

Christian World Service **2006 Annual Report**



National Council of
Churches in Australia
Christian World Service

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CWS – the international humanitarian and development agency of the National Council of Churches in Australia

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Overview of CWS

Christian World Service (CWS) is the international humanitarian and development agency of the National Council of Churches in Australia (NCCA). In 2006, CWS worked with communities in 22 countries across Africa, Asia, the Middle East and the Pacific, as well as in Australia, on 44 programs relating to:



Assistance in emergencies: preparing for and responding to natural disasters and armed conflict;



Injustice response: peace building, human security and refugee programs; and



Development and poverty reduction: education, health, water and food security.

This **AID** work is often more than just “aid”, as we seek to achieve transformational development – working with affected communities on solutions to poverty, conflict and injustice. The AID work therefore includes on-the-ground programs, working in partnership, working on improving policies and systemic issues, and involves the public. All of this is necessary if we are to achieve our Mission.

The CWS Mission Statement is: Responding to the teachings of Jesus Christ, the member churches of the NCCA, through their Commission for CWS come together to break down the structures which create poverty, oppression, injustice and division.

Thanks to our supporters, in 2006 we passed the \$50 million mark to AID programs since we became known as CWS in 1994. While becoming known as CWS in 1994, the work of CWS actually goes back to 1948, when it was called “the Churches’ International Relief and Rehabilitation Committee”.

CWS is Australia’s only ecumenical development agency. It has full accreditation with the Australian Agency for International Development (AusAID), and adheres to Australian and international humanitarian and development Codes of Conduct.



**National Council of
Churches in Australia**
Christian World Service

ABN 64 493 941 795

Report of the CWS Chairperson and Director

Thank you to all of our supporters for your continued support in 2006. In 2006, thanks to our supporters, we were able to provide \$4,474,044 to AID programs:



Assistance in emergencies: \$284,713



Injustice response: \$2,505,698



Development and poverty reduction: \$1,683,633

This amounts to \$4,032,051 for overseas programs and \$441,993 for Indigenous and refugee programs in Australia. The following three sections of this Annual Report set out specific examples of the humanitarian and development work in which we have been involved in the past year with our partners. Overall, the year was a significant one in taking another step in the very long journey to achieving the CWS Mission of bringing churches together to break down the structures which create poverty, oppression, injustice and division.

Working in partnership is a very important part of how we work and we do this at all levels, from the local to the global. At the global level, 2006 saw the finalisation of many years of planning for the new global ACT Development alliance (Action by Churches Together). CWS was part of the development of this alliance and is a member. ACT Development has now begun and its members are working on 901 development programs in 157 countries. The alliance focuses primarily on the sustainable fight against poverty and injustice. Its members are required to adhere to a number of agreements regarding transparency, mutual responsibility and "good practices". CWS will work with other ACT Development members to ensure all development programs are of high quality. As with CWS, the approach to ACT Development programs is to include full recognition of the importance of local participation, developing capacity, non-discrimination, gender equality, cultural and spiritual sensitivity, protection of human rights, advocacy, promotion of peace and reconciliation, effective communication and environmental sustainability.

At the national level, many inter-church and inter-church agency initiatives took place in 2006 – from joint emergency appeals and humanitarian advocacy to joint program training and research. We have committed ourselves to continue building this work over the next three years. CWS is in essence a national church partnership as it is governed by a Commission appointed by and representing the 15 member churches of the NCCA.

At the local level, our Christmas Bowl and Partners4Peace initiatives are an expression of our Mission. Many inter-church activities were held for the Christmas Bowl in 2006, such as the Ecumenical Service for Christmas Bowl and Human Rights Day on 10 December at St Stephen's Church in Richmond, Victoria. Thank you again for your continued support in 2006.

As you can see, from the local to the global level, the fundamental concept for CWS is act! – action by churches together. We hope you are willing and able to act with us in 2007!

