



Annual Report
2007
World Vision Australia





Mission

To be a Christian organisation that engages people to eliminate poverty and its causes.

Vision

Our vision for every child, life in all its fullness.

Our prayer for every heart, the will to make it so.

Values

We are committed to the poor

We value people

We are stewards

We are partners

We are responsive

We are Christian

Our relationship with the World Vision International Partnership

World Vision Australia is part of the World Vision International Partnership which operates in 97 countries. It is a partnership of interdependent national offices, most of which are governed by local boards or advisory councils. By signing the World Vision International Covenant of Partnership, each partner office agrees to abide by common policies and standards. Partners hold each other accountable through an ongoing system of peer review.

Overseas programs are implemented in collaboration with the network of national offices and under the oversight of the World Vision International Partnership, which co-ordinates activities such as the transfer of funds and strategic operations.

Whilst we are accountable to other World Vision offices, World Vision Australia is a distinct legal entity. Together with our partner offices, we are responsible for the design, monitoring and evaluation of all programs for which we provide funding. Fundraising and marketing activities are managed locally here in Australia.

An international Board of Directors oversees the World Vision International Partnership. The full Board, which meets twice a year, appoints the Partnership's senior officers, approves strategic plans and budgets, and determines international policy. The Board of World Vision International consists of 25 members from 19 countries. Each national office, regardless of size, enjoys equal voice in Partnership governance. Two Directors of World Vision Australia sit on the Board of World Vision International.

For further information regarding the World Vision International Partnership, visit www.wvi.org



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Detailed financial statements, the directors' report and the auditor's report are set out in the Annual Statements and Accounts which together with *Responses to Poverty 2007* - our Annual Program Review, are available at worldvision.com.au

WARNING: Aboriginal readers should note that page 13 of this publication features an archival photograph. This image is widely published, and while we have taken several steps to identify the subjects featured, it is possible that the photograph includes deceased individuals. We unreservedly apologise if, by including this image, we cause any distress.

In this year's Annual Report, you will notice that our staff are featured with an Australian native plant in various stages of growth. From seed to blossom, this plant represents not only the growth we have experienced during 2007, but also our vision for every child – life in all its fullness.

Message from our Board Chair and Chief Executive

At the heart of all our work is the fundamental question – is life getting better for the world's poorest people?

In answering this question we can point to some remarkable achievements. Far fewer children are dying from preventable causes today than two decades ago. More people than ever before have access to treatment for diseases such as HIV and AIDS, tuberculosis and malaria. And since 2000, an extra 34 million children have been able to go to primary school for the first time.

We still have a long way to go, but global efforts to achieve the Millennium Development Goals, the United Nations' blueprint to halve extreme poverty by 2015, are gaining pace and real improvements are occurring. The actions of individuals, non-government organisations, companies and governments working together, can make a difference.

Through the commitment of our supporters, World Vision Australia has been able to play an important part in this global picture of transformation during 2007.

This year, we helped more than 20.4 million people around the world through 735 projects in 62 countries, including work with Indigenous communities here in Australia. Of these, at least 2.8 million people were supported through our emergency relief work in countries such as the Solomon Islands, Sri Lanka, Lesotho, Zimbabwe, Swaziland and Peru.

Australians continued their great tradition of reaching out to those in need. In 2007, they gave generously and lent their voices to the call for greater action to combat extreme poverty. We witnessed a powerful display of public support through the Make Poverty History concert, which reached 1.5 million people around the nation. And 100,000 Australians joined millions across the world in Stand Up Against Poverty, an annual event calling on our leaders to take action now.

With our Make Poverty History coalition partners, World Vision Australia continued to call on the Australian Government to increase overseas aid and to increase the percentage of aid committed for healthcare, water and sanitation in poor communities. These advocacy efforts contributed to the government's decision to boost its funding to tackle HIV and AIDS in the developing world by \$400 million.

This year, we also increased our efforts to respond to the grave new threats posed by climate change. This has the potential to undo many of the hard won gains made in the developing world over the last 50 years.

Climate change is having the greatest impact on the world's poorest people and along with global poverty, it stands as one of the great moral issues facing our world today. At World Vision Australia, responding to the challenges of climate change is now an important part of our community development programming, engagement with Australia and advocacy work.

As we reflect on the achievements of 2007 and prepare for the year ahead, we would like to thank the more than 400,000 individual Australians and corporate partners who make our work possible.

We do not take for granted the trust that Australians place in us. We are striving to be more accountable to both our supporters and the communities we seek to transform by improving the effectiveness and impact of our work.

As part of this ongoing process we are very proud to present a companion to this report - *Responses to Poverty* - our inaugural annual program review. Copies of this report are available for download on the World Vision Australia website.

The program review encourages critical reflection on our effectiveness. We believe its publication is an important step towards enhancing our accountability and improving outcomes. We also hope that it will serve as a window through which our work can be better understood.

Finally, on behalf of the Board and the Executive Team, we would like to give special thanks to our tireless and motivated staff and volunteers for their amazing efforts over this last year.

Along with our supporters, they have helped to bring positive changes to the lives of millions of children and families. Together with our partners we remain committed to building a movement of people who will take on the challenge of making poverty history.



Anne Robinson
Board Chair



Tim Costello
World Vision Australia
Chief Executive

A photograph of Tim Costello, Chief Executive of World Vision Australia. He is a middle-aged man with glasses, smiling broadly, wearing a grey short-sleeved button-down shirt. He is holding a pinecone in his hands. The background is a plain, light-colored wall. There is a decorative orange vertical bar on the right side of the page and some faint, stylized leaf graphics at the bottom.

Tim Costello
World Vision Australia
Chief Executive



The year in review

Highlights

Community development:

- Implemented 77 new projects, including significant new regional initiatives and new Australian Government-funded development activities in the Solomon Islands and Laos.
- Boosted the health of over 5 million children in Vietnam and the Philippines through a project to treat debilitating intestinal worms.
- Commenced year one of a five-year tuberculosis vaccination project in Papua New Guinea that when completed will have protected over 2.5 million children and 3 million adults.
- Completed *Letting the future in*, a pivotal report on the effectiveness of efforts to stop child labour in India.
- In partnership with the Burnet Institute, undertook a landmark study into our government's response to the spread of HIV and other sexually transmitted infections amongst Indigenous communities in central Australia.

Emergency relief:

- Deployed staff to help 2.85 million people during emergency responses to the Solomon Islands, Sri Lanka, Lesotho, Zimbabwe and Swaziland.
- Developed ground-breaking protection standards and indicators which are being reviewed by United Nations (UN) agencies and industry peers for global application.
- Facilitated training in water and sanitation, logistics and general relief operations for World Vision colleagues from Papua New Guinea, Vanuatu and the Solomon Islands.
- Partnered with World Vision offices overseas to generate \$33.2 million worth of food aid from the UN World Food Programme and other agencies for emergency food programs in Africa and East Timor.
- Together with Oxfam, the Red Cross and humanitarian training organisation Red R, carried out a supply chain assessment to improve emergency response in the Asia Pacific region. This assessment explored crucial areas such as response co-ordination, as well as pre-positioning, storage and warehousing of relief items.

Policy change:

- Campaigned with others for the Australian Government to increase funding to tackle HIV and AIDS in the developing world. Funding for this area increased by \$400 million, meeting one of World Vision Australia's policy targets.
- With Australian support, in Thailand, World Vision has been selected to join government and non-government agencies in a Memorandum of Understanding on action to prevent human trafficking in Thailand and Myanmar.
- Influenced ALP policy in opposition – leader Kevin Rudd acknowledged the work of World Vision Australia and the Make Poverty History coalition, pledging that a Labor Government would take aid levels to 0.5% of Gross National Income by 2015.

Engaging Australia:

- More than 350,000 Australians now sponsor over 400,000 children through World Vision Australia.
- 85,576 gifts were purchased through our Smiles gift catalogue, heralding opportunities for many across the globe.
- Over 270,000 people took part in the 40 Hour Famine, raising \$5.3 million for projects in Laos, East Timor and southern Africa. Almost 3,000 school and church groups from across Australia were involved.
- *Teenage Affluenza*, a short film about poverty, spread across the internet, with over 600,000 views on YouTube.
- Engaged with over 2,000 corporations and individual major donors, raising \$12 million for Australian Indigenous programs and overseas development projects.
- Corporate ambassadors reached over 1,800 people through speaking engagements and fundraising functions focusing on child trafficking and poverty.
- Discussed issues including transparency, business ethics and palm oil production in developing countries with five major Australian corporations.
- 3,808 Australians volunteered 157,056 hours of their time for World Vision Australia, making a contribution valued at more than \$3.4 million.



Changing lives through
community development

Changing lives through community development

We aim to change the lives of children by changing the world in which they grow up, through long-term projects that benefit entire communities.

Highlights

- Worked with governments in Senegal, Ethiopia and Rwanda to help protect the legal, inheritance and education rights of children by ensuring they all have birth certificates.
- Successfully distributed over 60,000 new varieties of quick growing sweet potato seedlings, improving food security for 300 families in Papua New Guinea.
- Secured \$4.7 million in funding from the Australian Government's international aid agency, AusAID, for two major poverty reduction projects in Laos. These projects will clear landmines left over from the Indo-China War and help families better prepare to cope when natural disaster strikes.
- Contributed to changing attitudes to female genital mutilation in Somalia by encouraging men, women and religious leaders to speak out against this harmful practice.
- Supported a maternal and child health project in the Jumla region of Nepal, an area so remote there are no roads.
- Empowered disadvantaged women in Chile to find employment through a vocational training centre. A 94% success rate in job placement was recorded this year.
- Supported the Wetengerr Aboriginal community in the Northern Territory in efforts to establish a legally incorporated council that can advocate for improved services from the government.



A local credit association prepares to hand out new loans to community members.

The singing entrepreneurs

A revolutionary economic development project is turning lives around in rural Mozambique. Community members have embraced the concept of savings and small loans as they see the benefits experienced by members of the Accumulated Savings and Credit Associations (ASCA).

