

# Annual Financial Statements

## for the Year Ended 30 September 2024

*I certify that this is a true copy of all accounts required to be laid before the Company at its 2024 Annual General Meeting, together with a copy of every other document required to be laid before the Annual General Meeting.*



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Elizabeth Klein  
Company Secretary

# Annual Statements and Accounts

## 30 September 2024

### Contents

Directors' Report ..... 2  
Auditor's Independence Declaration..... 9  
Annual Financial Report..... 10  
Independent Auditor's Report..... 46

These reports are presented in Australian dollars, except where otherwise indicated. World Vision Australia is a public company limited by guarantee, incorporated and domiciled in Australia. It is registered as a charity by the Australian Charities and Not-for-profits Commission.

**Principal Registered Office in Australia:**

1 Vision Drive  
East Burwood, Victoria 3151  
(03) 9287 2233

**Directors:**

P. Trent (Chair), J. Seeley, D. Gardiner, A. Scipione, C. Badenoch, K. Harrison Brennan, A. Leis,  
L. Mercer, K. Gerrard.

**Chief Executive Officer:**

D. Wordsworth

**Company Secretary:**

E. Klein

**Independent Auditor:**

Grant Thornton Audit Pty Ltd  
727 Collins Street  
Melbourne, Victoria 3008

**Banker:**

Australia and New Zealand Banking Group Limited  
833 Collins Street  
Docklands, Victoria 3008

**Website address:**

[www.worldvision.com.au](http://www.worldvision.com.au)

## **Directors' Report**

The Directors present their report with respect to the results of World Vision Australia (the Company) for the financial year ended 30 September 2024 and the state of the Company's affairs at that date. The Directors who were in office during the year are:

### **Peter Trent**

Non-executive director  
*LLB, GAICD*

**Tenure:** Appointed February 2020

**Board and committee responsibilities:** Board Chair (World Vision Australia) and Board member (World Vision International). Endowment Fund Committee Chair. *Ex officio* member of Audit and Risk Committee and People Culture and Governance Committee.

**Career:** Peter brings 36 years in commercial and investment banking, and the infrastructure sector, 20 years of which was spent with Macquarie Group. Peter began his career with the Commonwealth Bank in 1982, later became executive vice-president of investment banking with Bankers Trust and in 1999 joined Macquarie Group as division director of investment banking.

Peter eventually became Chief Executive Officer of ASX listed Macquarie's Atlas Roads, a position he held between 2009-2018 where he took it from an entity with market capitalisation of \$AU278 million to a top-100 ASX-listed company with a market capitalisation of more than \$AU3.7 billion.

Peter has also held several senior corporate advisory roles during his time with Macquarie Group here and globally, and served on the boards of nine different entities over the past 27 years.

### **Charles Badenoch**

Non-executive director  
*BA Oxon (Oxford University Degree in Philosophy, Politics and Economics), ACA (Qualified Chartered Accountant UK)*

**Tenure:** Appointed September 2019

**Board and committee responsibilities:** People, Culture and Governance Committee

**Career:** Charles is World Vision International's Partnership Leader for Support Office engagement. Prior to this he was World Vision International's Partnership Leader for advocacy and external engagement.

Charles began his career at Arthur Andersen, where he qualified as a Chartered Accountant. He then worked for several international technology companies as Finance Director before moving to Paris to become Regional General Manager Europe Middle East Africa for SITA/Equant, an international data communications group subsequently acquired by France Telecom.

Charles moved to Xerox Europe to build a Network Services Business before starting his own boutique consultancy specialising in operational integration for mid-size mergers and acquisitions.

He served as CEO of World Vision UK from 2003 to 2009.

### **Kate Harrison Brennan**

Non-executive director  
*BA (Hons. I) / LLB (Hons. I), M.Phil, D.Phil*

**Tenure:** Appointed May 2022

**Board and committee responsibilities:** People, Culture and Governance Committee

**Career:** Kate has extensive expertise in social policy, community development and the need to empower people and communities. A Rhodes Scholar and former Young Australian of the Year (NSW) with a doctorate in politics, she is the Director of the Sydney Policy Lab at the University of Sydney.

Kate's previous roles include Head of Policy & Design at the Paul Ramsay Foundation, adviser to Prime Minister Julia Gillard AC, and CEO of Anglican Deaconess Ministries. She is passionate about social policy, breaking the cycle of disadvantage, international development and about her Christian faith.

**World Vision Australia**  
**ABN 28 004 778 081**

Kate first connected with World Vision doing the 8-hour kids' famine as a child, volunteered at the youth-run Oaktree development agency and has visited World Vision offices in Cambodia, Timor-Leste, Rwanda, Malawi and Sierra Leone.

**Darryl Gardiner**

Non-executive director

**Tenure:** Appointed May 2016

**Board and committee responsibilities:** Audit and Risk Committee

**Career:** Darryl is an Anglican priest who has been involved in youth and community work for more than 40 years. He sits on and has helped to establish several not-for-profit boards. He has travelled extensively, training and assisting charities – particularly those in the social service sector.

For eight years he was a weekly guest on television show Good Morning New Zealand, discussing youth and family issues. He currently works with judges in the Youth Court in New Zealand, focusing on communication issues.

Darryl is married with two children.

**Kylie Gerrard**

Non-executive director

*BAppBus (Mgmt)*

**Tenure:** Appointed September 2024

**Career:** Kylie has over 20 years' experience across the finance, insurance and tech industries, having worked in London, Australia and New Zealand.

Shortly after returning to Perth, Kylie and her husband Derek, became bi-vocational Pastors, subsequently planting Local Community Church, almost 15 years ago.

She is currently also the Co-Founder and General Partner of the \$50m Purpose Ventures Fund - investing in early stage, Australia based companies, where she is actively involved in investing and helping companies scale across multiple aspects of the business.

Kylie has almost 20 years' experience in leading overseas missions and volunteer trips and is also deeply committed to encouraging and supporting philanthropic work.

**Alicia Leis**

Non-executive director

*BCom CA*

**Tenure:** Appointed August 2022

**Board and committee responsibilities:** Audit and Risk Committee (Chair), Endowment Fund Committee

**Career:** Alicia's career spans over 25 years as a Fellow of Chartered Accountants Australia and New Zealand, working in Australia and the United Kingdom. Alicia current leads the internal audit, risk and governance function at boutique firm WLF Accounting & Advisory.

Alicia has been the lead investigator on high-profile investigations for government across conduct, governance, children in State care and compliance activities. A member of the AICD, she holds several other board positions, including the Tasmania Football Club (AFL Tasmania Devils), a large private civil construction company, and is the Chair of the Audit and Risk Committee and Deputy Chancellor of the University of Tasmania.

Alicia was the 2016 Telstra Business Woman of the Year in the Corporate and Private category for Tasmania. She lives in Hobart with her husband and two sons.

**Louise Mercer**

Non-executive director  
GAICD, MBA (Finance & Entrepreneurship), B.Comm (Liberal Studies)

**Tenure:** Appointed February 2023

**Board and committee responsibilities:** People, Culture and Governance Committee (Chair)

**Career:** Louise has extensive experience in leadership, strategic planning and technology across multiple sectors including, insurance and financial services and emerging technology like AI and blockchain.

As an executive leader, she has led and scaled new business ventures, led industry transformation projects and run strategic innovation functions.

A Board Member at Brisbane Montessori School, she previously held directorships with The Oaktree Foundation and other Not-for-Profit organisations.

Her volunteer work includes building schools in South Africa, Cambodia, Papua New Guinea and India, setting up microenterprises in Myanmar.

Louise lives in Brisbane with her husband and two children.

**Andrew Scipione**

Non-executive director  
AO, APM, MMgmt, GradDip Police Mgmt, FAIM, MAICD

**Tenure:** Appointed May 2019

**Board and committee responsibilities:** Board member (World Vision International); People, Culture and Governance Committee

**Career:** Andrew was the New South Wales Police Commissioner from 2007 until his retirement in 2017, making him one of the longest-serving police chiefs in the State's history. He worked for the NSW Police Force for more than four decades in a decorated career that included targeting global organised gangs and heading up campaigns to reduce alcohol-related and domestic violence.

Andrew was a recipient of the National Medal in 1996 and Australian Police Medal in 2003. In 2016 he was named in the Queen's Birthday Honours List as an Officer in the General Division of the Order of Australia for his service to law enforcement and "advancing the professionalism of policing and leadership of international investigations and counter terrorism activities".

Andrew was also named as the 2018 Macquarie University Alumni of the Year for Public and Community Service.

**Jon Seeley**

Non-executive director  
FCA, BEc, MBA, FAICD

**Tenure:** Appointed February 2017

**Board and committee responsibilities:** Audit and Risk Committee (Chair), Endowment Fund Committee

**Career:** Jon is Group Managing Director of Seeley International, a manufacturer of heating, ventilation and air conditioning products including Breezair and Braemar. The company employs around 500 people with manufacturing plants in Adelaide, Albury and Denver.

He previously worked for Deloitte and Goldman Sachs JBWere, in addition to spending 10 years overseas in the not-for-profit sector with relief and development organisations. This included postings to Austria, Turkey, Uzbekistan and the UK.

Jon lives in Adelaide with his wife Claire. They have four young adult children and numerous grandchildren, with whom Jon is besotted.

**Wendy Simpson**

Non-executive director

OAM, BSocSci, GradDip Ed, BLitt, MBA, FRMIT, FAICD

**Tenure:** February 2013 - February 2024

**Board and committee responsibilities:** People, Culture and Governance Committee (Chair), Endowment Fund Committee

**Career:** Wendy is an experienced, versatile global business leader and entrepreneur. She was the Founding Chair of Springboard Enterprises, Australia's only internationally-focused business accelerator for women entrepreneurs seeking investment capital. Previously, Wendy was a Senior Vice President of Alcatel Asia Pacific, responsible for a sales budget of 4.2 billion euros. She implemented the sales of major mobile and broadband services to 17 countries and was on the team that negotiated with the Chinese government to bring the internet to China. She has also held global leadership roles with QBE Insurance, Alcatel and TNT International. Wendy is on the organising committee of the annual Sydney Prayer Breakfast.