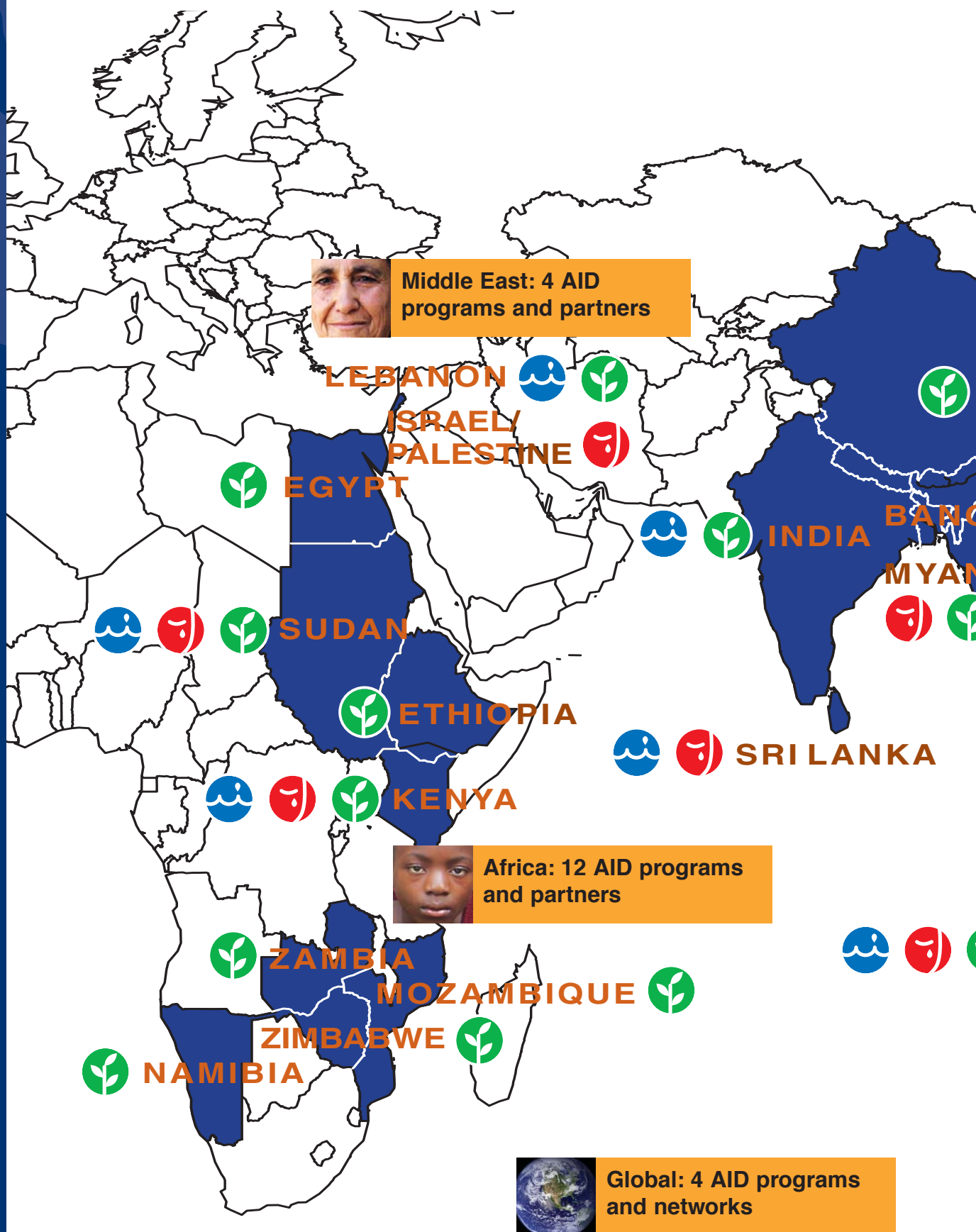
*The Reverend John Gilmore
Chairperson*

*Alistair Gee
Director*



Photo: Howard Graham

At Work in the World with Our Partners





assistance in emergencies



injustice response



development and poverty reduction

CHINA



Asia: 15 AID programs and partners

GLADESH



NMAR



THAILAND

PHILIPPINES



CAMBODIA



INDONESIA

PAPUA
NEW GUINEA



SOLOMON
ISLANDS



TIMORE LESTE



FIJI/PACIFIC



AUSTRALIA



Australia: 2 AID programs and networks



In 2006, \$284,713 was spent on assistance in emergencies. This work focused on:

- **humanitarian assistance for those affected by conflict (Sudan, East Timor, Kenya, Lebanon and Gaza)**
- **preparing for and responding to natural disasters (Indonesia, Sri Lanka, India and Pakistan)**

CWS is a member of the ACT International emergency alliance, which is made up of 225 national churches and agencies around the world. For the past 11 years, CWS has worked with and through the ACT alliance on emergency responses.

Conflict

Darfur, Sudan is one of the worst humanitarian disasters of our time. In recent years over 200,000 people have been killed in Darfur and 2.5 million people forced to flee their homes. The joint ACT / Caritas Internationalis Darfur operation is one of the largest in South and West Darfur assisting some 325,000 people forced to flee their homes. The operation runs camps for the internally displaced and each day distributes 3,200 antibiotics and treats 740 cases of malaria as well as food, shelter, water and education services. In 2006 the operation also continued to develop the capacity of the Sudanese partners with a view to enabling them to take a stronger role in the management of the program in the years ahead.

East Timor saw considerable civil unrest in April and May 2006. Our thanks to supporters who responded to the CWS East Timor appeal. Funds from that response and the Christmas Bowl facilitated the distribution of rice, noodles, oil, sardines, soap, kitchen tools, firewood and second-hand clothes in displacement camps within and outside Dili.

The Gaza / Israel and Israel / Hezbollah conflicts in July 2006 caused great suffering to hundreds of thousands of people. The CWS appeal provided for food, health, psychosocial, water and sanitation programs in Gaza and Southern Lebanon. As reports emerged during the conflicts of Hezbollah, Israeli Defence Force and Palestinian militant attacks striking civilians and civilian infrastructure, CWS arranged for eight church agencies to contact the three governments as well as the Australian government requesting they do more to end the serious violations of humanitarian law and honour their humanitarian obligations.

Natural disasters – continuing the response after the news crews have left

While 2006 saw its own natural disasters, such as the Java Earthquake, the year also saw a large amount of work continue in response to two earlier disasters: the Pakistan Earthquake (8 October 2005) and the Southeast Asia Tsunami (26 December 2004). CWS

supporters gave generously to both of these ACT disaster responses.

