

The Lutheran World Federation
Department for World Service
Le Grand-Saconnex

Independent auditor's report
to the Federation Board

on the financial information 2023



Independent auditor's report

to the federation Board of The Lutheran World Federation Department for World Service

Le Grand-Sacconnex

Opinion

On your instructions, we have audited the financial information of The Lutheran World Federation Department for World Service, which comprise the balance sheet as at 31 December 2023 and the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial information, including a summary of significant accounting policies.

In our opinion, the accompanying financial information of The Lutheran World Federation Department for World Service for the year ended 2023 are prepared, in all material respects, in accordance with the accounting policies described in note 1.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial information" section of our report.

We are independent of the entity in accordance with the requirements of the Swiss audit profession and the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Basis of accounting and restriction on distribution and use

We draw attention to note 1 to the financial information, which describes the basis of accounting. The financial information are prepared in relation to the internal organization of the Lutheran World Federation's Communion office. As a result, the financial information may not be suitable for another purpose.

Our report is intended solely for The Lutheran World Federation Department for World Service for use in connection with the purpose as described in the preceding paragraph. Our report should not be distributed to or used by parties other than The Lutheran World Federation Department for World Service or used for any other purpose. We do not, in giving our opinion, accept or assume responsibility or liability for any other purpose or to any other parties to whom our report is shown or into whose hands it may come.

Our opinion is not modified in respect of this matter.

Emphasis of matter

We draw attention to note 3.6, Financial risk management, b) Credit risk, to the financial statements, which indicates that The Lutheran World Federation has an account receivable of Euros 69'106'859 before allowance for doubtful accounts as of December 31, 2023. An inability to collect this receivable on agreed due dates would hinder "The Lutheran World Federation's" ability to discharge its liabilities and fulfil its obligations as they fall due.

Our opinion is not modified in respect of this matter.

PricewaterhouseCoopers SA, avenue Giuseppe-Motta 50, case postale, CH-1211 Genève 2, Switzerland
Téléphone: +41 58 792 91 00, Téléfax: +41 58 792 91 10, www.pwc.ch

Responsibilities of Management and the Federation's Board for the financial information

Management is responsible for the preparation of the financial information in accordance with the basis of preparation described in note 1, for determining that the basis of preparation is acceptable in the circumstances, and for such internal control as Management determines is necessary to enable the preparation of a financial information that is free from material misstatement, whether due to fraud or error.

In preparing the financial information, Management is responsible for assessing the entity'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 Management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The Federation's Board is responsible for overseeing the entity's financial information reporting process.

Auditor's responsibilities for the audit of the financial information

Our objectives are to obtain reasonable assurance about whether the financial information 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 ISAs and Swiss Standards on Auditing 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 information.

As part of an audit in accordance with ISAs and Swiss Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial information, 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 entity internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of the Management's 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 entity'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 information 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 entity to cease to continue as a going concern.

We communicate with the Federation's Board or its relevant committee 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.

PricewaterhouseCoopers SA

Patrick Wagner

Licensed audit expert
Auditor in charge

Jonathan Darbellay

Licensed audit expert

Genève, 30 May 2024

Enclosure:

- Financial information (balance sheet related accounts, income and expenditure statement, movement on reserves and notes)

THE LUTHERAN WORLD FEDERATION
Department for World Service

BALANCE SHEET RELATED ACCOUNTS
AS AT 31 DECEMBER
(EUR)

	Note	2023 Unrestricted	2023 Restricted	Total 2023	Total 2022
Assets					
Total assets less liabilities	3.1	73,898,057	13,614,442	87,512,499	101,817,758
Programs/project balances receivable	3.2	0	14,047,853	14,047,853	13,266,298
Total net Assets		73,898,057	27,662,295	101,560,352	115,084,056
Liabilities and Reserves					
<i>Current Liabilities</i>					
Unexpended balances on programs/projects	3.2	0	15,639,445	15,639,445	20,341,308
Current accounts - former associate/field programs	2.11	0	254,860	254,860	484,727
Total Current Liabilities		0	15,894,305	15,894,305	20,826,035
<i>Long Term Liabilities</i>					
Field staff provisions	2.12	0	11,141,228	11,141,228	13,031,015
Medical Malpractice	3.4	0	580,124	580,124	150,249
International staff provisions	2.12	473,358	0	473,358	498,978
Global emergency revolving fund		0	46,638	46,638	46,638
Total Long Term Liabilities		473,358	11,767,990	12,241,348	13,726,881
Total Liabilities		473,358	27,662,295	28,135,653	34,552,915
<i>Reserves</i>					
General Reserve	2.13	6,160,795	0	6,160,795	6,548,592
Institutional Capacity Development Reserve	2.13	585,000	0	585,000	585,000
Resettlement Administration	2.13	640,400	0	640,400	640,400
Field designated reserves	2.13	66,038,503	0	66,038,503	72,757,148
Total Reserves		73,424,699	0	73,424,699	80,531,141
Total Liabilities and Reserves		73,898,057	27,662,295	101,560,352	115,084,056

THE LUTHERAN WORLD FEDERATION
Department for World Service

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER
(EUR)

	Unrestricted	Restricted Global Projects	Restricted Field Projects	Total 2023	Total 2022
Operating Income					
Member churches and related agencies	2,211,402	679,036	41,894,582	44,785,020	49,150,061
Other Partners	160,355	0	41,035,375	41,195,729	41,454,226
Jerusalem AVH income	0	0	57,757,912	57,757,912	66,937,416
Administration fees	2,369,118	0	0	2,369,118	2,526,917
Non-project income	6,842,846	0	0	6,842,846	8,900,250
Non-implementation projects	0	0	1,546,855	1,546,855	845,925
Total Operating Income	11,583,721	679,036	142,234,724	154,497,480	169,814,795
Operating Expenditure					
Staff related costs	4,261,108	0	49,993,229	54,254,338	58,832,146
Travel and representation	297,214	0	2,697,323	2,994,538	2,837,429
Other operating expenses	414,060	0	33,292,790	33,706,850	30,618,917
Project expenses	0	679,036	43,210,965	43,890,001	44,022,213
Medical Supplies and Drugs	0	0	18,824,156	18,824,156	23,861,122
Non-implementation projects	0	0	1,546,855	1,546,855	845,925
Non-project expenses	6,230,896	0	0	6,230,896	7,840,992
Committee for World Service	17,058	0	0	17,058	0
Central services allocation	1,139,968	0	0	1,139,968	1,054,396
Consulting	222,532	0	0	222,532	117,805
Membership fees	9,945	0	0	9,945	12,053
Audit and other professional fees	45,939	0	0	45,939	56,598
Total Operating Expenditure	12,638,721	679,036	149,565,318	162,883,076	170,099,596
Activity based charges to CPs	(1,191,851)	0	0	(1,191,851)	(1,068,034)
Central Services Fee to CPs	(347,779)	0	0	(347,779)	(290,970)
Activity and Expenses charged to Projects	(356,389)	0	0	(356,389)	(32,128)
Operating Result	841,019	(0)	(7,330,595)	(6,489,576)	1,106,331
Financial Income					
Net exchange gains (losses)	(203)	0	0	(203)	(4,441)
Bank charges	(41,749)	0	0	(41,749)	(50,800)
Net Financial Result	(41,952)	0	0	(41,952)	(55,241)
Extraordinary (expenses)/income					
PMER enhancement	(26,815)	0	0	(26,815)	(21,790)
Resource Mobilization expenses	(10,297)	0	0	(10,297)	(28,607)
Procurement/Logistics Capacity	(35,578)	0	0	(35,578)	(20,034)
Safety and Security	(59,990)	0	0	(59,990)	(39,089)
Project expenditures Ethiopia and Mauritania	0	0	0	0	(34,193)
Systems Development	(57,884)	0	0	(57,884)	0
Strategy Review	(22,168)	0	0	(22,168)	0
New Pillars	(362,181)	0	0	(362,181)	0
Comprehensive result for the year	224,155	(0)	(7,330,595)	(7,106,440)	907,377

THE LUTHERAN WORLD FEDERATION

Department for World Service

ADMINISTRATION, COORDINATION, IMPLEMENTATION STATEMENT OF RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED 31 DECEMBER (EUR)

	2023	2022
Operating Income		
Member churches and related agencies	2,211,402	2,396,939
Administration fees and other income	2,369,118	2,526,917
Other Partners	160,355	
Total Operating Income	4,740,875	4,923,856
Operating Expenditure		
Staff related costs	4,261,108	4,122,514
Travel expenditures	297,214	270,275
Operating expenses	414,060	450,674
Committee for World Service	17,058	0
Central services allocation	1,139,968	1,054,396
Consulting	222,532	117,805
Membership fees	9,945	12,053
Audit and other professional fees	45,939	56,598
Total Operating Expenditure before recharge	6,407,825	6,084,315
Charge out to Country Programs	(1,539,630)	(1,359,004)
Charge out to Projects	(356,389)	(32,128)
Operating Result Surplus / (Deficit)	229,069	230,673
Financial (Expenses) / Income		
Net exchange gains / (losses)	(203)	(4,441)
Bank Charges	(41,749)	(50,800)
Net financial result	(41,952)	(55,241)
Extraordinary (Expenses) / Income		
PMER enhancement	(26,815)	(21,790)
Resource Mobilization	(10,297)	(28,607)
Procurement/Logistics Capacity	(35,578)	(20,034)
Safety and Security	(59,990)	(39,089)
Project expenditures Ethiopia and Mauritania	0	(34,193)
Systems Development	(57,884)	0
Strategy Review	(22,168)	0
New Pillars	(362,181)	0
Comprehensive result for the year	(387,796)	31,719

THE LUTHERAN WORLD FEDERATION
Department for World Service

STATEMENT OF RESERVE MOVEMENT
(EUR)

	Balance as at 1st January 2023	Receipts	Disbursements	Net AVH/VTC Operating results	Balance as at 31st December 2023
General Reserve "A"	6,548,593	0	387,797	0	6,160,795
Institutional Capacity Development	585,000	0	0	0	585,000
Resettlement Administration	640,400	0	0	0	640,400
Field Designated Reserves *	72,757,148	6,842,846	6,230,896	(7,330,596)	66,038,503
	<u>80,531,141</u>	<u>6,842,846</u>	<u>6,618,693</u>	<u>(7,330,596)</u>	<u>73,424,699</u>

* Refer to Appendix 4 for the summary of movement of field designated reserves.