Wendy was recognised in the Australia Day 2013 Honours with a Medal of the Order of Australia for service to the community through a range of women's and youth organisations. Also in 2013, she was inducted into the Australian Businesswomen's Hall of Fame on International Women's Day and named as one of the Australian Financial Review's 100 Women of Influence. She was appointed to the Board of the General Sir John Monash Foundation in January 2015.

**Director attendance in full Board and Board Committee meetings held between 1 October 2023 and 30 September 2024:**

Attendance at Meetings	Full Board		People Culture and Governance Committee		Audit and Risk Committee		Endowment Fund Committee	
	A	B	A	B	A	B	A	B
W. Simpson	2	2	2	2	-	-	1	1
D. Gardiner	5	5	-	-	5	4	-	-
J. Seeley	5	5	-	-	5	5	2	1
A. Scipione	5	5	4	4	-	-	-	-
C. Badenoch	5	4	4	4	-	-	-	-
P. Trent	5	5	4	4	5	5	2	2
K. Harrison Brennan	5	5	4	4	-	-	-	-
A. Leis	5	5	-	-	5	5	2	2
L. Mercer	5	5	4	4	-	-	-	-
K. Gerrard	1	1	-	-	-	-	-	-

Column A indicates the number of meetings which the director was eligible to attend in their capacity as a Board or Committee member.

Column B indicates the number of meetings which a director attended in their capacity as a Board or Committee member.

**Meetings held:**

- In cycle Board meetings took place in November 2023 and in February, May, and September 2024. An additional 1 out of cycle meeting took place in July 2024.
- In cycle People Culture and Governance Committee (PCGC) meetings took place in November 2023 and in February, May, and September 2024. No out of cycle PCGC meetings took place.
- In cycle Audit and Risk Committee (ARC) meetings took place in November 2023 (2) and in February, May, and September 2024. No out of cycle meetings took place.
- In cycle Endowment Fund Committee meetings took place in November 2023 and in May 2024. No out of cycle meetings took place.

### **Principal Activities**

The principal activities of the Company during the year were international development, relief, and advocacy. No significant change in these activities has occurred during this period.

### **Objectives**

The Company's long-term objectives are to engage in:

- Transformational development that is community-based and sustainable, focussed especially on the needs of children;
- Emergency relief that assists people afflicted by conflict or disaster;
- Promotion of justice that seeks to change unjust structures affecting the poor among whom the Company works;
- Public awareness that leads to informed understanding, giving, involvement and prayer.

The Company's 2024-2028 strategy is the localisation of World Vision's Our Promise global strategy. It aims to achieve impact at scale for the sustained wellbeing of the world's most vulnerable children.

### **Results**

Total income for the year was \$391.9m (2023: \$442.7m). Total disbursements to international and domestic programs was \$335.6m (2023: \$357.7m), made up of:

- Monetary funds to international programs \$240.0m (2023: \$197.7m)
- Monetary funds to domestic programs \$5.3m (2023: \$5.7m)
- Non-monetary expenditure \$90.3m (2023: \$154.3m)

The remaining expenditure was \$83.7m (2023: \$81.6m). The Company achieved a deficit of \$27.3m (2023: surplus \$3.4m).

### **Dividends**

The Company's Constitution does not permit dividends and therefore no dividends have been recommended or paid for the year under review.

### **Review of Operations**

The Company has experienced a decrease in income to \$391.9m for 2024.

Contributing factors to the overall movement in income are:

- Grants income has increased to \$163.7m in FY24 despite global Government funding levels reducing significantly; this decline in new grant opportunities has been offset by additional revenue recognised in accordance with the rate at which Field Offices spend on delivering programming outcomes; and
- Pledges, appeals, donations and gifts decreased by 4.5% to \$126.7m due to a decline in Child Sponsorship revenue, however the company has achieved net positive Child Sponsorship acquisitions for FY24. Child Sponsorship remains a significant priority for World Vision Australia enabling children, families, and communities to address challenges of poverty in a sustainable long-term approach; and
- Non-monetary income decreased by 41.5% to \$90.6m due to significant fundraising challenges faced by World Food Programme (WFP) impacting food-based and cash transfer distributions and related income.

Operating costs increased by 2.6% in 2024 reflective of investment in market facing activities, partly offset by a reduction in administration costs as major technology implementation is completed and management drives greater efficiencies to offset rising staff and vendor costs. WVA continues to review expenditure to ensure we steward the funds entrusted to us in the most efficient way to bring long-term sustainable positive change to the lives of children, families, and communities.

The provision of resources to the field has decreased by 6.2% relative to the prior year due to a decline in non-monetary expenditure, driven by underperformance in the World Food Programme portfolio in FY24. This was partially offset by an increase in monetary funding disbursed to international programming relative to prior year.

**Significant Changes in the State of Affairs**

No significant changes occurred in the state of affairs of the Company during the financial year.

**Matters Subsequent to the End of the Financial Year**

No item, transaction or event of a material or unusual nature has arisen that is likely, in the opinion of the Directors, to affect substantially the results of the Company's operations in the future.

**Likely Developments and Expected Results of Operations**

The Company continues to focus on international and domestic development, relief and advocacy. No change to this principal activity is likely.

**Directors' Benefits**

No Director of the Company has received or has become entitled to receive a material benefit, because of a contract made by the Company, other than as described in Note 11 to the accounts.

**Insurance of Officers**

The Company has paid premiums to insure its Directors and other Officers against liabilities incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity as Director or Officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company.

**Environmental Regulations**

The Company's operations are not subject to any particular or significant environmental regulations under any law of the Commonwealth or of a State or Territory. Notwithstanding, the Directors are not aware of any breaches of any environmental regulations.

**Other Services (Non-Audit Services)**

The Company may decide to engage the external auditor on assignments additional to its statutory audit duties where the auditor's expertise and experience with the Company is important and provided each such engagement does not compromise their independence and is in accordance with the requirement for the Audit and Risk Committee to pre-approve all non-assurance services. No non-audit services have been provided by the external auditors in the current year.



**Auditor's Independence Declaration**

A copy of the auditor's independence declaration as required under Division 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* (Cth) is set out on page 9.


**Members' Guarantee**

The Company is limited by guarantee. If the Company is wound up, the Constitution states that each member (Director), while he or she is a member or within one year afterwards is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the Company. As at 30 September 2024 the number of present or past members having obligations to contribute on winding-up was 10 (2023: 10).

**Rounding of Amounts**

The Company is of a kind referred to in Legislative Instrument 2016/191 issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Financial and Directors' report. Amounts in the Financial and Directors' report have been rounded off in accordance with that Legislative Instrument to the nearest thousand dollars, unless otherwise stated.

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



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Peter Trent  
Chairman

22<sup>nd</sup> November 2024



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Alicia Leis  
Director

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**Grant Thornton Audit Pty Ltd**

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Collins Square  
727 Collins Street  
Melbourne VIC 3008  
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T +61 3 8320 2222

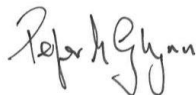
## Auditor's Independence Declaration

### To the Directors of World Vision Australia

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of World Vision Australia for the year ended 30 September 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



P M Glynn  
Partner- Audit & Assurance

Melbourne, 22 November 2024

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Annual Financial Report  
30 September 2024

Contents

Income Statement .....	11
Statement of Comprehensive Income.....	12
Statement of Financial Position .....	13
Statement of Changes in Equity .....	14
Cash Flow Statement .....	15
Notes to the Financial Statements .....	16
Declaration by Directors .....	45
Independent Auditor's Report .....	46

This financial report covers World Vision Australia as an individual entity. The financial report is presented in the Australian currency.

World Vision Australia (WVA) is a public Company limited by guarantee, incorporated and domiciled in Australia. It is also registered as a charity with the Australian Charities and Not-for-profits Commission. Its registered office and principal place of business is:

1 Vision Drive  
East Burwood, Victoria 3151

A description of the nature of its principal activities is included on page 6 in the Directors' Report, which is not part of this financial report.

The financial report was authorised for issue by the Directors on 22nd November 2024. World Vision Australia has the power to amend and reissue the financial report.

**Income Statement**  
for the Year Ended 30 September 2024

	Notes	2024 \$'000	2023 \$'000
<b>INCOME</b>			
Donations and Gifts			
Monetary			
- Pledge programs	3	100,544	107,164
- Appeals, donations and gifts	3	26,193	25,508
Non-Monetary			
- Donated goods and assets	3	247	506
- Grants (Multilateral)	3	90,310	154,250
		<u>217,294</u>	<u>287,428</u>
Bequests and Legacies - Monetary	3	7,455	4,305
Grants			
- DFAT	3	76,873	62,817
- Other Australian	3	4,264	3,255
- Other overseas	3	82,547	81,253
		<u>163,684</u>	<u>147,325</u>
Investment income	3	1,760	1,870
Other income	3	1,722	1,769
<b>TOTAL INCOME</b>		<u><b>391,915</b></u>	<u><b>442,697</b></u>
<b>EXPENDITURE</b>			
International Aid and Development Programs Expenditure			
International Programs			
- Funds to international programs	4	240,041	197,706
- Program support costs		11,777	10,526
		<u>251,818</u>	<u>208,232</u>
Community education		2,770	2,250
Fundraising Costs			
- Public		38,994	34,602
- Government, multilateral and private		2,705	2,514
Accountability and administration		26,240	30,562
Commercial Activities Expenditure		1,078	1,164
Non-monetary expenditure	4, 5(b)	90,310	154,250
Total International Aid and Development Programs Expenditure		<u>413,915</u>	<u>433,574</u>
Domestic programs expenditure		5,349	5,701
<b>TOTAL EXPENDITURE</b>	5(a)	<u><b>419,264</b></u>	<u><b>439,275</b></u>
Net (deficit)/surplus of Income over Expenditure		<u><u><b>(27,349)</b></u></u>	<u><u><b>3,422</b></u></u>

*The above income statement should be read in conjunction with the accompanying notes.*

Statement of Comprehensive Income  
for the Year Ended 30 September 2024

	Notes	2024 \$'000	2023 \$'000
(Deficit)/Surplus of Income over Expenditure		(27,349)	3,422
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified subsequently to the income statement:</b>			
OCI related to derecognised shares transferred to retained earnings		(16)	90
Changes in the fair value of equity instruments at FVOCI	6(b)	1,151	470
<b>Items that may be reclassified subsequently to the income statement:</b>			
Changes in the fair value of cash flow hedges	6(c)	(13,482)	(9,461)
<b>Other comprehensive loss for the year</b>		<u>(12,347)</u>	<u>(8,901)</u>
<b>Total comprehensive loss for the year</b>		<u>(39,696)</u>	<u>(5,479)</u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Note:

For the purposes of the Australian Council for International Development Code of Conduct, at the end of 30 September 2024, World Vision Australia had no transactions in the following categories; Revenue for International Political or Religious Adherence Promotion Programs and Expenditure for International Political or Religious Adherence Promotion Programs.