The Pakistan earthquake killed 73,000 people and left over three million homeless (more than the Southeast Asia tsunami). The ACT alliance worked throughout 2006 in six of the country's most remote regions. During the initial relief phase, the alliance was able to provide to 30,000 families essential relief items including shelter assistance, food packages, warm clothing and bedding, medical treatment, water and sanitation. The subsequent recovery in 2006 included a range of longer-term programs such as the Health Care Program providing clinics in far-flung areas to treat an estimated 100,000 patients and conduct immunisation, reproductive health care and offer laboratory and ultrasound facilities.

Throughout 2006, the ACT alliance continued to work in 30 regions of Indonesia, India and Sri Lanka affected by the Southeast Asia Tsunami. This response included working with communities to provide shelters, primary health care, water and sanitation, nutrition, education, livelihood support (items such as fishing nets and skills training), psychosocial care, disaster preparedness, ecological regeneration and infrastructure. Full details of the first two years of tsunami response by the ACT alliance are on our website: www.ncca.org.au/cws, though two areas are summarised below:

Amongst other primary health care services to tsunami victims, the ACT alliance has provided:

- 26,626 patient visits in Indonesia through fixed and mobile clinics
- 2,447 household beneficiaries in Sri Lanka through mobile clinics
- 16,979 patients in India received diagnostic and treatment services through health camps

In terms of shelter, the ACT alliance has provided 4,665 temporary shelters (2,647 in Indonesia, 1,453 in India and 565 in Sri Lanka) and 6,365 permanent shelters (705 in Indonesia, 710 in Sri Lanka and 4,100 in India with another 850 shelters planned).

In 2006 CWS established an Australian Disaster Risk Management Group including the Adventist Development Relief Agency, AngliCORD, Australian Lutheran World Service, Baptist World Aid Australia and Uniting Church Overseas Aid. We will also work closely with Caritas Australia. In a number of countries across the Asia / Pacific, we will work on collective planning, partner strengthening and support implementation of community-based disaster risk management capacity building programs.

In 2006, \$2,505,698 was spent on injustice response programs. These programs focus on:

- **peace building and human security**
- **refugee assistance**

Peace Building and Human Security

In 2006, CWS worked with partners on a range of peace-building and human security programs, including:

- land mine and unexploded ordinance (UXO) clearing in Cambodia, which were placed there over 30 years of armed conflict. Professional teams including local village people are very effectively removing the UXOs. Schools and communal areas have priority. This program was favourably assessed by the AusAID Evaluation Team in 2006
- providing ongoing support in Sudan to people returning home, to internally displaced people and to host communities
- employing human rights field-based researchers conducting workshops among Burmese refugees on the Thai Burma Border and assisting them in documenting and responding to human rights abuses
- training in human rights, trauma counselling, and gender development in Indonesia. The work also provides opportunities for advocacy and networking among non-government organisations and volunteers in Indonesia
- human rights, peace and reconciliation, human trafficking and HIV/AIDS work throughout Asia and Africa with regional and international partners, including the World Council of Churches
- peace and reconciliation efforts in Bangladesh, India, Nepal, Pakistan and Sri Lanka through regional workshops, seminars, and “peace nurseries”
- “Just Peace” programs in Fiji focusing on the pursuit of social justice through economic justice, faith and society, peace, social empowerment and youth training
- educating and empowering women in the Philippines to provide skills in rural development, the strengthening of civil society, and in advocacy for their basic rights in Philippine society
- jointly funding a meeting between church leaders in West Papua and the President of Indonesia. The aims of setting up the dialogue are to restore mutual confidence between West Papuan society and the government and recommence work towards realising Papua Special Autonomy.

CWS has enhanced its peace focus through its new Partners4Peace initiative. In 2006 (its first full year), Partners4Peace raised \$404,558, of which \$323,646 was spent on peace and development programs in Burma, Lebanon, Zimbabwe, Solomon Islands, China, Zambia, Philippines, India, Gaza, Thai Burma Border, Timor Leste and refugees in Australia. The remaining

\$80,911 (capped at 20%) was spent on associated program costs, community education, administration and fundraising. Partners4Peace allows people to make a difference in the world, year round.



Refugees

CWS has long been heavily involved in refugee work in Australia and overseas. Some of the refugee work in 2006 is set out below.

The largest program in which we were again involved in 2006 is the running of refugee camps for 165,900 Burmese refugees on the Thai-Burma border. The program provides food, shelter, clothing, household items, and capacity building support to the refugees. Our thanks to AusAID for their continued very generous support of this vital program in 2006. In 2006, CWS staff were elected to the Thai Burma Border Consortium (TBBC) board of the body running the camps.

The 2006 Refugee and Migrant Sunday kit featured Burmese refugees, under the theme “Refugees: Part of our family too!” (see www.ncca.org.au/cws/). In Victoria, CWS ran a major Burma Conference for over 150 people on the theme: “From Refugee Camps to Resettlement”. The conference, chaired by Professor John Langmore, included speeches from former Australian Ambassador



to Burma, Garry Woodard, member of the Burma Parliament, Teddi Buri, head of TBBC Jack Dunford, and Justice John Dowd. In Tasmania and South Australia, Refugee and Migrant Sunday activities included "Project Appreciation" events for church groups involved in the support of refugees and asylum seekers. In Adelaide, an event was held where the Minister Assisting Multiculturalism presented recognition awards to four local congregations. In NSW a seminar was held: "Asylum: Benchmarking Australian Values?".