**THE LUTHERAN WORLD FEDERATION
DEPARTMENT FOR WORLD SERVICE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023**

NOTE 1 - ACTIVITIES

The Lutheran World Federation (LWF) is a global communion of Christian churches in the Lutheran tradition, founded in 1947. World Service (WS) is the internationally recognized humanitarian and development agency of the LWF. The LWF Communion Office is located in the Ecumenical Centre in Geneva and DWS operates in three regional hubs, 4 emergency programs and 14 country programs.

The LWF is a non-profit association incorporated and registered under Article 60 of the Swiss Civil Code.

The DWS's purpose is to work with marginalized and disadvantaged communities in areas of greatest vulnerability and endemic need, responding to emergencies and strengthening local capacities for disaster preparedness, advocacy and sustainable development, irrespective of race, religion, sex, nationality or political conviction.

The Assembly, composed of representatives of the member churches of the LWF, is the principal authority of the LWF. The Assembly is normally held every seven years and is responsible for the Constitution, electing the President and the members of the Council, and giving general direction to the work of the Federation.

The Council is composed of the President, the Chairperson of the Finance Committee, and 48 persons elected by the Assembly. The term of office of the Council shall end at the close of the next ordinary Assembly. The Council is responsible for the business of the LWF in the interim between ordinary Assemblies. The Council elects the Secretary General and the Treasurer. The Council elects the Vice-Presidents, decides on the budgets of the LWF, and receives the audited accounts and approves them. The Council also elects from among its members an Executive Committee and Program Committees as required and appoints their chairpersons.

The Council has appointed a Committee for World Service which is directly responsible for World Service governance oversight. The committee reports to the Council.

The financial statements of the WS for the year ended 31 December 2023 are consolidated to include the department as part of the Geneva Communion and the field offices. Former WS programs are not included in the consolidation as each of these has its own legal status separate from that of the LWF and the LWF exercises no control over them. These statements should be read in conjunction with the LWF Group financial statements.

The consolidated financial statements were examined and endorsed for issue by the General Secretary and the Communion Office Leadership Team (COLT) on May 15, 2024.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with and comply with the financial regulations and the accounting principles of the LWF.

2.2 Basis of preparation

The consolidated financial statements are presented in Euro.

The consolidated financial statements have been prepared under the historical cost convention.

Preparation of the consolidated financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates and the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change.

2.3 Basis of consolidation

The financial statements of the WS are consolidated to include the department located in the Geneva communion office and the field offices. Significant intercompany balances between the Geneva communion office and the field offices have been eliminated in consolidation.

a) Field Programs

The consolidation of the field programs' financial statements with the Geneva operations is based on financial reports, which are subject to individual examination in the countries concerned by independent auditors. The audit in Geneva in respect of these balances is carried out on a test basis upon the documentation and analysis of figures shown in the field office reports, which do not include the underlying substantiating documentation.

**THE LUTHERAN WORLD FEDERATION
DEPARTMENT FOR WORLD SERVICE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023**

b) Former World Service Programs

Former field offices of WS are registered as legal entities under local country statutory regulations and are not legally controlled by the LWF have not been consolidated.

2.4 Restricted/unrestricted funds

The financial statements distinguish between Restricted and Unrestricted use funds. Restricted use funds are those funds received from third parties who have imposed restrictions on the purposes for which they may be used. Unrestricted use funds are those funds where there are no externally imposed restrictions and include assets freely available or appropriated to reserves for internally designated purposes.

2.5 Foreign currency transactions

The presentation and functional currency of the LWF is the Euro. The books of account are maintained in Euro. Assets and liabilities, excluding fixed assets, denominated in currencies other than Euro have been translated at the December 31, 2023 rate of exchange per the European Commission "InforEuro" website using EURO cross-rates.

Income and expenditure has been translated into Euro, monthly using the previous month end exchange rate per the European Commission "InforEuro" website using EURO cross-rates.

Exchange gains/losses resulting from the application of the accounting principles outlined above are credited/charged to the Statement of Income and Expenditure.

2.6 Revenue and expenditure recognition

a) Operating Income

Restricted use funds are normally received as a result of a specific solicitation or with donor imposed restrictions and are recognized as income over the duration of the program/project in proportion to the achievement of the conditions attached to the contributions. Income for the year is therefore equal to expenditure. Contributions received but not yet recognized are included in Current Liabilities. Contributions not yet received relating to expenditure already recognized are included in Current Assets.

In some instances, in-kind contributions are recognized in the financial statements and an equal amount of expenditure is recorded. In 2023 and 2022 respectively, the amount included in revenue and expenditure related to in-kind contributions is €511,436 and €1,259,868. In-kind contributions are recorded at the value noted in the accompanying shipping documents upon receipt.

b) Investment Income

Investment income is recognized on an accrual basis. The investment income together with foreign exchange gains and losses and gains and losses on investments is allocated between the various LWF departments according to the opening balance of reserves and net project/other grant balances.

c) Non Project Income

Non project income and expenditure are those income and expenses which relate to the change in the reserve funds of the field office. Non project income may consist of, inter alia, the sale of assets, hire of LWF owned vehicles to the project and asset valuation income. Non project expenditure is usually the cost of repairs of LWF owned vehicles, purchase of vehicles from the non project income that has built up and depreciation of LWF owned assets.

d) Non Implementation Projects

Compound management and administration income generated by donor's implemented projects.

e) Extraordinary income and expenditure

In 2023, DWS Management decided to invest on systems and practices for quality programming in line with the 2019-2024 strategy. In particular, investments were made on PMER enhancement, Resource Mobilization, Procurement/Logistics Capacity and Safety & Security.

The Angola Country Programme has ceased its activities and operations on December 31, 2023, date of official closing of the Country Programme.

**THE LUTHERAN WORLD FEDERATION
DEPARTMENT FOR WORLD SERVICE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023**

2.7 Inventories

Inventories purchased from Restricted use funds are expensed in the year of purchase. Rights over inventories would not generate future economic benefit to the LWF due to the short term nature of program contracts and the terms of contracts where rights over residual program assets are vested with the grantors.

The only material inventories purchased from Unrestricted use funds are held at the WS program in Jerusalem. These inventories consist of medical supplies for the Augusta Victoria Hospital (AVH) that the program runs. They are accounted for at cost which does not exceed market value and recognized by the first-in, first-out method.

2.8 Fixed assets

Fixed assets purchased from Restricted use funds are expensed in the year of purchase. It is considered improbable that such expenditures will generate future economic benefit to the LWF due to the short term nature of program contracts and the terms of contracts where rights over residual program assets are vested with the grantors.

Fixed assets comprising buildings and land improvements, vehicles and office equipment purchased from Unrestricted use funds are capitalized and amortized as detailed in 2.9. Assets of a capital nature with a cost lower than € 5,000 are not capitalized.

When the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the Income and Expenditure Statement.

Repairs and maintenance costs are charged in the Income and Expenditure Statement during the financial period in which they are incurred.

Subsequent expenditure is capitalized only when it increases the probable future economic benefits of the asset.

The following net fixed assets are included in the balance sheet in the line 'Total Assets less Liabilities excluding program/project balances'.

Description	Cost	Depreciation	Net Value
Buildings	8,295,791	(3,762,573)	4,533,218
Vehicles	2,817,946	(2,612,433)	205,512
Office Equipment	1,308,581	(1,205,370)	103,211
Other Equipment	3,058,816	(2,324,119)	734,696
	<u>15,481,134</u>	<u>-9,904,496</u>	<u>5,576,638</u>

2.9 Fixed assets - depreciation

Based on the past experience of the useful life expectancy, the rate of depreciation is set by each individual country program not to exceed the following rate per year by category:

Building	4%
Plant and equipment	7%
Vehicles	20%
Office furniture and equipment	20%
Computers	25%

Depreciation for a full year commences in the year of purchase.

2.10 Impairment

The carrying amount of the LWF's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment or, if earlier, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of the asset's net selling price or its value in use. Impairment losses are recognized in the Income and Expenditure Statement.

An impairment loss is reversed if there is an upward revision of the recoverable amount. An impairment loss is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognized.

**THE LUTHERAN WORLD FEDERATION
DEPARTMENT FOR WORLD SERVICE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023**

2.11 Current accounts - former World Service programs

The former World Service programs in Bangladesh, Cambodia, India, Indonesia, Malawi, Peru, South Africa, Tanzania, Zimbabwe and Swaziland are not consolidated with the LWF/WS Geneva books. The year-end payable to these programs appear in the balance sheet under "Current accounts - former associate/field programs" for a net of € 254,860 as detailed below;

Payable to WS former country programs	23,053
WS field offices reconciling items	231,807
	254,860

2.12 Provisions

a) National staff

An amount of € 11,141,228 is restricted for field programs' local staff provisions which can only be used as specified.

b) International staff

An amount of € 473,358 is aimed to cover specific benefits and risks which relate to the status of expatriate staff. These benefits (assignment, leave, termination) are recognized proportionately as accrued over the employment period of personnel. They exist to meet any termination and settling out expenses under present contractual LWF working conditions for expatriate field based staff.

2.13 Reserves

Unrestricted reserves are earmarked as detailed below:

a) General reserve

This reserve represents an unrestricted amount and is used to account for all resources over which the department has discretionary control. It can be used to cover ongoing commitments in case of emergencies.

b) Field designated funds

These various funds are available exclusively for use in each field program according to the definition of the fund.

c) Other reserves

The Resettlement Administration Reserve is funds where there is no externally imposed restrictions and include assets freely available to WS for internally designated purposes.

d) Institutional Capacity Development Reserve

The institutional Capacity Development Reserve is a fund which is aimed to increase the capacity of Resource Mobilization.

2.14 Employee benefit costs

a) Retirement benefit obligations

The LWF has mandated the Insurance company Stiftung Abendrot to operate the pension fund related to all headquarter staff. International staff employed in Geneva but located in the Country Programmes receive social benefits in accordance with the HR policy and staff contracts. Staff employed locally by the LWF receive social benefits in accordance with the legislation of the countries concerned and the local collective staff agreements. The cost of such benefits is recognized on an accruals basis in these consolidated financial statements.

b) Termination benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or contract completion date. Termination benefits are recognized on the basis of a formal committed plan to terminate the employment of current employees as per 2.12.

**THE LUTHERAN WORLD FEDERATION
DEPARTMENT FOR WORLD SERVICE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023**

2.15 Leases

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time. An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership.

DWS Country Programs are renting buildings and vehicles locally. All rental agreements have an initial duration of 12 months or less and might be reconducted each year for another term of maximum 12 months.

Based on historical practices and considering that most of the projects implemented in the Country Programs have a maximum duration of 12 months, the most likely probable duration of these rental agreements cannot exceed 12 months. Consequently, the lease payments associated with these short-term leases are recognised as an expense on a straight-line basis over the lease term.