The associations provide resources and help members set up their own small businesses. Groups of women and men attend meetings and training to learn about income-generating activities and viable business opportunities.

Gilda, a housewife with seven children, has learned to become an entrepreneur through ASCA. She took out a loan of US\$12 to buy fuel from the nearby city of Xai-Xai to take back to her village to sell. In two months Gilda managed to pay back the capital and interest, making a small profit.

Gilda then took out a second loan of US\$8 and diversified her business. She bought cassava from her village to sell in Xai-Xai, and then with her profits bought tomatoes to sell back in her village.

Life has improved for Gilda's family since she began running her small business. The children's diet has improved and there's money for school supplies and medicine.

In typical local style, some of the women wrote a song in the local language, Shangane, to celebrate finding their financial independence. It includes a line thanking Australian donors for their support.

A verse from the singing entrepreneurs

*We are blessed, we are blessed to have ASCA.
We are saving, thanks to ASCA we can save.
We can borrow, thanks to ASCA, we can borrow money.
We are grateful, Australia. We are grateful.*

Changing lives across the world



● India:

Community Based Performance Monitoring uses "people power" to hold governments accountable on education and health service delivery. It was put to the test at a rural primary school when students, parents, teachers and government officials sat together for two days discussing ways to improve school facilities. The results included a new school garden and improvements to the library.



● Afghanistan:

A year ago, Obed had never tasted honey. Today he is one of several farmers in his local area earning income through honey production. "Our family eat honey at meals and when there is extra, we sell it in the market," says Obed, participant in an AusAID-funded improved livelihoods project.



● Uganda:

Young men in rural areas are being trained in water tank construction as part of water and sanitation project activities. As well as contributing to clean water supply in their communities, they can now earn an income by contracting out their skills to neighbouring communities.



● Brazil:

Former sponsored child Anderson Gomez has risen above the drug and gang violence of the Brazilian slum where he grew up to win a prestigious costume design award at the 2007 Rio Carnival. Some of his very first designs were of costumes for a dance group formed at the World Vision community centre in his neighbourhood.



● Lesotho:

Lemohang is malnourished, but she is getting stronger now because her grandmother is learning how to prepare nutritious meals using locally available foods. Daily nutrition education sessions are attended by mothers and grandmothers in drought and HIV-affected communities.



Africa

	Projects FY06	Projects FY07
Angola	3	1
Burundi	1	1
Chad	12	9
Democratic Republic of Congo		5
Eastern Democratic Republic of Congo		1
Ethiopia	26	28
Ghana	10	8
Kenya	32	36
Lesotho	9	8
Liberia	10	5
Malawi	17	13
Mauritania	2	2
Mozambique	14	15
Niger	1	1
Northern Sudan		8
Rwanda	8	16
Senegal	7	7
Sierra Leone		1
Somalia	9	13

South Africa	5	5
Sudan	7	9
Swaziland	9	10
Tanzania	28	23
Uganda	26	34
Zambia	24	28
Zimbabwe	19	22

Asia and the Pacific Islands

	Projects FY06	Projects FY07
Afghanistan	8	7
Australia	7	12
Bangladesh	8	10
Cambodia	18	16
China	8	6
East Timor	22	28
India	24	25
Indonesia	24	20
Laos	17	20
Micronesia	1	1



● Vietnam:

Lessons are more exciting and students are more inspired to learn because primary school teachers are learning creative teaching methods, such as puppetry and role-play. This innovative teacher training is now being widened and replicated in schools outside the project area.



● Cambodia:

To enable families to safely farm their land and send their children to school, women and men in rural Cambodia are working together to clear landmines from schools, villages and communal areas.



● Timor Leste:

"Every day I attend the training because it broadens my thinking and helps me to prepare myself for the future," says a participant in a vocational training program helping troubled teenagers to turn their lives around. The boys, some who are prison inmates, learn skills in carpentry, electronics and literacy.



● Solomon Islands:

Within hours of the earthquake and subsequent tsunami that hit the Solomon Islands in April 2007, relief staff were on the scene distributing emergency food and shelter supplies. Families also received tools and training to help them reconstruct damaged homes.



National Archives of Australia: A1200, L31986, 'Aboriginal boys on a tractor, Kinchela 1959'

● Australia:

In NSW, we are working with Indigenous, government and university partners on a unique project to provide health and social support for members of the "stolen generations". This project works with Aboriginal men who were removed as boys from their families and placed in the Kinchela Boys Home.



Mongolia	16	15
Myanmar	18	20
Nepal	5	8
Pakistan		7
Papua New Guinea	16	20
Philippines	9	11
Solomon Islands	4	12
Sri Lanka	14	17
Thailand	15	10
Uzbekistan	1	1
Vanuatu	4	9
Vietnam	18	18

Latin America/Caribbean	Projects FY06	Projects FY07
Bolivia		1
Brazil	13	16
Chile	8	8
Colombia	5	5
Ecuador	10	7
Guatemala	10	8

Haiti	5	6
Honduras	8	10
Nicaragua	7	9
Peru	10	13
Middle East/Eastern Europe	Projects FY06	Projects FY07
Azerbaijan	8	7
Bosnia		1
Iraq		1
Jerusalem/West Bank/Gaza	9	7
Lebanon	8	10
Romania	5	1

Multi Country Projects	Not reported in FY06	FY07
East Africa		3
West Africa		1
Southern Africa		3
Greater Mekong sub-region		1
Latin America		3

Responding to climate change

Climate change has the potential to undo the last 50 years of development work. It is having the greatest impact on the world's poorest people. Often relying on the land to survive, poor communities are the least equipped to cope with the rapid changes and degradation in their environments.

Deforestation, for example, is dramatically increasing the time required by poor families to gather fuel for cooking and heating. Finding water is also taking longer, limiting time for other activities such as education and child care. Deforestation is also leading to an increase in droughts, more frequent erratic and extreme weather patterns and loss of bio-diversity, which are all significantly impacting the ability of communities to grow food and survive.

In urban areas, rapid population growth is contributing to water, air and land pollution never experienced before. This is being accompanied by serious health and economic implications, especially for the poor.

In response to this ascending threat, World Vision Australia is committed to helping communities prepare themselves for climate change. Increasingly, we are addressing environmental degradation as an important part of sustainable poverty alleviation. Some current projects include:

- Community-based forestry and revegetation projects in Mongolia.
- Land management projects in Kenya to increase livestock numbers and maintain a positive impact on natural regeneration.
- Restoring ancient cedar forests in Lebanon.
- Developing nurseries for fruit trees, fuel wood and vegetables to improve food reliability in Afghanistan.
- Working with farmers in Brazil to replant their banana plantations with sustainable forests.



Heterkhangai checks on pine seedlings being grown as part of a forestry project in Mongolia.



In Afghanistan, improved fruit tree varieties are grown in demonstration nurseries to promote crop diversification.

We have a green vision

In 2007, World Vision Australia launched Twice As Green, a new environmental program giving Australians an easy way to help change the lives of some of the world's poorest children and help the environment at the same time.

Through Twice As Green, World Vision Australia works with poor communities on environmental protection, restoration and sustainability work such as:

- Reforestation, tree-planting and fruit-tree initiatives across Asia, Africa and Latin America.
- Revegetation programs in four west African countries.
- Training in sustainability and organic farming to improve soil quality in countries like Zambia.
- Training in diversified farming options like beekeeping to reduce communities' dependency on regular rainfall in countries like Ethiopia.
- Creating cleaner and sustainable fuel options like energy saving cooking stoves and solar cookers in Tanzania and Ethiopia.

Improving program effectiveness and quality

Every year, hundreds of thousands of Australians contribute financially to help World Vision change the lives of some of the world's poorest children and their families.

However, simply transferring money from rich countries to poor countries won't eliminate poverty. Aid and development must be carefully planned and delivered. And aid agencies must ensure that accountability and integrity measures for both donors and beneficiaries are in place to ensure that this is the case.

Over the past few years, World Vision Australia has sharpened its focus on ensuring that our programs deliver high quality, evidence-based responses. We aim to both apply lessons learned, and advance global thinking on the most powerful ways to fight poverty.

To guide our actions, the World Vision International Partnership has established a framework called Learning through Evaluation with Accountability and Planning (LEAP). This set of templates brings standards of discipline and critical reflection to the tasks of designing, monitoring and evaluating programs, whether they occur in Nicaragua, Nepal or Niger.

We have also employed more quality advisors and program sector specialists to work with our program staff both here and overseas. They support the implementation of the LEAP framework and ensure we have 'up-to-the-minute' knowledge of new and improved approaches in specific program areas, such as health and economic development.

Some highlights of our quality programming work in 2007 include:

In Australia

- Employed child anti-trafficking, economic development, natural resources, public health and water and sanitation sector experts to improve our overall approach in these high-need areas.
- Convened the second Measuring Effectiveness Conference in partnership with Oxfam and Monash University. This landmark conference provided a much needed platform to share ideas and expertise on development best practice. It was attended by 130 delegates from around the world.

- Published *Responses to Poverty*, our first annual program review, which features case studies to document program experiences and evaluation findings and to encourage critical reflection on effectiveness.

Overseas

- Our quality advisors supported World Vision colleagues in Ecuador, Honduras, Peru and Colombia to help strengthen their effectiveness and accountability.
- In partnership with World Vision offices in southern Africa, World Vision Australia quality advisors are working to improve the effectiveness of all our programs in the region. This will impact the lives of at least 5 million people across 177 programs.
- Provided technical support and advice on key water and sanitation projects in Laos, Cambodia, Vietnam and East Timor, and as part of the Zambezi Valley flood response in Mozambique.

“ Simply transferring money from rich countries to poor countries won't eliminate poverty. ”

Dr Francois Tsafack
Quality Advisor, Program
Effectiveness Team





Emergency relief

We will implement best practice programs overseas to save lives.