CWS also provided assistance to a Sri Lankan refugee program in Tami Nadu, India following an influx of refugees in 2006 triggered by the resumption of armed conflict in the north and east of Sri Lanka. The program provided food, sleeping materials, utensils, and health support for new refugees. Throughout 2006 CWS staff continued to lead the Australian inter-agency (ACFID) Sri Lanka Working Group, which focused on support for an independent, international human rights monitoring mission and a strong Australian and international response to the deteriorating humanitarian situation in Sri Lanka.

Another important overseas program is skills training, development work and advocacy for Palestinian refugees in a number of areas in the Middle East.

In 2006, CWS continued its Australian refugee programs, such as running Healing Trails, the aim of which is to help refugees and asylum seekers overcome the trauma and isolation of their experiences and to develop understanding between each other and with Australian communities. CWS conducted a Healing Trail of 41 refugees, including 10 children, to meet the community at Mooroopna (in June) and another group of refugees to Benalla (in October). The refugees on the first Healing Trail presented stories, dance and music from Dinka and Nuer of Sudan, Congo, Karen and Chin of Burma and Naga of India and Burma. The presentation was attended by over 200 people. Reports from the weekend highlighted the benefits for all involved (see 2006 Winter *In Focus* for more detail). In 2006, a Karen Buddhist monk, an amputee refugee and his family were granted Special Humanitarian visas to come to Australia as a result of sponsorship arising from a 2005 Healing Trail to Bendigo.

CWS also provides accommodation to refugees and

asylum-seekers in Petersham, Sydney. In our ongoing work to prevent asylum seekers suffering destitution and homelessness, CWS endorsed and distributed across Australia, leaflets calling on the Australian Government to grant works rights and access to Medicare cover to asylum seekers waiting for decisions in the community. The Minister agreed to review the situation, and CWS will continue to call for reform from Government and Opposition parties.

Some who are left homeless or needlessly detained for too long are those needing protection though who do not fit the legal definition of a refugee (such as stateless people or those fearing torture for a reason not covered by the Refugee Convention). These people have to go through three lengthy and unnecessary steps in the refugee status determination system before their case can be considered outside of the refugee definition. Under the CWS-developed alternate model, "Complementary Protection" claimants would be processed immediately by the Department of Immigration and Citizenship along with refugee claims (instead of years later by the Minister), significantly reducing detention or destitution times. In 2006, CWS worked with community and church groups on the issue while also continuing discussions with many relevant parliamentarians and departmental staff.

Our 2006 Submission to the Ministerial Consultation on Australia's Humanitarian Program setting out national and international concerns from refugee resettlement and the growing humanitarian crisis facing Iraqi and Burmese refugees is at www.ncca.org.au/cws. Amongst other domestic refugee advocacy, CWS was also involved with member churches in calling for the scrapping of plans to apply the Pacific Solution to any "boat person" arriving on the Australian mainland (the Bill was scrapped) and of plans for a high-security Christmas Island detention centre (not scrapped).

Concerned with the alarming rise of detention internationally, CWS helped set up the International Detention Coalition (launched worldwide on World Refugee Day, 20 June 2006), with a particular focus on preventing the detention of children. CWS is a member of the IDC steering committee and is the regional representative (see www.idcoalition.org). CWS organised a number of refugee and migration workshops for the World Council of Churches' Assembly in February 2006 and took a lead role at the UNHCR Executive Committee meetings in September in raising the needs of warehoused refugees – the average length of time a refugee spends "warehoused" in remote and squalid refugee camps is now 17 years! CWS also presented a paper on the Pacific Solution at a pre-ExCom plenary and moderated a session on UNHCR's Asia Pacific work.

CWS assisted the new National Network against Trafficking in Women, the Roman Catholic Religious Congregation's Anti-Trafficking Working Group, and the international Coalition of Christian Agencies Against Trafficking in Women.



Photo: Alastair Pritchard



Development and poverty reduction

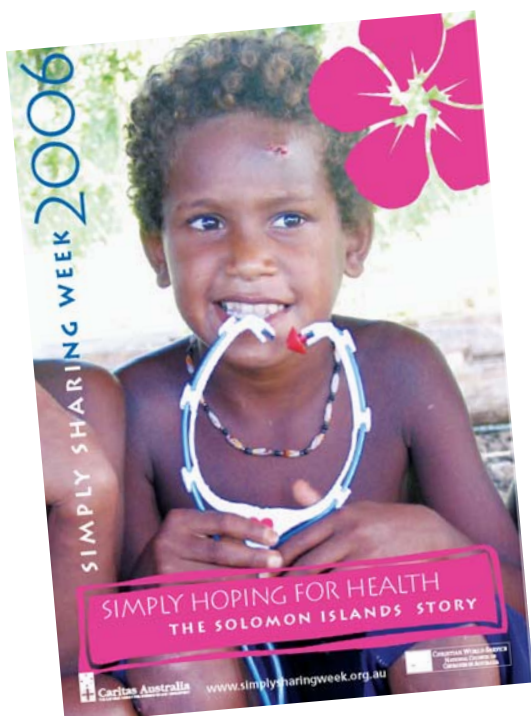
In 2006, \$1,683,633 was spent on development and poverty reduction programs. These programs focus on:

- health
- water and food security
- education

Health

Health is obviously vital to poverty reduction and well-being. In 2006, CWS worked with local partners on a range of health programs from basic health care services to targeted HIV/AIDS programs. The basic health care service work included:

- health care to more than 21,000 families in Gaza as well as in-service training for women
- health care of refugees in 103 camps in the Indian southern state of Tamil Nadu. People attend regular medical camps where they access advice about disease prevention and diagnosis, health awareness education, and supplementary feeding to children under 14 years old
- training village doctors in rural China to improve health care and proficiency of other village health workers. Since 2003, 2,628 doctors and paramedics have been trained through this program
- medical supplies for people in the areas surrounding Khartoum, Sudan
- training of traditional birth attendants in Bangladesh and 20 remote villages in Mozambique to increase the rate of hygienic and safe delivery of babies and to increase awareness of reproductive health. Hospitals are distant from these villages.



