members of Vision Generation (VGen), our network of young advocates. VGen groups based in schools and universities around Australia have more than 700 members and in the lead-up to the Federal Election in 2013 they added their voices to the call for a more generous and effective overseas aid budget.



Nicole Coombs, VGen, Monash University.
Photo: Lucy Aulich/World Vision

Child sponsors and donors

Child sponsors and individual donors are our key allies in transforming children's lives. In 2013, Australian child sponsors supported more than 362,000 children and their communities around the world. John Williams, from Victoria, has been sponsoring a child called Pedrito, in Mozambique, for seven years. John, who has also included World Vision in his Will, has visited Pedrito several times and seen the difference that sponsorship has made for his community.



John Williams with a photo of Pedrito.
Photo: Ilana Rose/World Vision

Corporates and major donors

Major donors, businesses, trusts and foundations play a vital role in deepening the reach of our work through the strategic investment of funds, resources and skills for maximum impact. For example, through its StarKids program, Jetstar supports our projects in many of the Asian countries it flies to. In 2013, the sixth year of our partnership, Jetstar was on track to raise more than \$1 million for our work.



Jetstar staff visited World Vision projects in Vietnam.
Photo: Le Thiem Xuan/World Vision

Churches

Australian Christians and churches across all denominations share our vision of life in all its fullness for every child. In 2013, we partnered closely with more than 20 churches, including Barrabool Hills Baptist Church in Geelong. Church members have visited and forged deep connections with a community in Kanpur, India, where they support a project addressing child labour.

Ambassadors

Our ambassadors are well-known Australians who donate their time to support World Vision's work. In June 2013, Channel 7 presenter and World Vision Ambassador Melissa Doyle travelled to Mongolia for a special reunion with her sponsored child Khulan, who she first met back in 2006.



Melissa Doyle with her sponsored child Khulan.
Photo: Suzy Sainovski/World Vision

Business Advisory Councils

Our Business Advisory Councils in Melbourne and Sydney comprise influential Australians who help with our general business capacity building and also to engage more strategically with the Australian business community. Many are donors and all support various projects across the organisation or are engaged in our fundraising events and networking.

Governments and multilateral organisations

We partner with the Australian Government, foreign governments and multilateral agencies including the World Food Programme, UNICEF and the World Bank to deliver projects in communities around the world. Through our partnership with the World Food Programme, for example, we can reach tens of thousands of people each year with life-saving food aid and support to overcome chronic hunger.

Universities and research institutions

We collaborate regularly with universities and research institutions on a range of issues and activities. This includes cooperation on research, advocacy, professional knowledge exchange, teaching and learning, professional experience for students and community engagement.



Gemima attended the 2013 Global Leaders Convention in Sydney.
Photo: Ilana Rose/World Vision

Schools

Since 1975, we have been partnering with schools through the 40 Hour Famine to empower young Australians to fight global hunger. In 2013, over 4,500 student leaders from secondary schools participated in our 2013 Global Leaders Conventions and our global education resources are helping to nurture the next generation of global citizens.

The people we serve



“”

Photo: Meg Hansen

If you are really committed to change and helping your country, you must go where children are really vulnerable. When I first came here the graduation rate was really low. Now it is one of the best.

– **Baye Nagatte Seye**, principal of Netteboulou Elementary School in rural Senegal. Construction of classrooms and toilet facilities, supported through child sponsorship, has led to a dramatic rise in the number of girls attending classes.



“”

Photo: Suzy Sainovski/World Vision

When World Vision came the people are happy. Together we can fight the injustice and raise our voice. We will be taken more seriously. We can work together.

– **Ansar**, community leader from the North West Delhi Area Development Program in India, where community members are uniting to ensure children can enjoy good health, education and protection from exploitation and abuse.

“”

Photo: Nicholas Ralph/World Vision

I like school. I will be a teacher... I want to be a teacher because a teacher is someone who encourages children to attend school ... who gets a salary and can afford chocolates ... When I am a teacher I will buy [my mother] good clothes and buy her a cow and more goats.

– **Pacifique**, sponsored child, Rwanda



“”

Photo: Collins Kaumba/World Vision

Now that we have a clinic mothers are accessing medical services freely and delivering healthy babies. We are also educating the mothers in preparations of nutritious foods for their children because this has been another challenge affecting families in the community.

– **Canaan Chisule**, community health worker at the Makoka Clinic in Zambia



“”

Photo: Ilana Rose/World Vision

My hope is that this can be a family business and my husband and my daughters can participate too. What will the guinea pigs bring? A better quality education for my daughters. And the ability to buy anything they need ... A better quality of life.

– **Rocia**, from the San Sebastian community in Peru, earns income raising guinea pigs. She received support to establish her business through the Urin Cusco Area Development Program.



“”

Photo: Chris Budgeon

I see my children are growing up, and they have families of their own. I see my grandchildren growing up and happy – we are all happy ... I believe the present day has such potential...

– **Sopha**, member of a World Vision-supported farming co-op in Battambang Province, Cambodia. Through the co-op, farmers learn new skills, gain business knowhow and pool their resources to deliver higher incomes for all. Learn more about Sopha's story at thedifference.worldvision.com.au.

“”

Photo: Suzy Sainovski/World Vision

I enjoy making food together with other women. My heart fills with joy when we sit together.

– **Sonia** attends a mothers' nutrition group in Dhaka, Bangladesh, where she learns how to cook nutritious meals for her daughter Anika.



“”

Photo: Mike Amos/World Vision

Channels of Hope is very good for our men.

– **Sr Doreen Awaiasi** runs the only domestic violence shelter in the Solomon Islands. She has seen the benefit of World Vision's Channels of Hope gender training, which challenges church leaders on their personal and biblical views of gender and helps them teach congregations about the importance of gender equity and the harm of domestic violence.



We invest with vision and imagination to create the scale and reach required to transform lives.



In Mongolia, Bayanmunkh's family earns income selling wool and milk after taking part in a livestock project supported by World Vision Gifts.
Photo: Suzy Sainovski/World Vision

How we performed to our strategy in 2013

Rinki's family take part in a World Vision-supported self-help group in rural India.
Photo: Suzy Sainovski/World Vision

Our current organisational strategy was adopted in 2012 and it centres on achieving three long-term goals by 2021:

- We aspire to contribute to the sustained wellbeing of 20 million children.
- We aim to grow our income base to \$1 billion.
- We seek to actively engage 1 million supporters.

These three long-term goals are aligned to the long-term goals of the World Vision International Partnership.

To work effectively towards these goals, we have set ourselves four priorities:

- Transform children's lives
- Partner with Australians to champion the child poverty agenda
- Grow our income for greater field commitment
- Build a sustainable organisation

The following is a summary of outcomes against these four priorities over the 2013 financial year.

Refer to our 2012 Annual Report at worldvision.com.au/AnnualReport2012 for more information on our current strategy and worldvision.com.au/PerformanceSupp2013 for more detail on our performance.



14.6
million
children

impacted globally through our development programs, advocacy efforts and emergency responses.



\$1.5
million
raised for the
Syrian refugee
crisis.

Transform children's lives

Child wellbeing

As a child-focused aid agency, our work seeks to bring about positive outcomes in children's wellbeing. In 2013, we estimate that we have, through the collaboration and backing of our supporters and partners, contributed to the wellbeing of approximately 14.6 million children around the world.

The most recent review of evaluations carried out on our projects around the world revealed pleasing results (see our Annual Evaluation Review 2013). Of all projects evaluated:

- 100 percent have resulted in increased community awareness;
- 93 percent have increased communities' capacity to lift themselves out of poverty;
- 73 percent have seen changes in practices or behaviours; and
- 42 percent have achieved the highest possible level of change in social, economic, environmental or physical conditions.

The Partnership has developed a set of indicators to describe and assess how we intentionally contribute to child wellbeing in the communities where we work. This was the first year in which reporting against these indicators has been available for analysis and this information is included in our Annual Evaluation Review. Next year, all of our programs around the world will be reporting against targets for improving child wellbeing.

Investment in priority areas

We have identified geographical areas of priority, with the majority of our funding going to programs in Africa and the Asia-Pacific region. We also fund programs in Latin America and the Caribbean, the Middle East and Australia. Of our funding, 93 percent is targeted to our agreed geographical priority areas.

In recent years, we have especially focused on supporting program quality and innovation in three specialist areas: maternal, newborn and child health, child protection and food security. We have worked to develop and validate best-practice models of programming in these areas. Our 2013 Sectoral Review reveals that use of these models is scaling up, with 214 projects now implementing these proven approaches. As we only formally identified these as priority areas in 2012, this represents a positive start and we will continue to monitor how we adopt best practice approaches across our project portfolio in years to come.

Disaster and conflict response

West Africa food crisis

This year we raised over \$450,000 through our appeal for the West Africa food crisis. We contributed to the overall Partnership response that reached over 1 million people in vulnerable communities across Mali, Niger, Mauritania, Chad and Senegal. This included immediate lifesaving interventions as well as long-term solutions to make communities more resilient to future droughts and other disasters.

Syrian refugee crisis

Our Syrian Refugee Crisis Appeal raised \$1.5 million and contributed to the Partnership's efforts to provide access to clean water; shelter for families; stoves for cooking and heating; hygiene items; safe spaces for mothers, children and teenagers; primary healthcare; and cash assistance for urgent needs.

World Vision has also built water, sanitation and hygiene infrastructure to meet the needs of 31,000 Syrian refugees in a new camp in Jordan. To date the response has reached 297,000 people in Lebanon, Jordan and Syria who have been displaced by the ongoing conflict.

Other emergencies

We also responded to a number of other emergencies around the world, including Typhoon Bopha in the Philippines, the Solomon Islands earthquake and tsunami, and the Sichuan earthquake in China.



300,000

young participants from around Australia in the 38th year of the 40 Hour Famine.

Partner with Australians to champion the child poverty agenda

Campaigns

We have reinforced our commitment to building a community of active citizens through engagement with the public on issues including child health, human trafficking and foreign aid. Through our campaigns, including Don't Trade Lives, See the Bigger Picture and Child Health Now, we have reached thousands of Australians and encouraged them to take action.

Partnering with churches

We have significantly deepened our partnerships with churches through a range of activities. One of this year's highlights was a national church conference we convened, which brought together leaders from partner churches to share insights on issues we are seeking to address. It was a forum where like-minded people from across the denominational spectrum could meet, some for the first time.

We now partner closely with over 20 churches nationally and engage with 1,100 churches in total to deepen our shared community's understanding of child poverty and commitment to social justice.

"Our partnership with World Vision has given us a tangible touch point for what we believe the mission of the church is all about."

- Graham Clarke, senior pastor, Barrabool Hills Baptist Church

Major events

In its 38th year, the 40 Hour Famine attracted 300,000 young participants from around Australia in 2013. Funds raised this year support food security projects in Timor Leste, Malawi, Tanzania, Nepal, Ethiopia and Uganda. The event raised approximately \$5 million, with participants representing 1,937 schools, 500 church communities and 2,000 social teams.

We partnered with business leaders to stage the "Seeds of Hope" fundraising gala, which was hosted by World Vision Ambassadors Melissa Doyle, Deborra-Lee Furness and Hugh Jackman. This event enabled us to reach new business audiences and engage them in support of economic development in poor communities. The gala raised approximately \$245,000.



13,601

visits to our new website: thedifference.worldvision.com.au

Build a sustainable organisation

A key part of our strategy is to build today for tomorrow. We recognise that our organisation needs to be sustained into the future by smart responses to change, diverse and engaged staff members, and a strong brand. We also need to continue to find new ways for supporters to connect with our mission and see opportunities to engage with us.

We have continued to build on our new operating model in the Pacific and for Timor Leste to bring supporters and communities closer together. We support the Pacific Timor Leste Office through financial investment and staff secondments.

We have committed to a Reconciliation Action Plan (published at worldvision.com.au/ReconciliationPlan) and provided progress reports to Reconciliation Australia. Two key programs for the year were the development of an Indigenous employment strategy and initiatives for staff to improve their understanding of Australian Indigenous culture. By meeting our objectives for both of these programs, we are demonstrating our commitment to reconciliation in the way we do business across the whole organisation.

We are building our financial sustainability by investing in new revenue streams. We have grown our income, for example, through bequests, trusts and foundations, and we can see the potential to engage new groups of supporters with different long-term giving options.

One of the strengths of our work is its long-term and life changing nature. Over the year we sought to communicate the message that "We don't just give. We invest." more strongly to Australians through new advertising and we were pleased with the response from our supporters. We generated over 13,000 visits to our new website, "The Difference".



\$279 million

to our field programs.

Grow our income for greater field commitment

Our total income for the year was over \$370 million. See pages 80-91 for our Financial position and performance. Child sponsorship income increased from \$186 million to \$189 million, enabling us to reach over 360,000 sponsored children and support 203 Area Development Programs (our long-term, community-based development programs). Income from major donors and enterprises increased from \$12.8 million in 2012 to \$15.2 million, reflecting stronger engagement with these groups.

Our performance in securing grants was pleasing. We were awarded over \$58 million in grants, an increase of 11 percent on the previous year and we acknowledge the trust of grantors such as the Australian Government. This outcome for 2013 is positive but we know that the future for government grant income for coming years is less certain given announcements on foreign aid by our new government.

In 2013, we were able to commit over \$279 million to our field programs. The purpose of our fundraising efforts is to maximise the yield to these projects and this result has broadened our impact.

See pages 82-85 for more information on how funds were used in 2013.



Tim Costello with World Vision Ambassadors Hugh Jackman, Deborra-Lee Furness and Melissa Doyle at the "Seeds of Hope" gala in Melbourne. Photo: Ilana Rose/World Vision



We invest in a development model
that produces life changing results.