Statement of Financial Position  
as at 30 September 2024

	Notes	2024 \$'000	2023 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents	6(a)	34,005	49,618
Receivables		1,053	741
Other Assets		2,101	1,841
Other Financial Assets	6(b)	11,040	9,628
Unrealised Currency Hedge	6(c)	-	10,750
Loans Receivable	6(d)	108	107
Fulfilment Costs	3(b)	28,134	86,501
<b>Total Current Assets</b>		<b>76,441</b>	<b>159,186</b>
<b>Non-Current Assets</b>			
Unrealised Currency Hedge	6(c)	-	558
Receivables		546	420
Loans Receivable	6(d)	1,478	1,039
Property, Computer Hardware & Equipment	7(a)	16,503	17,032
Intangible Assets	7(b)	257	674
Right of Use Asset	6(f)	667	994
<b>Total Non-Current Assets</b>		<b>19,451</b>	<b>20,717</b>
<b>TOTAL ASSETS</b>		<b>95,892</b>	<b>179,903</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payable	6(e)	6,432	7,176
Provisions	7(c)	6,937	6,676
Lease Liabilities	6(f)	531	509
Contract Liabilities	3(b)	21,215	66,961
Unrealised Currency Hedge	6(c)	2,121	-
<b>Total Current Liabilities</b>		<b>37,236</b>	<b>81,322</b>
<b>Non-Current Liabilities</b>			
Provisions	7(c)	1,261	1,165
Lease Liabilities	6(f)	221	599
Unrealised Currency Hedge	6(c)	53	-
<b>Total Non-Current Liabilities</b>		<b>1,535</b>	<b>1,764</b>
<b>TOTAL LIABILITIES</b>		<b>38,771</b>	<b>83,086</b>
<b>NET ASSETS</b>		<b>57,121</b>	<b>96,817</b>
<b>EQUITY</b>			
Hedging Reserve	6(c)	(2,174)	11,308
FVOCI Reserve		1,128	(23)
Retained Earnings		58,167	85,532
<b>TOTAL EQUITY</b>		<b>57,121</b>	<b>96,817</b>

The above statement of financial position should be read in conjunction with the accompanying notes.

**Statement of Changes in Equity**  
for the Year Ended 30 September 2024

	Hedging Reserve \$'000	FVOCI Reserve \$'000	Retained Earnings \$'000	Total \$'000
<b>Balance as at 30 September 2022</b>	<u>20,769</u>	<u>(493)</u>	<u>82,020</u>	<u>102,296</u>
Surplus of Income over Expenditure	-	-	3,422	3,422
Other comprehensive income/(loss) for the year	(9,461)	470	90	(8,901)
Total comprehensive loss for the year	<u>(9,461)</u>	<u>470</u>	<u>3,512</u>	<u>(5,479)</u>
<b>Balance as at 30 September 2023</b>	<u>11,308</u>	<u>(23)</u>	<u>85,532</u>	<u>96,817</u>
Deficit of Income over Expenditure	-	-	(27,349)	(27,349)
Other comprehensive income/(loss) for the year	(13,482)	1,151	(16)	(12,347)
Total comprehensive loss for the year	<u>(13,482)</u>	<u>1,151</u>	<u>(27,365)</u>	<u>(39,696)</u>
<b>Balance as at 30 September 2024</b>	<u>(2,174)</u>	<u>1,128</u>	<u>58,167</u>	<u>57,121</u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes.*

**Cash Flow Statement**  
for the Year Ended 30 September 2024

	Notes	2024 \$'000	Restated 2023 \$'000
<b>Cash flows (utilised)/provided by operating activities</b>			
Receipts from donors and merchandising (inc. GST)	8(c)	182,795	203,649
Interest received		1,611	1,836
Payments to field offices, suppliers and employees (inc. GST)	8(c)	<u>(198,462)</u>	<u>(194,811)</u>
<b>Net cash (utilised)/provided by operating activities</b>	8(a)	<b>(14,056)</b>	<b>10,674</b>
<b>Cash flows utilised in investing activities</b>			
Payments for property, computer hardware and equipment		(446)	(1,143)
Proceeds from sale of property, computer hardware and equipment		-	-
Payment for Loans Receivable		(477)	(1,146)
Payments for Financial Assets		(3,057)	(5,280)
Proceeds from sale of Financial Assets		<u>3,056</u>	<u>2,416</u>
<b>Net cash utilised in investing activities</b>		<b>(924)</b>	<b>(5,153)</b>
<b>Cash flows utilised in financing activities</b>			
Payment of principal portion of lease liabilities		<u>(633)</u>	<u>(536)</u>
<b>Net cash utilised in financing activities</b>		<b>(633)</b>	<b>(536)</b>
<b>Net (decrease)/increase in cash held</b>		<b>(15,613)</b>	<b>4,985</b>
Cash at beginning of financial year		<u>49,618</u>	<u>44,633</u>
<b>Cash at end of the financial year</b>	6(a)	<b><u>34,005</u></b>	<b><u>49,618</u></b>

*The above cash flow statement should be read in conjunction with the accompanying notes.*



Notes to the Financial Statements  
as at 30 September 2024

**Index of the Notes to the Financial Statements**

**Section 1: Basis of Preparation**

1. Basis of preparation
2. Accounting standards and interpretations

**Section 2: Notes to the Numbers**

3. Income
4. Disbursement to overseas projects by region/country
5. Expenditure
6. Financial assets and liabilities
7. Non-financial assets and liabilities
8. Cash flow information

**Section 3: Risk**

9. Financial risk management
10. Significant accounting judgements and estimates

**Section 4: Other Information**

11. Remuneration of directors
12. Remuneration of key management personnel
13. Remuneration of auditors
14. Contingencies
15. Commitments
16. Related parties disclosures
17. Matters subsequent to the end of the financial year
18. Charitable Fundraising Act 1991 (New South Wales)

Notes to the Financial Statements  
as at 30 September 2024

The notes to the Financial Statements are organised into the following sections:

**Section 1: Basis of Preparation:** This section provides details of the basis of preparation for the Financial Statements to allow the users of the Financial Statements to understand how the Company has complied with relevant accounting requirements.

**Section 2: Notes to the Numbers:** This section provides a breakdown and additional information on individual line items in the Financial Statements, including the material accounting policies.

**Section 3: Risk:** This section discusses the exposure to various risks and how these could affect the Company's financial position and performance.

**Section 4: Other Information:** This section contains disclosures that are relevant to the financial report but are not directly related to individual line items in the Financial Statements.

## SECTION 1: BASIS OF PREPARATION

### 1. Basis of Preparation

'World Vision Australia' or 'the Company' is a not-for-profit entity for the purpose of preparing the Financial Statements.

These General Purpose Financial Statements – Simplified Disclosure have been prepared in accordance with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board, and the *Australian Charities and Not-for-profits Commission Act 2012*.

Comparative figures have been revised where necessary to confirm to changes in presentation and classification for the current financial year. The comparative figures in the statement of cash flows have been adjusted for non-cash transactions recorded in 'receipts from donors and merchandising (inc. GST)' and 'payment to field offices, suppliers and employees (inc. GST)'. The impact was to reduce 'receipts from donors and merchandising (inc. GST)' from \$296.4m to \$203.7m in total, a reduction of \$92.7m and to reduce 'payment to field offices, suppliers and employees (inc. GST)' from \$287.5m to \$194.8m by an equal and offsetting \$92.7m. There was no impact to net cash from operating activities or any other comparative figures in the financial report.

The financial reports have been prepared in accordance with the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss or through other comprehensive income.

The Company's Melbourne office receives all income and is responsible for all expenditure. Branch accounting records have been maintained in accordance with statutory requirements for all State Governments.

#### *Compliance with the Australian Council for International Development Code of Conduct*

The Company adheres to the Australian Council for International Development (ACFID) Code of Conduct. The following Financial Statements have been prepared in accordance with the presentation and disclosure requirements set out in the ACFID Code of Conduct. For further information on the Code please refer to the ACFID website at [www.acfid.asn.au](http://www.acfid.asn.au)

#### *Compliance with IFRS*

A statement of compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) cannot be made due to the Company applying not-for-profit specific requirements contained in the Australian Accounting Standards.

#### *Foreign currency transactions and balances*

Foreign currency transactions are converted into Australian currency at the rate of exchange applicable at the date of the transactions. Amounts receivable and payable in foreign currencies are converted at the closing rate at reporting date. Foreign currencies held at reporting date are converted to Australian dollars at exchange rates applicable at that date.

Notes to the Financial Statements  
as at 30 September 2024

**1. Basis of Preparation (continued)**

*Income and other taxes*

No income tax is payable as the Company is exempt under Division 50 of the Income Tax Assessment Act, 1997.