The Solomon Islands health program aims to bring a holistic approach to development through the church's extensive network at the grass-roots level and to see communities transformed and individuals experiencing positive changes in living conditions. A training program supports community volunteers who promote good health practices, HIV awareness, and village hygiene projects. This work was the focus of Simply Sharing Week (the joint school education initiative of CWS and Caritas Australia) in 2006, which was themed "Simply hoping for health in the Solomon Islands". Schools around Australia took part in learning about village life in the Solomons, the health challenges they face and the benefits of sharing what we have. The cost of the Simply Sharing Week initiative, as with other community or church information initiatives, is not included in the 2006 Development program disbursement of \$1,683,633. For more details about Simply Sharing Week, including the exciting 2007 initiative, see www.simplysharingweek.org.au.

One of the greatest challenges still facing the world is the spread of HIV/AIDS. While the threats posed by HIV/AIDS have been universally acknowledged for a long time, there is now a growing consensus on what needs to be done to halt its spread. For instance the world's most distinguished economists who form the Copenhagen Consensus believe that the highest priority or "smartest" investment for the international community is in halting the spread of HIV/AIDS.

In 2006, CWS worked with a number of partners on HIV/AIDS programs such as the Makeni Centre in Lusaka, Zambia which performs HIV/AIDS testing, training of church and community leaders concerning AIDS, and caring for those affected and infected with the pandemic. CWS also worked with regional partners such as the All Africa Conference of Churches and the Pacific Conference of Churches on facilitating church leaders across those regions to attend HIV/AIDS training in specialist places such as the Makeni Centre.

Water and Food Security

In 2006, CWS worked with partners on a range of water and food security programs. While water is a huge concern in Australia, it is even more of a concern in Africa. The 2006 African water programs, in which CWS was involved, included:

- constructing wells in remote areas, such as in communities in Zambia and Ethiopia. For instance, in Gelegu, north-western Ethiopia, previously only contaminated water was available from a river approximately seven kilometres away. With potable water available health and living conditions have improved. Water is also being made available for domestic use as well as for small-cultivated plots
- increasing water security such as in the Massengena area of Mozambique to provide potable water for

household use, to save women much time in having to walk long distances for water, and to improve the health of the community. Water committees are trained to maintain water points

- introducing communities to agricultural techniques for food security and nutritional benefits, such as in the Gode area of the Ogaden (Ethiopia). Being nomadic by nature, the program assists beneficiaries in the move towards a settled agricultural culture

CWS also continued to support the Rainwater Harvesting Program in Zimbabwe, which we have done since it began in 1996. Over 2,000 huge community tanks have now been constructed, originally with bricks, now built from ferro-cement. Women and men have been trained in tank construction and maintenance, in water conservation and hygiene. Washing sinks, bio-gas pits for power and heat, and smokeless ovens have also been built, and floor polish and jam making projects are an ongoing development aspect of this work. Fruit and shade trees are being provided for each household in targeted villages in the program. Construction of the huge water tanks slowed in 2006 due to the escalating cost of materials and lack of fuel for transport.

Education

Education is another essential part of poverty reduction and will be a major focus for CWS and Simply Sharing Week in 2007. In 2006, CWS worked with overseas partners on a range of education programs, including:

- community-based literacy work in the Solomon Islands targeting communities that do not have access to any literacy programs. The people of the Solomons Islands have the lowest literacy rate in the Pacific and these programs are the most effective way for women to gain literacy skills. The program develops local resources and aims to enrol 1,000 new students
- providing in Namibia early childhood teacher training, curriculum preparation, and English studies for teachers, students and workers (English is now the trade language). The program also teaches adults to read and write in their native language
- education and literacy teacher-training in the Philippines, as well as health and nutrition education for children and the elderly
- technical and leadership training seminars to workers in regions outside Rangoon, Burma
- skills training in 30 villages in all regions of Egypt. The program works from the ground up as villagers recognise and state their own needs. Trained field workers then work with the village on what they have identified, usually income generating projects, training of health workers, pre and post natal care, literacy, planting trees and clean up campaigns.



Christmas Bowl

The Christmas Bowl is the most well-known CWS initiative. The main theme for the 2006 Christmas Bowl was *act for the christmas bowl!* Over 7,000 Christmas Bowl kits were ordered by parishes and groups and another 16,734 supporters received Christmas Bowl information through In Focus. The resources featured images from partners in Sri Lanka, Palestine and Zambia. Many activities were arranged by churches. Our thanks also to the State Ecumenical Councils for their promotion. For example, the Tasmanian Council of Churches hosted launches in Hobart and Launceston. The NSW Ecumenical Council received generous support from Streetvision, which projected Christmas Bowl information at city railway stations. In Western Australia a Christmas Bowl concert was a great opportunity for promotion of the program, and the generous support of the Silver Threads Salvation Army Band was most welcome.