This girl is among thousands of children living on tea estates in Sri Lanka's Nuwara
Eliya District who are gaining improved access to clean water and sanitation
through a World Vision project supported by the Australian Government.
Photo: Ilana Rose/World Vision

Working and funding through the World Vision International Partnership



Preparing for food distribution in drought-affected Zimbabwe.
Photo: Ilana Rose/World Vision

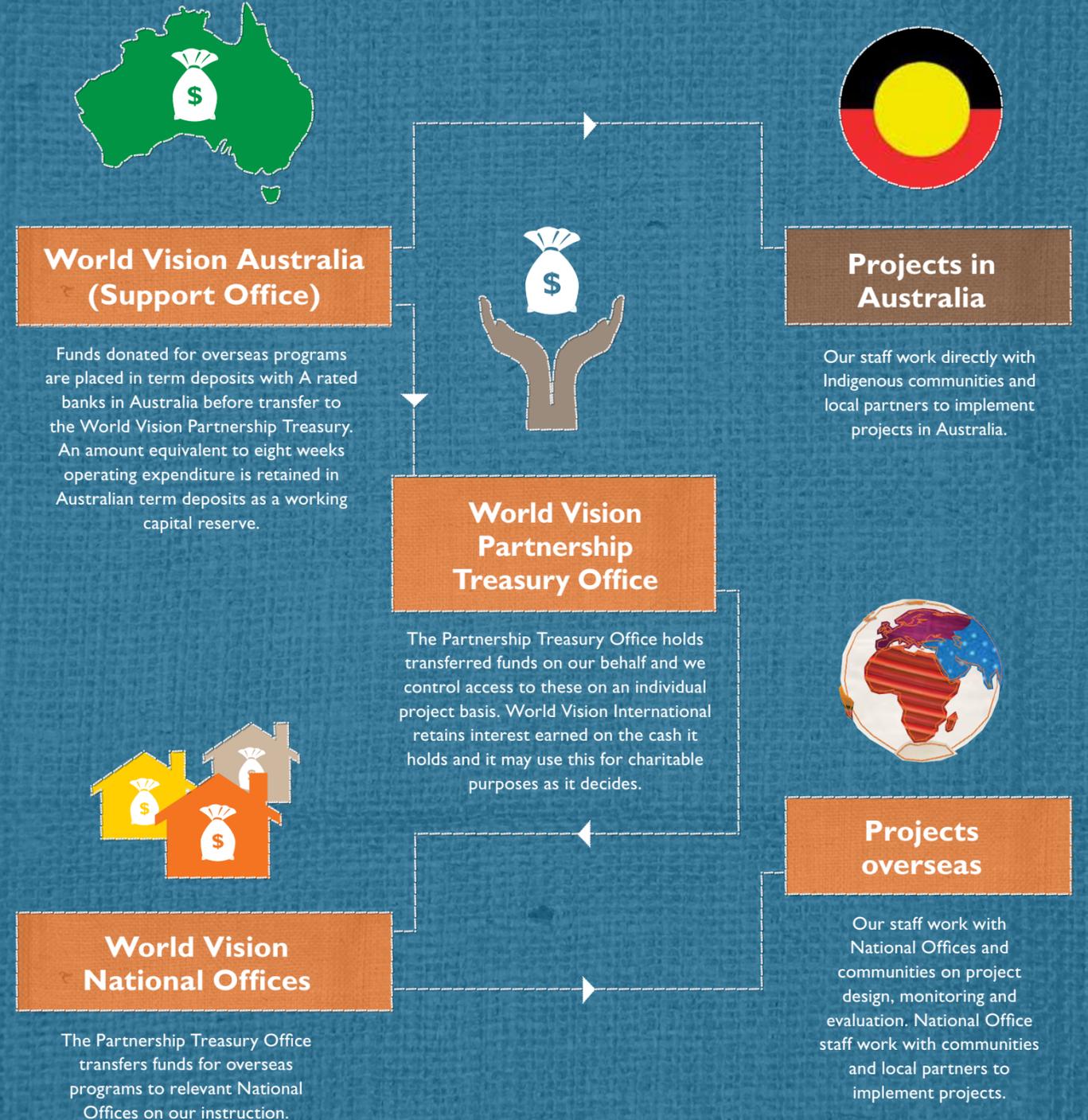
Our aid, development and advocacy projects overseas are implemented through the World Vision International Partnership. The Partnership comprises offices operating in more than 90 countries. Within the Partnership, we are referred to as a "Support Office" because our principal function is to provide support (in particular, funding) to the National Offices located in countries where World Vision conducts projects. The Partnership also includes Regional Offices that coordinate projects across specific geographic regions.

Typically, we receive a proposal from a National Office to provide support for a project. A Regional Office is involved if the project spans countries in a region. We assess the proposal and decide whether or not to support it. This determination occurs through a structured committee process and is based on criteria such as strategic fit, relevance of the proposed response, organisational capacity and budget requirements. If we agree to support the project and provide funding for it, we work with the relevant National Office to design the project from the outset (involving the community also) and monitor and evaluate it as the project progresses. We also manage the fundraising and marketing activities required to generate financial support for the project. We share mutual accountability with National Offices for meeting promises to communities and donors, using resources efficiently, and for project design, monitoring and evaluation.

Where appropriate, for example in our projects in Australia, we work directly with communities to implement activities. In this context, our role and function is similar to that of a National Office in the Partnership.

On the opposite page, we illustrate how funds raised in Australia reach the communities we work with.

How funds raised in Australia reach communities



Note: The Partnership Treasury Office is managed by World Vision International (WVI) which is the "global centre" of the Partnership. It acts as a service link between the various offices in the Partnership, coordinating activities such as the transfer of funds from a Support Office like us to the National Offices in the countries where the programs this funding supports are located. Technical experts from WVI also provide assistance to National Offices in maintaining program quality. WVI operations are funded by Support Offices including us. More information about WVI can be found at wvi.org.

Our development approach

We know that the most effective way to transform children's lives is to transform the world in which they live – their family, community and local area. For us, effective development empowers poor and marginalised communities to change their circumstances, and then to sustain and build upon that change. We seek for all children to enjoy good health, access education, and be cared for, protected and participating in decisions that affect their lives.

We work closely with communities on long-term, although finite, projects of up to 15 years in duration. These projects integrate a range of goals and activities, addressing not only the symptoms of poverty, but the complex and inter-related systems and structures that can cause it.

Projects are determined by each community's own priorities and may address needs in the sectoral areas such as food and environment (agriculture), healthcare, water and sanitation, education, economic development, child protection and reducing disaster risks. See descriptions on facing spread.

From the beginning we focus on community empowerment rather than service delivery. We involve local leaders and community groups in program design and implementation and we build partnerships with local government and community-based organisations to enhance their capacity to drive local development.

Through our local staff and volunteers, and close engagement with partners, we learn how things work best in the local context. Ongoing project monitoring and evaluation help us identify what's working and why and inform our future programming.

Our development work is funded from a range of sources, including public and corporate donations and grants from governments and multilateral organisations. Area Development Programs, supported through child sponsorship, are the primary way we carry out transformational development work around the world. They take place in defined geographical areas – in both rural and urban areas – that are home to around 20,000 people or more. See sectoral snapshots and case studies on the following pages.

Partnering with communities

We work with local leaders and a wide range of community groups and organisations in ways that strengthen them so they can ensure child wellbeing is sustained long after we leave.

Water and sanitation

By improving access to clean water, improved sanitation and hygiene education, waterborne illness decreases and health improves. Children have more time for school and women have more time for work and family care because they no longer have to walk long distances to collect water.

Health

By focusing on prevention strategies and access to health and nutrition services for mothers, infants and children, we help to ensure their survival and protect them from disease and ill health. Healthy children learn more effectively at school and are best placed to reach their full potential.

Food and environment

When communities secure stable access to nutritious food and can sustainably manage their environment, children have the food they need to live active, healthy lives. When farmers can produce enough food for household needs they can sell surplus produce to cover education and healthcare costs.

Education

By increasing children's access to quality education, starting with pre-school, children gain the knowledge and skills they need to lead healthy and productive lives, earn an income in adulthood, and contribute to the future wellbeing of their families and communities.

Economic development

By supporting communities to grow small businesses, improve farming methods, and form cooperatives and savings and loans groups, parents are more able to provide for their children's needs and children grow up better nourished and educated.

Disaster risk reduction

By equipping communities to reduce environmental hazards and better prepare for natural disasters, they can better protect lives and livelihoods against events like droughts, floods and cyclones and build up resilience to unforeseen setbacks. We also support them with emergency response when disasters hit.

Child protection

When communities are empowered to prevent and respond to abuse, exploitation and neglect of children, and when children learn how to protect themselves from harm, they can grow up in a safe environment where they can exercise their rights.



Our projects around the world

NUMBER OF COUNTRY AND REGIONAL PROJECTS FUNDED BY WORLD VISION AUSTRALIA IN 2013

Afghanistan	11	Nepal	9
Albania	1	Nicaragua	13
Angola	3	Niger	2
Armenia	3	North Korea	1
Australia	11	Pakistan	22
Azerbaijan	6	Papua New Guinea	26
Bangladesh	13	Peru	14
Bolivia	11	Philippines	8
Bosnia	6	Romania	1
Brazil	17	Rwanda	16
Burundi	9	Senegal	13
Cambodia	29	Sierra Leone	1
Chad	5	Solomon Islands	23
Chile	3	Somalia	10
China	9	South Africa	8
Colombia	5	South Sudan	12
Democratic Republic of Congo	20	Sri Lanka	19
Ecuador	11	Sudan	11
Ethiopia	28	Swaziland	10
Georgia	5	Syria	1
Ghana	7	Tanzania	28
Guatemala	7	Thailand	9
Haiti	7	Timor Leste	15
Honduras	15	Uganda	31
India	29	Vanuatu	8
Indonesia	24	Vietnam	25
Japan	1	Zambia	22
Jerusalem/ West Bank/Gaza	10	Zimbabwe	22
Jordan	3	Africa	3
Kenya	48	Asia-Pacific region	9
Laos	14	East Africa region	10
Lebanon	20	International	21
Lesotho	9	Latin America region	4
Malawi	21	Middle East/Eastern Europe region	10
Mali	6	Pacific Development Group	1
Mongolia	11	Southern Africa region	7
Mozambique	14	West Africa region	2
Myanmar	24		

WHAT EACH DOT ON THE MAP REPRESENTS

- 0-7 projects per country
- 8-15 projects per country
- 16-23 projects per country
- 24-31 projects per country
- 40+ projects per country

TOTAL PROJECTS IN 2013 923

AFRICA	2013	2012	2011
Total projects in region	378	335	312
Area Development Programs (ADPs)	94	98	101
Non-ADP projects	154	151	138
AusAID and multilateral projects	130	86	73

MIDDLE EAST AND EASTERN EUROPE	2013	2012	2011
Total projects in region	99	84	61
Area Development Programs (ADPs)	3	4	5
Non-ADP projects	57	44	38
AusAID and multilateral projects	39	36	18

LATIN AMERICA AND CARIBBEAN	2013	2012	2011
Total projects in region	107	119	122
Area Development Programs (ADPs)	51	58	60
Non-ADP projects	49	51	46
AusAID and multilateral projects	7	10	16

ASIA AND THE PACIFIC	2013	2012	2011
Total projects in region	307	314	284
Area Development Programs (ADPs)	70	72	75
Non-ADP projects	118	142	142
AusAID and multilateral projects	119	100	67





We invest time and effort in preventing poverty at the source.

Jordan's mum teaches him how to wash hands and brush teeth after taking part in health training delivered through the Urin Cusco Area Development Program in Peru.
Photo: Ilana Rose/World Vision

Sectoral snapshot: Food and environment

The UN Food and Agriculture Organization estimates that around one in eight people in the world are hungry. Malnutrition and hunger-related diseases cause 60 percent of deaths in children aged under five in developing countries each year.

Our work to increase access to nutritious food supply and create opportunities for families to improve their incomes includes:

- short-term responses such as providing food aid for malnourished children and families and supporting agricultural and livestock recovery;
- long-term responses to strengthen agricultural production and income-generation activities; and
- efforts to address the causes of environmental degradation, promote effective natural resource management and help communities prepare for and mitigate natural disasters.

See case studies on pages 58 and 60.

Sandra and her family benefited from a World Vision-supported food distribution program in Zimbabwe's Insiza District.
Photo: Jaimi Rose/World Vision

\$5.8 million

donated by Australian individuals and businesses to our Multiplying Gift Appeal, which enables us to partner with the UN World Food Programme to provide food aid for millions of people through general distributions, school feeding and food for work programs.

88

potential business partners were engaged in the global roll-out of our Farmer-Managed Natural Regeneration work at a business breakfast in Melbourne. See case study on page 60.

2+

thousand

smallholder farmers in Indonesia have been able to increase their sales revenue by up to 200 percent through World Vision's Local Value Chain Development approach. See case study on page 58.

228

projects funded by us were addressing food security in 2013.

30 years

How long Tony Rinaudo, our Natural Resources Advisor, has been championing Farmer-Managed Natural Regeneration (FMNR) to combat poverty and hunger. This year, Tony received the Land for Life award for World Vision's work on FMNR. The award, granted by the UN Convention to Combat Desertification Secretariat, recognises excellence and innovation in sustainable land management. See case study on page 60.

93%

of 600 Sri Lankan families taking part in a permaculture project reported that they had produced more food as a result and almost all were continuing with the activities after the project's completion. The project promoted a system of home gardening incorporating intensive mixed cropping and raising chickens, cows and goats. Extensive training and support in the form of seeds, animals and resources to install a water pump and animal pens have also been provided.

300 thousand

young people – individuals and in groups representing 1,937 schools, 500 church communities and 2,000 social teams – took part in our 40 Hour Famine in August 2013 to fight global hunger. This year the 40 Hour Famine drew 213,000 "Likes" on Facebook and on the event weekend 4,500 transactions per minute were recorded on our 40 Hour Famine website, 40hourfamine.com.au.

158

women from Galliat in Pakistan report that they can now provide for their children's food, medicine and education costs following their participation in the Women's Entrepreneurship Development Project. The women learned trades including tailoring, candle making and quilting and many now run small businesses from their homes. They are also members of a Women Skills Development Centre that helps them market their products.

Sectoral snapshot: Child protection

Around the world we work to protect children like Keota and her younger sisters, from Cambodia, from child labour and other forms of exploitation. Photo: Vichheka Sok/World Vision



159

child protection projects funded by us were operating in 2013.

9,850

children reached through the Keeping Children Safe Online project in Armenia, Georgia, Lebanon and the occupied Palestine Territory. The project is building the capacity of police, government agencies, schools, parents and children themselves to recognise and respond to child protection risks.

25,655

Christians from 159 Australian churches held services on Abolitionist Sunday, 22 November 2013, to highlight the issue of human trafficking and slavery. In a positive response to campaigning on this issue, the Australian Government announced its commitment to ensure "no firm providing goods or services to the Commonwealth is tainted by slavery or people-trafficking anywhere in the supply chain".

14

countries in Latin America and the Caribbean are participating in the Regional Child Protection Systems project which we support. This project focuses on technical training and internal coordination on child protection initiatives and laying the groundwork for collaboration with partners at both national and community levels.

50+

Australian businesses and major partners learned more about our child protection work at "Hope" Christmas lunches held in Sydney and Brisbane.

21

village-based Child Protection and Advocacy groups have been established in Myanmar to report on and respond to incidents of abuse or child rights violations, with plans for more. These groups add a crucial community component to the existing government child protection network and also link with children's groups working to empower children and raise awareness on their rights.

600

NGOs across Eastern Europe are part of a World Vision-supported regional coalition on child protection called ChildPact. It aims to support engagement with governments at the national and international level on the issue of deinstitutionalisation of children. 25 NGOs joined in 2013.

100%

of the cocoa used in Nestlé Australia's confectionary is now ethically sourced and certified by the UTZ Certified scheme.

Many children around the world do not have the protective systems and support they need to flourish. The world's most vulnerable children include trafficked children, orphans, child soldiers, street children, child brides, displaced children and those affected by conflict or natural disaster.

We define child protection as, "All measures taken to prevent and respond to exploitation, neglect, abuse and other forms of violence affecting children, especially the most vulnerable."

We take a systems approach to child protection, which helps to strengthen the protective environment around children, as well as the children themselves, by addressing issues in a comprehensive and sustainable way.

This approach has four key components:

- building community awareness;
- establishing and strengthening reporting and referral mechanisms;
- providing quality support to vulnerable families; and
- building life skills and resilience to protect children.

In addition, we conduct advocacy work on child protection. Our lead campaign, Don't Trade Lives, works to reduce the market here in Australia for goods produced through forced labour or child labour and to ensure that our government takes appropriate steps to protect children from exploitation.

See case studies on pages 54 and 62.

789

girls in Uganda were prevented from marrying early and 1,045 Ugandan children were protected from sexual abuse in 2013 through our child protection and advocacy project. This work seeks to expand and strengthen local communities and civil society to protect children from abuse, neglect and exploitation.