When a disaster strikes, World Vision staff can be on the scene within hours, bringing urgently needed food and supplies to people faced with a crisis. With offices in 97 countries, local World Vision staff provide our front-line response, with support from relief experts who are on stand-by around the globe if the situation escalates.

During 2007, the support of thousands of Australians enabled us to help save lives, reduce suffering and protect livelihoods in emergency situations around the world.

Highlights

- Partnered with World Vision offices overseas to generate \$36.4 million in funding from multilateral agencies, such as the UN World Food Programme. This, combined with funds raised through emergency appeals, enabled us to respond to food crises in Kenya, Malawi, Mozambique, Northern and Southern Sudan, Somalia, Uganda and Zambia.
- Completed an evaluation of World Vision's response to the Asian tsunami across Indonesia, Sri Lanka, India and Thailand. We have also made a successful transition to development activities in several tsunami-affected locations.
- Launched three pilot projects in Asia, Africa and Latin America to assist communities to efficiently transition from emergency response to long-term development activities.
- Established World Vision's Food Aid Quality Group to ensure better compliance with international accountability standards for food aid programs.



Families made homeless by the Peru earthquake received World Vision clothing kits and other relief supplies.

When disaster strikes

A massive earthquake measuring 8.0 on the Richter scale struck Peru in mid-August 2007. More than 500 people were killed, with over 2,000 people injured and 34,000 homes destroyed. President Garcia announced a state of emergency.

World Vision was the first non-government organisation to arrive at the disaster zone and begin relief distributions. Three teams were sent immediately to Ica and Pisco, two of the hardest-hit areas, to assess the damage and needs. Relief supplies such as tents, blankets, clothing, medical supplies, soap and lamps were distributed to affected families.

For many of the world's poorest countries natural disasters like floods, droughts and earthquakes, and man-made disasters like armed conflict, are commonplace. Sometimes they make headlines in the media, but often they are scarcely reported.

When sudden crises occur, local World Vision community development staff and resources are often temporarily re-deployed for the relief response. Our Global Rapid Response Team is made up of specialists in areas such as health and child protection and includes staff from World Vision Australia. It is deployed if the situation is categorised as a high-level emergency.

Our relief responses have three fundamental objectives - saving lives, reducing human suffering and protecting livelihoods. And crucially, when we respond, our staff often remain in emergency-affected areas long after the crisis has passed, helping communities rebuild their lives and better prepare for potential future emergencies.



Policy change

Policy change

We will advocate to change government and institutional policies in Australia and internationally to benefit the world's most vulnerable people.

Our work in the area of policy change aims to give voice to the children and communities we serve, and to help decision makers understand how their actions impact the poor and what they could and should do differently.

Increasingly, we are exploring opportunities for collaboration with governments and institutions at the local, national and international level to strengthen policies that address the root causes of poverty.

Here in Australia we continued to call on the Australian Government to increase overseas aid. We also campaigned for an increase in the percentage of aid committed for healthcare, water and sanitation in poor communities, in line with the United Nations' Millennium Development Goals.

Our policy research, particularly in the area of health in the Asia Pacific region, has also focused on strengthening the Australian Government's overseas aid programming in response to HIV and AIDS.

At the grassroots level, our efforts to influence policy in developing countries have been informed by the families and communities with whom we work. They have helped to generate some groundbreaking new health, education and child rights initiatives in Cambodia, Bosnia and Herzegovina and Senegal.

Highlights

In Australia

- The Australian Government significantly increased overseas aid funding for basic education, basic health and HIV and AIDS programs, in line with calls from World Vision Australia and the Make Poverty History coalition. The government also increased support for international bodies such as the Global Fund to Fight AIDS, Tuberculosis and Malaria.
- Released our flagship report, *Island Nation or Global Citizen?* which identified that most Australians want our country to be a leader in giving overseas aid. This report generated significant media and political interest when launched by Tim Costello at the National Press Club in Canberra.

- Authored *How is the neighbour's health?* and the annual *Millennium Development Goal 8 Review* which analysed the progress of Australia's developing country neighbours towards achieving Millennium Development Goals aimed at improving health. These reports identified Cambodia, Laos, Myanmar, Papua New Guinea and East Timor as requiring significant additional support to meaningfully alleviate poverty in our region.
- Placed the political spotlight on the need to address water and sanitation as aid priorities for South East Asia by collaborating with WaterAid on a comprehensive report and conference on this issue.

Overseas

- Supported World Vision Cambodia in negotiations with the Cambodian Ministry of Tourism. This led to the establishment of Child Safe Tourism Commissions in every province of Cambodia to ensure tourism protects the rights and dignity of children.
- Helped World Vision colleagues in Bosnia and Herzegovina to collaborate with both the Ministry of Education and Christian and Islamic communities to develop a school-based program to advance inter-religious conflict resolution.
- Provided support for World Vision colleagues in Senegal who are working alongside local Ministry of Education officials to integrate disabled children into mainstream schools and promote disabled people's rights.



The Sydney Opera House was centre stage for Make Poverty History campaigners on 07-07-07, the halfway point for the UN's Millennium Development Goals.

Photo courtesy of Mike Myers, Oxfam.



Policy change



Asian teenagers participate in a forum on ways to end child trafficking in and between their countries.

Asian teenagers speak up against human trafficking

Many adults would be intimidated by the thought of discussing complex social and political problems with their elected representatives. But not 30 teenagers from the Greater Mekong sub-region who gathered in Bangkok during September 2007 to talk with each other and government officials about human trafficking.

Of the estimated 2.5 million people trafficked annually around the world, over half come from Asia. Many children in the region are potential victims, the children of victims, witnesses, and children of potential consumers. Children are trafficked both within their home countries and across national borders to work as labourers and for pornography, prostitution and sex tourism.

The Mekong Youth Forum on Human Trafficking was sponsored by World Vision International in partnership with Save the Children Fund, the International Organisation for Migration and the UN Inter-agency Project on Human Trafficking.

World Vision Australia's Senior Policy Advisor on Child Protection and Trafficking, Dr Susu Thatun, was a key advisor to this process. It was a unique opportunity for teenagers from Myanmar, Thailand, Cambodia, Laos, Vietnam and China to voice their concerns and ideas on this critical issue affecting Asia's children.

The forum helped these young advocates learn more about the trans-national dynamics of trafficking, the role governments play in protecting citizens and prosecuting offenders, and ways they can educate their peers back at home.

Participants took full advantage of the opportunity and openly engaged with their government officials. They also submitted 30 recommendations for consideration at the next Greater Mekong sub-region meeting between governments.

“ Of the estimated 2.5 million people trafficked annually around the world, over half come from Asia. ”

Aneuja Gopalakrishnan
Assistant Policy Officer
Government Relations Division



Engaging Australia

We aim to help Australians gain a deeper understanding of the issues surrounding poverty and to partner with them in working for positive change.

- In November 2006, the G20 Summit of world leaders came to Melbourne and provided a powerful stage for the **Make Poverty History campaign**, of which World Vision Chief Executive Tim Costello is co-chair. Australians young and old rocked along with Bono and Pearl Jam who joined leading Australian artists at the Make Poverty History concert in calling for better aid and debt relief for the world's poorest countries. The concert was enjoyed by 15,000 fans at the Sidney Myer Music Bowl in Melbourne. It reached a further 1.5 million people through live broadcasts on radio and TV.
- Global poverty also took centre stage during this year's **Global Leadership Conventions** for senior primary and secondary students. More than 5,000 students representing one in 10 schools across Australia gathered in cities and regional centres to learn why and how they should fight for a world that will no longer tolerate extreme poverty.

- **Get Connected**, our new global education resource focusing on poverty-related issues, was extremely well received by teachers right across Australia, with over 20,000 copies sold or distributed so far.
- **STIR**, World Vision's online youth forum, took the fight against poverty to YouTube, and their video **Teenage Affluenza** was watched by over 600,000 people around the globe.
- Another 270,000 Australians learned a real-life lesson in hunger when they participated in this year's **40 Hour Famine**.

The right to clean water and child trafficking were two important poverty-related issues we chose to highlight in 2007.

Water: Solving the world's drinking problem

A common characteristic of poverty is lack of access to safe drinking water. Around the world, 1.1 billion people live without it. Each day, 6,000 children die as a result of water-borne diseases, and trying to find this precious resource consumes the lives of many millions more, especially women and girls.

While this is happening, in just 40 hours, Australians will spend more than \$1.4 million on bottled water – enough to build 365 wells in Africa.

Through the Millennium Development Goals, the United Nations has committed to halving the number of people without access to safe drinking water by 2015. It has declared 22 March as the universal day to highlight global water scarcity.

A primary focus of World Vision Australia's work is to help communities secure long-term access to safe drinking water and basic sanitation. This year we asked Australians to come clean on the world's drinking water problem.

- On World Water Day, workers around the nation answered our call to wear blue and raise awareness on the issue. Companies including Boral, ING, Westpac and IBM were awash with aqua.
- A viral email campaign flushed out more than 7,000 concerned supporters, many who sent e-postcards calling on local MPs to take the lead on securing the human right to water and basic sanitation.

Yianni Rigogiannis
Head, Communications Division



- World Vision Youth Ambassadors got the chance to see how a lack of clean water impacts people first hand when they visited villages in Laos. Their powerful testimonies inspired participants in this year's 40 Hour Famine and some of the \$5.3 million they raised will help communities in Laos build dams and channels to secure safe water supply.
- Supporters of our Water Health Life program helped provide simple, but powerful solutions to water scarcity in African communities like Busangi, in Tanzania, where covered wells have been constructed in seven villages and water pump attendants have been trained to maintain them.
- Elsewhere in Africa and Asia, boreholes are being dug and communities are receiving hygiene education because Australians bought 8,397 gifts of clean water through our Smiles gift catalogue.

Child exploitation:

Freedom for the slaves of our time

More than 200 years ago, great leaders like Abraham Lincoln and William Wilberforce fought with passion and conviction against the evils of slavery.