Poverty reduction goals

An important part of our work with partners is to develop local community participation in relevant programs to the point where the community takes over the program completely. Most recently this occurred with one of the Cambodian programs in the Svay Rieng Province in which we were involved. Jo Lin, the CWS Cambodian program officer, worked closely with our Cambodian partner, village committees and local authorities to ensure a successful and sustainable hand over of assets to build up self-reliant village organisations and local leadership.

Another important poverty reduction aim is ensuring that the Millennium Development Goals (MDGs) are achieved. One of the main aims of the MDGs is to halve extreme poverty around the world by 2015 (compared to 1990 levels). This is a significant focus of CWS and its work with the Make Poverty History, Micah Challenge and Jubilee (Drop the Debt) campaigns. Significant progress towards the MDGs is being made in a number of regions around the world, especially in Asia, though sub-Saharan Africa is slipping backwards on a number of the goals. More needs to be done to increase international aid and to ensure that

development programs are being effectively run without corruption.

The largest campaign event with which we assisted in 2006 was the inaugural Stand Up Against Poverty on 16-17 October. The official Stand Up count was 91,987 Australians and over 23 million people around the world. The occasion was also an opportunity in Australia to send a message to the G20 (which met subsequently in Melbourne) to keep its 2005 poverty pledge. CWS led the Make Poverty History G20 policy and advocacy team in 2006. Through regular meetings and correspondence with the G20 Secretariat, the main achievement of the team was placing aid effectiveness on the G20 Ministerial agenda. The outcome of this agenda item was a renewed commitment to the Paris Declaration on Aid Effectiveness (which we support), though overall the G20 failed badly to live up to its 2005 pledge.

CWS also assisted Micah Challenge with a number of initiatives, such as the Voices for Justice, which saw 130 Christians travel to Canberra and meet with 60 Federal politicians. CWS, which hosts Jubilee Australia, assisted Jubilee in 2006 in producing its "A Case for Debt Relief" publication and new policy platform. Both documents were launched on the eve of World Debt Day (16 May) and are available at www.jubileeaustralia.org. Debt sustainability and justice remains a significant issue in the fight against poverty.

CWS will continue to actively work with the Make Poverty History, Micah Challenge and Jubilee campaigns in 2007. The cost of working with these campaigns is not included in the 2006 Development program disbursement of \$1,683,633.

Climate Change

Climate change is one of the biggest and most immediate challenges facing us. The biggest impact of climate change will be on the poor and yet they did the least to cause it. In 2006, CWS became one of 11 members of Climate Change and Development Roundtable. This Roundtable released on 9 October a detailed report on the impact of climate change in Asia/Pacific and a recommendations report. The reports are available at www.ccdr.org.au. The Roundtable was formed in recognition that developing countries are particularly vulnerable to the impacts of climate change, and the need for international aid and development agencies to consider the implications of climate change for their programs and advocacy.

We will engage in more climate change work in 2007 and beyond.

Visitors

In 2006 CWS was proud to host a number of events with visiting leaders of our AID partners, namely:

- Bishop Mvume Dandala, General Secretary of the All Africa Conference of Churches, and his deputy, Mr Bright Mawudor
- Dr Bernard Sabella, Director of the Department of Service to Palestinian Refugees/Middle East Council of Churches, and his wife Mary



- the Reverend Valamotu Palu, General Secretary of the Pacific Conference of Churches
- Mr Valentino Marcal (Afun), Director of YASONA (East Timor)



NCCA Christian World Service is a member of the Australian Council for International Development (ACFID) and is a signatory to the ACFID Code of Conduct. The Code requires members to meet high standards of corporate governance, public accountability and financial management.

More information about the ACFID Code of Conduct can be obtained from NCCA Christian World Service and from ACFID at: Website: www.acfid.asn.au • Email: acfid@acfid.asn.au Tel: +61 2 6285 1816 • Fax: +61 2 6285 1720

Financial Statements

Income Statement for the financial year ended 31 December 2006

	Notes	2006 \$	2005 \$
Revenue			
Gifts		3,498,195	3,869,050
Grants AusAID		1,258,458	1,832,965
Investment Income		82,558	37,432
Other Income	4	695,773	497,275
Total Revenue	6	5,534,984	6,236,722
Disbursements			
Overseas Projects			
Funds to overseas projects	5	3,785,111	4,046,505
Other project costs		246,940	198,141
		4,032,051	4,244,646
Fundraising Costs			
Public		565,128	451,901
Government and Multilaterals		20,191	15,271
		585,319	467,172
Domestic Projects		441,993	479,226
Community Education		288,941	224,056
Administration		574,670	611,535
Total Disbursements	6	5,922,974	6,026,635
Surplus / (deficit) for the year		(387,990)	210,087
Funds available for future use at 1 January		1,586,888	1,376,801
Funds available for future use at 31 December		1,198,898	1,586,888

The Income Statement should be read in conjunction with the Notes to and Forming the Accounts.