The potential future lease payments for the year 2024 (12 months fixed rental costs) have been estimated by category, as follow:

Building	2,278,449 euro
Vehicles	124,833 euro

NOTE 3 - DETAILS RELATING TO THE FINANCIAL STATEMENTS

This section provides a breakdown of the main items on the Balance Sheet, the Income and Expenditure Statement, the Cash Flow Statement and the Statement of Changes in Reserves.

3.1 Details of total assets less liabilities

	2023	2022	2023	2022
	Unrestricted		Restricted	
Cash and bank	19,614,694	19,733,787	-	-
DWS share in LWF assets	7,727,572	8,022,674	2,149,000	6,094,178
Prepayments	485,637	668,559	-	-
Advance accounts	1,813,306	1,268,768	-	-
Inventory	2,790,703	3,428,050	-	-
Other receivables	36,655,016	41,781,896	31,639,760	38,021,761
Suspense account	(196,777)	6,611	-	-
Net fixed assets	5,576,638	6,169,242	-	-
Accounts payable	(55,999)	(27,606)	(17,751,203)	(21,358,146)
Accrued expenses	-	-	(2,423,115)	(1,970,091)
Line of credit	(512,733)	(21,861)	-	-
Total assets less liabilities	73,898,057	81,030,120	13,614,442	20,787,702

* Refer to Appendix 2 for the balances of Country Programs as at 31 December 2023.

Note: Line "DWS share in LWF assets" represents the share of the DWS Department in the LWF Geneva pooled bank accounts, the LWF Geneva petty cash and the investment portfolio managed in the headquarter.

3.2 Details of the program/projects balances

Receivable - current assets

	2023	2022
WS Field Offices - project balances	10,051,081	9,333,576
WS Field Offices - deferred expenditure	3,590,709	3,671,998
WS Geneva - B project balances	406,063	260,723
	14,047,853	13,266,297

The above deferred expenditure partly represents € 2,239,410 related to Jerusalem, € 546,199 Chad project overspent, € 338,293 Central Africa Republic, € 247,998 Cameroon related to Program Operations overspent and € 75,764 Kenya compound management. The country programs will write off this expenditure over periods longer than one year.

The balance represents the monetary value of outstanding leave days as at December 31. Eligible days were determined in accordance with the national and international staff regulations and this provision is expected to reverse in 2024 when staff take days off.

**THE LUTHERAN WORLD FEDERATION
DEPARTMENT FOR WORLD SERVICE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023**

Payable - current liabilities

	2023	2022
WS Field Offices - project balances	15,564,279	20,245,974
WS Geneva - B project balances	75,166	95,334
	<u>15,639,445</u>	<u>20,341,308</u>

Detailed breakdown by donor and by country of these receivables and payables are as below;

Program/Project balances receivable by donor for the year ending 31 December 2023

	2023
Act Church of Sweden	12,645
Australia NGO Cooperation Program	64,465
Australian Lutheran World Service	37,980
Baghdad Women Association (BWA)	3,199
Bread for the World - Protestant Development Service	1,996,615
Bureau of Population, Refugees, and Migration	780,432
Canadian Lutheran World Relief	438,668
Canadian Lutheran World Relief/Canadian Foodgrains Bank	156,521
Christian Aid	20,391
Christian Blind Mission [CBM]	37,074
Diakonie Katastrophenhilfe	357,128
Diakonisches Werk, Austria	101,889
European Commission - ECHO	857,449
European Commission - Europeaid	48,083
Evangelical Lutheran Church in America	1,259,207
Evangelical Lutheran Church in Bavaria	95,053
Evangelical Lutheran Church in Wurttemberg	10,864
Finnish Evangelical Lutheran Mission	11,358
German National Committee of the Lutheran World Federation	98,747
Hilfswerk der EV Kirche Schweiz (HEKS)	394,317
Icelandic Church Aid	14,694
International Rescue Committee	48,445
LEGO Foundation	46,508
Lutheran World Federation	198
LWF Co2 Compensation	3,855
Norwegian Church Aid	2,940
Other Donors (International)	0
Other donors-local	1,868
Other Income - Jerusalem	64,973
Other UN Agencies	1,100
Property Maintenance	20,425
Receivables - Projects (Geneva donors)	1,405,912
Receivables - Projects (Local donors)	1,059,690
Swiss Agency for Development & Cooperation	16,708
United Nations - OCHA	282,478
United Nations Children's Fund	19,236
United Nations Development Programme	45,935
United Nations Office for Project Services	38,051
United States of America - Other Donors	913
World Food Programme	195,066
Evangelical Lutheran Church in America	406,063
	<u>10,457,144</u>
Deferred Expenditure	3,590,709
	<u>14,047,853</u>

**THE LUTHERAN WORLD FEDERATION
DEPARTMENT FOR WORLD SERVICE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023**

Program/Project balances payable by donor for the year ending 31 December 2023

	2023
ACT Alliance	24,398
Act Church of Sweden	886,492
Anglican Overseas Aid	5,095
Anglicans in Development	7,781
Aporte Administrativo IM	4,301
Australia NGO Cooperation Program	13,266
Australian Lutheran World Service	943,364
Bread for the World - Protestant Development Service	981,065
Canadian Lutheran World Relief	2,096,282
Canadian Lutheran World Relief/Canadian Foodgrains Bank	6,282
Christian Aid	15,485
Christian World Service, New Zealand	1,518
Contributions Received in Advance - Geneva donors	182,646
Contributions Received in Advance - Local donors	1,075,026
DanChurchAid	1,139
Deutsche Gesellschaft für Internationale Zusammenarbeit(GIZ)	304,927
Diakonie Katastrophenhilfe	105,184
Disciples of Christ: Week of Compassion	152,901
Enrolment Fees for New Scholastic Year	27,245
Episcopal Relief & Development	391,256
Estonian Evangelical Lutheran Church	5,451
Evangelical Lutheran Church in America	1,887,167
Evangelical Lutheran Church in Bavaria	962,227
Evangelical Lutheran Church in Wurttemberg	161,500
Evangelical Lutheran Church of Finland	420,997
Finn Church Aid	40,000
Finnish Evangelical Lutheran Mission	511,360
Food and Agriculture Organization	14,938
Foundation for a Just Society (FJS)	140,662
German National Committee of the Lutheran World Federation	120,144
Hungarian Interchurch Aid	1,139
ICCO Kerk in Actie	503,801
Icelandic Church Aid	157,557
International Organisation for Migration	11,265
Japan Evangelical Lutheran Church	53,382
Kenya Evangelical Lutheran Church	503
LWF Co2 Compensation	4,991
LWS Endowment Fund	38,446
Mercy Corps	12,297
Ministry of Education - Jerusalem	157,212
More Jobs Better Lives Foundation Japan	879
Nederlands Luthers Genootschap voor In- en Uitwendige Zending	145,840
Norwegian Church Aid	288,130
Norwegian Representative Office	245,910
Other Donors (International)	33,476
Other donors-local	124,540
Other Income - Jerusalem	1,280,527
Presbyterian Church of Canada	17,092
Primate's Relief and Development Fund	91,073
Rent of LWF Office Space	9,584
Save the Children London	298,203
United Church of Canada	44,024
United Nations - OCHA	383,317
United Nations Development Programme	7,350
Visitor room and food charges	46,470
Web Donors	3,100
Welfare Association	26,571
World Food Programme	83,464
World Neighbours	4,033
Australian Lutheran World Service	40,808
Web Donors	12,126
German National Committee of the Lutheran World Federation	22,232
	15,639,445

**THE LUTHERAN WORLD FEDERATION
DEPARTMENT FOR WORLD SERVICE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023**

3.3 Augusta Victoria Hospital (AVH)

Cumulative expenditures in excess of project funding received for the repositioning exercise of the Augusta Victoria Hospital (AVH), Jerusalem, are € 1.88 million through the end of 2023 (€2.00 million at the end of 2022). These excess expenditures are included in "Programs/project balances receivable" in the balance sheet of World Service as at December 31, 2023.

Annual net income from the Augusta Victoria Hospital property rental in excess of € 124,000 is projected each year. These funds will be set against the accumulated excess of expenditure over funding.

3.4 Contingent Liabilities

a) Medical Malpractice claims - Jerusalem Program:

The Hospital purchases professional and general liability insurance to cover medical malpractice claims. In 2023, the limit of coverage amounted to \$ 2,500,000 equivalent to € 2,249,415 for every claim.

According to the estimates by the insurers concerning these claims, the maximum liability of the Hospital in the medical malpractice claims outstanding at December 31, 2023, in the form of the excess (deductible) amounts the Hospital is required to settle in accordance with the terms of the insurance policies was € 580,124.

b) Unpaid Terminal Benefits - South Sudan Program:

As at 31st December 2023, the program had one pending lawsuits totalling to € 130,262. The case was brought against the Organization by its former staff who was claiming unpaid payments after work benefits.

The amount is based on the claim by the plaintiff and judgment in respect to this case has not been determined as at 31 December 2023. The management believe that the claim will not be successful and consequently no provision have been made in this financial statements in relation to this outstanding lawsuit.

3.5 Taxes

The LWF is exempt from Federal and Cantonal income taxes.

3.6 Financial risk management

The LWF is exposed to a variety of financial risks namely: market; credit risk; liquidity risk and interest rate risk. The LWF seeks to actively minimize potential adverse effects arising from this exposure as detailed below.

a) Market risk

Foreign currency risk arises primarily from contributions that are denominated in a currency other than Euro. The main currencies giving rise to this risk are the US dollars and Swedish Kroner. The LWF ensures that net exposure is kept to an acceptable level, by selling foreign currencies at spot rates where necessary to address short-term needs.

b) Credit risk

The major risk in 2023 was in LWF Jerusalem with € 74,614,469 of amounts receivable, the most significant being from the Palestinian Authority (PA) (€ 69,106,858) in relation to provision of medical services and treatment to Palestinians through the Augusta Victoria Hospital (AVH).

To prevent the financial loss, the Lutheran World Federation (LWF) and the AVH, together with the LWF member churches and related agencies have continued the lobby and advocacy work to counter delays of payments from the Palestinian Authority, Ministry of health.

c) Liquidity risk

Liquidity risk is minimized by maintaining sufficient funds as cash on hand, on-demand deposits or short-term deposits with maturities of three months or less to meet short-term liabilities. In addition, investments are all in liquid securities which can easily be sold to meet longer term cash flow needs.

d) Interest rate risk

There is no significant short-term exposure to changes in interest rates as cash and cash equivalents are held as cash on hand, on-demand deposits, or in short-term deposits with maturities of three months or less.