*Goods and Services Tax (GST)*

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to, the taxation authority, are presented as operating cash flow.

**2. Accounting Standards and Interpretations**

All new accounting standards, interpretations and accounting policies have been adopted and consistently applied to all the years presented, unless otherwise stated.

Australian Accounting Standards and Interpretations that have been recently issued or amended, but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 September 2024. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Notes to the Financial Statements  
as at 30 September 2024 (continued)

**SECTION 2: NOTES TO THE NUMBERS**

**3 Income**

The following provides a further breakdown of the Company's income by category source:

	2024 \$'000	2023 \$'000
<b>Donations and Gifts - Monetary</b>	<b>126,737</b>	<b>132,672</b>
Pledge programs	100,544	107,164
- Sponsorship	92,929	99,199
- Other	7,615	7,965
Appeals, donations and gifts	26,193	25,508
- Emergency relief appeals	2,523	4,092
- Other appeals	9,746	11,452
- Other cash donations and gifts	13,924	9,964
<b>Donations and Gifts - Non-Monetary</b>	<b>90,557</b>	<b>154,756</b>
Donated goods and assets	247	506
- Bequests and Legacies	247	506
Grants (Multilateral)	90,310	154,250
- Food and vouchers donated by International Agencies	90,310	154,250
<b>Total</b>	<b>217,294</b>	<b>287,428</b>
<b>Bequests and Legacies - Monetary</b>	<b>7,455</b>	<b>4,305</b>
Child Sponsorship	203	196
Other	7,252	4,109
<b>Grants</b>	<b>163,684</b>	<b>147,325</b>
DFAT	76,873	62,817
Other Australian	4,264	3,255
Other overseas	82,547	81,253
<b>Investment income</b>	<b>1,760</b>	<b>1,870</b>
<b>Other income</b>	<b>1,722</b>	<b>1,769</b>
Other	1,722	1,769
<b>Total Income</b>	<b>391,915</b>	<b>442,697</b>

**3(a) Accounting Policies**

The following specific recognition criteria must be met before income is recognised:

*Donations and Gifts - Monetary*

The Company is a not-for-profit organisation and receives a significant part of its income from donations. Amounts donated are recognised only when they are received by the Company unless there are sufficiently specific and enforceable performance obligations to expend the funds received for a specific purpose. Then these funds will not be recognised until the performance obligation is satisfied.

*Donated Goods and Assets*

These are accepted on the basis they will provide a future benefit. Income is brought to account when the goods or assets are received by the Company and are recorded at fair value.

Income from legacies comprising bequests of shares or other property is recognised at fair value, being the market value of the shares or property at the date the company becomes legally entitled to the shares or property.

Notes to the Financial Statements  
as at 30 September 2024 (continued)

3(a) Accounting Policies (continued)

*Grants (Multilateral)*

The Company enters into multilateral contracts to distribute various commodities to beneficiaries outside Australia. Revenue is measured based on the consideration specified in a contract with the donor. The Company recognises revenue at a point in time when it transfers control over the commodity to beneficiaries of the contract and the associated performance obligation is fulfilled.

The contracts are typically one to three years in length, based on our evaluation of the terms of these contracts. Payment terms are agreed with the donor and reflected in the contractual terms.

Where an obligation exists for refunding monies not spent by the Company or where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied. There are generally no warranty provisions or variable consideration provisions included in the contract obligations.

The Company has elected to use the practical expedient that permits the Company to not adjust for the impact of a significant financing component when the expected payment term is one year or less.

*Bequests and Legacies*

Income from Bequests and Legacies is recognised when received unless there is a sufficiently specific performance obligation to expend the funds received for a specific purpose. Then these funds will not be recognised until the performance obligation is satisfied.

*Grants*

A number of the Company's programs are supported by grants received from federal, state and foreign governments. These grant contracts are mainly involved in overseas aid and development work.

Revenue is measured based on the consideration specified in a contract with the donor. The Company recognises revenue when it transfers control over a good or service to beneficiaries of the contract and the associated performance obligation is fulfilled.

These grant contracts include the transfer of goods or services. The revenue is recognised over time as the enforceable performance obligations are performed or goods provided. An input method of determining when the performance obligations have been met over time is applied. This method uses the entity's efforts and inputs relative to total expected inputs and is indicative of WVA's efforts to satisfy the performance obligations generally present in grant contracts. This approach may cause variability in terms of the revenue recognised.

The contracts are typically one to three years in length, based on our evaluation of the terms of these contracts. Payment terms are agreed with the donor and reflected in the contractual terms.

Where an obligation exists for refunding monies not spent by the Company a liability will be raised in the event such funds exist. There are generally no warranty provisions or variable consideration provisions included in the contract obligations. The Company has elected to use the practical expedient that permits the Company to not adjust for the impact of a significant financing component when the expected payment term is one year or less.

*Investment Income*

Interest income is recognised on a time proportion basis using the effective interest method. Dividend income is recognised as it is received.

*Other Income*

Income is recognised to the extent that it is probable that the economic benefits will flow to the Company and the income can be reliably measured.

Notes to the Financial Statements  
as at 30 September 2024 (continued)

3(b) Revenue from AASB 15 Contracts with Donors

(i) Disaggregation of revenue from Contracts with Donors

The Company derives revenue from the transfer of goods and services (i) over time and (ii) at a point in time, disaggregated by donor type:

By Donor Type:	2024 \$'000	2023 \$'000
DFAT	76,873	62,817
- Grants (i)	76,873	62,817
Other Australian	4,831	3,395
- Grants (i)	4,264	3,255
- Other revenue (ii)	567	140
Other overseas	172,872	235,925
- Grants (i)	82,547	81,253
- Other revenue (ii)	15	422
- Food and vouchers donated by International Agencies (ii)	90,310	154,250
<b>Total Revenue from Contracts with Donors</b>	<b>254,576</b>	<b>302,137</b>

(i) Disaggregation of revenue from Contracts with Donors (continued)

The Company derives revenue from the transfer of goods and services by geographical regions:

By Geographical Region:	2024 \$'000	2023 \$'000
Australia	664	2,241
East Africa	84,679	119,255
Southern Africa	28,252	27,570
West Africa	82	767
Middle East/Eastern Europe Region	44,154	57,544
Asia Pacific	96,745	94,760
	<b>254,576</b>	<b>302,137</b>

(ii) Liabilities related to Contracts with Donors

The Company has recognised the following liabilities related to contracts with donors:

	2024 \$'000	2023 \$'000
<b>Opening balance</b>	66,961	55,156
Revenue recognised that was included in contract liability balance at beginning of the period	(72,021)	(50,187)
Increases due to cash received, excluding amounts recognised as revenue during the period	26,275	61,992
<b>Closing balance</b>	<b>21,215</b>	<b>66,961</b>

The contract liabilities primarily relate to deferral of revenue to be recognised upon meeting relevant enforceable performance obligations. Contract liabilities have decreased since the prior financial year due mainly to the timing of cash tranches received from the contracts relative to the prior year.

Payment from donors is generally received in advance of the satisfaction of the performance obligations resulting in a contract liability.

Notes to the Financial Statements  
as at 30 September 2024 (continued)

3 Income (continued)

3(b) Revenue from AASB 15 Contracts with Donors (continued)

(iii) Transaction price allocated to remaining obligations

	2024	2023
	\$'000	\$'000
Transaction price allocated to the partially or fully unsatisfied performance obligations	127,680	153,115

The Company expects that the majority of the transaction prices allocated to unsatisfied contracts in 2024 will be recognised as revenue over the next two years. In arriving at these amounts, management has exercised judgement in allocating the remaining performance obligations over the remaining life of the contract on a time basis. This is deemed appropriate given the performance obligations are met over time.

All other contracts with donors are for periods of one year or less. As permitted under AASB 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

(iv) Contract Cost Assets to Fulfil a Contract with Donors

Funds to international programs are distributed via World Vision International. When these disbursements made by the Company meet the criteria for being capitalised before the fulfilment of performance obligations, they will initially be capitalised as 'fulfilment costs'. This asset is recognised when funds are disbursed to projects via World Vision International before the fulfilment of performance obligations. Subsequently the costs are amortised consistent with the pattern of transfer of the good or service to which the asset relates.

	2024	2023
	\$'000	\$'000
Opening balance	86,501	79,364
Additional costs incurred to fulfil a contract before funding received	11,583	45,784
Amortisation	<u>(69,950)</u>	<u>(38,647)</u>
Closing balance	<u>28,134</u>	<u>86,501</u>

3(c) Income per AASB 1058

(i) Disaggregation of AASB 1058 income by source

	2024	2023
	\$'000	\$'000
<b>Donations and Gifts - Monetary</b>	<b>126,737</b>	<b>132,672</b>
Pledge programs	<u>100,544</u>	<u>107,164</u>
- Sponsorship	92,929	99,199
- Other	7,615	7,965
Appeals, donations and gifts	<u>26,193</u>	<u>25,508</u>
- Emergency relief appeals	2,523	4,092
- Other appeals	9,746	11,452
- Other cash donations and gifts	13,924	9,964
<b>Donations and Gifts - Non-Monetary</b>	<b>247</b>	<b>506</b>
Donated goods and assets	<u>247</u>	<u>506</u>
- Bequests and Legacies	247	506
<b>Bequests and Legacies - Monetary</b>	<b>7,455</b>	<b>4,305</b>
Child Sponsorship	<u>203</u>	<u>196</u>
Other	7,252	4,109
<b>Investment income</b>	<b>1,760</b>	<b>1,870</b>
<b>Other income</b>	<b>1,140</b>	<b>1,207</b>
Other	<u>1,140</u>	<u>1,207</u>
<b>Total Income per AASB 1058</b>	<b><u>137,339</u></b>	<b><u>140,560</u></b>