Sectoral snapshot: Maternal, newborn and child health

Every year, almost 7 million children die before they reach their fifth birthday – mostly from preventable diseases including pneumonia, diarrhoea and malaria. And every year, hundreds of thousands of women die during pregnancy or childbirth because they cannot access appropriate healthcare.

The health of mothers and children, particularly newborns, is closely linked. If a mother dies, her child is 10 times more likely to die before the age of five than a child whose mother survives. And mothers who are poorly nourished, or suffer from malaria or HIV and AIDS, or who do not have access to quality antenatal care are already at a severe disadvantage when they become pregnant.

Our work on maternal, newborn and child health recognises that the health of mothers and children cannot be separated and promotes proven, cost-effective solutions including:

- immunisation against early childhood diseases;
- provision of insecticide-treated mosquito nets to prevent malaria;
- exclusive breastfeeding for the first six months of life to protect against infection and disease;
- more skilled birth attendants, such as midwives, to educate and support women and their babies during pregnancy, childbirth and after birth;
- increased access to nutritious food and micronutrients so children are well nourished; and
- access to clean water and improved hygiene practices to reduce the risk of diarrhoea.

See case studies on pages 48 and 56.

Ensuring expectant mothers like Em, from Cambodia, have access to healthcare and health education is essential for the health of the children they will bear.
Photo: Sopheak Kong/World Vision



2 million

people in 70 countries including Australia took part in World Vision International's Child Health Now Global Week of Action in November 2012. In addition, 89,789 Australians signed a petition we led calling for increased efforts to improve child health which was tabled in Parliament in early 2013.

5,775

previously malnourished children have been rehabilitated and the health of 1,388 mothers improved through a maternal and child health and nutrition project in Nepal. Because of hygiene training and awareness raising, 2,800 mothers/caregivers and school children can now correctly explain proper handwashing methods and this has greatly reduced the incidence of diarrhoea in the community.

\$1.7 million

donated by Australians to our appeals in May and June that focused on improving children's health through better access to essentials like clean water – something 768 million people around the world go without.

96

Area Development Programs in India, including all we support, are participating in an integrated child health program that promotes sustainable wellbeing for children through health prevention and treatment, as well as food, income and social security for families through things like cash for work, kitchen gardening, skills training and savings schemes.

4

early childhood centres we support in Afghanistan's Bagdhis Province are proving a place where mothers can come and learn important health and hygiene practices and prepare for their children entering broader society and for boys and girls to begin preparing for primary school. In 2013, 120 children made the successful transition to primary school.

137 thousand

people from Mozambique, Malawi and Zambia are expected to benefit from a regional maternal, newborn and child health project that is improving access to antenatal services, clean water and sanitation, and promoting the adoption of good nutrition and hygiene practices.

300

families in Sri Lanka can now produce enough milk, fruit and vegetables to meet their children's nutrition needs and earn an income through the Promotion of Permaculture project. This project aims to address high rates of child malnutrition in Sri Lanka's "dry zone", where annual rainfall is less than 1,750mm.

100

health projects we supported around the world during 2013 were implementing "7-11". World Vision International's strategy for maternal, newborn and child health. This is up from 10 in 2008. The 7-11 strategy focuses on low cost, evidence-based, measurable and preventative interventions; seven for pregnant women and 11 for children under two.

Sectoral themes in our work in Australia

Samantha, with her son and nephew at a Pilbara waterhole in Western Australia. Photo: Luke Peterson

39

Aboriginal and Torres Strait Islander women from Warlpiri and Martu communities have completed or are participating in training in early childhood services. Our partners in this work are the Central Land Council, Warlpiri Education and Training Trust, Batchelor Institute of Indigenous Tertiary Education, Martu communities, YMCA Western Australia and BHP Billiton Iron Ore.

3,800+

Australian primary school children are taking part in KIDS HOPE AUS, the largest early intervention school-based mentoring program in Australia.

120

Indigenous youth have participated in our Young Mob Leaders Program in nine schools across Sydney. The program is now in redesign and looking for new partners to take it further. One Young Mob graduate, Yulara Frail, was recently selected to speak alongside our CEO Tim Costello at the 2013 World Vision International Triennial Council in Tanzania.

1

remote community store in the Pilbara has made changes to management arrangements to improve the provision of nutritious food options. We partnered with the Martu Trust through the Western Desert Nutritional Food Supply Project to improve the health and wellbeing of Martu children and their communities.

400

mentors and 40 churches joined our KIDS HOPE AUS program this year. KIDS HOPE AUS is a mentoring program for Australian primary school children in need of additional support. Through partnerships between churches and their local primary schools, KIDS HOPE AUS mentors are fostering self-confidence and wellbeing in the children they mentor.

326

Indigenous children aged 0-4 and their families are participating in World Vision-supported playgroups that promote early learning and development in three Martu communities in the Pilbara, Western Australia and four Warlpiri communities in Central Australia.

5

service providers in the Community Development Employment Projects (CDEP) received training in participatory monitoring and evaluation techniques. The aim is to strengthen the skills of service providers who create opportunities for work placement and professional development for Indigenous Australians in communities throughout the nation.

24

implementing project partners worked with our Australia Program during 2013. We also have relationships with 96 stakeholder organisations involved in Indigenous Australian development. Our Australia Program aims to build strong working partnerships that offer mutual benefits to all involved.

World Vision Australia first worked with Aboriginal and Torres Strait Islander Australians in 1974 and our involvement has continued to grow. We work alongside Aboriginal and Torres Strait Islander communities across Australia in programs that promote positive wellbeing for Indigenous children, families and communities.

We also aim to contribute to the development of a national Indigenous Development Agenda and help shape a national narrative to understand, define and call for the conditions required within policy and government systems to support positive change for Indigenous Australians.

We are committed to long-term relationships with all

communities we engage with and through practising a holistic development approach – connecting our community-based work and our engagement with the broader Australian public and the corporate sector – we are part of a journey of change and citizen action.

Read more about our Australia Program at worldvision.com.au/IndigenousAustralia

In addition, through our KIDS HOPE AUS mentoring program, we are helping to build strong partnerships between local churches and primary schools to advance the wellbeing of vulnerable Australian children.

See case study on page 48.



We invest in a lifecycle
of hope that continues.

In Senegal, baby Awa sleeps peacefully
under her mother Rawata's gaze.
Photo: Meg Hansen

Sponsorship changes lives around the world



Reni with her sponsored child Aldo in Peru.
Photo: Mario Vildosola Benavente

The story of Reni Setianingrum is an inspiring example of the way that child sponsorship can change lives around the world, for children and their sponsors and also our staff.

Reni, now 34, was sponsored by Tasmanian couple Norm and Lyn Huett when she was seven. At the time she was living in an Indonesian orphanage where her mother worked as a cook.

Inspired by the letters she received from Lyn and Norm, Reni studied hard and did well in school. Upon graduating, she secured a job on a mine in Indonesia and in 2006, applied for a mining job in South Australia – and got it.

Reni credits being sponsored as the spark that drove her to achieve. “When they sponsored me as a child it inspired me

to learn English,” she explained. “If I didn’t receive letters from them ... I would not have had that willingness to learn, there was nothing that would have inspired me to do that.”

Aware of the opportunities she gained through sponsorship, Reni wanted to give something back – and she now sponsors four children through World Vision (three in Africa and one in Peru).

In March 2013, Reni climbed Mount Kilimanjaro with Team World Vision, raising funds to support our work. In October 2013, she also took part in Team World Vision’s trek to Machu Picchu in Peru and had the chance to meet her own sponsored child there.

A meeting to remember

Meeting one of their sponsored children had always been a pipe dream for Lyn and Norm Huett, who have sponsored five children through World Vision over many years.

“Pretty special” is how Lyn described the phone call from us explaining that Reni, the girl they once sponsored in Indonesia, was living in Australia and wanted to meet them.

“I cried,” Lyn said. “Norm said it was the best Christmas present he had received.”

Reni travelled to Tasmania in March 2013 to meet Lyn and Norm and thank them for the important role they had played in her life.

“I was so happy,” Reni said following her meeting with Lyn and Norm. “It is always something ... in the back of my mind, especially living in Australia because it is so easy to travel to other states.”

Reni has stayed in touch with Lyn and Norm and they were among a proud group of family and friends who attended Reni’s recent university graduation ceremony in Melbourne.

Lyn and Norm continue to make a difference through their sponsorship of a boy in Bangladesh.



Top: Reni climbed Mt Kilimanjaro to raise funds for Team World Vision. Photo: Paul Sheridan/World Vision

Bottom: Lyn and Norm Huett joined Reni on her graduation day. Photo: Kristin Stephensen/World Vision

\$4,500

raised by former sponsored child Reni for Team World Vision by completing Trek Kilimanjaro.

362,125

children around the world sponsored by Australians in 2013 including Lyn and Norm Huett.

180 thousand

sponsors sent birthday or Christmas cards to their sponsored children in 2013.

“ ... Reni generously gives to those who are walking a similar journey ... She does this by sharing her story and leading through her actions. Reni is a true inspiration for all involved with World Vision – sponsors, staff and children alike. – **Kathleen Snowball, consultant in our Contact Centre** ”

“ Blue Illusion is serious about driving change. We believe, together with World Vision, we can be the change we want to see. This is why we are committed to ensuring that every Blue Illusion boutique sponsors a child through World Vision. We are committed to making a real difference for the health and social issues that affect women and their families, as well as the communities they live within – fostering a positive impact across the world. – **Donna and Danny Guest, founders of the Blue Illusion retail fashion group** ”

41

countries around the world were home to children sponsored by Australians through World Vision in 2013.

Early childhood care blossoms in Warlpiri communities



Playgroup facilitators like Mary (left) and Jessica are gaining the skills and confidence they need to promote early learning for Indigenous children. Photos: Lucy Aulich/World Vision

Access to quality early childhood care and education is critical for lifelong outcomes, however such opportunities in Indigenous communities still lag behind those available to non-Indigenous Australians.

The Warlpiri are one of the largest Indigenous groups in Central Australia. In conjunction with the Central Land Council, Warlpiri communities have developed the Warlpiri Education and Training Trust (WETT) to manage royalty payments and income from gold mining activities on their traditional lands.

Over the past five years, we have partnered with WETT and the Central Land Council to implement an early childhood care and development program in four Warlpiri communities. The project aims to improve the health and wellbeing of children aged up to five years by establishing the foundation for them to reach their social, intellectual, spiritual and physical potential through the support of parents, carers and better early childhood services.

Project activities include:

- providing early childhood activities through playgroups, bush trips and toy making workshops;
- working with local health professionals to facilitate and promote health education for parents and their children;
- supporting early childhood reference groups to be a strong voice in their communities;
- supporting community members to undertake early childhood training and professional development; and
- supporting communities to develop early childhood resources specific to Warlpiri communities.

See Sectoral snapshot: Maternal, newborn and child health on page 40 and Sectoral themes in our work in Australia on page 42.

Yuendumu women shine at childcare conference

This year, members of the Yuendumu Early Childhood Reference Group proudly presented their childcare “story” at the Secretariat of National and Indigenous Child Care conference in Cairns.

The women were joined at the conference by Early Childhood Reference Group members from three other Warlpiri communities where our WETT Early Childhood Care and Development (ECCD) Project is being implemented.

Reflecting on the daunting task of presenting at the conference, the Yuendumu women said they gained confidence as soon as they started telling their story. “And we made those people feel proud to listen ... that we are strong ladies [who] can tell our stories about what is happening in our community – especially for little kids through childcare.”

Jessica, aged 21, and Mary, a grandmother of six, are facilitators at the Yuendumu playgroup and they were among reference group members who presented at the conference. Jessica said it was a great opportunity to listen to others and “get more ideas from them ... about childcare, playgroup.”



Above: Playgroup at Yuendumu. Photos: Lucy Aulich/World Vision, taken at a Central Desert Shire service location

The Yuendumu Early Childhood Reference Group hopes to apply ideas they gained from the conference in their childcare and playgroup activities. “Because we want our kids to be strong, and we want our kids to grow up in education ... we want to support them growing up.”

“ We proudly support projects here in Australia as well as in the communities we fly to throughout Asia. Jetstar, through its StarKids program, is pleased to support improved health and wellbeing for children in Indigenous communities through the Warlpiri ECCD project. – David Hall, Jetstar Australia and New Zealand CEO ”

“ For many years my husband and I have financially supported World Vision children ... I am also a volunteer with Indigenous Community Volunteers and was thrilled to be given the opportunity to join with World Vision and Batchelor Institute to work on a project in Willowra, Warlpiri this year. – Carol Moore volunteered in the early childhood section of the Willowra Learning Centre. Carol and her husband also support Indigenous communities through our Linking Hands program. ”

4

Warlpiri communities

in Central Australia are partnering with World Vision, the Central Land Council and the Warlpiri Education and Training Trust in this early childhood care and development project.

260

children are participating in community-led playgroups that promote early learning and development in Warlpiri communities.

35

women from Warlpiri communities have completed or are engaged in early childhood training.

16

community members were supported by the project to attend the Secretariat of National and Indigenous Child Care conference in Cairns in 2013.

Giving Syrian children hope through education



A Syrian teacher conducts a lesson for Syrian refugee children in Lebanon's Bekaa Valley. Photo: Nigel Marsh/World Vision

Now the world's worst refugee crisis, the number of people who've fled Syria for safety in neighbouring countries since the conflict began grew to over 2.16 million by the end of September 2013 and a further 4.25 million people were displaced within Syria at this time.

Throughout 2013, we worked to provide displaced Syrians in Lebanon and Jordan, and in Syria itself, with access to basics like shelter, food, water, sanitation, education, healthcare and safe spaces for women and children.

More than half of those displaced by the conflict are children, who in addition to the struggle for basic needs are often denied the opportunity to continue learning. Without school they lack direction and face increased challenges in a future that is already uncertain.

At the beginning of 2013, the Lebanese Ministry of Education officially opened its schools to Syrian refugees. But in reality, getting a place at a Lebanese school can be difficult. Many Syrian children have been out of school for some time and are unfamiliar with French and English, the languages of instruction. In addition, stretched public schools often refuse to take them in.

To help bridge these gaps, World Vision runs an accelerated learning program where Syrian refugee children learn the languages, science and maths they need to restart their education. Remedial learning support is also offered to Syrian children enrolled in Lebanese schools.

Learning program is a bright light for Jouri

For children who have fled violence in Syria, school provides some routine and normalcy, a way to make friends and most importantly, a more promising future.

World Vision education project coordinator, Lara Lteif, explains that the longer a child is out of school, the harder it is for them to catch up. "Refugee children are among the most vulnerable to falling behind on the educational level which might cost them their future."

Ensuring Syrian refugee children like Jouri have access to education has a positive impact, not just for individual children, but for society more broadly.

Jouri, aged eight, fled Syria with her family when bombing in their neighbourhood made it unsafe to stay. Before they left, Jouri was a brilliant student and she fondly remembers her Syrian school and adored teachers.

"When we first came to Lebanon, I started nagging over and over on my dad to register me in school, but he kept on telling me there is no place for me," said Jouri.

Through World Vision's accelerated learning program, Jouri has gained the chance to get back in school and continue learning.



Top: Jouri still has her report card from when she attended school in Syria.