But today, just like slaves of old, hundreds of thousands of children are being forced, tricked and cajoled into exploitation. Each year 1.2 million children are trafficked across borders and many millions more are sexually exploited or used as child labourers and child soldiers in their own homelands.

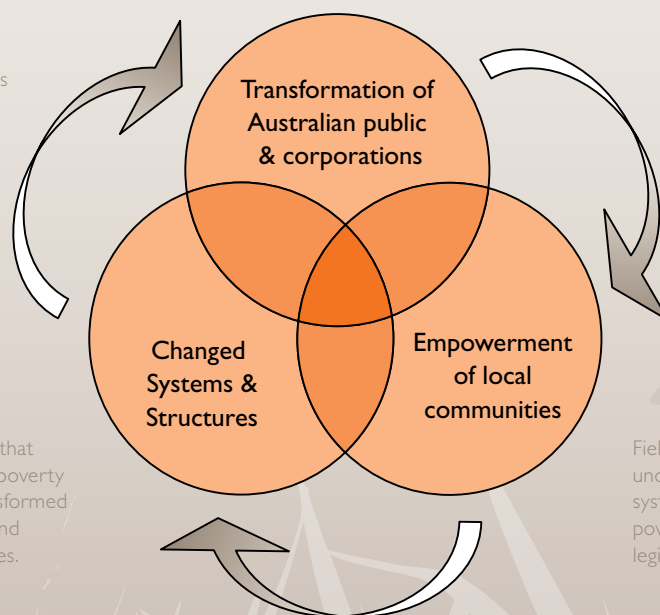
This year, the call for an end to child exploitation was heard on the streets, from the pulpit and in our corridors of power.

- More than 10,000 Australians forwarded e-postcards to their MPs, calling for action to end child trafficking.
- The film *Amazing Grace*, telling the story of William Wilberforce and his role in the abolition of African slavery, was screened at Parliament House in Canberra. More than 30 politicians from all major parties attended the screening, which resulted in a Notice of Motion being passed unanimously in the Senate in support of the Stop the Traffik campaign to end human trafficking.
- Volunteer ambassadors led efforts to raise awareness about child exploitation in the Australian business community through Women of Child Rescue speaking engagements and fundraising events. They shared stories of children like 12-year-old Kang, from Thailand, who was found collecting rubbish and begging for survival on the streets of Pattaya, a seaside town notorious for child sex tourism.
- More than 23,000 supporters of our Child Rescue program contributed to projects that specifically address the needs of vulnerable and exploited children who are beyond the reach of child sponsorship in countries such as Cambodia, Thailand, Myanmar and Ethiopia.

Our approach to poverty alleviation is based on three inter-related components:

Increased understanding of poverty informs and challenges personal behaviours amongst ordinary Australians and informs government policy.

Systems and structures that promote and entrench poverty are challenged and transformed through our advocacy and programming approaches.



Greater public awareness of global poverty increases public preparedness to fund field based projects.

Field based projects build our understanding of the impact of systems & structures on local poverty and provide a source of legitimacy for WVA's advocacy.

Many ways to help change lives

Changing lives through community development



Australians young and old rocked along with Bono, Pearl Jam, Evermore and Eskimo Joe at the **Make Poverty History** concert, at the Sidney Myer Music Bowl in Melbourne and simulcast around the nation.



Six-year-old Jack, from a small town in northern Victoria, became the proud sponsor of Solomon, from Ethiopia, the **400,000th child sponsored** through World Vision Australia.



Silvane is one of many children living in the urban slums of Brazil who are sponsored by Australians. She spends her free time playing with friends and learning new skills in art and music at the local World Vision-supported community centre.



Noel Cooper starts his day at 6.30am, volunteering in the mail room at World Vision Australia's National Office in Melbourne four days a week. He has logged more than 5,000 volunteer hours since 1998, providing vital "extra hands on deck" through numerous campaigns.



Vision Generation (VGen) is our community of passionate young volunteers. They have established around 40 Vision Groups nationally to stage events, advocate and fundraise in the fight against global poverty and injustice. Almost 15,000 young Australians have also signed up as members of STIR, World Vision's online youth forum, which aims to empower them to make a difference, just by stirring their own world.





"I am incredibly proud to be an ambassador for World Vision," says television presenter **Tracey Spicer**, who has visited World Vision projects overseas. Tracey provided valuable support for some of our key public awareness campaigns during 2007.



Driven by the passion of its Executive Chairman, Chris Morris, **Computershare** staff support World Vision projects in Chad and Ethiopia through workplace giving. The company's shareholders are also invited to donate dividends through the company's Change a Life Foundation.



During July, members of the public had the rare opportunity to see what life is really like for an African child by participating in the **One Life Experience**, a walk-through exhibition staged in Sydney and Melbourne.



Most **World Vision** staff say that wanting to "make a difference" is their primary reason for joining the organisation. Most describe their experiences here as a highlight of their careers and remain passionate advocates in the fight against poverty long after they leave us.



When she's not globetrotting for mining giant Rio Tinto, **Louise Zimmerman** is volunteering her time and expertise to not-for-profit organisations like World Vision Australia. Louise provides us with strategic advice on projects such as developing staff competencies and equipping leaders for VGen.



The goal of placing global poverty relief on agendas in **corporate board rooms** across Australia is at the heart of our work with businesses.



“ The stark reality is that we cannot bring an end to chronic poverty on our planet unless we enlist the support of business. ”

– Tim Costello

Working with business

Australian companies can play an important role in poverty reduction, by reviewing, reporting on and adjusting their business operations to respond to the realities of the world's poor.

Corporate support for charities, via donations of cash and gifts in kind, workplace giving and volunteering, continues to grow as Australian companies strive to meet their corporate social responsibilities.

These activities provide vital support for our work, but we see them not as an end point. Rather, these are the first steps in a transformation process that can place Australian businesses at the forefront in the fight against poverty.

Beyond Corporate Social Responsibility

Corporate Sustainable Development incorporates poverty alleviation into the more traditional Corporate Social Responsibility mix. It is based on the conviction that when a company works to secure the fundamental welfare of the communities in which it operates, this can also contribute to the health of their business, and financial success.

To advance this, we have:

- Established a professional Corporate Sustainable Development Unit, providing internal advice on policy and corporate engagement practice.
- Collated and measured information on our own sustainability practices including resource use, employee indicators and transparency. We are producing our first *Towards Sustainability Report* to report on this.
- Developed a Sustainable Supply Chain Policy within World Vision Australia, and an approach for consultation and implementation with our partners.

Influencing business action

Through a collaborative approach to corporate engagement, World Vision Australia partners with Australian companies whose mission and values are consistent with our own.

In support of this, we have:

- Actively promoted best practice among companies, through vehicles such as the Extractive Industry Transparency Initiative.
- Developed due diligence policies and procedures for our corporate partnerships to give us a better lens through which to assess consistency with our mission and values.

- Established a Key Relationships Council, which now ensures that we enter into corporate partnerships in a more thoughtful and strategic way.

Innovative partnerships

This year World Vision Australia forged strategic new links with Australian businesses. These included:

- The launch of Business for Millennium Development – a corporate round table focused on promoting discussion and pro-poor business action amongst some of Australia's leading corporations including ANZ, Visy, Grey Global, IAG and Pfizer.
- Through the Ulysses Leadership Program, staff from PricewaterhouseCoopers volunteered for two months in the World Vision Ethiopia office helping with the development of a business and marketing development plan.
- In partnership with Spotlight, the Stitch in Time campaign resulted in 4,000 sewing machines and supplies being donated through Spotlight stores in Australia, New Zealand and Singapore. They have since been sent to Burundi, Tanzania, Rwanda, Laos, Cambodia and Uganda to support women's business initiatives.

Jules L Frost
Head, Innovative
Partnerships
Division





Working with business

Walking the talk

Recognising that climate change is one of the biggest challenges facing all organisations today, World Vision Australia is committed to reducing the negative environmental impacts of its own domestic operations and to becoming carbon neutral by 2015.

To achieve this, we have developed tools to monitor and improve upon our performance, under the umbrella of the Australian Greenhouse Challenge Plus program.

Waste and water

- Improved infrastructure in our National Office allowed us to reduce water consumption by over 50% in the first three months after installation.
- Installed hand dryers to replace paper towel dispensers in our National Office, which drastically reduced paper towel waste.
- Selected sustainable and recycling purchasing options for our printed and office paper supplies.

Energy and emissions

- Reduced the size of our car fleet and continued to offset vehicle emissions.
- Transitioned to an open plan office format in our National Office and upgraded lighting controls.
- Purchased GreenPower sourced from Australian wind farms.

We are working to improve our resource use monitoring processes to get a clear picture of our environmental impact. We have identified a number of areas where improvements need to be made. These include continuing to work on reducing our water consumption, air travel-related carbon footprint and electricity and petrol consumption. Progress on these measures will be analysed and reported in our forthcoming *Towards Sustainability Report*.



School children in Vietnam and the Philippines are receiving de-worming medication and basic health and hygiene education.

Working with partners to eliminate parasitic worm infections

Neglected tropical diseases, including parasitic worm infections, are a symptom of poverty and disadvantage. They disproportionately affect the poorest populations, often those living in rural areas, crowded urban settings, or in conflict zones.

Children are particularly vulnerable to infection, which if left untreated, can result in anaemia, stunted growth and impaired cognitive development. However, effective and inexpensive treatment is available to prevent and control parasitic worms.

In Vietnam and the Philippines, World Vision is partnering with government health and education ministries and the World Health Organization in an innovative three-year program providing more than five million children with de-worming medication.

The medication has been provided by pharmaceutical company MedPharm, through Medicines for Humanity. The program has received generous support from Australian corporate donors who contributed \$100,000 to cover shipping and distribution costs during 2007.

The de-worming program involves distribution of mint-flavoured chewable tablets to school children by their teachers on designated days every six months. At the same time, teachers and local community workers use posters and charts to provide basic health and sanitation education to children and their families.