Balance Sheet as at 31 December 2006

	Notes	2006 \$	2005 \$
Assets			
Cash	6	4,474	4,409
Investments	2, 6	2,029,290	2,548,452
Property, plant and equipment		1,620,329	1,620,329
Debtors		19,195	29,614
Total Assets		3,673,288	4,202,804
Liabilities			
Creditors and borrowings		70,300	-
Employee Entitlements	3	140,804	118,076
Total Liabilities		211,104	118,076
Net Assets		3,462,184	4,084,728
Equity			
Building Equity 379 Kent St		935,329	935,329
Melbourne Property		685,000	685,000
CWS RDP Reserves		642,957	877,511
Funds available for future use		1,198,898	1,586,888
Total Equity		3,462,184	4,084,728

The Balance Sheet should be read in conjunction with the Notes to and Forming the Accounts.

NOTES TO AND FORMING PART OF THE ACCOUNTS AS AT 31 DECEMBER, 2006

1. Statement of Accounting Policies

Financial Reporting Framework

This financial report is a special purpose financial report which has been prepared for use by the Council's Executive and the member churches. The Executive have determined that the National Council of Churches Christian World Service is not a reporting entity and hence this report has been prepared in accordance with the following applicable Accounting Standards and other mandatory financial reporting requirements.

AASB1031: Materiality

AASB110: Events After the Balance Sheet Date

No other applicable Accounting Standards or other mandatory financial reporting requirements have been applied.

The financial report has been prepared on an accrual basis (except as provided for in the statement below on income) in accordance with the historical cost convention. Cost is based on the fair values of the consideration given in exchange for assets.

The financial report is prepared in a format which satisfies the requirements of the NCCA Constitution and the ACFID Code of Conduct.

Significant Accounting Policies

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) Recognition of Income

The timing of the recognition of gifts, grants, fundraising, legacies and bequests depends when control of these monies is obtained, usually receipt of the monies.

(b) Investment Income

Investment interest is recognised in the statement of income when received.

(c) Donations and Fundraising

In common with many charitable organisations, it is not practicable for the NCCA to establish accounting controls over all sources of giving and fundraising income prior to it being recorded in the accounting records.

(d) Value of Volunteers

The value of services provided by volunteers is not included in revenue or expenses because of the practical difficulties involved.

In relation to volunteers used directly for the support of international projects this amounted to \$nil in 2006 (2005:\$nil).

(e) Accounts Payable

Accruals and other creditors are recognised when the Council becomes obliged to make future payments resulting from the purchase of goods and services.

(f) Acquisition of Assets

Assets acquired are recorded at the cost of acquisition, being the purchase consideration determined as at the date of acquisition plus costs incidental to the acquisition.

(g) Employee Benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

(h) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST). The net amount of GST recoverable from, or payable to, the taxation authority is included as part of the statement of balance sheet.

(i) Recoverable amount of non-current assets

Non-current assets are written down to recoverable amount where the carrying value of any non-current asset exceeds recoverable amount.

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(j) Revaluation of non-current assets

Equity in the Melbourne property is measured on the fair value basis. Fair value is determined on the basis of an independent valuation prepared by external valuation experts based on capitalisation of net income.

(k) Managed funds

Funds channelled through Christian World Service on behalf of other Australian individuals or entities are classified as managed funds. These funds are earmarked for specific purposes and the value of these transactions is shown in note 6.

2. Investments

	2006 \$	2005 \$
Investments with NCCA – project funds	1,386,333	1,670,941
Investments with NCCA – legacies and bequests	41,259	39,940
Investments with NCCA – RDP reserves	601,698	837,571
	<u>2,029,290</u>	<u>2,548,452</u>

3. Employee Entitlements

Provision for Annual Leave	84,865	71,695
Provision for Long Service Leave	55,939	46,381
	<u>140,804</u>	<u>118,076</u>

4. Other Income

Managed Funds and Accounts	426,389	175,585
Utilisation of Reserves	256,384	310,931
Other	13,000	10,759
	<u>695,773</u>	<u>497,275</u>

5 Funds to Overseas Projects by Region

Africa	647,425	729,205
Asia	2,464,458	2,564,798
Latin America	-	1,597
Middle East	463,775	520,130
Pacific	142,983	101,362
International Projects	39,000	52,413
World Council of Churches Programs	27,470	77,000
	<u>3,785,111</u>	<u>4,046,505</u>

6. Table of Cash Movements for Designated Purposes

Cash				4,474	4,409
Investments				<u>2,029,290</u>	<u>2,548,452</u>
				2,033,764	2,552,861
	Cash available 1 January	Cash raised during the year	Cash disbursed during the year	Accrual accounting adjustments	Cash available 31 December
Thailand - TBBC	809,914	920,493	1,682,591		47,816
Tsunami	49,938	158,103	23,651		184,390
Other purposes	<u>1,693,009</u>	<u>4,456,388</u>	<u>4,216,732</u>	<u>131,107</u>	<u>1,801,558</u>
	2,552,861	5,534,984	5,922,974	131,107	2,033,764

INDEPENDENT AUDITORS' REPORT TO THE MEMBER CHURCHES OF THE NATIONAL COUNCIL OF CHURCHES IN AUSTRALIA

Scope

We have audited the attached special purpose financial report of the National Council of Churches in Australia Christian World Service for the financial year ended 31st December, 2006 comprising the Balance Sheet, Income Statement and notes to and forming part of the Accounts. The Executive of the National Council of Churches in Australia Christian World Service (the Executive) is responsible for the financial report and have determined that the accounting policies used, and described in Note 1 to the financial statements which form part of the Financial Report, are consistent with the financial reporting requirements of the National Council of Churches in Australia Christian World Service and are appropriate to meet the needs of the member Churches. We have conducted an independent audit of the financial report in order to express an opinion on it to the member Churches of the National Council of Churches in Australia. No opinion is expressed as to whether the accounting policies used, and described in Note 1, are appropriate to the needs of the member Churches.