Bottom: Jouri, her sister and cousins are among refugee children whose education has been disrupted by the Syrian conflict. Photos: Patricia Mouamar/World Vision

"Coming here [World Vision's learning program] is the best thing that happened to me since we [left Syria]," she said.

"The Syrian crisis is devastating to watch unfold on television ... The images of mothers carrying their children on their backs for days to seek the relative safety and security of a tiny tented roof over a patch of dirt moved me to tears and I knew we had to act ... – Dr Kirsten Baulch and husband Graeme are major donors to our Syria appeal. They are founders of Medimobile, a nationwide flu vaccination service."

"These classes [ALP – accelerated learning program] are giving a chance for the children. In my school, the number of children who are awaiting registration is twice the number of enrolled students. These children have no places. It's only through ALPs that children have a chance to catch up on their education when they get the opportunities to be enrolled. – Hitcham Kamar, school principal, Lebanon"

838

Syrian refugee children in Lebanon have taken part in World Vision's accelerated learning program. A further 290 refugee children enrolled in Lebanon's public schools have taken part in remedial classes to help fill the learning gap.

3

hours a day, 4 days a week

children taking part in our accelerated learning program attend classes in subjects including maths, Arabic, English and science.

\$483,206

contributed by Australian companies and major donors to our Syria Refugee Crisis Appeal.

190 thousand

Syrian refugees in Lebanon had received help through World Vision by the end of our 2013 financial year. Over 290,000 people had been assisted in total across Lebanon, Jordan and Syria.

Strong youth build network for change

In the “Sowing Unity” Area Development Program (ADP) in La Paz, Bolivia, young people are gaining opportunities to lead and empower their community through the Huayna Ch’amani (Strong Youth) network.

The network launched in 2010 with just a handful of members who were committed to driving initiatives to benefit their community. In a short time their work captured the imagination of others and there are now 105 members.

The network has since been recognised by the Bolivian Government as a legal body and its members have contributed to improved local governance by taking part in planning and decision-making processes.

Among the network’s achievements has been the creation of short films to educate young people about relationship violence and to educate teachers, doctors and parents on how to engage young people on sexual and reproductive health issues.

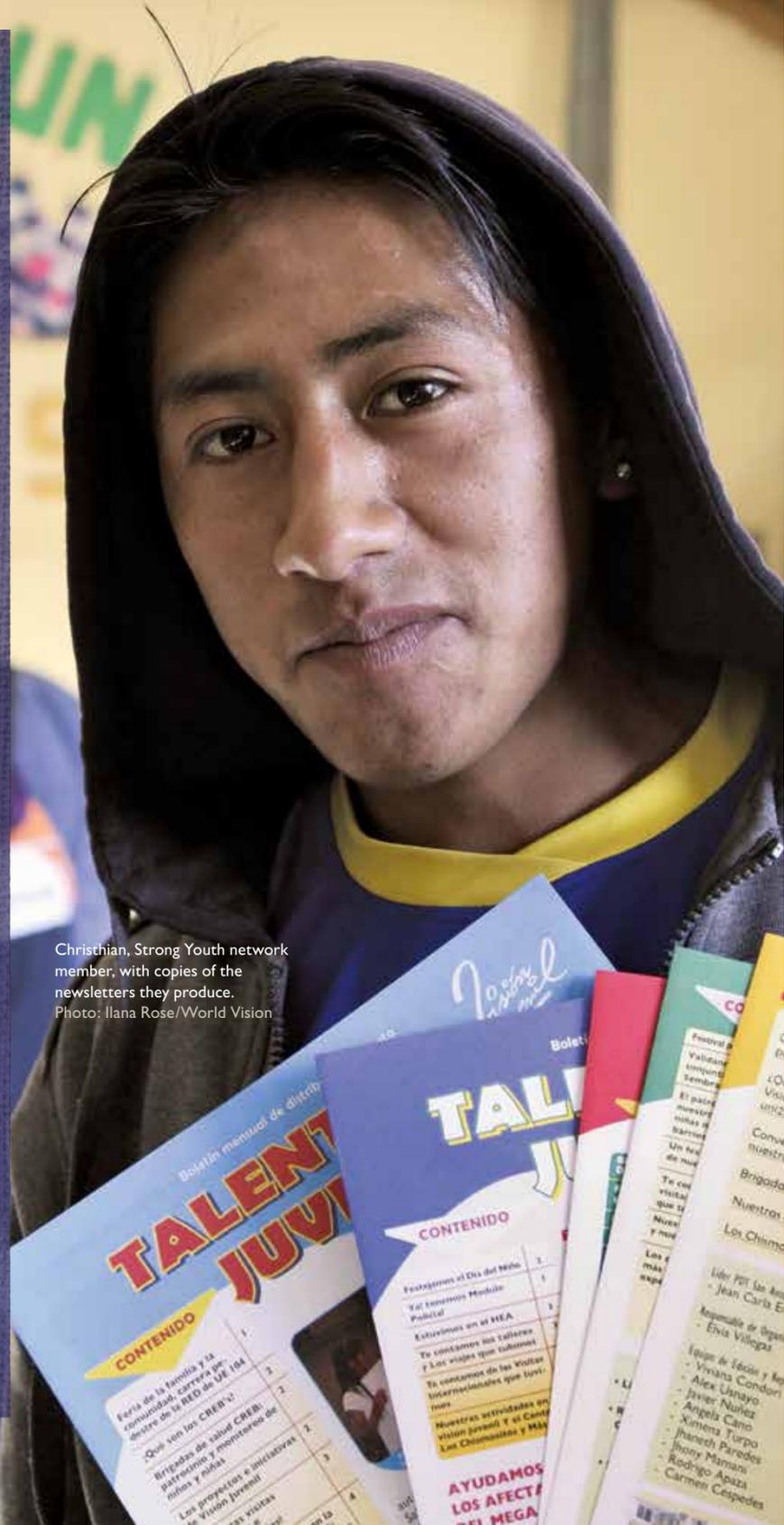
The network has also worked closely with a local neighbourhood committee advocating for additional policing in the area to combat street crime.

Network members have learned important leadership skills and how to organise themselves effectively. They have used these skills to secure grants from local governments for a variety of small projects including raising awareness on environmental issues, promoting safe neighbourhoods and strengthening family resilience.

Their regular publication, “Straight Talking”, covers local issues relevant to young people and provides updates on the network’s efforts to monitor the quality and responsiveness of local health services.

They established a Skype conversation with members of our Youth Movement, VGen, to share ideas and perspectives on issues facing young people in both countries.

The Sowing Unity ADP is one of our urban pilot programs.



Christian, Strong Youth network member, with copies of the newsletters they produce. Photo: Ilana Rose/World Vision

Changing culture from the inside out

Youth facilitator Elvis Mendoza says members of the Strong Youth network in La Paz are well placed to create positive change in their communities, particularly on issues of violence and bullying.

“The youth have a really good understanding into why the culture of violence exists,” he says. “They want to change the culture from the inside out; they want to create generational change by changing people’s mindsets.”

Elvis explained that it was network members who came up with the idea of making a film about relationship violence to get the message across to their peers. World Vision helped with equipment and production, but the kids had the idea, found the locations, shot, directed and acted in the film.

Network member Henry, aged 18, was the lead male actor in the film, titled “No More”. He said that while playing a violent character was not easy, violence was not unfamiliar to him.



Henry, network member and lead actor in the short film, “No More”, which tackles relationship violence. Photo: Ilana Rose/World Vision

“It’s usual to see violence in our environment ... if we don’t experience it in our lives we see it in our neighbour’s house or somewhere.”

Henry believes the film is a powerful way to help prevent violence because it’s been made by youth, for youth. Through his involvement in the Strong Youth network, Henry has become a role model for youth in his neighbourhood. “... Some follow me to the training workshops that I attend, and they change. I think it’s a good influence on them.”

“ It was amazing to talk to a group on the other side of the world that is so similar to us and has such similar ideals but is dealing with so many different challenges. ... Despite the language barriers, it felt like they couldn’t possibly be that far away from us. ... It made me realise how much we are part of a global community of young people who want to make a difference. – Emily Hart, from the VGen group at Adelaide University that shared Skype chats with the Strong Youth network in Bolivia. VGen is our volunteer youth movement. ”

“ We realise that we haven’t paid enough attention to young people and their skills and energy ... Now they are working with us in different activities ... We are sure they will have great achievements ahead of them that contribute to their wellbeing and that of their communities. – Alejo Poma, President of the Social Services Monitoring Committee, District of Maximiliano Paredes, La Paz ”

105

young people from five neighbourhoods actively participate in the Strong Youth network.

754

students have been exposed to the “No More” video produced by the network that aims to create awareness and reduce violence in families and relationships.

18

network members work together to produce the quarterly newsletter “Straight Talking” featuring articles on community issues and project updates.

1

new health space dedicated to the sexual and reproductive health of young people has been created as a result of the network’s collaboration with local government and partner organisations.

Uniting against trafficking and slavery



Photo: Seyha Lychheang/World Vision

The End Trafficking in Persons (ETIP) Project works in Cambodia, China, Laos, Myanmar, Thailand and Vietnam. It is the largest field-based anti-trafficking program and builds on over 15 years of previous World Vision work in the region against trafficking, slavery and child abuse.

The project is supported by us and other World Vision offices in Canada, Japan and Taiwan, as well as the Australian Government. It works locally and cross-border with vulnerable children, village leaders, social workers and police, plus other aid agencies and high level decision-makers.

Through this work we are striving to prevent trafficking in a way that lasts well beyond the project lifespan. By setting up local prevention groups, the project helps communities to not only better understand the dangers of trafficking, but equips them to respond to risks and adopt safer behaviours, especially around migration. It also helps link local people to the proper authorities as part of a coordinated effort.

The project works closely with law enforcement agencies to trace and locate missing persons and ensure that trafficking victims are identified, protected and repatriated in a timely and dignified way. We assist survivors to safely return to their home communities or other safe places, and provide tailored case-management and support to help them recover.

Through the project we are fostering dialogue, creating opportunities for community members, children and youth, and trafficking survivors to talk to government officials so that they can make decisions based on what is really happening to those directly affected.

Measuring the true scale of human trafficking is difficult due to the illegal and often undetected nature of the crime. This year, working with the London School of Hygiene and Tropical Medicine, we carried out a ground-breaking study across the six participating countries. This provided us with never-before calculated information on risk and vulnerability factors that can increase the odds of falling into human trafficking.

From forced labour to self-sufficiency

Dao*, now 19, was just 15 when she agreed to leave her village in Laos and go with a broker to Thailand, desperate to make money to support her family by working as a domestic servant.

After travelling to Thailand by fishing boat, she began her new life with a Thai family as a domestic worker – cooking, cleaning and washing clothes.

But the man who owned the housing complex where she was working forced Dao and other domestic servants from Laos to work on building sites outside the complex. They would be picked up at 5am and often work till 8pm, moving heavy bags of concrete, carrying wood and building brick fences.

Dao's health suffered during 12 months of heavy labour. She was never offered healthcare or allowed to see a doctor; and she was never paid – by either the Thai family or the construction company.

Fortunately, her father was worried for her and contacted World Vision in Laos, who coordinated with Thai authorities who were able to rescue her. This led to the arrest and prosecution of her exploiter.



Dao runs a successful business and no longer relies on support from World Vision. Her mother helps her in the shop and with procuring groceries, petrol and other goods from a nearby town. Photo: Soutjai Inthirath/World Vision

The project helped Dao when she returned to her home village, providing counselling as well as assistance in setting up her own small store with her mother, the only one in her village. Dao's shop is now self-sufficient.

*Name changed to protect identity

“ When suspicious people arrive in our community, the community watch group now always informs the police and commune council.
– Mr Soeun Morth, commune chief and head of a community trafficking prevention group in Cambodia supported by the ETIP project ”

“ Learning about trafficking and slavery has impacted our church greatly. ... Many [of our church members] have been actively involved in letter writing and petitioning businesses to put assurances round supply chains. – Scott Anderson, Community Care Manager at Bayside Church in Melbourne's south-east. Bayside Church has hosted trafficking awareness events and raised funds to support the ETIP project. ”

See Sectoral snapshot: Child protection on page 38.

2,095

children

across the region accessed child protection services and child friendly spaces such as children's clubs.

143

trafficking victims

across the region were provided with direct assistance and case management, including counselling and rehabilitation support, during 2013. A greater number received other forms of assistance, including repatriation support and translation services.

114

thousand +

children and adults

participated in preventive and awareness raising activities related to child protection including the MTV Exit event in Myanmar.

63

Child Protection and Advocacy groups

have been formed across Cambodia Myanmar, Thailand and Vietnam. These groups form a sustainable, local level structure to help protect children from harm and take action when incidents occur.

Improving health from village to clinic



Parent support group members, Francis and his wife Suzanne (group leader), in northern Uganda. Photo: Nicholas Ralph/World Vision

Since 2011, we have been delivering the East Africa Maternal and Child Health project in Kenya, Uganda, Rwanda and Tanzania. The project aims to boost maternal, newborn and child survival by: improving the quality, supply and community demand for health services; promoting positive health practices for mothers and children; and contributing to a more favourable policy environment across the region. This work is part of the Australian Government's Australia Africa Community Engagement Scheme, a partnership between the Department of Foreign Affairs and Trade, Australian NGOs (including us) and their Africa-based partners to implement community-based interventions across 11 countries in sub-Saharan Africa.

Key aspects of the project include:

- Training and support for Community Health Volunteers who regularly visit and follow up with pregnant women through to their child's second birthday. Mothers receive information and support on critical health and nutrition-related behaviours;
- Working with health clinic staff to strengthen core maternal and child health clinical skills and resources;
- Outreach programs in remote communities delivering prenatal care, family planning, child growth monitoring and immunisations;
- Forming local parent support groups to encourage participation of both men and women in improving family health and nutrition;
- Using mobile phones to link households, Community Health Volunteers and health facilities in a real time health information system;
- Supporting farmers groups to produce greater quantities and diversity of foods to prevent child malnutrition; and
- Using low cost, locally available materials to improve household sanitation and hygiene.

Community Health Volunteers play vital role

"I like my community and I hate seeing them dying ... so I feel happy when they are healthy."

Immaculate, 23, is a Community Health Volunteer trained through the East Africa Maternal and Child Health project. She is part of a village health team in northern Uganda delivering lifesaving aid to her local community.

"The village health team is a group of people selected by the village to help them link the village to the health centre," Immaculate explains.

At village outreach sessions, Immaculate and her team provide health services such as prenatal check-ups, immunisation and child growth monitoring, voluntary testing and counselling for HIV, and family planning.

With greater access to information about maternal and child health, including for mothers with disabilities or HIV, mothers become better equipped to take care of their own and their children's health, resulting in positive outcomes for the whole community.

"Without the village healthcare system, I think the village would be having a lot of problems," Immaculate adds.



Top: Immaculate, Community Health Volunteer.

Bottom: Baby weighing during a village health outreach in northern Uganda. Photos: Nicholas Ralph/World Vision

"It's important to involve men because children have to be taken care of as couples. One of the impacts from the parent support group is that it has built stronger relationships among the group itself and among the couples. – Francis, parent support group member, northern Uganda"

"This project is improving healthcare services for mothers and children in some of the most remote and marginalised areas of eastern Africa. It is using a range of new and innovative approaches that are working well and will ensure the impacts are sustainable in the long term. – Lisa Staruszkiewicz, First Secretary, Australian High Commission, Nairobi"

897

Community Health Volunteers across the region have been selected and trained to deliver maternal and child health and nutrition messages and counselling.