3.7 Related parties

a, Identity of related parties

The field programs that are former World Service programs are considered to be related parties with LWF-DWS. They are RDRS Bangladesh, LWD Cambodia, LWS India Trust, Indonesia, ELDS Malawi, Diaconia Peru, ELCSA South Africa, TCRS Tanzania, LDS Zimbabwe and Swaziland.

**THE LUTHERAN WORLD FEDERATION
DEPARTMENT FOR WORLD SERVICE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023**

b, Transactions with related parties

During the year the LWF received € 0 on behalf of the former World Service programs for projects. The LWF paid € 1,380 expenses for the former World Service programs and transferred € 0 to the programs during 2023. At 31 December 2023, the LWF had outstanding payables to former World Service programs of € 23,053.

Other than compensation arising in the ordinary course of business, there were no transactions with key management personnel or Council Members. No persons related or connected by business to them, have received any remuneration or other compensation from the LWF during the year.

3.8 Capital commitments

There were no capital commitments as at 31st December 2023.

THE LUTHERAN WORLD FEDERATION
Department for World Service

Appendix 1

CONSOLIDATED BALANCE SHEET
as at 31 December 2023
(EUR)

	Grand Total	Jerusalem AVH	Total	Angola	Burundi	Cameroon	Central Africa Republic	Central America	Chad	Colombia-Venezuela	Ethiopia
ASSETS:											
Current Assets											
Cash, banks and securities	19,569,327	182,390	19,386,937	0	40,993	370,825	260,257	709,621	159,054	180,082	136,240
Project balances receivable	10,051,081	0	10,051,081	0	116,603	67,942	114,997	253,987	269,209	237,354	1,229,523
Prepayments	485,637	215,652	269,985	0	1,451	662	2,242	21,548	1,283	0	648
Advance accounts	1,813,306	40,322	1,772,984	0	0	0	0	74,620	246	9,748	50,488
Receivables - other	67,955,385	65,577,104	2,378,281	0	3,713	0	283	354,838	4,523	108,377	2,283
Suspense Account	0	0	0	0	0	0	0	0	0	0	0
Inventory	2,790,703	2,790,703	0	0	0	0	0	0	0	0	0
LWF/AVH Current Account	0	715,705	(715,705)	0	0	0	0	0	0	0	0
Current accounts - field programs	4,057,958	0	4,057,958	0	99,200	28,226	(593,843)	(222,879)	(342,116)	110,298	237,829
	106,723,397	69,521,875	37,201,521	0	281,960	467,654	(216,064)	1,191,734	92,199	645,859	1,657,010
Fixed Assets											
Buildings and Land Improvements	8,295,791	6,846,298	1,449,494	0	0	0	0	0	0	0	0
Vehicles	2,817,946	224,857	2,593,089	0	50,220	95,730	222,351	108,061	70,794	102,459	0
Office Equipment	4,367,397	4,025,014	342,383	0	0	0	28,790	0	0	166,923	0
	15,481,134	11,096,168	4,384,966	0	50,220	95,730	251,141	108,061	70,794	269,382	0
Accumulated Depreciation - Buildings and Land Improvements	(3,762,573)	(2,425,344)	(1,337,229)	0	0	0	0	0	0	0	0
Accumulated Depreciation - Vehicles	(2,612,433)	(176,198)	(2,436,236)	0	(50,220)	(95,730)	(222,351)	(99,299)	(70,794)	(85,738)	0
Accumulated Depreciation - Office Equipment	(3,529,490)	(3,223,541)	(305,948)	0	0	0	(28,790)	0	0	(142,104)	0
	(9,904,496)	(5,825,083)	(4,079,413)	0	(50,220)	(95,730)	(251,141)	(99,299)	(70,794)	(227,842)	0
	5,576,638	5,271,065	305,553	0	0	0	0	8,762	0	41,540	0
Other Assets											
Deferred Expenditure	3,590,709	0	3,590,709	0	5,015	247,998	338,293	40,890	546,199	0	17,862
	115,890,744	74,792,961	41,097,783	0	266,975	715,652	122,229	1,241,386	638,399	687,399	1,674,873
LIABILITIES:											
Current Liabilities											
Accounts payable	17,751,203	11,544,884	6,206,319	0	13,964	10,254	0	393,549	17,799	149,522	220,853
Accrued expenses	2,423,115	444,405	1,978,710	0	34,803	7,200	15,205	12,355	56,217	6,400	81,255
LWF / AVH current account	0	0	0	0	0	0	0	0	0	0	0
Contributions received in advance	15,564,279	0	15,564,279	0	89,774	691,694	97,497	588,841	541,863	446,531	858,034
Line of Credit	512,733	0	512,733	0	0	0	0	0	0	0	0
	36,251,330	11,989,289	24,262,041	0	138,540	709,148	112,702	994,745	615,879	602,453	1,160,141
Long Term Liabilities:											
Field staff provisions	11,141,228	702,323	10,438,905	0	60,880	0	0	190,035	10,956	23,179	84,006
Medical Malpractice	580,124	580,124	0	0	0	0	0	0	0	0	0
Payable to LWF Geneva	1,879,560	0	1,879,560	0	0	0	0	0	0	0	0
	13,600,912	1,282,447	12,318,464	0	60,880	0	0	190,035	10,956	23,179	84,006
TOTAL LIABILITIES	49,852,241	13,271,736	36,580,505	0	199,421	709,148	112,702	1,184,779	626,836	625,632	1,244,148
Reserves:											
Field designated	66,038,503	61,521,225	4,517,278	0	67,554	6,504	9,527	56,606	11,563	61,767	430,725
	115,890,744	74,792,961	41,097,783	0	266,975	715,652	122,229	1,241,386	638,399	687,399	1,674,873

THE LUTHERAN WORLD FEDERATION
Department for World Service

Appendix 1

CONSOLIDATED BALANCE SHEET
as at 31 December 2023
(EUR)

	Haiti	Iraq	Jerusalem	Jordan-Syria	Kenya-Somalia	Myanmar	Nepal	Poland	South Sudan	Uganda	Ukraine	Zambia
ASSETS:												
Current Assets												
Cash, banks and securities	367,701	124,390	11,317,038	24,948	799,384	1,141,546	387,641	42,456	475,370	1,388,117	1,458,172	3,102
Project balances receivable	121,907	190,385	327,308	274,223	1,329,720	902,465	81,781	101,889	1,966,187	2,465,601	0	0
Prepayments	3,306	0	57,141	14,647	39,064	3,625	289	5,151	29,534	64,102	25,293	0
Advance accounts	147,748	47,083	5,382	199,893	381,381	26,347	3,027	0	374	48,645	777,905	97
Receivables - other	47,631	2,485	1,415,671	(0)	299,562	66,129	1,157	2,671	6,116	62,842	0	0
Suspense Account	0	0	0	0	0	0	0	0	0	0	0	0
Inventory	0	0	0	0	0	0	0	0	0	0	0	0
LWF/AVH Current Account	0	0	(715,705)	0	0	0	0	0	0	0	0	0
Current accounts - field programs	142,443	144,715	1,281,129	434,642	152,163	1,335,245	107,714	749,246	(453,908)	177,360	642,293	28,203
	830,736	509,058	13,687,964	948,353	3,001,275	3,475,356	581,609	901,413	2,023,672	4,206,668	2,903,663	31,401
Fixed Assets												
Buildings and Land Improvements	0	0	1,409,093	0	0	0	0	0	0	0	0	0
Vehicles	55,054	0	69,558	28,694	458,213	147,378	154,954	0	191,253	795,612	0	42,757
Office Equipment	0	0	0	20,249	26,925	10,345	0	0	89,151	0	0	0
	55,054	0	1,478,651	48,943	485,137	157,724	154,954	0	280,405	836,013	0	42,757
Accumulated Depreciation - Buildings and Land Improvements	0	0	(1,337,229)	0	0	0	0	0	0	0	0	0
Accumulated Depreciation - Vehicles	(55,054)	0	(64,015)	(28,694)	(397,611)	(147,378)	(154,954)	0	(191,253)	(730,386)	0	(42,757)
Accumulated Depreciation - Office Equipment	0	0	(8,632)	(0)	(26,925)	(10,345)	0	0	(89,152)	0	0	0
	(55,054)	0	(1,401,244)	(37,326)	(424,536)	(157,724)	(154,954)	0	(280,405)	(730,386)	0	(42,757)
	0	0	77,407	11,617	60,601	0	0	0	0	105,627	0	(0)
Other Assets												
Deferred Expenditure	158,552	0	2,239,410	45,003	75,764	(231,826)	0	0	88,834	17,187	1,527	0
	989,289	509,058	16,004,781	1,004,973	3,137,640	3,243,530	581,609	901,413	2,112,507	4,329,482	2,905,190	31,401
LIABILITIES:												
Current Liabilities												
Accounts payable	70,279	2,657	1,345,291	12,936	1,644,996	624,393	82,887	8,385	315,522	1,238,803	54,116	113
Accrued expenses	54,231	123,828	32,594	112,372	98,961	291,740	0	12,520	426,174	46,774	566,079	0
LWF / AVH current account	0	0	0	0	0	0	0	0	0	0	0	0
Contributions received in advance	425,143	457,862	3,192,534	897,703	1,059,683	938,518	235,781	910,030	562,474	1,257,673	2,322,646	0
Line of Credit	0	0	512,733	0	0	0	0	0	0	0	0	0
	549,654	584,346	5,083,152	1,023,010	2,803,640	1,854,651	318,668	930,935	1,294,170	2,543,250	2,942,841	113
Long Term Liabilities:												
Field staff provisions	273,734	0	8,249,074	0	0	2,186	0	0	914,762	628,707	0	1,385
Medical Malpractice	0	0	0	0	0	0	0	0	0	0	0	0
Payable to LWF Geneva	0	0	1,879,560	0	0	0	0	0	0	0	0	0
	273,734	0	10,128,633	0	0	2,186	0	0	914,762	628,707	0	1,385
TOTAL LIABILITIES	823,388	584,346	15,211,786	1,023,010	2,803,640	1,856,837	318,668	930,935	2,208,932	3,171,958	2,942,841	1,498
Reserves:												
Field designated	165,901	(75,288)	792,995	(18,037)	333,999	1,386,693	262,941	(29,522)	(96,426)	1,157,524	(37,651)	29,903
	989,289	509,058	16,004,781	1,004,973	3,137,640	3,243,530	581,609	901,413	2,112,507	4,329,482	2,905,190	31,401

THE LUTHERAN WORLD FEDERATION
Department for World Service

Appendix 2

INCOME BY DONOR CATEGORY AND EXPENDITURE BY ACTIVITY
for the year ended 31 December 2023