By working in partnership with governments, corporate donors and United Nations agencies, World Vision Australia is able to implement large-scale programs to make a significant contribution to child wellbeing and poverty eradication.



Corporate Governance

Board responsibilities

Ultimate responsibility for the governance of World Vision Australia rests with the Board of Directors. The Board is comprised entirely of independent, non-executive, volunteer directors with a broad range of business, institutional and governance experience.

They apply judgment and accountability standards to ensure that our work results in the greatest possible impact on the lives of children and communities and that donated funds are used most effectively to address poverty and its causes.

The Board supports the Australian Stock Exchange Corporate Governance Principles of Good Corporate Governance and Best Practice Recommendations. As World Vision Australia is not a publicly listed company, we are not required to report on these principles, but we have chosen to apply those that are relevant to our organisation. Through its Board Development and People Committee, the Board continues to review its governance practices to ensure that evolving best practice is maintained.

We abide by the Fundraising Institute of Australia's guidelines, as well as national and in-country child protection and privacy policies. World Vision Australia is an active member of the Australian Council for International Development and abides by its code of conduct. We are fully accredited by AusAID, the Australian Government's agency for international development, and our emergency work complies with international relief standards outlined by Sphere and the Red Cross.

World Vision Australia maintains the highest level of corporate ethics and the Board has adopted a formal Charter. In particular, the Board:

- ensures compliance with laws and policies
- establishes strategic direction
- sets and assesses the objectives and standards by which World Vision Australia is governed
- appoints senior executive leadership positions
- appoints and evaluates the performance of the Chief Executive
- approves and monitors the annual budget
- ensures adequate risk management

Operational management is the responsibility of the Chief Executive, with powers, discretions and delegations as authorised by the Board. The Board is responsible for ensuring the Chief Executive and the management team are able to meet this responsibility.

No fees are paid for serving as a Director, but World Vision Australia meets the costs of travel expenses incurred in connection with Board activities. In line with the World Vision Australia travel policy (which applies to our staff, as well as Directors), all air travel is booked through World Vision Australia's travel agent on the basis of the cheapest available flights via the most direct route. All flights are booked in economy class (unless health reasons require otherwise). Hotel bookings are limited to 3-star rating where possible. World Vision Australia generally pays these expenses directly to the service provider.

Note: Further details on the Board and World Vision Australia's Corporate Governance policies can be found in the Annual Statements and Accounts available on the World Vision Australia website.

“ Our promise is to act on behalf of all our supporters by providing World Vision Australia with strategic direction and effective governance. ”

World Vision Australia is a company limited by guarantee. Its ABN is 28 004 778 081.

World Vision Australia is a Public Benevolent Institution (PBI). It is endorsed as an Income Tax Exempt Charity and enjoys certain other tax concessions and exemptions consistent with its status as a PBI which relate to Goods and Services and Fringe Benefits taxes. World Vision Australia operates two funds which have been endorsed by the Australian Taxation Office as Deductible Gift Recipients (DGR) - an Overseas Aid gift fund and a Necessitous Persons DGR gift fund.

World Vision Australia is registered as required by law in each state where it raises funds as follows:

New South Wales	Registration number CFN 13579 Registration continues until November 2010
Queensland	Registration number Ch.675 Registration is ongoing subject to certain annual financial reporting requirements
South Australia	Licence number 605 Renewable annually (March 2008)
Tasmania	Registration number 1 Registration is ongoing
Victoria	Registration number 7724 Renewable annually (June 2008)
Western Australian	Licence number 18076 Registration continues until August 2008

World Vision Australia's external auditor is PricewaterhouseCoopers and the internal audit function is carried out by Deloitte. Legal services are provided primarily by Clayton Utz and banking services are provided by ANZ.

Board of Directors




	<p>Anne Robinson (CHAIR) BA, LLB (HONS), FAICD</p> <p>DIRECTOR SINCE 2000</p>	<p>Anne Robinson was elected Board Chair in November 2005 and is also a Director of World Vision International. She is principal in the legal firm, Prolegis, which provides legal services to not-for-profit organisations. She is also Chair of Home of Peace Hospitals Limited and Church of England Deaconess Institution Sydney Limited, and a member of Barker College Council.</p> <p>Anne graduated BA LLB with Honours in international trade law, and is a fellow of the Australian Institute of Company Directors.</p>	<p>Special Responsibilities: Chair of the Board, Chair of the Executive Committee, member of all Board committees, Director of World Vision International</p>
	<p>Peter King FAICD</p> <p>DIRECTOR SINCE 1994</p>	<p>Peter King was Board Chair from 1995 to 2005 and is also a Director of World Vision International. A former Chief Executive of John Fairfax Ltd., Peter sits on boards in a number of industry sectors and is chair of two organisations. He is a founding Fellow of the Australian Institute of Company Directors and attended the Senior Managers program at Harvard University.</p>	<p>Special Responsibilities: Executive Committee, Board Development and People Committee, Engagement Committee (Chair)</p>
	<p>George Savvides BE (HONS), MBA, FAICD</p> <p>DIRECTOR SINCE 1998</p>	<p>George Savvides is also a Director of World Vision International. He established a career in the healthcare industry with CIG Healthcare, Smith and Nephew, Sigma Co. Ltd. and is currently Managing Director of Medibank Private Ltd. George graduated in Engineering at the University of NSW and obtained an MBA from the University of Technology in Sydney. He is a Councillor of the International Federation of Health Plans, a Fellow of the Australian Institute of Company Directors and an Executive Member of Australian Health Insurance Association.</p>	<p>Special Responsibilities: Executive Committee, Board Development and People Committee (Chair), Director of World Vision International</p>
	<p>Margaret Rodgers BA (HONS), BD (HONS)</p> <p>DIRECTOR SINCE 1999</p>	<p>Margaret Rodgers is Media Officer for the Anglican Archbishop of Sydney, and is actively involved in various committees of the Anglican Church, including the Sydney Diocesan Standing Committee and that of the General Synod, and the NSW Council of Churches. She is also Director of the Council of Churches Broadcasters Ltd.</p>	<p>Special Responsibilities: Policy and Programs Committee, Engagement Committee</p>
	<p>Dean Hirsh BA, MSc. LL.D (HONS)</p> <p>DIRECTOR SINCE 1997</p>	<p>Dean Hirsch joined World Vision in 1976 and worked in a variety of roles before his appointment as President of World Vision International in 1996. Dean is based in Monrovia, USA, but travels extensively visiting World Vision projects and offices around the world. He is Chair of the Non-Government Organisations Advisory Committee to UNICEF and Chair of the Global Movement for Children. In 1993, Dean was named Alumnus of the Year at Westmont College and in 1996 he was awarded an honorary doctorate in international humanitarianism.</p>	
	<p>Brian Lampton DIP MINISTRIES</p> <p>DIRECTOR SINCE 2002</p>	<p>Brian Lampton is a Director of the Jubilee Christian and Resource Centre and the Indigenous Community Care and Family Support Company. He is closely associated with the Haggai Institute and is also a broadcaster on Aboriginal radio. He holds a Diploma of Ministries and is a member of the Assemblies of God in Cairns.</p>	<p>Special Responsibilities: Engagement Committee, Policy and Programs Committee</p>
	<p>Dr. Rosanna Wong B. SOCIAL SCIENCE, MSW, MSc, MA, PHD</p> <p>DIRECTOR SINCE 2003 (Alternate Director to Dean Hirsh)</p>	<p>Dr Rosanna Wong is Executive Director of the Hong Kong Federation of Youth Groups, Chairperson of the Education Commission of the Hong Kong Special Administrative Region and a Non-Executive Director of the Hong Kong and Shanghai Banking Corporation Ltd. She is also a member of the National Committee of the Chinese People's Political Consultative Conference and a member of the High Level Panel of the United Nations on Youth Employment.</p>	<p>Special Responsibilities: Board Development and People Committee, Policy and Programs Committee</p>
	<p>John Conn BA (ACCOUNTING), GRAD DIP (ARTS), GRAD DIP (FINANCIAL PLANNING), FAICD</p> <p>DIRECTOR SINCE 2004</p>	<p>John Conn is a former General Manager at Australia and New Zealand Banking Group Limited, having worked there in various capacities for almost 35 years. He is a Fellow of the Australian Institute of Company Directors and has attended senior executive programs at the Australian Graduate School of Management and the University of Washington, USA.</p>	<p>Special Responsibilities: Audit Committee (Chair), Executive Committee</p>

Board of Directors

	<p>Shannon Adams LLB, GAICD DIRECTOR SINCE 2005</p>	<p>Shannon Adams has been the managing partner of several legal firms and is presently a partner in the legal firm Norman Waterhouse, specialising in financial services law, legal compliance and governance, particularly in the credit union sector.</p>	<p>Special Responsibilities: Executive Committee, Audit Committee, Board Development and People Committee</p>
	<p>Barry Pipella B Com, FAICD DIRECTOR SINCE 2005</p>	<p>Barry Pipella is the Vice President for Sector and Sales (Australia and New Zealand) for IBM Global Technology Services and is responsible for the growth of application and infrastructure outsourcing and hosting services in the region.</p>	<p>Special Responsibilities: Audit Committee, Engagement Committee</p>
	<p>Micheal Prince BA (HONS), MASTER OF CHRISTIAN STUDIES, DIP. PROF. COACHING DIRECTOR SINCE 2006</p>	<p>Michael Prince runs a consultancy business specialising in assessing, designing, implementing and evaluating projects on building capacity and institutional strengthening. Michael graduated with a Bachelor of Arts from the University of Western Australia and has a Master of Arts in Christian Studies from Regent College, Vancouver, Canada.</p>	<p>Special Responsibilities: Executive Committee, Board Development and People Committee, Policy and Programs Committee (Chair)</p>
	<p>Dr. Louise Baur BSc (MED), MB, BS (HONS), FRACP, PHD DIRECTOR SINCE 1999</p>	<p>Dr Louise Baur is Professor in the Discipline of Paediatrics and Child Health at the University of Sydney and Chair of the Board of Directors of the NSW Centre for Overweight and Obesity. She is a consultant paediatrician at The Children's Hospital at Westmead and is also Chair of the International Obesity Taskforce's Working Group on Childhood Obesity.</p>	
	<p>Bishop John Harrower OAM, BE, BA CEING CEI, MICHEME, THL RIDLEY, MA (THEOL) GAICD DIRECTOR SINCE 2006</p>	<p>Bishop John Harrower joined the Board in 2006. He is currently the 11th Bishop of the Anglican Church in Tasmania. He graduated with Honours in Chemical Engineering at Melbourne University in 1970, worked as a petroleum engineer with Mobil Oil and as Director of the Industries Assistance Commission. John lived and worked in Argentina for nine years, and was ordained a priest in 1986. He was installed as the Bishop of Tasmania in 2000 and in that same year was awarded a Medal of the Order of Australia.</p>	<p>Special Responsibilities: Audit Committee, Policy and Programs Committee</p>