13,888

children

have been appropriately vaccinated in the first 12 months of life.

6,992

additional births have been attended by a skilled birth attendant.

11,171

people

have increased knowledge of hygiene practices.

See Sectoral snapshot: Maternal, newborn and child health on page 40.

Farmers gain bargaining power through new project model

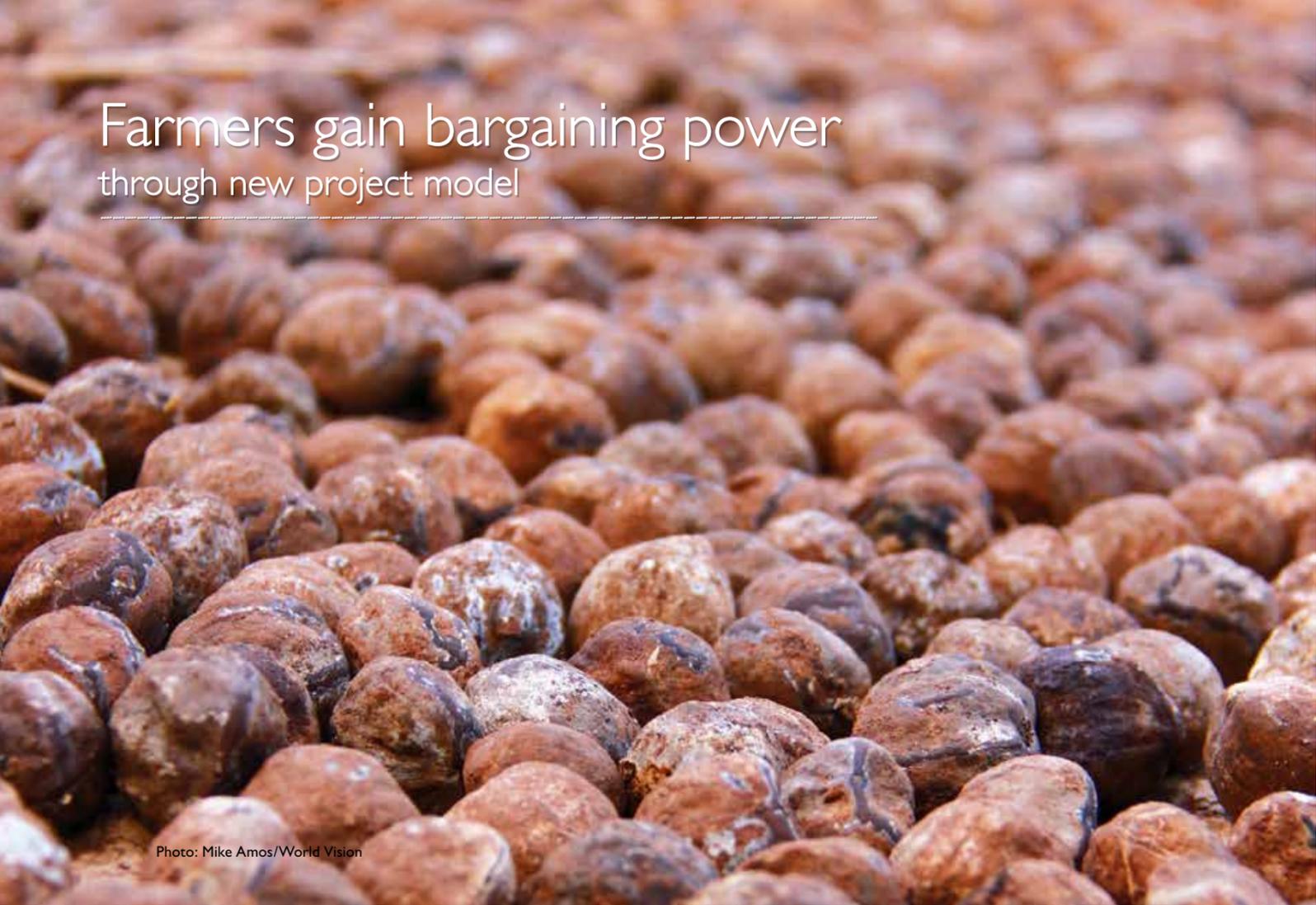


Photo: Mike Amos/World Vision

Local Value Chain Development (LVCD) projects in various locations around the world aim to increase the incomes of poor farmers through better access to markets, as a result of improved product quality and collective selling. From 2009-2012, we partnered with World Vision Indonesia to pilot this project model in three locations, two of which were on the remote Indonesian island of Flores.

An evaluation of the pilot projects when they concluded in 2012 and a subsequent visit in July 2013 identified that many of the gains made are being sustained and continue to grow.

With better market information, collective selling and higher product quality, the farmers involved have been able to increase their incomes and better provide for their children, which is the project model's ultimate goal.

Key to LVCD's success is the appointment of a "market facilitator" who coaches and develops business skills

among farmers including negotiation techniques, market information gathering, product pricing, and who also facilitates networking with buyers and service providers. The World Vision Market Facilitator in turn coaches Local Market Facilitators in communities who act on behalf of farmers and continue the work long after the project ends.

In addition to the tangible financial benefits gained, relationships between community members have improved and a widespread sense of hope has emerged amongst participating families.

We are now actively supporting other World Vision offices around the world to implement LVCD projects. World Vision offices in Tanzania and Ethiopia are among those who have enthusiastically embraced the roll out of the model through their Area Development Programs.

Read the Local Value Chain Development Evaluation Report at worldvision.com.au/LVCD.



Left: Through collective selling, Flores farmers have been able to increase income from cashew growing. Photo: Mike Amos/World Vision

Right: Lazarus has been trained as a Local Market Facilitator so he can guide his peers in collective selling. Photo: Jock Noble/World Vision

Cashew farmers join forces for success

"In the past, buyers would come to each farmer's property and buy our produce at a low price.

Now we sell our combined produce in bulk and the buyers have to come to our auction and bid for our produce. A contact in Maumere (largest town on Flores Island) sends me a text message about the market price for cashews from the day before, and we have better market information about a fair price for our product.

This has increased the income for all our crops. For example, the cash we receive from a kilogram of cashew nuts has more than doubled from 7,000 Rupiah (A\$0.70) to 16,000 Rupiah (A\$1.60).

World Vision has also helped us add value to our crops. For example, villages are now

starting to shell the cashews. The more we can add value to our product by shelling, skinning, roasting, salting and packaging, the more money we can receive.

There are now 1,500 farmers and 16 villages involved in the farmers' cooperative. This story is now being repeated in other rural areas of Indonesia. As local farmers get access to better market information, they are able to get a more just and fair price for their work. In the future, I hope that our community will be able to sell our cashews online to any buyer in the world!"

– Lazarus, cashew farmer and Local Market Facilitator from Flores, Indonesia

“ It is our intention to scale up the Local Value Chain Development project model into all of our ADPs by the end of FY15. ... We have been very pleased to work with World Vision Australia in improving our economic development and food security programming. **– Worknesh Mekkonen, Deputy National Director, World Vision Ethiopia** ”

“ The collective marketing initiative being pioneered by World Vision is very interesting; it's the first time in more than 30 years where I have seen that the farmer can become their own boss and they hold their own scales. **– Agriculture Department official, Flores, Indonesia** ”

26

young people

from one village are reportedly now able to attend university as a result of their families' increased incomes. This was revealed by the headman of one village that took part in the pilot project.

81%

price increase

farmers received for their cashew crops through collective selling over the three-year pilot project period. Farmers who sold their crops individually saw an increase of only 50%.

75%

of surveyed households

where a child had been sick in the 12 months prior to the project ending managed to cover health expenses without any external support; 74 percent were able to cover education costs without external support.

50

communities across 13 countries

are now taking part in World Vision projects using the Local Value Chain Development model.

Re-greening communities through Farmer-Managed Natural Regeneration



Photo: Peter Weston/World Vision

Farmer-Managed Natural Regeneration (FMNR) is a land management approach that we are championing in our development work around the world. It restores degraded barren land into improved farmland, forests and water catchments and allows farmers to regenerate forests by pruning tree stumps to encourage new growth.

These regenerated forests help to improve soil fertility, protect crops from wind-blown sand, and provide wood for building and fuel for cooking.

We have partnered with the Australian aid program and others to implement FMNR projects in countries as

diverse as Kenya, Ethiopia, Ghana, Myanmar, Timor Leste, Indonesia, and soon India and Haiti.

In addition to increasing household incomes by raising soil fertility and subsequent crop yields, FMNR provides a range of other benefits to communities that are often overlooked in traditional income studies.

To better capture these benefits, this year we undertook a Social Return on Investment study on an FMNR project in the Talensi District of northern Ghana, which has been instrumental in improving the livelihoods of farming families.

Figuring project impact

Social Return on Investment is a relatively new project evaluation approach that puts conservative monetary values on aspects of social worth, such as:

- shade for people, livestock, soil and crops;
- greener and healthier environments to work and live in;
- improved health through better water sources, bush foods and fodder for livestock;
- greater optimism about the prospects of arable land; and
- better community cooperation to sustain valuable natural assets.

The study calculated that, seven years on from when the Talensi FMNR project commenced (2009), a return of US\$5.5 million will be generated in total value to communities, from an original investment of US\$323,816.

Or put simply, US\$17 of value will have been created for every US\$1 invested in the project. A greater ratio of return was projected into the future, assuming that farmers continue to practise FMNR techniques.

For local leaders like Nabiyu Anaba, whose village took part in the project, the impacts are many and varied.

"If anyone plants a crop around the FMNR trees, ground nuts or anything, the yield far



Top: Local leader Nabiyu Anaba [centre] and community members gather to celebrate FMNR success in Talensi. Photo: Peter Weston/World Vision

Bottom: Talensi farmer Bantang Baan is a passionate FMNR advocate. Photo: Tony Rinaudo/World Vision

outweighs other fields," he explained.

"The children, when they return from school, they get fruit from the trees ... You look at the children and see the difference."

Read the full Social Return on Investment Report for the Talensi FMNR project at worldvision.com.au/SROI/Talensi

3
thousand

households

across nine communities in the Talensi District of Ghana participated in the FMNR project.

180

"lead" farmers in Talensi, both men and women, have been trained and adopted FMNR techniques and trained others in the community.

376,
971

extra indigenous trees

were present in Talensi forest areas and an additional 19,024 trees were growing on farmland by the end of the project.

"I want to be an example to all of Ghana." – **Bantang Baan, a lead farmer from the Talensi FMNR project.** After a field visit to meet the "man who stopped the desert" with FMNR in neighbouring Burkina Faso, he was inspired to do the same in Ghana.

"People believed that it is impossible to grow trees here. This FMNR project shows that it is possible to regenerate a whole place in this very simple technique ... It is an example for other communities to see and copy." – **Stephen Edem Akpalu, National Forest Research Institute of Ghana**

94%

of Talensi farmers practising FMNR report an increase in soil fertility and 66% report improvement in soil erosion.

Communities unite to fight child exploitation



Photo: Seyha Lychheang/World Vision

Siliguri is the biggest and fastest growing city in India's North Bengal, situated between the borders of Nepal, Bangladesh, Bhutan and Tibet. It is a known transit point for child trafficking, driven by demand for cheap labour within India and neighbouring countries.

Many children living in local slums have also been forced to work in their parents' businesses, or as "rag-pickers" and stone breakers to help support their families. This means they are often unable to start or complete school, and can end up trapped in a cycle of poverty.

The Kopila Siliguri project is working in six slum areas of the city to strengthen social protection, monitoring and reporting mechanisms to reduce child labour and

trafficking. Key activities have included setting up local child protection units comprising teachers, social workers and local leaders.

The project has established an Anti-Trafficking Network of local and national NGO partners to work closely with authorities in Siliguri and at nearby border crossings. Non-formal education centres have also been set up where volunteer teachers provide out-of-school children with basic education in preparation for re-entry into the formal system.

By supporting local children's and youth clubs, the project is helping to create positive peer environments.

Children's clubs a platform for girls to speak up

In patriarchal societies like India, it's always a challenge for women to raise their voices in public. And it's an even greater challenge for girls from poor communities to speak out about what they feel and want.

The Kopila Siliguri project has developed platforms for children – particularly girls – to raise their voices. Children's clubs bring children together to learn about their rights, share what they want to change in their communities, and simply to interact with each other in a safe and friendly environment. Through the children's clubs, girls like Barsha, aged 13, have been empowered to speak up.

"Before joining the group, I found it very difficult to face people," says Barsha. "But as I have been a part of Chesta club for two years now I have become confident in speaking in front of a group of people. I have started to lead the children of my group during our club meetings."

Barsha says she's learned many things since joining the club. "Now I know my rights and I can confidently fight for myself if I am deprived of them."



Top: Barsha, children's club member.

Bottom: Children gather outside a World Vision non-formal learning centre in Siliguri. Photo: Dylan Quinnell/World Vision

Today, most children in her community are confident to speak up both within and outside of the children's club environment. This even includes challenging local police and government officers on child welfare issues.

“... [The] project has done [an] incredible job in ensuring that child participation increased by many folds. The project has made an impact into the right to participation a real success. – **Mrinal Ghosh, District Child Protection Officer, Darjeeling**”

“The Siliguri project gave me the opportunity to think about how vulnerable children are in situations of urban congestion. The most reassuring thing I learnt is that children who are valued and embraced by their community are automatically placed in a safer, stronger position. – **Robyn Blake volunteers in our campaigns team and helped to edit a video to inform partners and supporters about the Kopila Siliguri project**”

See Sectoral snapshot: Child protection on page 38.

589

child labourers and potential child labourers in the Siliguri area have been reintegrated into the formal school system as a result of project activities.

15

non-formal education classes are held each day across the six participating communities to ensure children who've dropped out of school continue with their education.

12

children's clubs and six child protection units have been established in the Siliguri area. The project has also provided training on child protection issues to law enforcement agencies including police, border security and railway police.

29

projects and Area Development Programs in India were supported by us during 2013.

We invest for long-term,
sustainable success.

Angela and her extended family
participate in the Este Manabi Area
Development Program in Ecuador.
Photo: Ilana Rose/World Vision



Governance and management

Our Board

Our Board comprises 12 highly qualified individuals who each bring unique expertise and experience relevant to their governance role.

Throughout 2013, George Savvides has served as Board Chairman. Changes to our Board this year are:

- Michael Prince retired in February 2013 after a six-year term.
- Wendy Simpson and Judy Barraclough joined in February 2013 and Professor Tim McCormack joined in late September.