	Grand Total	AVH Jerusalem	Total	Angola	Burundi	Cameroon	Central Africa Republic	Central America	Chad	Colombia / Venezuela	Ethiopia
Operating income											
Member churches and related organizations	43,264,711	1,370,129	41,894,582	1,132,409	924,784	458,606	864,209	3,390,125	1,350,548	1,198,947	4,277,026
Other Partners	97,423,157	56,387,783	41,035,375	113,286	4,388	4,144	313,089	198,044	1,593,150	1,801,429	2,548,373
Non-project income	6,842,846	297,431	6,545,415	420,511	78,082	60,286	1	94,464	22,918	311,556	362,423
Non-implementation projects	1,546,855	0	1,546,855	0	0	69,442	0	764,298	0	0	325,645
Total Operating Income	149,077,570	58,055,343	91,022,227	1,666,206	1,007,254	592,478	1,177,300	4,446,931	2,966,615	3,311,931	7,513,468
Operating Expenditure											
Staff Related Costs	49,993,229	19,848,349	30,144,880	512,932	393,234	293,523	524,557	1,450,147	824,936	1,247,842	1,335,848
Travel & Representation	2,697,323	89,370	2,607,954	83,121	43,556	41,261	69,225	19,693	91,353	188,608	306,332
Operating Expenses	43,210,965	1,746,060	41,464,905	527,999	414,105	160,657	539,882	1,840,368	1,788,987	1,242,423	4,353,673
Medical Supplies and Drugs	18,824,156	18,508,827	315,329	0	0	0	2,549	0	0	0	82,131
Other projects expenditures	33,292,790	25,134,157	8,158,634	121,644	78,277	(32,691)	41,086	277,961	238,422	321,502	747,415
Non project expenditure	6,230,896	971,501	5,259,395	459,636	31,596	58,088	4	119,964	23,406	309,358	98,645
Other projects - non LWF	1,546,855	0	1,546,855	0	0	69,442	0	764,298	0	0	325,645
Total Operating Expenditure	155,796,214	66,298,263	89,497,951	1,705,332	960,768	590,280	1,177,303	4,472,431	2,967,103	3,309,734	7,249,689
Result Added	(6,718,644)	(8,242,920)	1,524,276	(39,126)	46,486	2,198	(3)	(25,500)	(488)	2,198	263,778
Reserves as at 1st January 2023	72,757,147	69,764,145	2,993,002	39,126	21,068	4,306	9,531	82,106	12,051	59,569	166,947
Reserves as at 31 December 2023	66,038,503	61,521,225	4,517,278	0	67,554	6,504	9,527	56,606	11,563	61,767	430,725

THE LUTHERAN WORLD FEDERATION
Department for World Service

INCOME BY DONOR CATEGORY AND EXPENDITURE BY ACT
for the year ended 31 December 2023

	Grand Total	Haiti	Iraq	Jerusalem	Jordan / Syria	Kenya / Somalia	Myanmar	Nepal	Poland	South Sudan	Uganda	Ukraine	Zambia
Operating income													
Member churches and related organizations	43,264,711	2,372,270	1,257,227	2,639,698	1,517,800	4,111,188	3,437,417	1,230,967	3,387,121	4,825,406	2,117,447	1,381,094	20,292
Other Partners	97,423,157	23,794	724,021	2,250,330	227,831	6,455,556	2,025,237	611,271	1,309,860	6,623,610	11,206,663	3,001,298	0
Non-project income	6,842,846	(1,665)	56,290	1,151,992	35,507	841,094	1,249,174	91,228	85,478	276,742	1,358,381	49,223	1,731
Non-implementation projects	1,546,855	0	195	0	1,184	70,907	81,468	0	0	30,816	202,899	0	0
Total Operating Income	149,077,570	2,394,399	2,037,733	6,042,021	1,782,321	11,478,746	6,793,297	1,933,466	4,782,459	11,756,575	14,885,391	4,431,615	22,023
Operating Expenditure													
Staff Related Costs	49,993,229	828,455	673,027	2,524,773	571,804	4,652,309	2,185,571	539,219	802,802	5,565,788	4,279,051	926,543	12,519
Travel & Representation	2,697,323	144,962	127,657	71,329	49,099	397,839	179,627	88,182	2,019	253,269	432,632	15,786	2,404
Operating Expenses	43,210,965	1,395,097	1,018,517	1,299,791	655,750	4,274,319	2,730,854	1,009,092	3,582,143	4,267,025	7,466,098	2,898,126	0
Medical Supplies and Drugs	18,824,156	0	0	12,410	0	27,671	1,442	75,239	7,776	912	105,198	0	0
Other projects expenditures	33,292,790	27,550	162,048	743,465	468,977	1,214,608	365,165	130,507	302,240	1,362,023	1,041,130	541,937	5,369
Non project expenditure	6,230,896	151,728	21,717	1,286,767	21,953	676,482	132,820	92,878	86,313	291,148	1,307,719	87,252	1,921
Other projects - non LWF	1,546,855	0	195	0	1,184	70,907	81,468	0	0	30,816	202,899	0	0
Total Operating Expenditure	155,796,214	2,547,792	2,003,160	5,938,535	1,768,767	11,314,134	5,676,948	1,935,116	4,783,294	11,770,981	14,834,728	4,469,644	22,213
Result Added	(6,718,644)	(153,393)	34,573	103,486	13,554	164,612	1,116,349	(1,650)	(835)	(14,406)	50,663	(38,029)	(191)
Reserves as at 1st January 2023	72,757,147	319,294	(109,861)	689,509	(31,591)	169,387	270,344	264,591	(28,687)	(82,019)	1,106,861	379	30,094
Reserves as at 31 December 2023	66,038,503	165,901	(75,288)	792,995	(18,037)	333,999	1,386,693	262,941	(29,522)	(96,426)	1,157,524	(37,651)	29,903

STATEMENT OF OPERATING INCOME FOR 2023
(EUR)

	Unrestricted	Restricted Field Project	Resreicted AVH Revenue	Restricted Global Projects	Total Operating Income
Member Churches And Related Organizations					
Member Churches					
Estonia					
Estonian Evangelical Lutheran Church	-	49	-	-	49
Finland					
Evangelical Lutheran Church of Finland	-	-	-	-	-
Germany					
Evangelical Lutheran Church in Bavaria	-	1,844,706	-	-	1,844,706
Evangelical Lutheran Church in Wurttemberg	97,500	686,754	-	23,682	807,936
Hong Kong					
Hong Kong Christian Council	-	7,532	-	-	7,532
Indonesia					
National Committee of LWF Indonesia	-	13,459	-	-	13,459
Japan					
Japan Evangelical Lutheran Church	-	28,354	3,053	-	31,408
Japan Lutheran Church	-	6,887	-	-	6,887
Kenya					
Kenya Evangelical Lutheran Church	-	1,556	-	-	1,556
Latvia					
Evangelical Lutheran Church of Latvia	-	13,634	-	-	13,634
Netherland					
Evangelical Lutheran Congregation of Amsterdam	-	5,000	-	-	5,000
Switzerland					
Hilfswerk der EV Kirche Schweiz (HEKS)	-	939	-	-	939
Member Churches Total	97,500	2,608,870	3,053	23,682	2,733,105
Related Organizations					
Australia					
Australia NGO Cooperation Program	-	151,766	-	-	151,766
Australian Lutheran World Service	32,192	2,705,929	-	74,148	2,812,269
Australian Lutheran World Service/DFAT	-	190,053	-	-	190,053
Canada					
Canadian Lutheran World Relief	165,723	6,556,252	16,911	67,642	6,806,528
Canadian Lutheran World Relief/Canadian Foodgrains Bank	-	383,090	-	-	383,090
Presbyterian Church of Canada	-	-	-	-	-
Czech Republic					
Diakonia ECCB - Center of Relief and Development	-	517,139	-	-	517,139
Denmark					
DanChurchAid	140,805	60,729	-	-	201,534
Finland					
Finn Church Aid	220,000	124,928	-	-	344,928
Finnish Evangelical Lutheran Mission	-	686,333	75,000	-	761,333
Germany					
Bread for the World - Protestant Development Service	762,100	8,007,727	163,287	-	8,933,114
Diakonie Katastrophenhilfe	-	3,800,284	655,567	-	4,455,851
German National Committee of the Lutheran World Federation	-	716,691	129,937	39,413	886,041
Great Britain					
Christian Aid	-	581,098	-	-	581,098
Iceland					
Icelandic Church Aid	-	1,203,826	-	-	1,203,826
Netherlands					
Dutch Lutheran Diaconie	-	8,500	-	-	8,500
ICCO Kerk in Actie	-	959,138	-	-	959,138
Nederlands Luthers Genootschap voor In- en Uitwendige Zending	-	24,226	22,500	-	46,726
Norway					
Norwegian Church Aid	21,294	2,154,284	-	-	2,175,578
Others					
LWF Staff	-	1,890	-	-	1,890
LWS Endowment Fund	-	36,562	-	-	36,562
Sweden					
Act Church of Sweden	298,520	4,601,058	71,565	83,498	5,054,642
Switzerland					
ACT Alliance	-	29,436	-	-	29,436
United States of America					
Evangelical Lutheran Church in America	473,268	5,784,773	232,310	358,641	6,848,992
Related Organizations Total	2,113,902	39,285,712	1,367,076	623,342	43,390,032
Sub-Total - Member Churches And Related Organizations	2,211,402	41,894,582	1,370,129	647,024	46,123,138

STATEMENT OF OPERATING INCOME FOR 2023
(EUR)