**Notes to the Financial Statements**  
**as at 30 September 2024 (continued)**

**4 Disbursement to Overseas Projects by Region/Country**

	2024 \$'000	2023 \$'000
Burundi	7,412	4,734
Ethiopia	16,172	20,409
Kenya	26,501	25,142
Sudan	1,319	4,954
Rwanda	4,341	4,229
Somalia	16,889	44,612
South Sudan	20,236	19,833
Tanzania	1,063	1,062
Uganda	16,710	11,946
<b>East Africa</b>	<b><u>110,643</u></b>	<b><u>136,921</u></b>
Congo	21,299	20,410
Malawi	4,932	1,294
Mozambique	1,157	2,191
Zambia	6,028	6,666
Zimbabwe	3,613	6,727
<b>Southern Africa</b>	<b><u>37,029</u></b>	<b><u>37,288</u></b>
Chad	334	749
Ghana	-	153
Mali	-	410
Niger	-	85
Senegal	188	527
<b>West Africa</b>	<b><u>522</u></b>	<b><u>1,924</u></b>
Afghanistan	12,480	10,022
Caucasus	78	117
Iraq	6,537	6,861
Jerusalem/West Bank/Gaza	732	906
Lebanon	18,366	30,836
Syria	7,583	2,418
Turkey	2,030	-
Ukraine	3,554	10,167
<b>Middle East/Eastern Europe Region</b>	<b><u>51,360</u></b>	<b><u>61,327</u></b>



**Notes to the Financial Statements**  
**as at 30 September 2024 (continued)**

**4 Disbursement to Overseas Projects by Region/Country (continued)**

	2024 \$'000	2023 \$'000
Bangladesh	14,796	17,251
Cambodia	7,552	4,174
East Timor	11,404	2,675
India	-	1,747
Indonesia	4,581	4,883
Laos	3,028	3,599
Myanmar	3,661	4,426
Nepal	3,464	3,229
PNG	55,858	52,011
Philippines	36	-
Solomon Islands	5,143	4,163
Sri Lanka	7,120	7,206
Vanuatu	7,156	3,546
Vietnam	867	1,248
<b>Asia Pacific</b>	<b>124,666</b>	<b>110,158</b>
Brazil	161	-
Colombia	105	-
<b>Latin America</b>	<b>266</b>	<b>-</b>
Global Operations – Ministry (i)	18,237	17,222
Other International Projects (ii)	413	302
Partnership Treasury Office Reserves (iii)	(12,785)	(13,186)
<b>Total Cash and Donated Goods Disbursed to International Projects</b>	<b>330,351</b>	<b>351,956</b>
<b>Analysed as:</b>		
Funds to international programs	240,041	197,706
Non-Monetary Expenditure Disbursed Overseas	90,310	154,250
	<b>330,351</b>	<b>351,956</b>
Non-Monetary Expenditure Disbursed in Australia	-	-
<b>TOTAL</b>	<b>330,351</b>	<b>351,956</b>

**Notes to the Financial Statements**  
**as at 30 September 2024 (continued)**

**4 Disbursement to Overseas Projects by Region/Country (continued)**

(i) Funding of global management and expertise. World Vision Australia is part of the World Vision International Partnership which operates in nearly 100 countries. By sharing experiences through the World Vision International Partnership, World Vision Australia improves its efficiency and maximises economies of scale. Programs are implemented via the network of national offices under the oversight of the World Vision International Partnership which co-ordinates activities such as the transfer of funds and strategic operations. World Vision technical experts, strategists and global leaders in the international partnership office help with global strategy and specialty expertise.

(ii) The World Vision International Partnership engages in international advocacy activities on issues such as ending all forms of violence against children, child and maternal health and the protection of children during conflict and crisis.

(iii) Represents the excess of disbursements to the partnership office by World Vision Australia. 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 at the Partnership Treasury Office pending future disbursement to projects.

	2024	2023
	\$'000	\$'000
<b>5 Expenditure</b>		
<b>5a) Expenditure</b>		
Disbursements to overseas projects (Note 4)	330,351	351,956
Disbursements to domestic projects	5,349	5,701
Global Operations – Administration	4,369	6,881
Employee benefits expense	46,672	43,433
Advertising, printing & postage	18,877	14,417
Depreciation	970	902
Amortisation - Intangibles	417	547
Amortisation - Right of Use asset	553	510
Other	11,706	14,928
<b>Total</b>	<b><u>419,264</u></b>	<b><u>439,275</u></b>
<b>5b) Non-Monetary Expenditure Reconciliation</b>		
Non-monetary revenue	90,557	154,756
Opening donated goods	-	-
Less closing donated goods	-	-
<b>Net Non-Monetary Revenue</b>	<b><u>90,557</u></b>	<b><u>154,756</u></b>
Non-monetary expenditure	90,310	154,250
Add donated assets still on hand	247	506
<b>Total Expenditure Received as a Donation</b>	<b><u>90,557</u></b>	<b><u>154,756</u></b>

**Notes to the Financial Statements**  
**as at 30 September 2024 (continued)**

**6 Financial Assets and Liabilities**

*Classification of financial assets*

The Company classifies its financial assets, other than those designated and effective as hedging instruments in the following measurement categories:

- those measured fair value through profit and loss - FVTPL,
- those measured fair value through other comprehensive income - FVOCI, and
- those measured subsequently at amortised cost.

For investments in equity instruments that are not held for trading, the classification will depend on whether the Company has made an irrevocable election on initial recognition to account for the investment at fair value through other comprehensive income (FVTOCI).

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>6(a) Cash and Cash Equivalents</b>		
Cash at bank and cash on hand	29,978	24,618
Term deposits (i)	4,027	25,000
<b>Total (ii)</b>	<b>34,005</b>	<b>49,618</b>

Cash is recognised at its face value and includes cash on hand and term deposits held with financial institutions that are readily convertible to cash and have an insignificant risk of changes in value.

Funds awaiting remittance to field countries are normally invested in short term deposits and are included as cash at bank and cash on hand.

(i) Term deposits

Term deposits were held at various times during the financial year and earned interest at current market rates applicable at rollover. The deposits earned interest at an average rate of 4.92% in 2024 (2023: 4.23%). These deposits have a weighted average investment term of 116 days (2023: 101 days).

(ii) The weighted average effective interest rate earned on cash and investments was 4.92% in 2024 (2023: 3.57%).

**Notes to the Financial Statements**  
**as at 30 September 2024 (continued)**

<b>6</b>	<b>Financial Assets and Liabilities (continued)</b>	<b>2024</b>	<b>2023</b>
		<b>\$'000</b>	<b>\$'000</b>
<b>6(b)</b>	<b>Other Financial Assets</b>		
	Opening carrying amount	9,628	5,691
	Donations	247	506
	Acquisitions	3,057	5,280
	Disposals	(3,072)	(2,327)
	Net revaluation through Profit or Loss	29	8
	Net revaluation through Other Comprehensive Income	1,151	470
	Closing carrying amount	<u>11,040</u>	<u>9,628</u>
	 Diversified Income and Growth Assets	 <u>11,040</u>	 <u>9,628</u>
		<b>11,040</b>	<b>9,628</b>
	 Financial Assets classified at Fair Value through Other Comprehensive Income (i)	 10,928	 9,545
	Financial Assets classified at Fair Value through Profit or Loss (ii)	112	83
		<u>11,040</u>	<u>9,628</u>

(i) The Company maintains a long-term managed investment portfolio that is designed to be held in perpetuity. The portfolio is managed by an external fund manager who invests in a mix of cash and cash equivalents, fixed interest and Australian shares and international shares. The long-term investment portfolio serves to support the charitable purposes of the Company by growing the capital and generating a growing income stream.

These assets are classified as financial assets at Fair Value through Other Comprehensive Income (OCI). They are measured at fair value. Distributions/dividends received are recognised in the Income Statements. Gains and losses from the movement in fair value are recognised in OCI. The amounts recognised in OCI are not reclassified to profit or loss under any circumstances.

(ii) These financial assets represent donated listed shares held for the purposes of any income generated required to support Child Sponsorship. These assets are classified as financial assets at Fair Value through Profit or Loss. They are measured at fair value. Distributions/dividends received and the annual movement in fair value are recognised in the Income Statements.

**Notes to the Financial Statements**  
**as at 30 September 2024 (continued)**

**6 Financial Assets and Liabilities (continued)**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>6(c) Unrealised Currency Hedge</b>		
Balance at 1 October	11,308	20,769
Changes in the fair value of cash flow hedges	(13,482)	(9,461)
<b>Balance at 30 September</b>	<u><b>(2,174)</b></u>	<u><b>11,308</b></u>
 Represented by:		
Current	(2,121)	10,750
Non-Current	(53)	558
	<u><b>(2,174)</b></u>	<u><b>11,308</b></u>

The Company remits cash to fund overseas projects to the Partnership Treasury Office in US dollars. This central function coordinated by the Partnership Treasury Office ensures the efficient disbursement of funds to projects provided by the Company and other Support Offices. The Company enters into a series of forward foreign exchange agreements to provide certainty of the total US dollars available to fund projects.

The Company documents, at the inception of the hedging transaction, the risk management objective and strategy for undertaking various hedge transactions. The Company also documents the economic relationship between hedging instruments and hedged items, as well as its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in cash flows of hedged items.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. Any gain or loss relating to an ineffective portion is recognised immediately in the income statement within other income or expenses. The Company expects all current hedge relationships to be highly effective going forward. The amount accumulated in the hedging reserve is reclassified to the income statement in the same period during which the hedged expected future cash flows affect profit or loss.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement within other income or other expenses. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

The Company is exposed to foreign currency exchange risk through its loans receivable as these loans are denominated in euro. The Company enters into a series of forward foreign exchange agreements to provide certainty of the total euro at forward loan repayment dates. These hedges are denominated in euro. At the end of each reporting period, the foreign currency loan shall be translated using the closing rate and the Company will recognise the difference (to the previous recognition amount) in the profit or loss statement.