Recent Directors

The following Directors resigned or retired from the Board during the 2007 financial year:

	<p>Gary Brown DIP. BUS, FAICD DIRECTOR 2000-2007</p>	<p>Gary Brown is Vice President of Human Resources, Strategy and Organisational Development at BHP Billiton Ltd. Previously, Gary was a consultant for Dawson Brown and Associates Pty. Ltd., assisting a broad range of organisations with strategic issues. He is a Fellow of the Australian Institute of Company Directors. Gary resigned from the Board in February 2007.</p>	<p>Special Responsibilities: Executive Committee, Board Development and People Committee, People, Culture and Learning Committee (Chair)</p>
	<p>Chris Daly B. BUS, ACA, CPA DIRECTOR 1994-2006</p>	<p>Chris Daly was a national partner-in-charge of the business recovery area at PricewaterhouseCoopers in Australia, having joined the firm in 1976. Prior to that, Chris held various positions in industry. Chris retired from the Board in November 2006.</p>	<p>Special Responsibilities: Executive Committee, Board Development and People Committee, Policy and Programs Committee (Chair)</p>
	<p>Professor Joan Abbott-Chapman MA (HONS), PHD (SOCIAL ANTHROPOLOGY), FAICD DIRECTOR 2004-2006</p>	<p>Associate Professor Joan Abbott-Chapman is an Honorary Fellow, Department of Rural Health, University of Tasmania. She has 30 years' teaching and research experience in universities in the UK, USA and Australia, including six years as a sociologist/social adviser with the Baptist Ministry of Overseas Development within the Overseas Aid Program. Joan retired from the Board in November 2006.</p>	<p>Special Responsibilities: Audit Committee, People, Culture and Learning Committee</p>

Executive Team



<p>Tim Costello Chief Executive <i>B JURIS LLB, DIP ED, BDIV, MTHEOL</i></p>	<p>Paul Steele Chief Operating Officer</p>	<p>Paul Ronalds Director, Policy and Programs <i>BEC LLB (HONS) GRAD. DIP. APP. FIN.</i></p>	<p>Andrea Pink Head, People, Culture and Learning <i>BA (PSYCH.), GAICD</i></p>	<p>Grant Dawson Chief Financial Officer <i>BCom, MBA, ACA</i></p>
<p>Rev Tim Costello is a pre-eminent Australian who has devoted his life to health, welfare and social justice in Australia and globally. He is an authoritative national voice of social conscience, and has led public policy debates on urban poverty, homelessness, gambling addiction, Reconciliation and the elimination of global poverty.</p> <p>In 1984, he established a socially active ministry at St Kilda Baptist Church and in 1994 became Minister at Collins Street Baptist Church where he established Urban Seed, a not-for-profit outreach service for the urban poor. In 2005, Tim was made an Officer of the Order of Australia and in 2006 was Australian of the Year for Victoria.</p> <p>Tim was appointed Chief Executive of World Vision Australia in 2004. He is also co-chair of Make Poverty History, a coalition of 60 Australian aid agencies working together to raise awareness on issues surrounding global poverty.</p>	<p>As Chief Operating Officer, Paul Steele manages the implementation of the organisation's strategy and overall operations in Australia. Paul has an extensive background in transformational management and leadership. He has built, owned and nurtured businesses for more than 20 years and has served as a pastor; a chief executive officer and chief operating officer as well as a consultant and director of a variety of organisations.</p> <p>He has founded a number of organisations including Managed Business Outcomes, Environmental Ventures and Catalyst Innovation. He is also a Board member of Solace Emerging Missional Church and Forge Mission Training Network.</p>	<p>Paul Ronalds oversees our international and Australian field work and advocacy activities. He is also an industry representative on the Australian Council for International Development Code of Conduct Committee.</p> <p>Paul has a background in law, business and economics. He worked in corporate law with national law firm Freehills and co-founded wishlist.com.au, one of Australia's most successful e-commerce companies.</p> <p>Paul also held the role of Chief Operating Officer of Urban Seed, a small, non-profit outreach service assisting marginalised people living in inner Melbourne. In 2002, he was awarded a Vincent Fairfax Fellowship in ethics and leadership.</p>	<p>Since July 2003, Andrea Pink has managed all aspects of human resources at World Vision Australia including recruitment, learning and development, employee relations, organisational development, remuneration and volunteering.</p> <p>Andrea is a registered psychologist and has more than 23 years' experience in human resources in Australia and overseas. She has worked in various commercial organisations and as a consultant to government.</p>	<p>Grant Dawson joined World Vision Australia as Chief Financial Officer in July 2005.</p> <p>His primary focus is to ensure prudent management and reporting of all monetary resources at World Vision Australia.</p> <p>Before joining World Vision, Grant worked for Coopers and Lybrand, predominantly in accounts and tax before moving into accounting and financial management, mainly in the food industry. Grant also spent many years working in Asia, primarily on financial stewardship and acquisitions in China for the HJ Heinz company.</p>

Executive Team



<p>David Paterson Director of Engagement</p>	<p>Fiona McLeay General Counsel, Company Secretary and Chief Risk Officer <i>BA (HONS) LLB, LLM (MELB), LLM (NYU)</i></p>	<p>Connie Lenneberg Head of International Programs <i>BA (HONS), MA RESEARCH (RURAL DEVELOPMENT)</i></p>	<p>Melanie Gow Head, Advocacy, Program Effectiveness and Learning <i>BA (HONS), MA DEV, LLM</i></p>
<p>David Paterson recently joined World Vision Australia to oversee the organisation's engagement of the Australian community. His team includes marketing, media and public affairs, communications, product development, and corporate and major donors.</p> <p>David has had an international career in marketing and strategy consulting. He was Chief Strategy Officer of the global XM group, and of TCG (the George Patterson group of companies); Asia-Pacific Director of Strategy for Bates Worldwide; and Director of Business Consulting with Arthur Andersen. Most recently he acted as the Chief Marketing Officer of Medibank Private Ltd.</p> <p>David is a Fellow of the Williamson Community Leadership Program, a co-founder of the Bridge Project, and is a Board member of YMCA Victoria.</p>	<p>Fiona joined World Vision Australia in February 2006. She is responsible for management of legal and organisational risk. She is also the Company Secretary.</p> <p>Fiona was admitted to legal practice in 1996. From 1998 until February 2006, she worked at national law firm Clayton Utz in Melbourne. Apart from her practice in construction and engineering law, Fiona was the pro bono coordinator for the Melbourne office of the firm, and the national director of Community Connect, the firm's corporate social responsibility program, which she pioneered.</p> <p>In 2004, Fiona was awarded a scholarship to New York University Law School to undertake the Master of Laws in Public Service Law program. Fiona was a Board member of the Public Interest Law Clearing House (Victoria) from 2001 to 2006 and is currently on the advisory councils of the Human Rights Law Resource Centre and the National Pro Bono Resource Centre.</p>	<p>Conny Lenneberg manages our international and Australian development programs, including child sponsorship, in partnership with World Vision National Offices.</p> <p>With over 25 years of experience in community development theory, research and practice, Conny has worked in a professional capacity with a wide range of international non-government organisations in Australia and overseas.</p> <p>In addition, she co-chairs the Development Practice Committee of the Australian Council for International Development, which is mandated to represent and support continual improvement in Australian NGO effectiveness.</p>	<p>Melanie rejoined World Vision Australia in 2004 after five years with World Vision International, where she held various positions including as Deputy Director for International Policy and Advocacy. Based in Geneva, Melanie worked closely with UN agencies and international NGOs on a range of human rights issues. She has undertaken extensive research on violence against children, refugee and asylum seeking children, child labourers and children affected by armed conflict.</p> <p>Melanie's current position includes responsibility for our technical policy and program experts, our campaigns and global education teams as well as our program quality advisors, and spiritual engagement team.</p> <p>Melanie is a member of the Advisory Board of Researchers for Asylum Seekers, at the University of Melbourne.</p>



Efficiency and accountability

Efficiency and accountability

Addressing the causes of poverty, whether here in Australia or on the other side of the globe, is rarely simple or straightforward.

But amidst these complexities, we are constantly striving to apply the highest standards of efficiency, professionalism and expertise to the tasks involved in delivering on our promises.

We hold ourselves accountable to both our donors and supporters and to the children, families and communities whose lives we seek to transform.

Global strategic context

Work on the Our Future Project, the World Vision International Partnership's three-year global strategic planning endeavour, continued in 2007. Our Future seeks to align shared efforts and resources across the Partnership to improve our collective impact. It is based upon a programming model which guides our contribution to development. It is grounded in a set of mandates and objectives which give the Partnership a strategic focus and a basis to measure and hold ourselves accountable.

World Vision Australia strategic planning

In alignment with the Partnership's global strategy, World Vision Australia is undertaking its own three-year strategic planning process. Our strategy places emphasis on three key areas:

- effective engagement with Australia
- provision of quality programs which deliver maximum impact in the field
- investment in organisational capacity to ensure delivery of optimal outcomes.