Louise Baur

(Member – People, Culture and Remuneration Committee)

- Professor, Paediatrics and Child Health, Sydney School of Public Health at the University of Sydney
- Consultant Paediatrician, The Children's Hospital at Westmead
- Member of the Order of Australia (2010) for service to medicine, particularly in the field of paediatric obesity as a researcher and academic, and to the community through support for a range of children's charities

Colin Carter

(Member – People, Culture and Remuneration Committee)

- Senior Adviser, Boston Consulting Group
- Director, Origin Energy Ltd, Wesfarmers Limited, Seek Limited, Lend Lease Limited, The Cape York Institute for Policy and Leadership and the Indigenous Enterprise Partnership
- Commissioner, Australian Football League
- President, Geelong Football Club as a non-executive director
- Chairman, AFL Foundation



George Savvides

(Chairman)

- Managing Director, Medibank Private Limited
- Vice President, Council of the International Federation of Health Plans
- Chairman, Arrow Leadership Australia
- Fellow, Australian Institute of Company Directors



Judy Barraclough

(Member – Audit Committee)

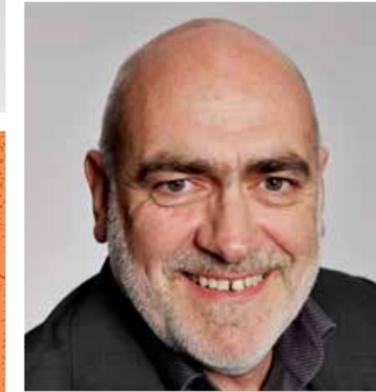
- Experienced corporate executive: strategy development, corporate planning, corporate affairs, research, and mergers and acquisitions



Fiona Pearce

(Member – Audit Committee)

- Experienced financial and commercial executive and non-executive director
- Director, CityWest Water, Scotch College and Presbyterian Ladies' College



Tim McCormack

(Member – Audit Committee)

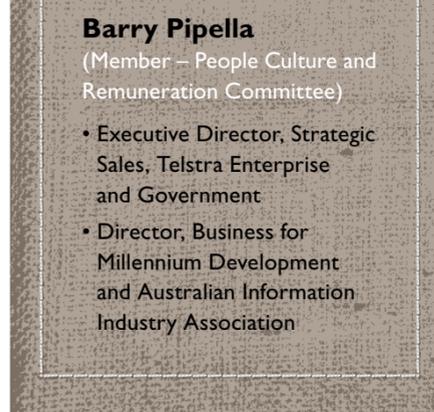
- Professor of Law, Melbourne Law School
- Adjunct Professor of Law, University of Tasmania Law School
- Special Adviser – International Humanitarian Law to the Prosecutor of the International Criminal Court in The Hague



Wendy Simpson

(Member – People, Culture and Remuneration Committee)

- Chairman, Wengeo Group
- Member of the Organising Committee for the annual Sydney Prayer Breakfast
- Medal of the Order of Australia (2013) for service to the community through a range of women's and youth organisations
- Australian Businesswomen's Hall of Fame (2013)



Barry Pipella

(Member – People Culture and Remuneration Committee)

- Executive Director, Strategic Sales, Telstra Enterprise and Government
- Director, Business for Millennium Development and Australian Information Industry Association



Donna Shepherd

(Member – People Culture and Remuneration Committee)

- Board member, World Vision International
- Managing Director, Creating Communities Australia
- Director, Envirodevelopment Board for the Urban Development Institute of Australia, WA



Shannon Adams

(Deputy Chairman, Member – Audit Committee)

- Board member, World Vision International
- Partner, Langes+



Rob Goudswaard

(Chairman – Audit Committee)

- CEO and Director, Rural Finance Corporation
- Fellow, Williamson Leadership Community Program



John Harrower

(Chairman – People, Culture and Remuneration Committee)

- 11th Bishop of Tasmania
- Medal of the Order of Australia (2000) for service to the community through the Anglican Church and as a missionary



Our Executives

The structure of our Executive teams remained unchanged in 2013.

Tim Costello (Chief Executive Officer), Melanie Gow (Chief of Staff and Strategy), Jenny Ward (Executive Officer) and Stephen Hughes (Chief Financial Officer until his resignation in early September 2013) formed our Strategic Executive Team.

Our Operational Executive Team was led by Jenny Ward (Executive Officer) and comprised General Managers across our operational divisions.



Our Board

Governing principles

Our Board's Policy Manual sets out the principles as to how our Board conducts its work. The following statement on our Board's governing style details how its roles and responsibilities are discharged:

"The Board will approach its task proactively, rather than reactively, with a style that emphasises longer-term policy, outward vision, encouragement of diversity in viewpoints and strategic leadership. The Board acknowledges and will respect the clear distinction between its role and the role of management, recognising that administrative and operational details are generally management responsibilities. In this spirit, the Board will:

- enforce upon itself and its members the discipline needed to govern with excellence. Discipline will apply to matters such as attendance, respect for roles, speaking with one board voice and self-policing of any tendency to stray from governance ...
- be accountable for competent, conscientious and effective accomplishment of its obligations as the governing body ... It will allow no officer, individual or committee of the Board to usurp this role or hinder this commitment.
- monitor and regularly discuss the Board's own process and performance, seeking to ensure the continuity of its governance effectiveness by the selection of capable directors, orientation of directors both before and after election, board training and continuing professional development and education and peer and self-evaluation.
- be responsible for its own performance, but seek and encourage assistance from the CEO (and other ... personnel, as relevant), in the Board's pursuit of excellence.
- be available to assist in areas where there are individual competencies without usurping the role of management."

Board committees

Throughout 2013, our Board has been supported by the following Board committees:

- The Audit Committee, which assists the Board in monitoring and ensuring the integrity of our financial reporting, compliance with legal and regulatory requirements, internal standards (including the code of conduct), policies and expectations of key stakeholders, effectiveness of our internal control and risk management framework and the effectiveness of the internal and external audit functions. Rob Goudswaard was appointed Chairman of this committee in July 2013.
- The People, Culture and Remuneration Committee, which assists our Board to effectively discharge its responsibilities for monitoring human resources and corporate culture, appointment of our Executive Team and evaluation of our Chief Executive Officer. This committee also assists our Board with respect to board composition, skills and procedures to maintain a process of continuous improvement. John Harrower was appointed as Chairman of this committee in July 2013.

Seak-King Huang continued to serve as Company Secretary in 2013. In this role she works most closely with George Savvides as well as Rob Goudswaard and John Harrower who chair our Board Committees, but also supports our other Board members.

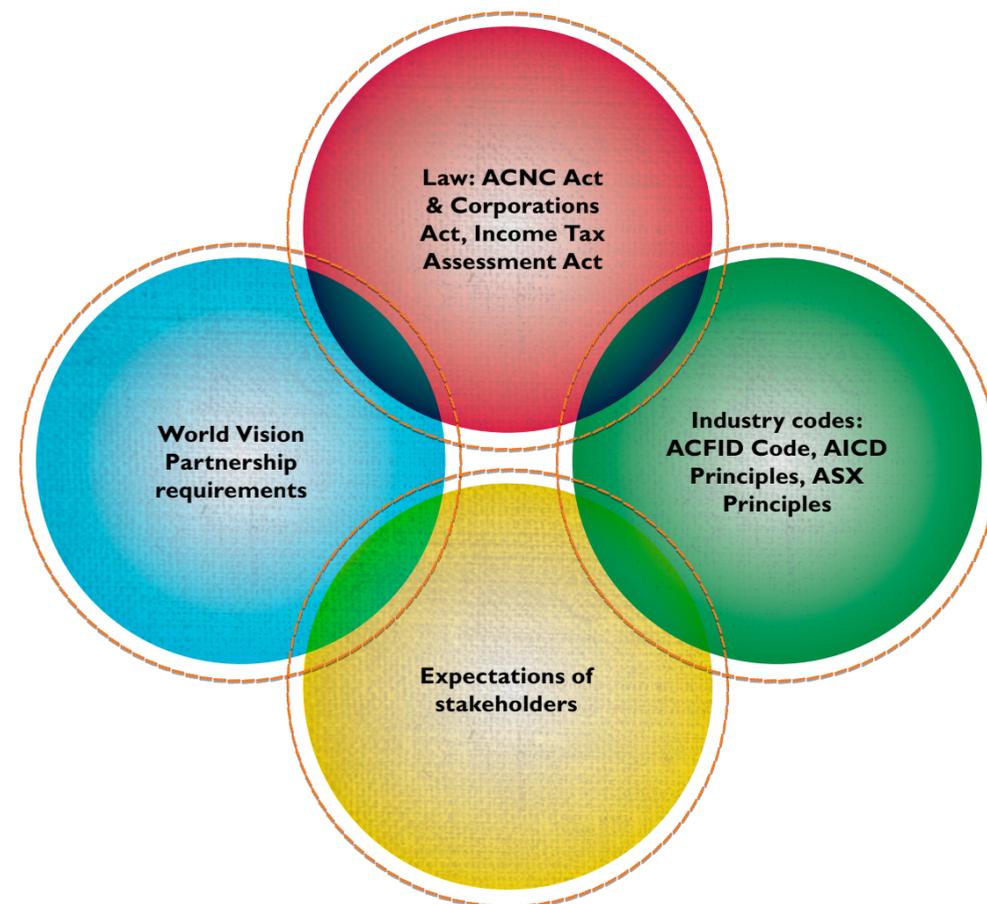
You can read more about the work of our Board Committees in our full Corporate Governance Statement as well as full profiles of our Board members at worldvision.com.au/Board.

Corporate Governance

We understand Corporate Governance to be the framework of systems and processes, rules and relationships, within and by which, authority in an organisation is exercised and the organisation as a whole is directed and controlled. Our Corporate Governance aim is to create long-term, sustainable value for our supporters and other stakeholders, especially those whom we serve.

Our Board recognises its role in overseeing the determination and implementation of policies and processes that reflect good Corporate Governance and understands that these must, like our Core Values (see page 7), inform and guide the attitudes, decisions and actions that make up the fabric of our life and work. We also recognise that this is another area in which we must continuously make improvements by considering, reviewing, testing and changing processes.

The diagram below illustrates our Corporate Governance environment as one in which the law, industry codes, the expectations of our stakeholders (supporters and those we serve) and World Vision International Partnership requirements interplay:



During 2013, we continued to be regulated by the Corporations Act, but as modified by the Australian Charities and Not-for-Profits Commission Act 2012 (ACNC Act). The ACNC Act is now the main law applicable to us in relation to Corporate Governance. We have welcomed the enactment of the Governance Standards under the ACNC Act, which now apply to us, and the "switching off" of the director's duties provisions of the Corporations Act. We also hold tax endorsements and concessions and are therefore also subject to the Income Tax Assessment Act.

As a signatory to the ACFID Code of Conduct, we are also subject to this code's governance principles and requirements. The code defines minimum standards of governance, management and accountability for non-government organisations and aims to improve international development outcomes and increase stakeholder trust by enhancing the transparency and accountability of signatory organisations. This year, we also welcomed publication by the Australian Institute of Company Directors of the "Good Governance Principles and Guidance for Not-for-Profit Organisations" (AICD NFP Principles). Our Board has adopted the AICD NFP Principles. Since 2008, we have voluntarily adopted the Australian Securities Exchange's Corporate Governance Principles and Recommendations (ASX Principles) and applied them, insofar as it is sensible and realistic to do so even though we are not a listed entity, taking into account our position as a large, not-for-profit organisation and with due regard to the scope of our operations and level of donor and public interest. The AICD NFP Principles and the ASX Principles are not incompatible and both apply to us, but the AICD NFP Principles, being focused on not-for-profit organisations, take precedence.

As a member of the World Vision International Partnership, we are also subject to Partnership policies, insofar as they are appropriate under Australian laws. In relation to Corporate Governance specifically, the Partnership's Corporate Governance Guidelines apply. These guidelines are, by their nature, more specific to entities within the Partnership, including ourselves.

In a peer review undertaken in March 2013, we were rated as "Outstanding" in our governance and alignment to core values and policies of the Partnership.

In 2013, we reviewed our Corporate Governance Statement and replaced it with one that recognises the ACNC Governance Standards and the AICD NFP Principles. You can read our full Corporate Governance Statement at worldvision.com.au/CorpGov.

The statement addresses in detail how we respond to the requirements and principles under relevant laws, industry codes and our own policies as they relate to Corporate Governance.

Risk management

We apply the principles and guidelines of AS/NZS ISO 31000:2009 Standard for risk management to our policies and practices. This assists us to integrate risk management into our overall management system. Existing risk management policies and practices across the organisation are assessed, and adapted where necessary, for adequacy and effectiveness against the following attributes of the standard:

- continuous improvement of risk management effectiveness to ensure alignment with, and support of, strategic objectives;
- full single-point accountability for risks;
- risk-based decision making – consideration of risks and effective treatment thereof in all decisions;
- continuous communication with internal and external stakeholders including frequent reporting of risk management performance; and
- full integration in the governance structure, recognising that effective risk management is essential for the achievement of organisational objectives.

Our Internal Audit Team operates under a charter mandated by our Board's Audit Committee. Its purpose is to:

- provide independent objective assurance to our Board that the components of internal control are operating effectively and as they are intended; and
- assist the Chief Executive Officer and Executive Team in effectively discharging their responsibilities to the Board in the areas of risk management and internal control whilst supporting improvements to overall business process.

The team operates with independence, authority and accountability as determined by our Board's Audit Committee as follows:

- The team complies with professional standards and good Corporate Governance principles. The team is independent of the organisation's activities, processes and staff that it reviews in order to perform duties and report results objectively.
- The team reports functionally to the Chair of our Board's Audit Committee and administratively through our Chief Financial Officer. It has no direct authority or responsibility over any activities that could be subject to audit.

A fuller explanation of our risk management approach can be found in our full Corporate Governance Statement available at worldvision.com.au/RiskManagement.

Our staff and volunteers

	2013	2012	2011
Board members	12	10	10
Total employees	609	578	554
Full-time employees	494	463	456
Part-time employees	115	115	125
Staff turnover rate	19.38%	22.50%	20.20%
Volunteers	1,224	1,064	2,611
Hours volunteered	31,581	36,924	73,897

	Male	Female
Board members	7	5
Employees	225	384

	Male	Female
Full time	210	284
Part time	15	100

Percentage of employees	
Under 21 years	0.3%
21 to 30 years	20.7%
30 to 40 years	37.4%
40 to 50 years	24.8%
50 to 60 years	13.3%
Over 60 years	3.4%

People development

We use our Employee Development and Review system, LINK, to ensure that we work collaboratively to achieve our business priorities and develop our employees. Under this system, a yearly performance agreement and development plan is established for every employee. Managers are responsible for providing ongoing formal and informal performance feedback to employees and honest, constructive and timely direction. Formal performance reviews take place annually and all employees who have been with the organisation for more than three months are reviewed. In 2013, all such employees underwent performance reviews. Our CEO's performance is appraised by our Board's People, Culture and Remuneration Committee.

Volunteers Allan Cook (left) and Noel Cooper were among those whose contribution to World Vision was acknowledged during National Volunteer Week.
Photo: Lucy Aulich/World Vision



In 2013, we emphasised building two key capabilities that support the organisation's short-to-medium term strategic objectives: fundraising and project management skills. As part of this we have identified critical behaviours for success in our face-to-face fundraising channel. Managers have been developed through online and tailored workshops in leading and reinforcing these critical behaviours. We have also established a consistent approach to project management governance and for some large projects apply the "Agile" project management approach to promote collaborative ways of working.

Management development continues to focus on the "Success Through People" management tools and all new staff are introduced to the core tools during orientation. In 2013, self-awareness tools such as leadership profiling and 360 degree feedback have been used increasingly to support managers' development.