The Company has agreed to sell A\$57.8m (US\$38.4m) at an effective average exchange rate of 0.6661 over the next 12 months and sell EUR1.2m (A\$2.1m) at an effective average exchange rate of 1.7599 over the next 49 months.

**Notes to the Financial Statements**  
**as at 30 September 2024 (continued)**

**6 Financial Assets and Liabilities (continued)**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>6(d) Loans Receivable</b>		
Loans Receivable from WV Support Offices	1,586	1,146
<b>Balance at 30 September</b>	<u><b>1,586</b></u>	<u><b>1,146</b></u>
Represented by:		
Current	108	107
Non-Current	1,478	1,039
	<u><b>1,586</b></u>	<u><b>1,146</b></u>

The Company has entered into senior unsecured loan agreements with World Vision companies. The loan in foreign currency (euro) is translated at the exchange rate on the transaction date and recorded in Australian Dollars (AUD). Future repayments and interest received on these loans are recognised in Australian Dollars at the exchange rate on those repayment dates. These loans are initially recognised at fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the loans.

Interest revenue is calculated by using the Effective Interest Rate Method which is calculated by applying the effective interest rate to the gross carrying amount of the financial asset. The Effective Interest Rate is the rate that exactly discounts the estimated future cashflows over the expected life of a loan to its carrying amount.

The Company is exposed to foreign currency exchange risk through its loans receivable as these loans are denominated in euro. The Company enters into a series of forward foreign exchange agreements to provide certainty of the total euro at forward loan repayment dates. These hedges are denominated in euro. At the end of each reporting period, the foreign currency loan shall be translated using the closing rate and the Company will recognise the difference (to the previous recognition amount) in the profit or loss statement.

The Company is exposed to credit risk relating to its loans receivable from other World Vision companies. This risk is being mitigated by measuring the loans receivable at amortised cost using the effective interest method, less any allowance for expected credit losses.

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>6(e) Accounts Payable</b>		
Trade creditors	1,626	1,776
Accrued creditors	2,386	5,281
Other payables	2,420	119
<b>Total</b>	<u><b>6,432</b></u>	<u><b>7,176</b></u>

These amounts are unsecured and usually paid 25 days after the end of the month in which the Company receives the invoice.

**Notes to the Financial Statements**  
**as at 30 September 2024 (continued)**

**6 Financial Assets and Liabilities (continued)**

**6(f) Leases**

**(i) Right of use Asset**

The balance sheet shows the following amounts relating to leases:

	Properties \$'000	Vehicles \$'000	Equipment \$'000	Total \$'000
<b>Year ended 30 September 2023</b>				
Cost	4,038	309	264	4,611
Accumulated amortisation	(3,142)	(241)	(234)	(3,617)
<b>Net carrying value</b>	<b>896</b>	<b>68</b>	<b>30</b>	<b>994</b>
<b>Movement</b>				
Opening net carrying value	232	62	62	356
Additions	1,048	82	18	1,148
Disposals	-	-	-	-
Amortisation expense	(384)	(76)	(50)	(510)
<b>Closing net carrying value</b>	<b>896</b>	<b>68</b>	<b>30</b>	<b>994</b>
<b>Year ended 30 September 2024</b>				
Cost	4,068	235	157	4,460
Accumulated amortisation	(3,561)	(163)	(69)	(3,793)
<b>Net carrying value</b>	<b>507</b>	<b>72</b>	<b>88</b>	<b>667</b>
<b>Movement</b>				
Opening net carrying value	896	68	30	994
Additions	30	101	95	226
Disposals	-	-	-	-
Amortisation expense	(419)	(97)	(37)	(553)
<b>Closing net carrying value</b>	<b>507</b>	<b>72</b>	<b>88</b>	<b>667</b>

	2024 \$'000	2023 \$'000
<b>(ii) Lease liabilities</b>		
Current	531	509
Non-current	221	599
	<b>752</b>	<b>1,108</b>

**Notes to the Financial Statements**  
**as at 30 September 2024 (continued)**

**6 Financial Assets and Liabilities (continued)**

**6(f) Leases (continued)**

**(iii) Amounts recognised in Profit & Loss:**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
The income statement shows the following amounts relating to leases:		
Amortisation - Right of Use asset	553	510
Interest expense on lease liabilities	61	56
Expense relating to short-term leases (included in Domestic Expenditure in Profit & Loss)	35	52
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in Domestic Expenditure in Profit & Loss)	1	2

The total cash outflow for leases in 2024 is \$633k (2023: \$536k). There were no expenses recognised relating to variable lease payments not included in lease liabilities (2023: nil.)

**(iv) Maturity Profile of Lease Liabilities**

The table below summarises the maturity profile of the Company's lease liabilities based on contractual undiscounted payments:

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
On demand	-	-
Less than 3 months	97	107
3 months to 1 year	466	483
1 to 5 years	234	715
> 5 years	-	-
	<b>797</b>	<b>1,305</b>

**(v) Additional Information**

The Company leases offices in multiple States under non-cancellable operating leases expiring within 1 to 3 years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of leases are renegotiated. In addition, the Company has a Master Fleet Agreement whereby it leases vehicles under non-cancellable operating leases. These leases have terms varying between 2 – 5 years, no escalation clauses and an option to renew by entering into a new agreement. The Company leases photocopiers for a 5 year term and a mailing machine for a term of 2 years with no escalation clauses included in these lease agreements.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants.



Notes to the Financial Statements  
as at 30 September 2024 (continued)

**6 Financial Assets and Liabilities (continued)**

**6(f) Leases (continued)**

Assets and liabilities arising from a lease are initially measured at present value. Lease liabilities include the net present value of the following lease payments:

- fixed payments less any lease incentives receivable
- variable lease payments that are based on an index

Lease payments to be made under reasonably certain extension options are included in the measurement of the liability.

The lease payments are discounted using an interest rate aligned to the lessee's incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs.

Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases (12 months or less) of equipment and vehicles, and all leases of low-value assets, are recognised on a straight-line basis as an expense in profit or loss.

The Company has a fleet facility of \$900k, \$539k of this facility remains unutilised.

**World Vision Australia**  
**ABN 28 004 778 081**

**Notes to the Financial Statements**  
**as at 30 September 2024 (continued)**

**6 Financial Assets and Liabilities (continued)**  
**6(g) Accounting classifications and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

	Note	Carrying Amount			Fair Value			Total \$'000
		Fair Value \$'000	Amortised Cost \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	
<b>At 30 September 2024</b>								
<b>Financial Assets at Amortised Cost</b>								
Cash & Investments	6(a)	-	34,005	34,005	-	-	-	-
Other Receivables (i)		-	1,599	1,599	-	-	-	-
Loans Receivable	6(d)	-	1,586	1,586	-	-	-	-
		-	37,190	37,190	-	-	-	-
<b>Financial Assets at Fair Value</b>								
Other Financial Assets at FVTOCI	6(b)	11,040	-	11,040	5,123	5,917	-	11,040
<b>Total Financial Assets</b>		<b>11,040</b>	<b>37,190</b>	<b>48,230</b>	<b>5,123</b>	<b>5,917</b>	<b>-</b>	<b>11,040</b>
<b>At 30 September 2023</b>								
<b>Financial Assets at Amortised Cost</b>								
Cash & Investments	6(a)	-	49,618	49,618	-	-	-	-
Other Receivables (i)		-	1,161	1,161	-	-	-	-
Loans Receivable	6(d)	-	1,146	1,146	-	-	-	-
		-	51,925	51,925	-	-	-	-
<b>Financial Assets at Fair Value</b>								
Other Financial Assets at FVTOCI	6(b)	9,628	-	9,628	4,738	4,890	-	9,628
Unrealised Currency Hedge (ii)	6(c)	11,308	-	11,308	-	11,308	-	11,308
<b>Total Financial Assets</b>		<b>20,936</b>	<b>51,925</b>	<b>72,861</b>	<b>4,738</b>	<b>16,198</b>	<b>-</b>	<b>20,936</b>

**World Vision Australia**  
**ABN 28 004 778 081**

**Notes to the Financial Statements**  
**as at 30 September 2024 (continued)**

**6 Financial Assets and Liabilities (continued)**  
**6(g) Accounting classifications and fair values (continued)**

		Carrying Amount			Fair Value			Total \$'000
		Fair Value \$'000	Amortised Cost \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	
<b>At 30 September 2024</b>								
<b>Financial Liabilities at Amortised Cost</b>								
Accounts payable (i)	6(e)	-	6,432	6,432	-	-	-	-
Lease liabilities	6(f) (ii)	-	752	752	-	-	-	-
		-	7,184	7,184	-	-	-	-
<b>Financial Liabilities at Fair Value</b>								
Currency Hedge (ii)	6(c)	2,174	-	2,174	-	2,174	-	2,174
<b>Total Financial Liabilities</b>		<b>2,174</b>	<b>7,184</b>	<b>9,358</b>	<b>-</b>	<b>2,174</b>	<b>-</b>	<b>2,174</b>
<b>At 30 September 2023</b>								
<b>Financial Liabilities at Amortised Cost</b>								
Accounts payable (i)	6(e)	-	7,176	7,176	-	-	-	-
Lease liabilities	6(f)	-	1,108	1,108	-	-	-	-
<b>Total Financial Liabilities</b>		<b>-</b>	<b>8,284</b>	<b>8,284</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Fair Value Measurement**

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The fair value of forward exchange contracts is determined using forward exchange market rates at the reporting date.

The different levels are defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities. The quoted market price used for listed shares is the current bid price.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(i) The carrying amounts of trade and other receivables and accounts payables are assumed to approximate their fair values due to their short-term nature.

(ii) The fair value of the unrealised currency hedge payable/receivable is derived using a valuation technique that is based on observable market data. In determining the fair value, the Company applied judgement that the impact of prepayment rates, rates of estimated credit losses and interest rates or discount rates is immaterial as the underlying hedge instrument is expected to be settled within the next 49 months.