The financial report has been prepared for distribution to member Churches for the purpose of fulfilling the Executive's financial reporting requirements. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the member Churches, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts (including AUSAID contract amounts) and other disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1 to the financial statements. These policies do not require the application of all Accounting Standards and other mandatory financial reporting requirements in Australia.

The audit opinion expressed in this report has been formed on the above basis.

Qualification

As is common for organisations of this type, it is not practicable for the National Council of Churches in Australia Christian World Service to maintain an effective system of internal control over gifts, subscriptions and other fund raising activities until their initial entry in the accounting records. Accordingly, our audit in relation to fund raising was limited to amounts recorded. In our opinion, monies recorded as receipts from gifts, subscriptions and other fund raising activities have been properly accounted for by the National Council of Churches in Australia Christian World Service.

Qualified Audit Opinion

In our opinion, except for the effects on the financial report of such adjustments, if any, as might have been required had the limitation on our audit procedures referred to in the qualification paragraph not existed, the Financial Report presents fairly in accordance with the accounting policies described in Note 1 to the Financial Statements the financial position of the National Council of Churches in Australia Christian World Service as at 31st December, 2006 and the results of its operations for the year then ended.



THOMAS DAVIS & CO.



R.C. GEEVES, PARTNER
Chartered Accountants
SYDNEY, 24th May, 2007

CWS Commission Profiles

Members of the CWS Commission are appointed by the National Council of Churches in Australia during its Forum. The next Forum is scheduled for July 2007. During 2006, the CWS Commission met on three occasions. The 2006 CWS Annual General Meeting was held on 23 April 2007.

The 2006 Commission Members were:

The Reverend John Gilmore – CWSC Chair (from April), (Churches of Christ, Victoria) BTheol, MTheol, DipMin, Executive Director of Mission and Ministry, Churches of Christ in Victoria and Tasmania, Chair of CWS Standing Committee, Chair of CWS Stewardship Committee and member of NCCA Finance Committee, (CWSC Deputy Chair to April).

The Reverend Elenie Poulos, CWSC Deputy Chair (from April), (Uniting Church in Australia NSW), MA, BTheol, CWS Standing Committee, Member NCCA Social Justice Network, Member Commission of the Churches on International Affairs (World Council of Churches), National Director UnitingJustice Australia.

The Reverend Gregor Henderson (Uniting Church in Australia, ACT) BA, BD, President of the Uniting Church in Australia, Minister, Wesley Uniting Church Canberra, member of the Central Committee of the World Council of Churches (CWSC Chair until April).

Archbishop Aghan Baliozian OAM (Armenian Apostolic Church NSW) MA, Primate of the Diocese of the Armenian Church of Australia and New Zealand, 2005-Present President of NSW Ecumenical Council.

Father Michael Delaney (Roman Catholic Church, Tasmania) Parish Priest, Naval Reserve Chaplain, member of the Tasmanian Council of Churches, member of the National Board of Inter-Church Trade and Industry Mission.

Bishop Philip Huggins (Anglican Church of Australia Victoria), Chair Brotherhood of St Laurence, Chair Mission to Seafarers Victoria, Chair of Anglican General

Synod Ecumenical Relations Commission, Bishop of the Northern and Western Region, Melbourne.

Father James Minchin (Anglican Church of Australia, Victoria) BA (Hons), MA (Hons), ThL (Hons), Vicar, Christ Church St Kilda, CWS Standing Committee and CWS Stewardship Committee.

Jackie Perkins (The Religious Society of Friends, NSW), Quaker Service Australia, CWS Standing Committee, NCCA Finance Committee.

Mr Peter Schirmer (Lutheran Church of Australia, NSW) BA (Hons), MDS, Executive Secretary, Australian Lutheran World Service.

Lieutenant Colonel Ray Wilson (The Salvation Army, NSW and Queensland) Territorial Property Consultant, Suicide Prevention Australia Board Member. CWS Standing Committee, NCCA Finance Committee.

Ms Patricia Ryan (Roman Catholic Church, Qld) MA (Religion), BEd Studies, Diploma Teaching, Diploma Religious Education, Diploma Christian Leadership, Diocesan Director Caritas Australia in the Archdiocese of Brisbane, Caritas, member of Queensland Churches Together CWS Committee, (from December).

Mr Aaron Tang (Roman Catholic Church, NSW) BA/LLB, Youth Liaison for the Catholic Archdiocese of Sydney Commission for Ecumenism and Interfaith Relations (retired August).

The Reverend John Henderson, ex officio, General Secretary of the NCCA.

Mr Alistair Gee, BA, LLB, ex-officio, Director of CWS.



CWS Commission members, Alistair Gee, John Henderson, Elenie Poulos, Gregor Henderson, Patricia Ryan, Philip Huggins, Jackie Perkins, Michael Delaney, Ray Wilson, James Minchin, John Gilmore, Aghan Baliozian