An integral part of this process is the development of a performance scorecard to measure our progress in achieving the strategic objectives. The performance scorecard will be finalised in 2008 and we will report on the results of its application next year.

“ World Vision Australia delivers outcomes for the poor through our capacity, accountability, trustworthiness and expertise. ”

Finances, risk and audit

World Vision Australia is committed to accountable and transparent financial management. We follow strict procedures to ensure funds are used as intended, including annual internal and external audits. At least once every three years we are also audited by World Vision International's Audit and Evaluation Department. To enhance our risk management processes, a manager of risk and internal audit was employed during 2007.

Our Field Allocations Committee monitors and ensures compliance with World Vision Australia and World Vision International policies. It helps to ensure integrity in the allocation of funds for programming, and accuracy in our communications with supporters. The committee applies local and international accounting standards and operational audits ensure that our overseas and local partners adhere to our project management standards.

Business efficiency

As part of our commitment to financial stewardship, World Vision Australia has established a Project Management, Innovation and Contracts team to improve the quality, discipline, outcomes and governance of our Australian-based operations and procurement activities.

Our Procurement Program established two years ago continues to deliver cost savings and efficiencies to the organisation. Over \$1 million in cost savings were achieved this year on costs associated with telecommunications, software, travel, printers, faxes, photocopiers and property.

We utilise pro bono legal services wherever possible. In 2007, Clayton Utz provided 430 hours and Arnold Bloch Liebler provided 177 hours. Additional pro bono legal support was also provided by Minter Ellison, Mallesons Stephen Jacques and Allens Arthur Robinson.



Efficiency and accountability

People and culture

Our employee surveys tell us that our staff are highly committed to World Vision and list “making a difference” as a primary motivator in choosing to work with us. Our staff are talented individuals who want to use their skills to address global poverty and to help the Australian community better understand its causes.

We aim to ensure that our approaches to attracting, developing and retaining staff enable us to achieve the organisation’s aims. We want to get the right people in the right jobs, and then make sure that they have the knowledge, training and resources to do great work.

We are also aware that work in the humanitarian field can be challenging. “We value people” is one of World Vision Australia’s core values. We aim to honour this by taking care of our staff through a range of wellbeing initiatives. We promote work-life balance through flexible work arrangements, generous leave opportunities and job sharing. We care for families by allowing leave for parenting responsibilities, access to family friendly workspaces and working from home if needed.

Volunteers play a crucial role at all levels of our work, from the national and state offices through to the Board of Directors. Their contribution is invaluable and they engage in our work on a very personal level. Around Australia more than 3,800 volunteers contributed over 157,000 hours during 2007, which equated to \$3.24 million worth of work. This work encompassed everything from helping plan and manage projects, to keeping our offices running smoothly, to assisting in shopping centre displays, to speaking in schools and churches and helping to sort and package gifts in kind for shipment overseas.

We are continuing to develop and increase our utilisation of professional services volunteers who can contribute valuable skills and expertise, particularly to our operations here in Australia.

“ We value people ”



Scott Murphy
SORT Coordinator,
Supporter Services
Group



Financials

Highlights

World Vision's 2007 financial year continued the trend of strong income growth and rigorous management of expenditure in Australia to maximise the funds available for our relief and development work with communities.

Individual Australians continued to show strong support for our child sponsorship program and the development outcomes it achieves for families and communities. Goods donated by international agencies and the Australian corporate sector hit an all time high of \$97.7 million, providing medicines, food and other necessities to communities in need.

“ Goods donated by international agencies and the Australian corporate sector hit an all time high of \$97.7 million. ”

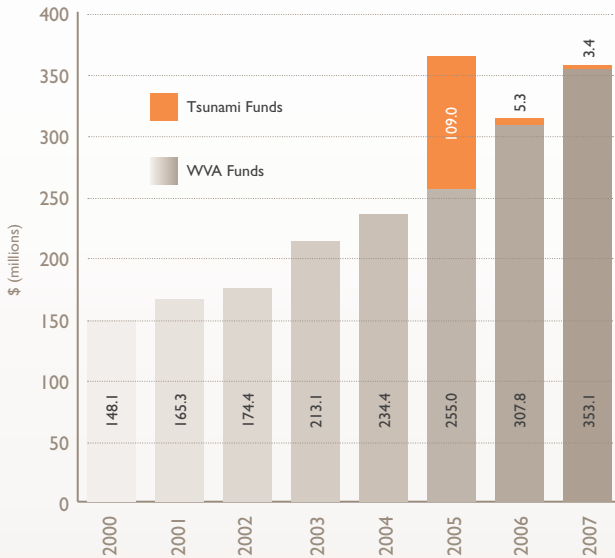
Anna Lam
Finance Analyst,
International
Finance Team



Financials

Revenue

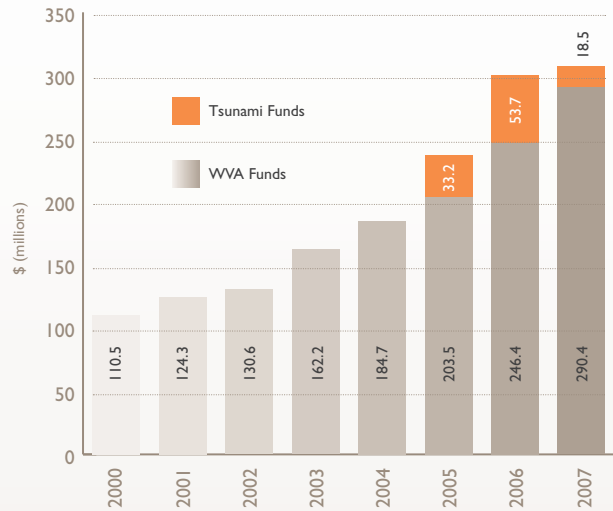
Revenue continued to grow



- Total revenue raised during 2007 was \$356.5 million, an increase of 13.9% on 2006.
- Child sponsorship revenue increased by \$16 million (9.1%) to \$189.3 million.
- Donated goods increased 40.9% to \$97.7 million, including \$51.8 million worth of medicines donated by international agencies.
- The value of work conducted on behalf of AusAID, the Australian Government's overseas aid agency, increased from \$11.8 million to \$14.1 million.

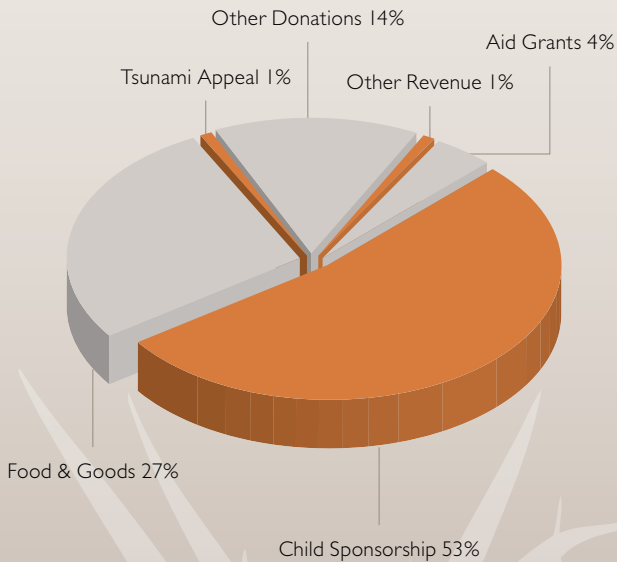
Expenditure

Record cash and goods used on Relief & Development



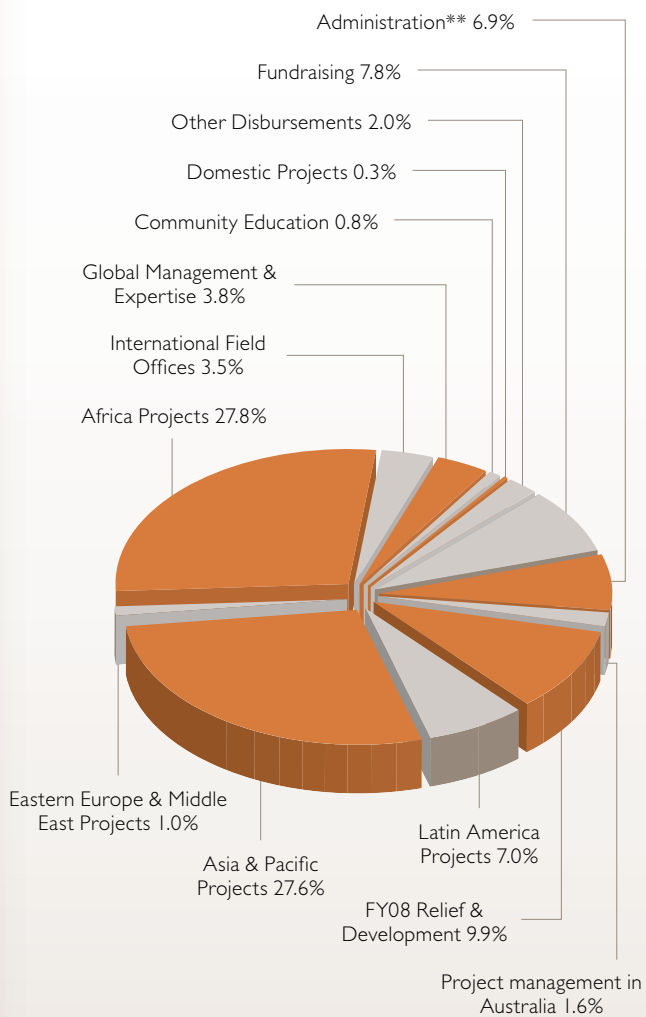
- Overseas cash disbursements to support our relief and development work with communities increased by \$14.0 million (7.9%) to \$190.8 million (excluding Tsunami funds).
- Although the Asia Tsunami occurred in 2004, World Vision Australia made a commitment to spend the funds raised over a number of years to support long-term rehabilitation needs of affected communities. This year, \$18.5 million was spent on these activities. Tsunami funds are held in trust to be used for future development and interest earned on these funds has been put back into Tsunami-related projects.