**Notes to the Financial Statements**  
**as at 30 September 2024 (continued)**

**7 Non-Financial Assets and Liabilities**  
**7(a) Property, Computer Hardware & Equipment**

Depreciation policy	Land and buildings \$'000 40 years (i)	Computer Hardware \$'000 3 - 5 years	Equipment \$'000 5 - 10 years	Total \$'000
<b>Year ended 30 September 2023</b>				
Cost	24,161	5,900	8,620	38,681
Accumulated depreciation	(8,445)	(5,327)	(7,877)	(21,649)
<b>Net carrying value</b>	<b>15,716</b>	<b>573</b>	<b>743</b>	<b>17,032</b>
<b>Movement</b>				
Opening net carrying value	15,621	453	717	16,791
Additions	558	353	219	1,130
Work in progress	-	13	-	13
Depreciation expense	(463)	(246)	(193)	(902)
<b>Closing net carrying value</b>	<b>15,716</b>	<b>573</b>	<b>743</b>	<b>17,032</b>
<b>Year ended 30 September 2024</b>				
Cost	24,326	5,990	8,708	39,024
Accumulated depreciation	(8,921)	(5,527)	(8,073)	(22,521)
<b>Net carrying value</b>	<b>15,405</b>	<b>463</b>	<b>635</b>	<b>16,503</b>
<b>Movement</b>				
Opening net carrying value	15,716	573	743	17,032
Additions	165	185	96	446
Disposals	-	-	(5)	(5)
Depreciation expense	(476)	(295)	(199)	(970)
<b>Closing net carrying value</b>	<b>15,405</b>	<b>463</b>	<b>635</b>	<b>16,503</b>

(i) Land is not depreciated.

Land is recorded at cost. All other property, computer hardware and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the assets' cost, net of their residual values, over their useful lives.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**Notes to the Financial Statements**  
**as at 30 September 2024 (continued)**

**7 Non-Financial Assets and Liabilities (continued)**  
**7(b) Intangible Assets**

	2024	2023
	\$'000	\$'000
<b>Amortisation policy</b>	5 years	
<b>Software</b>		
Cost	5,114	5,114
Accumulated amortisation	(4,857)	(4,440)
<b>Net carrying value</b>	<b>257</b>	<b>674</b>
<b>Movement</b>		
Opening net carrying value	674	1,221
Amortisation expense	(417)	(547)
<b>Closing net carrying value</b>	<b>257</b>	<b>674</b>

(i) Software development is amortised over 5 years.

Expenditure on research activities is recognised in the income statement as incurred. Software development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, software development expenditure is recognised in the income statement as incurred. Subsequent to initial recognition, software development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses. Other intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

Software-as-a-Service arrangements are service contracts providing the right to access cloud based software over a period of time. Costs in relation to configuration, customisation, testing and training for these arrangements are recognised as an operating expense as the service is received.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. Amortisation is calculated to write-off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in the income statement.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Assets are tested for impairment indicators on an annual basis. Where indicators exist, a recoverable amount test is performed. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell, and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

**Notes to the Financial Statements**  
**as at 30 September 2024 (continued)**

**7 Non-Financial Assets and Liabilities (continued)**

**7(b) Intangible Assets (continued)**

To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures is directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risk factors.

Where the future economic benefits of an asset are not primarily dependent on the asset's ability to generate net cash inflows and where the Company would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the current replacement cost of the asset.

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>7(c) Provisions</b>		
<b>Current</b>		
Annual leave	4,530	4,465
Long service leave	2,504	2,232
Other	(97)	(21)
<b>Total</b>	<b>6,937</b>	<b>6,676</b>
<b>Non-current</b>		
Long service leave	1,090	1,001
Makegood	171	164
<b>Total</b>	<b>1,261</b>	<b>1,165</b>

*Short-term employee benefit obligations - Annual Leave and Long Service Leave*

Short-term employee benefits include liabilities for annual leave, long service leave and annual leave loading expected to be settled wholly within 12 months. Short-term employee benefits are measured at the undiscounted amount that the Company expects to pay as a result of the unsettled entitlement, including related on-costs.

*Long-term employee benefit obligations - Long Service Leave*

The liability for long service leave which is not expected to be settled within 12 months after the end of the period in which the employees render the related services is recognised as provisions and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period based on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

*Portable Long Service*

The company has an obligation to provide Victorian eligible workers portable long service benefits under Victoria legislation. A levy of 1.65% of wages is paid to the Victorian Portable Long Service Leave Authority. The Company continues to accrue long service benefits for staff.

**Notes to the Financial Statements**  
**as at 30 September 2024 (continued)**

**7 Non-Financial Assets and Liabilities (continued)**

**7(c) Provisions (continued)**

*Makegood*

The Company has certain operating leases for offices where there is an obligation to return the premises to their original condition when the lease expires or is terminated. A provision for refurbishment costs is recognised over the period of the lease, measured at the expected future cost of refurbishment discounted to a present value at each reporting date.

**8 Cash Flow Information**

<b>8(a) Reconciliation of Net Cash Provided/(Utilised) by Operating Activities to Excess/(Deficit) of Income over Expenditure</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Excess/(Deficit) of Income over Expenditure</b>	(27,349)	3,422
<b>Non-Cash Flows in Operating Activities</b>		
Profit on disposal of property, computer hardware & equipment	5	-
Depreciation and amortisation	1,940	1,959
Revaluation of financial assets	(29)	(8)
Interest on Lease Liability	61	56
Loss on early termination of leased vehicles	(10)	-
FX Loan Revaluation	37	-
Donated financial assets	(247)	(506)
	<u>(25,592)</u>	<u>4,923</u>
<b>Changes in Assets and Liabilities</b>		
Decrease/(Increase) in receivables and other assets	(698)	(1,019)
Decrease/(Increase) in fulfilment costs	58,367	(7,137)
Increase/(Decrease) in contract liabilities	(45,746)	11,804
Increase/(Decrease) in accounts payables	(744)	3,195
Increase/(Decrease) in provisions	357	(1,092)
<b>Net cash provided/(utilised) by Operating Activities</b>	<u><b>(14,056)</b></u>	<u><b>10,674</b></u>

**8(b) Composition of Cash**

For the purpose of the Cash Flow Statement, cash includes cash on hand and investments in money market instruments (Note 6(a)), and deposits held on behalf of donors. Cash held on behalf of donors of \$27k (2023: \$27k) is accrued in Accounts Payable (Note 6(e)).

The Company has a credit card facility of \$1.5m (2023: \$1.5m).

**8(c) Operational Cash Flow**

Cash receipts from donors and merchandising (inc. GST) and Payments to field offices, suppliers and employees (inc. GST) of \$70.2m (FY23 \$92.7m) have been treated as non-cash transactions as they have not been directly received into or paid out of the Company's bank account, and thus have been removed from the cash flows provided by operating activities.

Notes to the Financial Statements  
as at 30 September 2024

SECTION 3: RISK

9 Financial Risk Management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses derivative financial instruments such as foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used as hedging instruments, i.e. not for trading or other speculative purposes. The Company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and foreign exchange risk and ageing analysis for credit risk.

Risk management is carried out by senior management under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as policies covering specific areas; such as foreign exchange risk, interest rate risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

**a) Market risk**

*(i) Foreign exchange risk*

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar.

Foreign exchange risk arises from future transactions, current field program commitments and recognised assets and liabilities that are denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting. Management's policy is to manage foreign exchange risk against the functional currency. Management are required to hedge foreign exchange risk exposure arising from future transactions and current field program commitments using forward contracts.

The Company adopts a conservative approach to the management of foreign currency risk and hedges at least 80% of the estimated cash field payment for the financial year before the beginning of that financial year. The Company has entered into a number of forward exchange currency contracts at reporting date designated as a hedge of anticipated field project payments that are denominated in US dollars. Forward contracts are used to manage foreign exchange risk.

The Company is also exposed to foreign currency exchange risk through its loans receivable that are denominated in euros. This risk is being hedged using forward contracts. The Company has entered into a number of forward exchange currency contracts at various loan repayment dates as hedges. These hedges are denominated in euros.



**Notes to the Financial Statements**  
**as at 30 September 2024**

The Company's exposure to foreign currency derivatives is shown in the table below:

	<b>2024</b> <b>\$'000</b>	<b>2023</b> <b>\$'000</b>
Unrealised Currency Hedges (USD & EUR) Carrying amount (Note 6(c))	-2,174	11,308
<b>Forward Exchange Contracts:</b>		
Sell AUD for USD (cash flow hedges)	57,760	171,073
Sell EUR for AUD (loans receivable repayments)	2,053	1,440
<b>Maturity date:</b>		
Cash flow hedges	Oct 2024 – Sep 2025	Oct 2023 – May 2025
Loans receivable	Jul 2025 – Aug 2029	Jul 2024 – Sep 2028
<b>Weighted average hedged rate:</b>		
AUD for USD	0.6661	0.6916
EUR for AUD	1.7599	1.7690

*Organisation Sensitivity*

Based on the financial instruments held at 30 September 2024, had the Australian dollar forward rate strengthened / weakened by 10% with all other variables held constant, the Company's surplus/(deficit) for the year would have been unchanged. Equity would have been \$5,239,933 lower / \$6,404,362 higher (2023: \$19,093,312 lower / \$15,621,801 higher) had the Australian dollar forward rate strengthened / weakened by 10% against the USD and EUR. The Company's exposure to other foreign exchange movements is not material.

*(ii) Cash flow and fair value interest rate risk*

The Company's main interest rate risk arises from bank accounts and short-term investments. Term deposits and market mutual fund deposits issued at variable rates expose the Company to cash flow interest rate risk. Term deposits issued at fixed rates expose the organisation to fair value interest rate risk.