Equal Employment Opportunity and Affirmative Action

We are proud of our approach to embed a culture free of gender bias and create gender equality. We continue to lodge an annual public report with the Workplace Gender Equality Agency which ensures gender fairness in the workplace. Our average percentage of female employees is 67 percent, which is higher than the average for the overall Australian workforce (45.7 percent). Women are strongly represented in leadership positions, making up over 40 percent of our Board and senior executives and over 50 percent of our department heads.

The development of an Aboriginal and Torres Strait Islander Employment Strategy has been a key action from our 2013 Reconciliation Action Plan, available at

worldvision.com.au/ReconciliationPlan

This strategy aims to create a defined approach to attracting, developing and retaining Aboriginal and Torres Strait Islander staff in order to live out our commitment to Reconciliation.

Recognising our volunteers

Central to our success are the contributions of hundreds of dedicated volunteers. In 2013, some 1,224 volunteers contributed \$1.8 million in people resource cost savings by working in a

range of strategic and operational roles across the organisation. This was an increase of 15 percent on last year's volunteer headcount. We try to ensure our volunteers experience a sense of inclusiveness, purpose and drive and where possible gain skills that can give them an edge in the employment market.

To ensure a consistent approach to volunteer management practices across the organisation, a Volunteer Management framework was established in 2013. We recognise the importance of adopting a systematic approach to managing volunteers that complies with the National Standards of Volunteer Involvement for Not-for-Profit Organisations and the Model Code of Practice set by Volunteering Australia Inc. Our Volunteer Management Policy applies to all employees and volunteers and is of particular importance to employees and managers who engage volunteers to work within their teams.

Our Volunteer Management Standards clarify the boundaries and expectations of behavioural standards to volunteers, employees and other key stakeholders both internally and externally.

In 2013, we welcomed an increase in the number of groups and individuals from corporate Australia volunteering their services to us. They assisted us on a range of activities, from completing warehouse audits to providing support on project and strategic work.

Our volunteer program has partnered with the BAWM Group – part of the Institute of Counselling and Community Services – to assist with return-to-work activities for people with a disability or mental illness or those recovering from stroke.

National Volunteer Week

National Volunteer Week in May 2013 provided us with an opportunity to highlight our volunteers and recognise their contributions. Our teams celebrated the week by holding thank-you morning teas for their volunteers and presenting them with Certificates of Appreciation.

Among those recognised were four outstanding volunteers: Allan Cook, Noel Cooper, Timmy Lo and Ashleigh Streeter. Our 2013 Volunteer of the Year award was presented to Verna Scott for her 25-year commitment to World Vision, here in Australia and overseas, on our annual Staff Prayer day in October 2013.

Environmental management

We are committed to improving our environmental performance and to reducing our contribution to climate change and environmental degradation.

Since 2008, we have considered the extent of our carbon footprint by measuring a selection of key activities and consumption items which have the most significant environmental impact: electricity, air travel (by fuel), paper, car fleet and gas.

We have set a target of zero emissions by 2017 for these key indicators, reducing emissions and purchasing carbon offsets where emissions cannot be sufficiently reduced to meet our yearly reduction target. In 2007, we expected to be able to reduce our carbon footprint to below 5,200 tonnes of CO₂-e per annum before purchasing carbon offsets.

We continue to integrate our carbon reduction strategy with our core development programs. We have a forest regeneration project and an energy-efficient stoves project in Africa which incorporate carbon emission reductions that form the basis of certifiable emission reduction units under the Clean Development Mechanism of the Kyoto Protocol. This year we were able to purchase carbon emission offsets from our forest regeneration project in Soddo, Ethiopia. More information about this project and other carbon emission reduction projects can be found at mer.markit.com/WV.

Results from our carbon footprint reduction initiative

The data in the table on the opposite page has been independently verified by PricewaterhouseCoopers. The independent verification statement is available on our website at worldvision.com.au/Carbonfootprint2013.

The table shows the number of tonnes of carbon emissions consumed under each key activity over the 2013 financial year compared with the previous two years.

We have reduced total carbon emissions by 164 tonnes of CO₂-e. This is primarily due to more efficient management of paper inventory and more accurate air travel emissions factors reflecting our commitment to use economy class flights. This is offset against a 7.5 percent increase in electricity tonnes CO₂-e, due to more accurate electricity readings using smart meters.

	2013	2012	2011
KEY ACTIVITIES MEASURED	tonnes CO ₂ -e	tonnes CO ₂ -e	tonnes CO ₂ -e
Electricity ¹	2,238	2,081	2,084
Air travel (fuel only) ^{1,2}	1,382	1,491	1,927
Paper ³	405	589	332
Car fleet ¹	161	179	197
Gas ¹	128	138	151
TOTAL EMISSIONS BEFORE OFFSETS	4,314	4,478	4,691
OFFSETS			
BP fuel offsets	-	-	(51)
Gold Standard offsets purchased		(1,200)	-
Gold Standard offsets purchased from World Vision Programs ⁴	(1,657)	-	-
TOTAL EMISSIONS AFTER OFFSETS	2,657	3,278	4,640
TARGET	2,657	3,321	3,985

- 1 Australian National Greenhouse Accounts factors changed during the year and the conversion factors published in July 2013 have been used for this report.
- 2 Air travel emissions for the 2013 and 2012 financial years were calculated using the guidelines of the Department for Environment, Food and Rural Affairs (UK) and the Environmental Protection Agency (EPA), Victoria due to discontinuance of the GreenFleet web tool which was used up until and including 2011. Air travel emissions have excluded airfares purchased and reimbursed for non-World Vision Australia staff where they have readily been identified.
- 3 Emissions factors of the EPA, Victoria used.
- 4 VERs (Voluntary Emissions Reductions) have been purchased from the Forest Finance Group, an accredited independent trader of carbon offsets that are generated from World Vision projects. These VERs have been purchased at market rate to offset 1,657 tonnes CO₂-e. The Gold Standard Foundation has certified the VERs and the certificates will be issued to us by March 2014.

We invest in results that have
a real and tangible impact.

Mat weaving in southern Malawi, where we are working
with communities to improve agriculture and incomes.
Photo: Lucy Aulich/World Vision

Financial position and performance

Snapshot

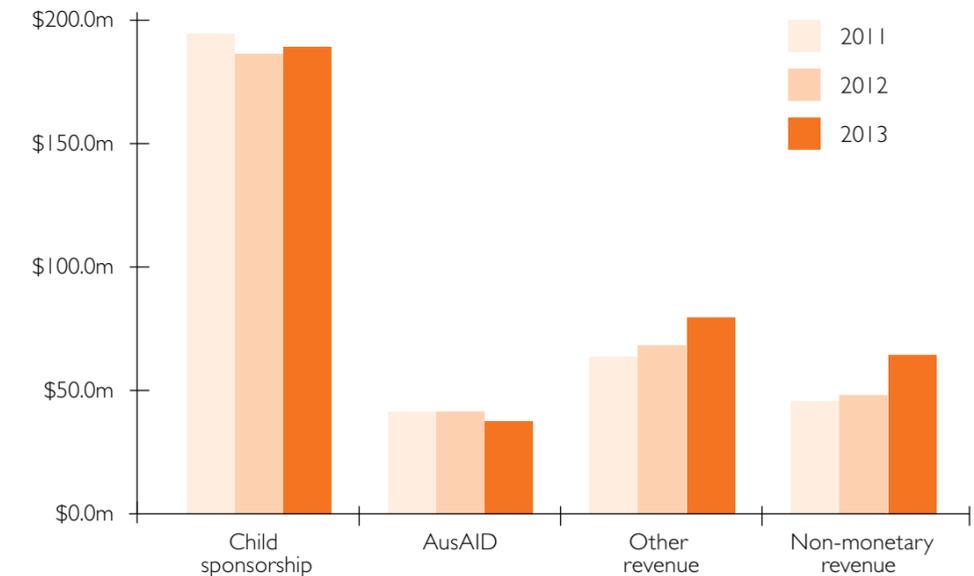
The table below is a snapshot of our income and disbursements over the 2013 financial year compared to the previous two years. You can find more details in our Summarised Financial Report on pages 86 to 91.

This snapshot and the Summarised Financial Report are set out in the manner required under the ACFID Code of Conduct to which we are a signatory. We are a "large charity" registered with the Australian Charities and Not-for-Profits Commission (ACNC) and we have prepared a snapshot of our financial performance for the 2012 and 2013 financial years in the format which will be required by the ACNC for 2014 Annual Information Statements to be lodged by large charities registered with the commission. You can find this, as well as a reconciliation, on our website at worldvision.com.au/Fin-ACFID_ACNC2013.

	2013	2012	2011
INCOME:	\$m	\$m	\$m
Child sponsorship	189.0	186.2	194.5
Grants - AusAID	37.6	41.5	41.2
Other revenue	79.4	68.0	63.7
Cash income	306	295.7	299.4
Non-monetary donations and gifts	64.4	48.2	45.7
TOTAL INCOME	370.4	343.9	345.1
DISBURSEMENTS:			
Fundraising	49.7	39.4	38.4
Administration and accountability	26.3	26.9	27.4
Overheads	76.0	66.3	65.8
International programs:			
Funds to international programs	216.8	211.2	220.7
Program support costs	8.3	8.8	8.6
Domestic projects	4.3	3.8	3.3
Community education	3.3	4.7	4.3
Program disbursements – cash	232.7	228.5	236.9
Non-monetary items to international programs	63.0	47.7	45.6
Program disbursements*	295.7	276.2	282.5
TOTAL DISBURSEMENTS	371.7	342.5	348.3
SURPLUS/(DEFICIT)	(1.3)	1.4	(3.2)

Income

The graph below illustrates the three-year history of our income by source.



2013 and 2012 financial year comparisons:

Child sponsorship: Revenue from our child sponsorship program grew 1.5% to \$189 million in 2013 and was supplemented by the first increase in the sponsorship rate in six years. The rate rise reflects the increasing cost of maintaining the quality and impact of our work in communities around the world. The absolute number of children sponsored declined by 11,819. At balance date, 362,125 children were sponsored through our child sponsorship program enabling these children, their families and communities to benefit from transformational development activities.

Grants (AusAID): The value of grants received from AusAID, the Australian Government's international aid agency, fell by 9.4% to \$37.6 million. AusAID changed the mechanism it uses to release funds to overseas aid agencies. As a result, \$6.4 million in committed funds have been deferred and will be received in the 2014 financial year.

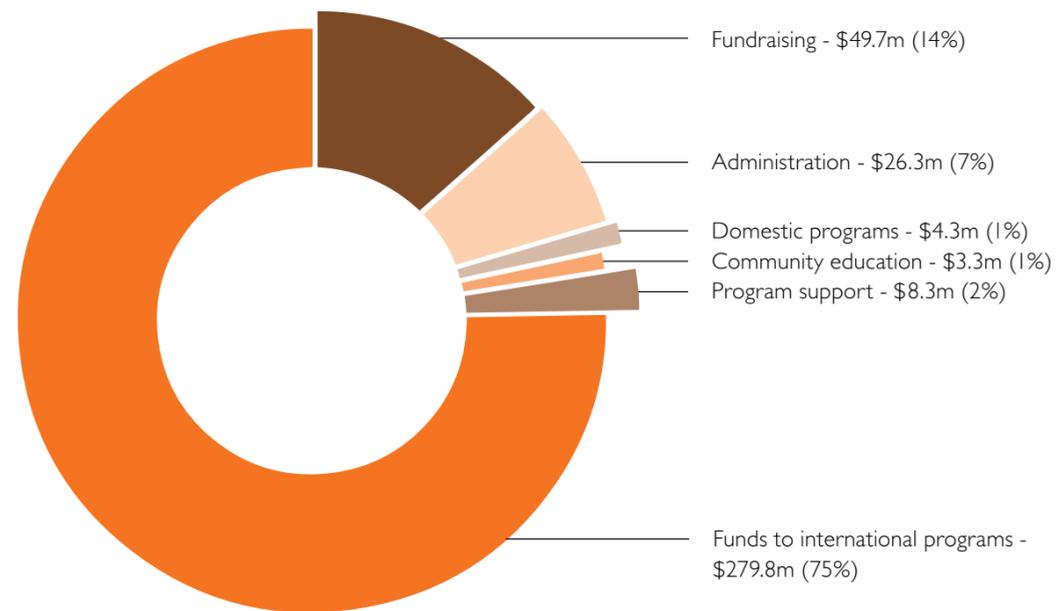
Other revenue: This includes non-government grants, emergency relief appeals, other appeals, cash donations and gifts, and investment income. Other revenue increased by 16.8% to \$79.4 million. This is primarily due to increased focus on securing grants from outside Australia. Overseas grant revenue increased by \$10.7 million (130%) to \$18.9 million. Our Syrian Refugee Crisis Appeal contributed \$1.5 million to the increase in this category. In 2013 the Australian public donated \$1.9 million towards emergency appeals.

Non-monetary donations and gifts: This includes donated goods from corporations and overseas donor agencies, and any other non-cash income. In the 2013 financial year, this category of revenue reached \$64.4 million, an increase of 37%, primarily due to additional shipments of pharmaceutical goods totalling \$44.5 million being sourced and provided to the field. Revenue in this category also includes \$19.9 million of food from the World Food Programme.

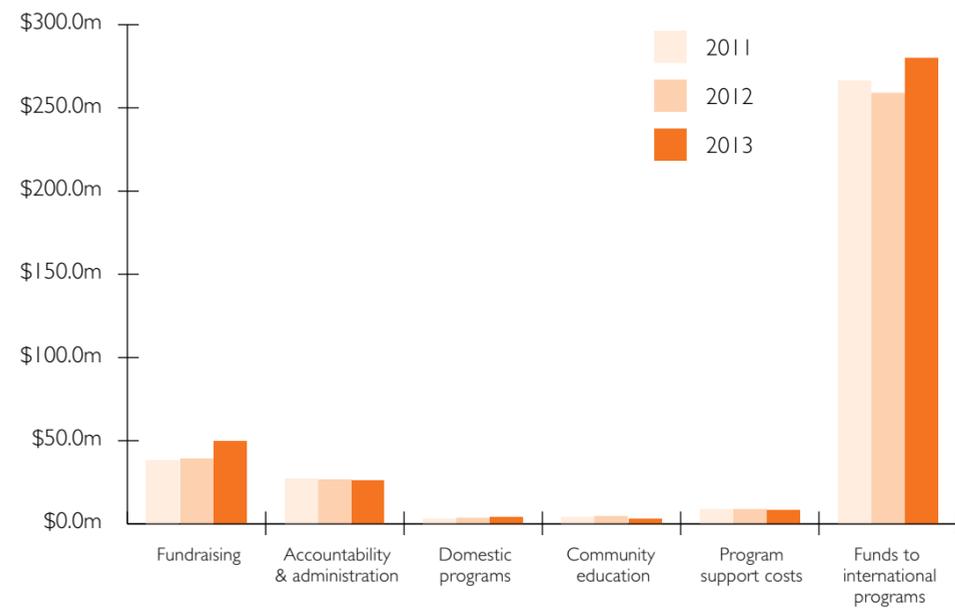
Financial position and performance

Disbursements – How funds were used in 2013

Set out below is an illustration of how funds were used in the 2013 financial year.



And the following illustrates use of funds over the 2011, 2012 and 2013 financial years.



In comparing the 2013 and 2012 financial years:

Fundraising: This includes the costs of marketing, creative services and publishing to attract new supporters for our poverty alleviation activities. Fundraising costs increased during the year by 26.1% to \$49.7 million, as deeper investment was made in our brand and also in diversifying the reach and depth of our sales and marketing efforts.