	Unrestricted	Restricted Field Project	Resreicted AVH Revenue	Restricted Global Projects	Total Operating Income
Other Partners					
Ecumenical Partners					
Ecumenical Partners					
All We Can	-	215,542	11,482	-	227,024
Anglican Overseas Aid	-	52,205	-	-	52,205
Anglicans in Development	-	6,867	-	-	6,867
Christian World Service, New Zealand	-	53,454	-	-	53,454
Diaconia, Sweden	-	66,787	-	-	66,787
Diakonisches Werk, Austria	-	182,479	-	-	182,479
Disciples of Christ: Week of Compassion	-	38,030	-	-	38,030
Episcopal Relief & Development	-	-	-	-	-
Hungarian Interchurch Aid	-	1,657	-	-	1,657
Presbyterian Disaster Assistance	-	23,483	-	-	23,483
Primate's Relief and Development Fund	-	104,536	-	-	104,536
Protestant Agency for Diakonia and Development	-	846	-	-	846
Stiching Cordaid	-	33,363	-	-	33,363
United Church of Canada	-	131,012	-	-	131,012
United Church of Christ in Japan	-	88,920	-	-	88,920
United Church of Christ, USA	-	55,752	-	-	55,752
United Methodist Committee on Relief	-	990,277	-	-	990,277
World Neighbours	-	-	-	-	-
World Renew	-	30,967	-	-	30,967
Ecumenical Partners Total	-	2,076,176	11,482	-	2,087,658
Government Grants					
Government Grants					
Bureau of Population, Refugees, and Migration	-	8,551,193	-	-	8,551,193
Deutsche Gesellschaft für Internationale Zusammenarbeit(GIZ)	-	-	-	-	-
European Commission - ECHO	-	3,538,725	-	-	3,538,725
European Commission - Europeaid	-	692,981	-	-	692,981
International Rescue Committee	-	49,014	-	-	49,014
Norwegian Representative Office	-	-	995,332	-	995,332
Swiss Agency for Development & Cooperation	-	112,413	-	-	112,413
Swiss Department of Foreign Affairs - FDFA	-	76,052	-	-	76,052
Government Grants Total	-	13,020,377	995,332	-	14,015,709
Other International Organizations					
Other International Organizations					
Agence Francaise De Development	-	30,613	-	-	30,613
Irish Aid	-	352,120	-	-	352,120
LEGO Foundation	-	556,984	-	-	556,984
Mercy Corps	-	137,683	-	-	137,683
Save the Children London	-	599,221	-	-	599,221
Other International Organizations Total	-	1,676,621	-	-	1,676,621
Other Local Contributions					
Other local contributions					
Administrative Income	-	990	-	-	990
AMINU: People In. Kibutz - Rozana	-	-	21,686	-	21,686
Augusta Victoria Hospital Contribution	-	246,000	-	-	246,000
AVH Patients	-	-	52,251,805	-	52,251,805
Baghdad Women Association (BWA)	-	22,484	-	-	22,484
Bank Interest	-	15,506	-	-	15,506
Charity Water	-	1,006,526	-	-	1,006,526
Embajada RePblica Federal Alemana en Guatemala y Belice	-	71,000	-	-	71,000
Enrolment Fees - Training Courses	-	63,741	-	-	63,741
Enrolment Fees for New Scholastic Year	-	228,820	-	-	228,820
Exchange Difference	-	26	-	-	26
Foundation for a Just Society (FJS)	-	9	-	-	9
Guest House Rent	-	47,058	-	-	47,058
Income from Reserves	-	75,568	-	-	75,568
MeWe International	-	27,171	-	-	27,171
Mileage Income	-	1,354	-	-	1,354
Ministry of Education - Jerusalem	-	745,923	-	-	745,923
More Jobs Better Lives Foundation Japan	-	4,139	-	-	4,139
National Society for Earthquake Technology-Nepal (NSET)	-	13,567	-	-	13,567
Olive Trees	-	-	7,352	-	7,352
Other Donors (International)	-	259,987	972	-	260,958
Other donors-local	-	593,583	-	-	593,583
Other Income	-	11,768	-	-	11,768
Other Income - Jerusalem	-	147,011	1,621,316	-	1,768,327
Property Maintenance	-	424,488	-	-	424,488
Registration Fees	-	3,668	-	-	3,668
Sale of Equipment	-	3,675	-	-	3,675
Sale of Vehicles	-	(579)	-	-	(579)
Web Donors	-	61,178	11,220	-	72,398
Welfare Association	-	9,103	997,689	-	1,006,792
Workshop Income	-	102,859	-	-	102,859
LWF Other Funds	160,355	190,142	-	32,012	382,509
Other Local Contributions Total	160,355	4,376,765	54,912,039	32,012	59,481,171

STATEMENT OF OPERATING INCOME FOR 2023
(EUR)

	Unrestricted	Restricted Field Project	Resreicted AVH Revenue	Restricted Global Projects	Total Operating Income
UN Grants					
UN Grants					
Food and Agriculture Organization	-	29,062	-	-	29,062
International Organisation for Migration	-	65,898	-	-	65,898
Other UN Agencies	-	995,186	-	-	995,186
UN Women	-	228,555	-	-	228,555
United Nations - OCHA	-	1,423,636	-	-	1,423,636
United Nations Children's Fund	-	1,729,156	-	-	1,729,156
United Nations Development Programme	-	131,849	468,930	-	600,779
United Nations High Commissioner for Refugees	-	13,991,182	-	-	13,991,182
United Nations Office for Project Services	-	481,021	-	-	481,021
World Food Programme	-	809,888	-	-	809,888
UN Grants Total	-	19,885,435	468,930	-	20,354,365
Sub-Total - Other Partners	160,355	41,035,375	56,387,783	32,012	97,615,524
Non-Implementation Projects Income	-	1,546,855	-	-	1,546,855
Non-Projects Income	6,545,415	-	297,431	-	6,842,846
Administration Fees	2,369,118	-	-	-	2,369,118
Total Operating Income	11,286,290	84,476,811	58,055,343	679,036	154,497,480
Financial Income					
Net Exchange Gains (Losses)	(203)	-	-	-	(203)
Total Income	11,286,087	84,476,811	58,055,343	679,036	154,497,278

THE LUTHERAN WORLD FEDERATION
Department for World Service

Appendix 4

SUMMARY OF MOVEMENT OF FIELD DESIGNATED RESERVES
for the year ended 31 December 2023
(EUR)

	Balance as at 1st January 2023	Receipts	Disbursements	Net AVH/WTC Operating results	Balance as at 31st December 2023
Vehicle Replacement Fund	1,005,606	545,425	125,786	-	1,425,245
Emergency Medical Insurance Fund	53,398	-	-	-	53,398
Asset Replacement	82,989	87	-	-	83,076
Fixed Asset	224,089	804,971	723,507	-	305,553
Other Funds	684,279	54,014	216,560	238,257	759,989
Capital Reserve	824,734	421,942	170,221	-	1,076,454
AVH Reserve	69,764,147	297,431	971,500	(7,568,853)	61,521,225
Restricted Reserves	231,959	17,061	16,870	-	232,150
Exchange Fluctuations	(114,052)	4,701,917	4,006,451	-	581,414
Total	72,757,148	6,842,846	6,230,896	(7,330,596)	66,038,503

THE LUTHERAN WORLD FEDERATION
Department for World Service

Appendix 5

SUMMARY OF CHANGES IN LONG TERM LIABILITIES
for the year ended 31 December 2023
(EUR)

	Balance as at 1st January 2023	Receipts	Disbursements	Balance as at 31st December 2023
Field Staff provisions	13,031,016	226,440	(2,116,227)	11,141,228
Medical MalPractice	150,249	429,875	0	580,124
International staff provisions	498,978	282,185	(307,805)	473,358
Global emergency revolving fund	46,638	0	0	46,638
Total	13,726,880	938,500	(2,424,033)	12,241,348

MATRIX OF B PROJECTS INCOME AND EXPENDITURE

(Euro)

Donor Name	Internal Audit	Resource Mobilisation	Accountability Training	Training in Right Based Advocacy	PMER Revision	Contingency fund	Capacity investment support	Child Protection	Safety and Security
	90-4201	90-4202	90-4205	90-4206	90-4207	90-4209	90-4210	90-4214	90-4216
INCOME									
Received in the previous year:									
Australian Lutheran World Service	6,000	-	-	-	-	-	-	25,003	-
Evangelical Lutheran Church in America	6,479	-	-	-	-	-	-	2,019	-
Evangelical Lutheran Church in Wurttemberg	-	-	-	-	-	-	-	-	-
German National Committee of the Lutheran World Federation	-	-	-	-	-	-	-	-	-
Web Donors	-	-	-	-	-	-	-	-	-
	12,479							27,021	
Received in the current year (including In-Kind):									
ACT Church of Sweden	7,361	-	7,361	19,053	10,392	-	-	-	7,361
Australian Lutheran World Service	10,539	10,539	10,539	-	10,539	-	-	36,530	-
Canadian Lutheran World Relief	-	-	-	-	-	-	-	3,382	64,260
Evangelical Lutheran Church in America	5,240	14,672	-	-	6,987	154,964	116,444	2,009	-
German National Committee of the Lutheran World Federation	-	10,000	-	-	-	-	-	-	-
LWF – Projects Funding	-	-	-	-	-	-	-	-	-
Web Donors	-	-	-	-	-	-	-	-	-
Earthquake response to Syria and Turkey	-	-	-	-	-	-	-	-	-
	23,140	35,211	17,900	19,053	27,918	154,964	116,444	41,921	71,621
Transfers between projects or to CPs:									
ACT Church of Sweden	-	-	-	-	-	-	-	-	-
Evangelical Lutheran Church in America	-	-	-	-	166,967	(306,399)	(230,235)	-	-
Earthquake response to Syria and Turkey	-	-	-	-	-	-	-	-	-
LWF – Projects Funding	-	-	-	-	-	-	-	-	-
	-	-	-	-	166,967	(306,399)	(230,235)	-	-
Carried forward to 2024:									
Australian Lutheran World Service	(10,539)	-	-	-	-	-	-	(30,270)	-
German National Committee of the Lutheran World Federation	-	-	-	-	-	-	-	-	-
Web Donors	-	-	-	-	-	-	-	-	-
	(10,539)							(30,270)	
Accrued in the current year:									
Evangelical Lutheran Church in America	5,121	14,338	-	-	6,827	151,435	113,792	1,963	-
	5,121	14,338			6,827	151,435	113,792	1,963	
Total income	30,201	49,548	17,900	19,053	201,713			40,635	71,621
EXPENDITURE									
Expenditure	52,575	121,984	17,900	20,197	302,688	-	-	40,635	159,774
	52,575	121,984	17,900	20,197	302,688			40,635	159,774
Total Expenditure	(22,374)	(62,139)		(1,145)	(74,160)				(28,163)
Staff Costs Recharge									
Net Expenditure	30,201	59,846	17,900	19,053	228,528			40,635	131,611
Transfer to Geneva Coordination	-	(10,297)	-	-	(26,815)	-	-	-	(59,990)
Closing Balance, 31 December 2023									
	-	-	-	-	-	-	-	-	-