Revenue Summary



“ Overseas cash disbursements to support our relief and development work with communities increased by \$14.0 million (7.9%). ”

Disbursements of Revenue Summary*



- The proportion of revenue spent on fundraising reduced from 8.4% to 7.8%.
- The proportion of revenue spent on administration** reduced from 7.1% to 6.9%.

*Excludes Tsunami

**FY06 includes \$1.1 million for implementation of our new supporter records management system.

How funds are disbursed

Program related expenses

International projects (73.3%)

We manage all financial contributions to maximise funding for our programs in community development, emergency relief and policy change.

Global management and expertise (3.8%)

By sharing our experiences through the World Vision International Partnership we improve efficiency and maximise economies of scale. Our technical experts, strategists and global leaders in the international partnership office help with global strategy and specialty expertise. The World Vision International Partnership also engages in global advocacy activities on issues such as debt relief, HIV and AIDS and child rights.

International field offices (3.5%)

Staff in the national offices of the countries where we work help to implement development and relief programs working alongside local communities.

Project management in Australia (1.6%)

Quality advisors and sector specialists in areas such as health and economic development are employed here in Australia to provide support to program staff both in Australia and overseas ensuring our programs achieve the best outcomes.

Domestic projects (0.3%)

Our program work here in Australia.

Community education (0.8%)

Community education includes the costs associated with public awareness campaigns conducted here in Australia, as well as advocacy activities which seek to bring about change in government and institutional policies.

Operational expenses

Fundraising (7.8%)

Fundraising campaigns are conducted to attract new supporters for our poverty alleviation activities. Included are the costs of marketing, creative services and publishing.

Administration (6.9%)

Administration includes the costs of computer technology, finance and accounting functions, human resources, legal and risk management services and managerial oversight.

Other disbursements (2.0%)

This includes the costs of our consulting and Indigenous art operations and amounts retained in surplus to fund future activities.

Income Statement

for the year ended 30 September 2007

	2007	2006
	\$	\$
Operating Revenue		
Donations and gifts		
- Child sponsorship	189,250,062	173,410,322
- 40 Hour Famine	5,329,022	4,508,797
- Asian tsunami appeal	124,048	1,447,144
- Other appeals	16,845,110	18,439,221
- Other cash donations	23,661,993	19,450,034
- Donated goods	97,705,711	69,338,075
	332,915,946	286,593,593
Grants		
- AusAID	14,108,428	11,832,079
- Other Australian Agencies	260,612	327,408
- Other Overseas Agencies	3,370,220	8,106,036
	17,739,260	20,265,523
Total Operating Revenue	350,655,206	306,859,116
Other Revenue		
Investment income	3,539,640	3,986,556
Other	2,279,889	2,232,189
Total Other Revenue	5,819,529	6,218,745
TOTAL REVENUE	356,474,735	313,077,861
Disbursements		
Overseas projects		
- Cash	207,009,437	229,126,019
- Donated goods	96,269,925	66,428,776
- Project design, development and management	5,535,028	4,499,961
	308,814,390	300,054,756
Domestic projects		
- Cash	882,393	860,007
- Donated goods	0	34,765
- Other domestic projects	233,892	202,092
	1,116,285	1,096,864
Community education	2,838,936	3,264,709
Fundraising		
- Public	27,313,407	26,148,169
- Government, multilaterals and private	377,490	304,406
	27,690,897	26,452,575
Administration	24,496,415	21,827,945
Other	1,715,601	2,252,532
TOTAL DISBURSEMENTS	366,672,524	354,949,381
Excess/(deficit) of revenue over disbursements	(10,197,789)	(41,871,520)

Balance Sheet

as at 30 September 2007

	2007	2006
	\$	\$
Current assets		
Cash	28,926,618	44,754,457
Receivables	1,869,567	1,679,421
Inventories	291,486	281,998
Donated goods	10,953,933	9,484,776
Other	502,471	365,442
Total current assets	42,544,075	56,566,094
Non current assets		
Investment property	300,625	308,750
Property, plant & equipment	25,924,481	21,658,750
Total non current assets	26,225,106	21,967,500
TOTAL ASSETS	68,769,181	78,533,594
Current liabilities		
Accounts payable	6,111,343	6,391,150
Unrealised Currency Hedge payable*	11,474,284	362,780
Provisions	3,183,264	2,573,481
Total current liabilities	20,768,891	9,327,411
Non current liabilities		
Provisions	677,647	574,247
Total non current liabilities	677,647	574,247
TOTAL LIABILITIES	21,446,538	9,901,658
NET ASSETS	47,322,643	68,631,936
Equity		
Funds available for future use	58,796,927	68,994,716
Reserves*	(11,474,284)	(362,780)
TOTAL EQUITY	47,322,643	68,631,936

***US Dollar payments to fund projects around the world**

During the year we sent over \$200 million Australian dollars in cash overseas to fund relief and development projects around the world. However, because World Vision is a global partnership, our project funding commitments for each year are made in US dollars. Currency exchange rates fluctuate over time, and so to ensure that we are able to meet these commitments in US dollars, as they become payable during the year, World Vision Australia enters into forward contracts to purchase US dollars in each month of the year. At the end of the year these contracts are revalued, at the exchange rates available on 30 September, for Balance Sheet purposes. Over the year to which this report relates the Australian dollar increased in value relative to the US dollar. We therefore could (theoretically) have purchased the same number of US dollars for less Australian dollars if we had purchased them at 30 September. This difference in Australian dollars required has been recorded in the accounts as an "unrealised payable", as required by international accounting standards.



Statement of Changes in Equity

for the year ended 30 September 2007

	2007	2006
	\$	\$
Total equity at the beginning of the financial year	68,631,936	110,866,236
Adjustment on adoption of AASB132 and AASB 139		
Reserves	0	37,340
Restated total equity at the beginning of the financial year	68,631,936	110,903,576
Changes in the fair value of cash flow hedge	(11,111,504)	(400,120)
Net Income recognised directly in equity	(11,111,504)	(400,120)
Surplus/(deficit) of available funds for the year	(10,197,789)	(41,871,520)
Total recognised income and expense	(21,309,293)	(42,271,640)
Total equity at the end of the financial year	47,322,643	68,631,936
Total Surplus/(Deficit) for the year attributable to World Vision Australia	(10,197,789)	(41,871,520)

Cash Flow Statement

for the year ended 30 September 2007

	2007	2006
	\$	\$
Cash flows from operating activities		
Receipts from donors and merchandising (includes GST)	256,618,827	243,347,520
Interest received	3,511,668	3,994,050
Payments to field offices, suppliers and employees (includes GST)	(270,012,783)	(290,635,272)
Net cash used by operating activities*	(9,882,288)	(43,293,702)
Cash flows from investing activities		
Payment for property, plant & equipment	(5,922,592)	(965,835)
Proceeds from sale of property, plant & equipment	94,975	485,432
Net cash used in investing activities	(5,827,617)	(480,403)
Net increase/(decrease) in cash held	(15,709,905)	(43,774,105)
Cash at beginning of financial year	44,485,859	88,259,964
Cash at end of the financial year	28,775,954	44,485,859

*Includes \$16,665,730 (2007) and \$52,982,885 (2006) of cash payments from Tsunami funds raised in 2005.

Table of Cash Movements for Designated Purposes

	Cash available at 1 October 2006	Cash raised during year	Cash disbursed during year	Cash available at 30 September 2007
	\$	\$	\$	\$
Asian Tsunami Appeal	24,647,598	1,296,022	16,665,730	9,277,890
Other purposes	19,838,261	258,929,448	259,269,645	19,498,064
Total	44,485,859	260,225,470	275,935,375	28,775,954*

*Cash available excludes deposits held on behalf of donors of \$150,664 (2006 - \$268,598).



Independent audit report to the members of World Vision Australia

We have audited the summarised financial report of World Vision Australia for the financial year ended 30 September 2007, comprising the income statement, balance sheet, cash flow statement, statement of changes in equity and table of cash movements for designated purposes, in accordance with Australian Auditing Standards.

In our opinion, the information reported in the summarised financial report is consistent with the annual statutory financial report from which it is derived and upon which we expressed an unqualified audit opinion in our report to the members dated 23 November 2007. For a better understanding of the company's financial position and performance, as represented by the results of their operations and their cash flows for the financial year, and the scope of our audit, this report should be read in conjunction with the annual statutory financial report and our audit report on that report.

PricewaterhouseCoopers

Charles Christie
Partner

Melbourne,
23 November 2007

Declaration by Executives

To the Directors:

In the opinion of the Chief Executive Officer and the Chief Financial Officer:

- (a) The financial statements and notes of the Company 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 2007; and
 - (ii) complying with Accounting Standards and Corporations Regulations 2001.
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Chief Executive

Chief Financial Officer

Melbourne, 23 November 2007

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 are in accordance with the Corporations Act 2001, including:
 - (i) compliance with accounting standards (as defined under the Corporations Act); and
 - (ii) give a true and fair view of the financial position and performance of the Company for the financial year ended 30 September 2007.

On behalf of the Board

Board Chair

Melbourne,
23 November 2007


Director





World Vision is a Christian relief, development and advocacy organisation dedicated to working with children, families and communities to overcome poverty and injustice.

Inspired by Christian values, World Vision serves all people regardless of religion, race, ethnicity or gender.



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© 2007 World Vision Australia ABN 28 004 778 081 is a Christian relief, development and advocacy organisation dedicated to working with children, families and communities to overcome poverty and injustice.



As a signatory to the ACFID Code of conduct we're required to meet high standards of corporate governance, public accountability and financial management. For more information on the Code, visit the ACFID website on www.acfid.asn.au or email code@acfid.asn.au

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