During 2024 and 2023, the Company's term deposits and cash and bank balances were at fixed and variable rates and were denominated in Australian dollars. As at the reporting date, the Company had the following term deposits and investments:

	<b>2024</b> <b>\$'000</b>	<b>2023</b> <b>\$'000</b>
<b>Floating interest rate</b>		
Cash and bank balances	29,978	24,618
<b>Fixed interest rate</b>		
Term deposits	4,027	25,000
<b>Non-interest bearing</b>		
Cash and bank balances	-	-
<b>Total</b>	<b>34,005</b>	<b>49,618</b>

*Organisation Sensitivity*

At 30 September 2024, if interest rates had changed by +/- 100 basis points for a year, from the year-end rates with all other variables held constant, surplus/(deficit) and equity for the year would have been \$340,047 higher/lower (2023: \$496,180 higher/lower).

Notes to the Financial Statements  
as at 30 September 2024

**b) Credit risk**

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to other World Vision partnership offices, being outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A+' are accepted. The maximum exposure to credit risk at reporting date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the Statement of Financial Position. The Company's credit risk as at 30 September 2024 is \$34.005m (2023: \$49.618m) and consists mainly of cash.

The Company is exposed to credit risk relating to its loans receivable from other World Vision companies. This risk is being mitigated by measuring the loans receivable at amortised cost using the effective interest method, less any allowance for expected credit losses.

**c) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through term deposits and the ability to close out market positions. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Surplus funds are generally only invested in instruments that are tradeable in highly liquid markets.

**10 Significant Accounting Judgements and Estimates**

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the actual results. Any estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year have been included in each section of the notes to the financial statements.

**a) Key management estimate**

Certain funding obligations require grants to be used for specific purposes in order to generate required funding outcomes. These funding outcomes can often be enforceable. Where relevant, management is required to assess the existence of sufficiently specific performance obligations and where they are enforceable, these grant monies are initially recorded as contract liabilities and then recorded as revenue as-and-when the sufficiently specific performance obligations are performed. Management is required to estimate at reporting date, the satisfaction of performance obligations when recording grant revenues, which is a key estimate when preparing these financial statements. Typically, the funding obligations will specifically outline the performance obligations, and revenue will be recorded with reference to that metric as at reporting date. In some instances, costs expended will be a proxy for the performance obligations being performed and therefore actual costs will be used to measure the satisfaction of performance obligations.

**Notes to the Financial Statements**  
**as at 30 September 2024 (continued)**

**SECTION 4: OTHER INFORMATION**

**11 Remuneration of Directors**

Non-Executive Directors give their services to the Company without charge, but the Directors may be reimbursed for certain travel and other expenses incurred in connection with the business of the Company.

**12 Remuneration of Key Management Personnel**

The Company's senior leaders are paid in accordance with the Company's remuneration policy. The Company uses third party methodologies for role grading and annual benchmark reporting. The Company benchmarks its remuneration policy to the 'All Industrials' remuneration market and positions Executives' pay at the bottom 10th percentile of the 'Total Annual Reward' amounts. An annual performance review process is undertaken reflecting the individual's annual performance. The amount available for annual performance-based salary increases is determined by the Company and the individual's performance as well as annual movement in the remuneration benchmarks.

Key Management Personnel of the Company are members of the executive management team and Directors. Key Management Personnel remuneration includes the following expenses:

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Short term employee benefits	2,669	2,373
Post-employment benefits	248	220
Long-term employee benefits	55	55
<b>Total remuneration</b>	<b><u>2,972</u></b>	<b><u>2,648</u></b>

CEO has an additional direct report. This is the main driver of the total increase in Key Management Personnel remuneration.

**13 Remuneration of Auditors**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Amounts received or receivable by our auditors for:		
Auditing the financial accounts for the current year	127	121
	<b><u>127</u></b>	<b><u>121</u></b>

**14 Contingencies**

As at 30 September 2024, the Company has no contingent liabilities or outstanding guarantees (2023: nil).

**15 Commitments**

**Superannuation Commitments**

During the financial year the Company contributed to a number of superannuation funds, as nominated by each employee. The Company has a legally enforceable obligation to contribute to employees' funds.

**16 Related Parties Disclosures**

There were no transactions nor outstanding balances related to key management personnel and entities over which they have control or significant influence during the current or prior financial year.

**17 Matters Subsequent to the End of the Financial Year**

No item, transaction or event of a material or unusual nature has arisen that is likely, in the opinion of the Directors, to affect substantially the results of the Company's operations in the future.

**Notes to the Financial Statements**  
**as at 30 September 2024 (continued)**

**18 Charitable Fundraising Act 1991 (New South Wales)**

The following information is provided to comply with relevant provisions of the Charitable Fundraising Act 1991 (New South Wales).

The Income Statement gives a true and fair view with respect to fundraising appeals conducted by the Company. The fundraising provisions of the Act as they apply to the Company's fundraising in New South Wales have been complied with and the internal controls exercised are appropriate and effective in accounting for all income received by the Company from fundraising.

	2024 \$'000	2024 \$'000	2024 \$'000	2023 \$'000	2023 \$'000	2023 \$'000
	Total Income	Total Fundraising Direct Expenses	Net Income	Total Income	Total Fundraising Direct Expenses	Net Income
<b>Fundraising Information</b>						
<b>Donations and gifts</b>						
<b>Monetary</b>						
Pledge programs	100,544	30,670	69,874	107,164	25,989	81,175
Appeals, donations and gifts	26,193	8,301	17,892	25,508	8,431	17,077
<b>Non-monetary</b>						
Donated goods and assets	247	22	225	506	23	483
Grants (multilateral)	90,310	180	90,130	154,250	172	154,078
	<b>217,294</b>	<b>39,173</b>	<b>178,121</b>	<b>287,428</b>	<b>34,615</b>	<b>252,813</b>

**World Vision Australia**  
**ABN 28 004 778 081**

Notes to the Financial Statements  
as at 30 September 2024 (continued)

18 Charitable Fundraising Act 1991 (New South Wales)

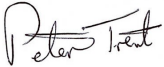
	2024 \$'000	2024 \$'000	2024 \$'000	2023 \$'000	2023 \$'000	2023 \$'000
	Total Income	Total Fundraising Direct Expenses	Net Income	Total Income	Total Fundraising Direct Expenses	Net Income
<b>Bequests and legacies</b>	7,455	387	7,068	4,305	572	3,733
<b>Grants</b>						
DFAT	76,873	946	75,927	62,817	844	61,973
Other Australian	4,264	91	4,173	3,255	93	3,162
Other overseas	82,547	1,089	81,458	81,253	973	80,280
	<u>163,684</u>	<u>2,126</u>	<u>161,558</u>	<u>147,325</u>	<u>1,910</u>	<u>145,415</u>
<b>Investment income</b>	1,760	7	1,753	1,870	10	1,860
<b>Other income</b>	1,722	7	1,715	1,769	9	1,760
<b>Total Net Income Contribution</b>	<u>391,915</u>	<u>41,700</u>	<u>350,215</u>	<u>442,697</u>	<u>37,116</u>	<u>405,581</u>
		Total Indirect Expenses		Total Indirect Expenses		
<b>Program Administration and Other International Programs</b>						
Funds to international programs		240,041		197,706		
Program support costs		11,777		10,526		
<b>Community education</b>		2,770		2,250		
<b>Accountability and administration</b>		26,240		30,562		
<b>Commercial Activities Expenditure</b>		1,078		1,164		
<b>Non-monetary expenditure</b>		90,310		154,250		
<b>Domestic programs expenditure</b>		5,349		5,701		
<b>Total Program Administration and Other</b>		<u>377,565</u>		<u>402,159</u>		
<b>Operating Surplus/(Deficit)</b>	<u>391,915</u>	<u>419,265</u>	<u>(27,350)</u>	<u>442,697</u>	<u>439,275</u>	<u>3,422</u>

## **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 all of its debts as and when they become due and payable.
- (b) The financial statements and notes set out on pages 11 to 44 have been prepared in accordance with Subdivision 60-C of the *Australian Charities and Not-for-profits Commission Act 2012* (Cth), including:
  - (i) giving a true and fair view of the Company's financial position as at 30 September 2024 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 *Australian Charities and Not-for-profits Commission Regulations 2022* (Cth).
- (c) The financial statements and associated records of the Company have been properly kept during the year ended 30 September 2024 in accordance with the provisions of the *Charitable Fundraising Act 1991*(NSW), the regulations under that Act and the conditions attached to the organisation's authority. The internal controls exercised by the Company are appropriate and effective in accounting for all income received and applied by the Company from any of its fundraising appeals.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulations 2022* (Cth).



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Peter Trent  
Chairman

22nd November 2024



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Alicia Leis  
Director

## Independent Auditor's Report

### To the Members of World Vision Australia

#### Report on the audit of the financial report

##### Opinion

We have audited the financial report of World Vision Australia (the Company), which comprises the statement of financial position as at 30 September 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and the Directors' declaration.

In our opinion, the financial report of World Vision Australia has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a giving a true and fair view of the Company's financial position as at 30 September 2024 and of its financial performance for the year then ended; and
- b complying with Australian Accounting Standards AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

##### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

## Information other than the Financial Report and Auditor's Report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 September 2024 and the Declaration in accordance with the *Charitable Fundraising Regulation 2021* (NSW), but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the ACNC Act, the *Charitable Fundraising Act 1991* (NSW) and the *Charitable Fundraising Regulation 2021* (NSW) 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 preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Company's financial reporting process.

## Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.




- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

I, Peter Glynn, am currently a Registered Company Auditor and my registered auditor number is 462757.

Grant Thornton Audit Pty Ltd was the audit firm appointed to undertake the audit of World Vision Australia for the year ended 30 September 2024. I am responsible for the execution of the audit and delivery of our firm's report.

The logo for Grant Thornton, featuring the company name in a stylized, handwritten-style font.

Grant Thornton Audit Pty Ltd  
Chartered Accountants

A handwritten signature in black ink, appearing to read 'Peter Glynn'.

P M Glynn  
Partner – Audit & Assurance  
Melbourne, 22 November 2024