Accountability and administration: This includes the costs of our call centre, information technology, finance and accounting, human resources, and legal and risk management functions, as well as our CEO and management teams. It also includes our contribution towards the costs of the Partnership (see page 84 for more information). In 2013, ongoing attention to these costs resulted in a 2.4% reduction; this is primarily due to lower salary costs and travel expenses.

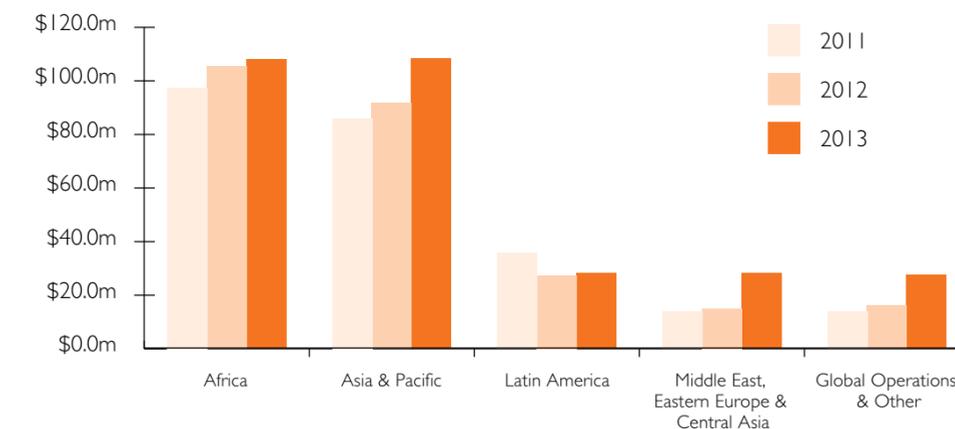
Domestic programs: This includes our disbursements for work here in Australia on Indigenous development programs. Funds to domestic programs have increased by 13.2% to \$4.3 million, primarily due to our participation in the Indigenous Development Effectiveness Initiative project.

Community education: This includes the costs associated with public awareness campaigns in Australia, and advocacy activities which seek to bring about change in government and institutional policies. In 2013, community education expenses decreased by 29.8% to \$3.3 million. This is largely due to the redeployment of resources into fundraising activities.

Program support costs: This includes costs associated with quality advisors and sector specialists in areas such as health and economic development, who are engaged by us in Australia to assist with the design, monitoring and evaluation of the programs we support to ensure maximum impact. A fall in program support costs of 5.7% to \$8.8 million is primarily due to increased employment of in-house expertise, which has reduced the need for contracted services.

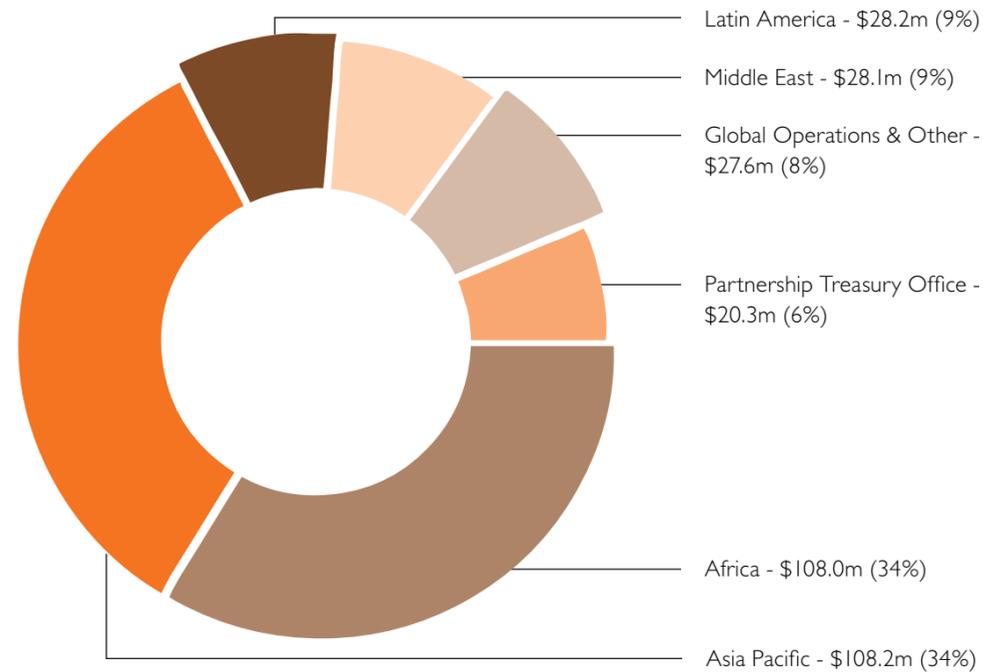
Funds to international programs: This includes all funds, food (including World Food Programme contracts) and goods (including medicines) designated for our international programs. It also includes funds transferred to the Partnership Treasury Office and designated for field programs which have not yet been committed to a specific project but will be allocated to projects in future years. Through the generosity of our supporters, we were able to increase our commitment to the field in 2013. Monetary contributions to our mission through overseas projects increased by 2.6% to \$216.7 million and non-monetary contributions, such as pharmaceuticals and World Food Programme commodities, rose by 32.1% to \$63.0 million. You can find out more about how funds reach communities on page 27.

The graph below shows disbursements of cash, food and goods by region in the 2013 financial year compared with the previous two years.



Financial position and performance

This chart shows disbursements by region in the 2013 financial year.



Partnership Treasury Office: This includes funds transferred to the Partnership Treasury Office which are designated for field programs but which will only be allocated in future years.

(In each financial year, the total disbursement of funds remitted to overseas projects during the year may be less than or more than the income received in the year. Any disbursements in excess of current year income will be funded from prior year reserves and reduce the amount held in the Partnership Treasury Office. Any disbursements less than the current year income will increase the funds held at that office pending future disbursement to projects.)

Global operations and other international projects: These cover costs of technical experts of the Partnership who oversee and coordinate activities, including strategic operations, and also engage in international advocacy activities on issues such as debt relief, HIV and AIDS, and child rights. By working with these experts, we improve efficiency and maximise economies of scale.

Ensuring our ability to meet our field program financial commitments

Communities must be able to trust that the time and energy they invest in participating in programs will not be wasted because we fail to meet the commitments we have made.

As part of the Partnership's global planning process, we make funding commitments to relief and development programs we will support (international or domestic) approximately three to six months before the start of the next financial year. All funds proposed to be allocated or committed are considered and approved by our Field Allocations Committee which comprises key employees with responsibility for oversight of the use of funds in all our programs. Funding decisions are based on criteria such as strategic fit, organisational capacity and budget requirements. The committee applies local and international accounting standards and operational audits to ensure that our overseas and

local partners adhere to our project management standards. This process helps to provide the requisite level of certainty around funding streams for local World Vision offices implementing our programs to enable them to plan appropriately and allocate resources.

Our staff visit our projects periodically and perform quality monitoring in the areas of sustainability, impact, development approach and financial risk monitoring.

All overseas projects we support are funded in US dollars. World Vision International enters into foreign exchange purchase contracts on behalf of and following instructions from us to hedge against currency exchange risks.

We are committed to ensuring that funds donated to us are used for the purposes for which they were raised. The only exception to this occurs where circumstances beyond our control prevent us from utilising funds in the promised manner. Such circumstances may include instances where:

- geopolitical issues prevent the use of funds;
- security of staff is jeopardised so that World Vision is forced to withdraw from the project area;
- the relevant community has asked us to leave; or
- we lose confidence that our field partner has capacity to implement projects and account for funds.

When we are unable to use funds donated to us for the purposes for which they were raised, the funds are allocated to areas of similar need. We generally inform our donors of this in general communications about each appeal. Where specific communication is required, the method of communicating will depend on the number of donors impacted.

We are committed to accountable and transparent financial management and follow strict procedures to ensure funds are used as intended, including annual internal and external audits. In addition to a rigorous internal audit system, our accounts are audited by PricewaterhouseCoopers. Our audited statutory accounts will be lodged with the Australian Council for International Development and the Australian Charities and Not-for-Profits Commission, as well as State fundraising regulators as relevant, and are available on our website at worldvision.com.au/StatAcc2013.

“

The StarKids partnership provides an opportunity for Jetstar, and the millions of Australians who fly with us every year, to give something back to the countries that we visit. It allows us to work with World Vision to help transform the lives of those most in need. – David Hall, Australia and New Zealand CEO, Jetstar

Summarised Financial Report

Set out on the following pages is our Financial Report for the year ended 30 September 2013 in summarised format. The information includes:

Independent Auditor's report	Page 86
Declaration by Directors	Page 87
Income Statement	Page 88
Statement of Financial Position	Page 90
Statement of Changes in Equity	Page 91

All amounts are presented in Australian dollars.

You can find the full version of our Annual Statements and Accounts for the year ended 30 September 2013 on our website at worldvision.com.au/StatAcc2013. This will also be lodged with the Australian Charities and Not-for-Profits Commission and the Australian Council for International Development.

INDEPENDENT AUDITOR'S REPORT

Report on the financial report

We have audited the accompanying financial report of World Vision Australia (the company), which comprises the statement of financial position as at 30 September 2013, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

- (a) the financial report of World Vision Australia is in accordance with the Corporations Act 2001, including
- (i) giving a true and fair view of the company's financial position as at 30 September 2013 and of its performance for the year ended on that date; and

- (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

- (b) the company's financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Other Matter: Basis of Preparation

Without qualifying our opinion, we draw attention to the following matter. As indicated in Note 1(a) the statement of financial position, income statement, statement of changes in equity and table of cash movements for designated purpose as disclosed in Note 18(c) has been prepared in compliance with the Australian Council for International Development (ACFID) Code of Conduct Section C.2.2.

Report on the Australian Council for International Development ('ACFID') Code of Conduct Summary Financial Report (the 'Report')

We have audited the Report of the company, which comprises the statement of financial position as at 30 September 2013, and the income statement, statement of changes in equity and table of cash movement for designated purpose as disclosed in Note 18(c) for the year ended on that date and the directors' declaration. The directors of the company are responsible for the preparation and presentation of the Report in accordance with section C.2.2 of the Australian Council for International Development (ACFID) Code of Conduct. Our responsibility is to express an opinion on the Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion, the Australian Council for International Development (ACFID) Code of Conduct Summary Financial Report of World Vision Australia for the year ended 30 September 2013 complies with section C.2.2 of the Australian Council for International Development (ACFID) Code of Conduct.

I, Nadia Carlin, am currently a member of the Institute of Chartered Accountants in Australia and my membership number is 87763.

PricewaterhouseCoopers



Nadia Carlin Partner

Melbourne
22 November 2013

DECLARATION BY DIRECTORS

In accordance with a resolution of the Board of Directors of World Vision Australia, the Directors declare that in their opinion:

- (a) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- (b) the financial statements and notes set out on pages 11 to 42 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 30 September 2013 and of its performance for the year ended on that date;
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
 - (iii) Note 1(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

On behalf of the Board



Chairman



Director

Melbourne
22 November 2013



Summarised Financial Report

Income Statement for the year ended 30 September 2013

	(Revised)*	
	2013	2012
REVENUE	\$'000	\$'000
Donations and gifts		
Monetary		
Pledge programs	198,143	195,124
Appeals, donations & gifts	44,293	43,459
Non-monetary		
Donated goods	44,480	28,329
Grants (multilateral)	19,884	19,847
	306,800	286,759
Bequests and legacies	3,066	2,470
Grants		
AusAID	37,569	41,468
Other Australian	1,804	2,408
Other Overseas	18,877	8,214
	58,250	52,090
Investment income	1,275	1,887
Other income	879	706
TOTAL REVENUE	370,270	343,912

The above income statement should be read in conjunction with the accompanying notes which can be found in the full version of our Annual Statements and Accounts for the year ended 30 September 2013 on our website at worldvision.com.au/StatAcc2013.

Note: For the purposes of the Australian Council for International Development Code of Conduct, at the end of 30 September 2013, World Vision Australia had no transactions in the following categories: Revenue for International political or religious proselytisation programs and Expenditure for International political or religious proselytisation programs.

* The ACFID Code of Conduct (Section F.2.1) allows for administration costs of overseas field offices or program partners to be included in the "Funds to International Programs" expense line item in the Statement of Income. In 2013, \$7.3 million of administrative costs has been included in this expense line, and \$6.3 million has been appropriately reclassified in 2012 from "Accountability and Administration" to "Funds to International Programs".

	(Revised)*	
	2013	2012
EXPENDITURE	\$'000	\$'000
International aid and development programs expenditure		
International programs		
- Funds to international programs	216,775	211,183
- Program support costs	8,314	8,750
	225,089	219,933
Community education	3,260	4,786
Fundraising costs		
- Public	46,560	37,515
- Government, multilateral and private	3,181	1,887
Accountability and administration	26,260	26,905
Non-monetary expenditure	63,035	47,710
Total international aid and development programs expenditure	367,385	338,736
Domestic programs expenditure	4,257	3,800
TOTAL EXPENDITURE	371,642	342,536
(Shortfall)/Excess of revenue over expenditure	(1,372)	1,376

Summarised Financial Report

Statement of Financial Position as at 30 September 2013

	2013	2012
	\$'000	\$'000
ASSETS		
Current assets		
Cash & cash equivalents	30,623	35,194
Receivables	1,692	1,184
Financial assets	59	46
Inventories	22	58
Donated goods	2,324	979
Unrealised currency hedge receivable	6,996	-
Total current assets	41,716	37,461
Non-current assets		
Investment property	-	288
Property, computer hardware & equipment	23,440	23,172
Total non-current assets	23,440	23,460
TOTAL ASSETS	65,156	60,921
LIABILITIES		
Current liabilities		
Accounts payable	7,923	9,715
Provisions	5,549	5,065
Unrealised currency hedge payable	-	2,759
Total current liabilities	13,472	17,539
Non current liabilities		
Provisions	1,088	1,169
Total non current liabilities	1,088	1,169
TOTAL LIABILITIES	14,560	18,708
NET ASSETS	50,596	42,213
EQUITY		
Reserves	6,996	(2,759)
Retained earnings	43,600	44,972
TOTAL EQUITY	50,596	42,213

The statement opposite of the financial position should be read in conjunction with the accompanying notes which can be found in the full version of our Annual Statements and Accounts for the year ended 30 September 2013 on our website at worldvision.com.au/StatAcc2013.

Statement of Changes in Equity for the year ended 30 September 2013

	Reserves	Retained earnings	Total
	\$'000	\$'000	\$'000
Balance at 1 October 2011	8,311	43,596	51,907
Excess of revenue over expenditure	-	1,376	1,376
Other comprehensive loss for the year	(11,070)	-	(11,070)
Balance at 30 September 2012	(2,759)	44,972	42,213
Shortfall of revenue over expenditure	-	(1,372)	(1,372)
Other comprehensive income for the year	9,755	-	9,755
Balance at 30 September 2013	6,996	43,600	50,596

The above statement of changes in equity should be read in conjunction with the accompanying notes which can be found in the full version of our Annual Statements and Accounts for the year ended 30 September 2013 on our website at worldvision.com.au/StatAcc2013.



We invest for now and the future.