THE LUTHERAN WORLD FEDERATION
Department for World Service

Appendix 6

MATRIX OF B PROJECTS INCOME AND EXPENDITURE

Donor Name	Procurement / Logistics Capacity	Systems Development	Strategy review	Gender Justice	'Prevention of Sexual Exploitation and Abuse	Humanitarian Emergency Team	Country Program Project Support	New Pillars	Total
	90-4217	90-4218	90-4219	90-4220	90-4221	90-4401	90-4601	90-4602	
INCOME									
Received in the previous year:									
Australian Lutheran World Service	-	-	-	-	-	-	-	-	31,003
Evangelical Lutheran Church in America	-	-	-	-	-	28,888	-	-	37,386
Evangelical Lutheran Church in Wurttemberg	-	-	-	-	23,682	-	-	-	23,682
German National Committee of the Lutheran World Federation	-	-	-	-	-	1,645	-	-	1,645
Web Donors	-	-	-	-	-	1,619	-	-	1,619
	-	-	-	-	23,682	32,152	-	-	95,334
Received in the current year (including In-Kind):									
ACT Church of Sweden	-	10,392	-	7,361	17,321	51,543	-	-	138,145
Australian Lutheran World Service	-	-	-	5,270	-	-	-	-	83,954
Canadian Lutheran World Relief	-	-	-	-	-	-	-	-	67,642
Evangelical Lutheran Church in America	-	-	6,987	-	-	107,128	-	-	414,430
German National Committee of the Lutheran World Federation	-	-	-	-	-	50,000	-	-	60,000
LWF – Projects Funding	-	29,300	-	-	-	-	13,067	-	42,366
Web Donors	-	-	-	-	-	10,506	-	-	10,506
Earthquake response to Syria and Turkey	-	-	-	-	-	124,454	-	-	124,454
	-	39,692	6,987	12,631	17,321	343,631	13,067	-	941,498
Transfers between projects or to CPs:									
ACT Church of Sweden	-	-	-	(6,015)	-	(48,632)	-	-	(54,647)
Evangelical Lutheran Church in America	-	63,268	-	-	-	(191,768)	-	-	(498,167)
Earthquake response to Syria and Turkey	-	-	-	-	-	(124,454)	-	-	(124,454)
LWF – Projects Funding	-	-	-	-	-	-	(10,355)	-	(10,355)
	-	63,268	-	(6,015)	-	(364,853)	(10,355)	-	(687,622)
Carried forward to 2024:									
Australian Lutheran World Service	-	-	-	-	-	-	-	-	(40,808)
German National Committee of the Lutheran World Federation	-	-	-	-	-	(22,232)	-	-	(22,232)
Web Donors	-	-	-	-	-	(12,126)	-	-	(12,126)
	-	-	-	-	-	(34,357)	-	-	(75,166)
Accrued in the current year:									
Evangelical Lutheran Church in America	-	-	6,827	-	-	104,688	-	-	404,991
	-	-	6,827	-	-	104,688	-	-	404,991
Total income	-	102,960	13,814	6,616	41,002	81,260	2,712	-	679,036
EXPENDITURE									
Expenditure	60,241	185,068	35,982	6,616	41,002	82,181	2,712	362,181	1,491,737
	60,241	185,068	35,982	6,616	41,002	82,181	2,712	362,181	1,491,737
Staff Costs Recharge	(24,663)	(24,224)	-	-	-	(921)	-	-	(237,789)
Net Expenditure	35,578	160,844	35,982	6,616	41,002	81,260	2,712	362,181	1,253,949
Transfer to Geneva Coordination	(35,578)	(57,884)	(22,168)	-	-	-	-	(362,181)	(574,913)
Closing Balance, 31 December 2023	-	-	-	-	-	-	-	-	-

Internal Audit
LWF Project No. 4201

Financial Report for the period ended, December 2023
All amounts stated in EURO

	Approved Budget	Working Budget	Actual Year to Date
INCOME			
<i>Received in previous year</i>			
Australian Lutheran World Service		-	6,000
Evangelical Lutheran Church in America		-	6,479
<i>Received in the current year</i>			
Australian Lutheran World Service		10,000	10,539
ACT - Church of Sweden		7,612	7,361
Evangelical Lutheran Church in America		10,531	5,240
<i>Accrued income</i>			
Evangelical Lutheran Church in America		-	5,121
<i>Deferred Income *</i>			
Australian Lutheran World Service		-	(10,539)
Total Income	60,000	28,143	30,201
EXPENDITURE			
Staff salaries			
Staff travel		1,500	9,633
Staff per diems		-	1,183
Staff salaries		41,000	35,116
Consultants			
Consultancy fees		2,000	3,011
Consultants per diem		-	3,633
Total Expenditure	60,000	44,500	52,575
Staff Costs Recharge		(16,357)	(22,374)
Closing Balance, 31 December 2023	-	-	-

* Deferred income relates to unspent funds. This amount has been transferred to the balance sheet as a project balance, which will be spent in 2024

Resource Mobilization
LWF Project No. 4202

Financial Report for the period ended, December 2023
All amounts stated in EURO

	Approved Budget	Working Budget	Actual Year to Date
INCOME			
<i>Received in the current year</i>			
Australian Lutheran World Service		10,000	10,539
German National Committee of the Lutheran World Federation		-	10,000
Evangelical Lutheran Church in America		31,500	14,672
<i>Accrued income</i>			
Evangelical Lutheran Church in America		-	14,338
Total Income	95,000	41,500	49,548
EXPENDITURE			
Global Funding Officer - S.Badenhorst			
Other Office Expenses-East and Horn		-	1,671
Computer charges-East and Horn		-	815
Staff Travel Expenses-East and Horn		-	159
Staff Salary and Benefits-East and Horn		75,000	90,352
	-	75,000	92,996
Global Funding Officer - Francophone			
House rent and utilities		10,000	-
Staff Salary and Benefits		75,000	-
	-	85,000	-
Consultants			
Consultancy Fee		-	28,988
Total Expenditure	95,000	160,000	121,984
Staff Costs Recharge		(65,000)	(62,139)
Transfer to Geneva Coordination		(53,500)	(10,297)
Closing Balance, 31 December 2023	-	-	-

Accountability Training, Complaints Handling and Investigation
LWF Project No. 4205

Financial Report for the period ended, December 2023
All amounts stated in EURO

	Approved Budget	Working Budget	Actual Year to Date
INCOME			
<i>Received in the current year</i>			
Australian Lutheran World Service		10,000	10,539
ACT - Church of Sweden		7,612	7,361
Canadian Lutheran World Relief		35,000	-
Total Income	55,000	52,612	17,900
EXPENDITURE			
Accountability training to country programmes			
Consultancy fees (including per diems)		16,000	759
Transportation		2,000	-
Staff Development		34,612	-
Staff Costs		-	17,141
Total Expenditure	55,000	52,612	17,900
Closing Balance, 31 December 2023	-	-	-

Local to Global RBA initiatives - international component
LWF Project No. 4206

Financial Report for the period ended, December 2023
All amounts stated in EURO

	Approved Budget	Working Budget	Actual Year to Date
INCOME			
<i>Received in the current year</i>			
ACT - Church of Sweden		19,702	19,053
Total Income	50,000	19,702	19,053
EXPENDITURE			
Support for Advocacy visits and online events			
Participants travel & related costs		5,000	6,379
Support for Advocacy visits and online events		5,000	-
Produce communications material			
Communication costs		500	1,200
Coordination RBA team and support GVA staff capacity			
Consultancy fees		1,000	9,982
Consultants travel costs		-	2,635
Staff time		8,202	-
Total Expenditure	50,000	19,702	20,197
Staff Costs Recharge		-	(1,145)
Closing Balance, 31 December 2023	-	-	-

PMER Enhancement
LWF Project No. 4207

Financial Report for the period ended, December 2023
All amounts stated in EURO

	Approved Budget	Working Budget	Actual Year to Date
INCOME			
<i>Received in the current year</i>			
Australian Lutheran World Service		10,000	10,539
ACT - Church of Sweden		10,747	10,392
Evangelical Lutheran Church in America		14,041	6,987
<i>Accrued income</i>			
Evangelical Lutheran Church in America		-	6,827
<i>Income transfer</i>			
Evangelical Lutheran Church in America		98,781	166,967
Total Income	160,000	133,569	201,713
EXPENDITURE			
Regional Consultant PMER			
Furniture & equipment		1,400	439
Accommodation and Meals		3,500	-
Staff Travel		6,000	8,381
Consultancy Fees		-	907
Staff Salary and Benefits		66,969	170,861
Meals		-	267
Travel & related costs		-	18,142
Computer Charge		14,000	2,311
	-	91,869	201,309
Consultants			
Other costs		-	5,295
International travel & related costs		1,200	3,457
Staff cost from other department acting as support expert		-	74,384
Consultancy fees (including per diems)		45,900	18,243
	-	47,100	101,379
Total Expenditure	160,000	138,969	302,688
Staff Costs Recharge		(5,400)	(74,160)
Transfer to Geneva Coordination		-	(26,815)
Closing Balance, 31 December 2023	-	-	-

Program Name: Contingency fund
 LWF Project No. 4209

Financial Report for the period ended, December 2023
 All amounts stated in EURO

	Approved Budget	Working Budget	Actual Year to Date
<u>INCOME</u>			
<u>Received in current year</u>			
Evangelical Lutheran Church of America		308,000	154,964
<u>Accrued income</u>			
Evangelical Lutheran Church in America		-	151,435
<u>Income transfer*</u>			
Evangelical Lutheran Church of America		(308,000)	(306,399)
Total Income	<u>-</u>	<u>-</u>	<u>-</u>
<u>EXPENDITURE</u>			
Total Expenditure	<u>-</u>	<u>-</u>	<u>-</u>
Closing Balance, 31 December 2023	<u>-</u>	<u>-</u>	<u>-</u>

Program Name: Capacity building
 LWF Project No. 4210 (4217c on AFR)

Financial Report for the period ended, December 2023
 All amounts stated in EURO

	Approved Budget	Working Budget	Actual Year to Date
<u>INCOME</u>			
<i>Received in the current year</i>			
Evangelical Lutheran Church in America		228,561	116,444
<i>Accrued income</i>			
Evangelical Lutheran Church in America		-	113,792
<i>Income transfer*</i>			
Evangelical Lutheran Church in America		(228,561)	(230,235)
Total Income	200,000	-	-
<u>EXPENDITURE</u>			
Sub Total - Expenditure		-	-
Total Expenditure	200,000	-	-
Closing Balance, 31 December 2023	-	-	-

* Capacity investment fund transferred the equivalent of USD 250'000 to the following B Budget projects:

	EUR
B Budget 4207	166,967
B Budget 4218	63,268
B Budget 4210	-230,235

LUTHERAN WORLD FEDERATION

Appendix 14

Department for World Service

Child rights project monitoring

LWF Project No. 4214

Financial Report for the period ended, December 2023

All amounts stated in EURO

	Approved Budget	Working Budget	Actual Year to Date
INCOME			
<i>Received in previous year</i>			
Australian Lutheran World Service		-	25,003
Evangelical Lutheran Church in America		-	2,019
<i>Received in the current year</i>			
Australian Lutheran World Service		25,806	5,270
Canadian Lutheran World Relief		3,497	3,382
Evangelical Lutheran Church in America		4,313	2,009
<i>In Kind contribution</i>			
Australian Lutheran World Service		-	31,260
<i>Accrued income</i>			
Evangelical Lutheran Church in America		-	1,963
<i>Deferred Income*</i>			
Australian Lutheran World Service		-	(30,270)
Total Income	37,500	33,616	40,635
EXPENDITURE			
Consultancy Fee		20,000	31,260
Participants Travel & Related Costs		5,000	-
Workshop Items & Supplies		10,000	-
Staff Costs			9,375
Total Expenditure	37,500	35,000	40,635
Transfer to Geneva Coordination		(1,384)	-
Closing Balance, 31 December 2023	-	-	-

* Deferred income relates to unspent funds. This amount has been transferred to the balance sheet as a project balance, which will be spent in 2024

Safety and security
 LWF Project No. 4216

Financial Report for the period ended, December 2023
 All amounts stated in EURO

	Approved Budget	Working Budget	Actual Year to Date
INCOME			
<i>Received in the current year</i>			
Canadian Lutheran World Relief		103,405	64,260
ACT - Church of Sweden		7,612	7,361
<i>Income transfer</i>			
Finnish Evangelical Lutheran Mission		3,000	-
Total Income	220,000	114,017	71,621
EXPENDITURE			
Field based security advisor			
Consultancy fees		49,000	47,753
Travel costs		7,000	6,212
Consultancy fees (including per diems)			37,500
Staff Costs		29,000	21,300
Staff training		6,500	-
Office operation (phone, electricity, postage, consumables)		2,500	-
	-	94,000	112,765
Coordination costs			
Staff Costs		102,000	39,560
Meals and accommodation		-	1,634
Computer charge		-	3,011
Membership fees		7,500	2,482
Staff Travel		-	322
Staff Development		500	-
	-	110,000	47,009
Total Expenditure	220,000	204,000	159,774
<i>Staff Costs Recharge</i>		(52,000)	(28,163)
Transfer to Geneva Coordination		(37,983)	(59,990)
Closing Balance, 31 December 2023	-	-	-

Procurement/Logistics Capacity
LWF Project No. 4217

Financial Report for the period ended, December 2023
All amounts stated in EURO

	Approved Budget	Working Budget	Actual Year to Date
INCOME			
<i>Received in the current year</i>			
Australian Lutheran World Service		10,000	-
Total Income	50,000	10,000	-
EXPENDITURE			
Consultant Procurement and Logistics			
Consultancy fees		35,000	58,008
Consultants Equipment		-	1,859
Staff training		5,000	-
Consultants travel costs		10,000	375
Total Expenditure	50,000	50,000	60,241
Staff Costs Recharge		-	(24,663)
Transfer to Geneva Coordination	-	(40,000)	(35,578)
Closing Balance, 31 December 2023	-	-	-

Systems development
LWF Project No. 4218

Financial Report for the period ended, December 2023
All amounts stated in EURO

	Approved Budget	Working Budget	Actual Year to Date
INCOME			
<i>Received in the current year</i>			
ACT - Church of Sweden		10,747	10,392
LWF - Projects Funding		-	29,300
<i>Income transfer</i>			
Evangelical Lutheran Church in America		40,967	63,268
Total Income	-	51,714	102,960
EXPENDITURE			
Staff Salary			
Staff Salary and Benefits		9,714	98,507
	-	9,714	98,507
Consultants			
Consultancy Fees		40,000	79,743
Consultants Travel Costs		2,000	2,583
Travel & related costs			4,235
	-	42,000	86,561
Total Expenditure	-	51,714	185,068
Less Allocated to Country Programmes			
Staff Costs Recharge		-	(24,224)
Transfer to Geneva Coordination		-	(57,884)
Closing Balance, 31 December 2023	-	-	-

Program Name: Strategy review
LWF Project No. 4219

Financial Report for the period ended, December 2023
All amounts stated in EURO

	Approved Budget	Working Budget	Actual Year to Date
INCOME			
<i>Received in the current year</i>			
Evangelical Lutheran Church in America		15,000	6,987
<i>Accrued income</i>			
Evangelical Lutheran Church in America		-	6,827
Total Income	20,000	15,000	13,814
EXPENDITURE			
Consultancy fees		15,000	35,982
Total Expenditure	20,000	15,000	35,982
Transfer to Geneva Coordination		-	(22,168)
Closing Balance, 31 December 2023	-	-	-

Gender Justice
LWF Project No. 4220

Financial Report for the period ended, December 2023
All amounts stated in EURO

	Approved Budget	Working Budget	Actual Year to Date
INCOME			
<i>Received in the current year</i>			
ACT - Church of Sweden		7,612	7,361
Australian Lutheran World Service		10,000	5,270
<i>Income transfer</i>			
ACT - Church of Sweden		-	(6,015)
Total Income	15,000	17,612	6,616
EXPENDITURE			
Workshop / trainings		8,000	-
Printing and publication costs		2,000	1,346
Staff Costs		-	5,270
Staff Travel		1,000	-
Consulting Expenses		6,612	-
Total Expenditure	15,000	17,612	6,616
Closing Balance, 31 December 2023	-	-	-

Prevention of Sexual Exploitation and Abuse
LWF Project No. 4221

Financial Report for the period ended, December 2023
All amounts stated in EURO

	Approved Budget	Working Budget	Actual Year to Date
INCOME			
<i>Received in previous year</i>			
Evangelical Lutheran Church in Wurttemberg		-	23,682
<i>Received in the current year</i>			
ACT Church of Sweden		17,911	17,321
Australian Lutheran World Service		30,000	-
Total Income	50,000	47,911	41,002
EXPENDITURE			
Transportation Expenses		2,000	-
Staff Salary and benefits		30,000	41,002
Consultant Fees		15,911	-
Total Expenditure	50,000	47,911	41,002
Closing Balance, 31 December 2023	-	-	-

Humanitarian emergency tream project
LWF Project No. 4401

Financial Report for the period ended, December 2023
All amounts stated in EURO

	Approved Budget	Working Budget	Actual Year to Date
INCOME			
<i>Received in previous year</i>			
German National Committee of the Lutheran World Federation		-	1,645
Evangelical Lutheran Church in America		-	28,888
Web Donors		-	1,619
<i>Received in the current year</i>			
Linked to Earthquake response to Syria and Turkey			
Nederlands Luthers Genootschap voor In- en Uitwendige Zending		-	75,000
Dutch Lutheran Diaconie		-	1,000
Japan Lutheran Church		-	6,887
Japan Evangelical Lutheran Church		-	36,067
Estonian Evangelical Lutheran Church		-	5,500
Linked to Emergency hub			
ACT - Church of Sweden		50,509	51,543
Evangelical Lutheran Church in America		215,295	107,128
German National Committee of the Lutheran World Federation		50,000	50,000
Web Donors		137,447	10,506
<i>Accrued income</i>			
Evangelical Lutheran Church in America		-	104,688
<i>Deferred Income*¹</i>			
German National Committee of the Lutheran World Federation		-	(22,232)
Web Donors		-	(12,126)
<i>Income transfer*²</i>			
German National Committee of the Lutheran World Federation			-
ACT - Church of Sweden		-	(48,632)
Evangelical Lutheran Church in America		-	(191,768)
Nederlands Luthers Genootschap voor In- en Uitwendige Zending		-	(75,000)
Dutch Lutheran Diaconie		-	(1,000)
Japan Lutheran Church		-	(6,887)
Japan Evangelical Lutheran Church		-	(36,067)
Estonian Evangelical Lutheran Church		-	(5,500)
Total Income	450,000	453,251	81,260
EXPENDITURE			
Increased Emergency Team Capacity			
Staff development		286,273	-
Staff Salary and benefits		-	75,571
		286,273	75,571
Staff travel			
Travel costs (air tickets and accommodation)			3,824
Staff travel & related costs		54,746	1,728
		54,746	5,552
Operational budget			
Consultancies (including emergency roster)		15,000	-
Per diem		1,000	-
Other costs		7,929	67
		23,929	67
Other office costs			
Office operation (phone, electricity, postage, consumables) 81,419 Evaluation and audit:		81,419	
Evaluation and audit			
Monitoring and evaluation		6,884	991

Humanitarian emergency tream project
 LWF Project No. 4401

Financial Report for the period ended, December 2023
 All amounts stated in EURO

	Approved Budget	Working Budget	Actual Year to Date
Total Expenditure	450,000	453,251	82,181
<i>Less Allocated to Country Programmes</i>			
Staff Costs Recharge		-	(921)
Closing Balance, 31 December 2023	-	-	-

*1 Deferred income relates to unspent funds. This amount has been transferred to the balance sheet as a project balance, which will be spent in 2024

*2 Humanitarian Hub fund transferred EUR 364'853 to the following Country programs:

	EUR
Zambia	20,292
Columbia	34,498
Nairobi/Africa	48,632
Kathmandu	75,686
Yaoundé	61,291
Earthquake in Syria and Turkey	124,454

Country program support
 LWF Project No. 4601

Financial Report for the period ended, December 2023
 All amounts stated in EURO

	Approved Budget	Working Budget	Actual Year to Date
<u>INCOME</u>			
<u>Received in current year</u>			
LWF - Projects Funding		-	13,067
<u>Income transfer*</u>			
LWF - Projects Funding		-	(10,355)
Total Income	<u>-</u>	<u>-</u>	<u>2,712</u>
<u>EXPENDITURE</u>			
Country Program Operations MRT	-	-	2,712
Total Expenditure	<u>-</u>	<u>-</u>	<u>2,712</u>
Closing Balance, 31 December 2023	<u>-</u>	<u>-</u>	<u>-</u>

Program Name: New Pillars
LWF Project No. 4602

Financial Report for the period ended, December 2023
All amounts stated in EURO

	Approved Budget	Working Budget	Actual Year to Date
<u>INCOME</u>			
Total Income	-	-	-
<u>EXPENDITURE</u>			
<u>Development Impact Bond (DIB)</u>			
Office Expenses			6,545
Travel & related costs			10,059
Consultancy Fee		110,000	95,577
Staff Salary and benefits			250,000
		110,000	362,181
<u>Olive Branch Foundation (OBF)</u>			
		50,000	-
Total Expenditure	-	160,000	362,181
Project Write-off transferred to Geneva Coordination	-	(160,000)	(362,181)
Closing Balance, 31 December 2023	-	-	-