



CELEBRATING
140
YEARS

of The Salvation Army Social
Services in Australia

ANNUAL REPORT 2023
The Salvation Army Australia
(SOCIAL FUND)



BELIEVE IN
good

“ Remember to do good and help each other. Gifts like this please God. ”

Hebrews 13:16, NLV



This report covers the social work of The Salvation Army in Australia. This work is also underpinned by 300+ corps (churches/faith communities) across Australia. All monies received through The Salvation Army Social Funds are used solely for and in support of our social activities to assist those in most need.

Contents



14

ALI'S STORY

Ali labels herself 'a miracle'



24

MOIRA'S STORY

Keys to Drive for Life



35

GLADSTONE CORPS STORY

Building the kingdom one chat at a time in Gladstone

Our Mission and Vision	4	Mission Support/Resources	33
Our Values and Commitment to Inclusion and Reconciliation	5	Faith Communities	34
Our Governance	8	Building Healthy Communities	36
The Salvation Army Australia Highlights 2022-23	10	Community Engagement	38
Snapshot of TSA Workforce – Australia Territory 2022-23	13	Salvation Army Emergency Services	40
Living Our Mission	14	Salvos Stores	42
The History of Social Services in Australia	16	Employment Plus	44
Believe in Good	19	Salvation Army Housing	46
Caring for People	20	Salvation Army International Development	48
Social Mission	22	Working for Justice	50
Aged Care	26	Policy, Advocacy and Government Relations	52
Salvos Funerals	29	Thank you Australia!	54
Creating Faith Pathways	30	Red Shield Appeal	56
Local Mission Delivery	32	Key Supporter Acknowledgement	58
		Financial Report	61

Contacts



salvationarmy.org.au

INTERNATIONAL HEADQUARTERS
101 Queen Victoria St,
London EC4V 4EH
United Kingdom

AUSTRALIA HEADQUARTERS
95-99 Railway Rd,
Blackburn VIC 3130
Ph: 13 72 58

NEW SOUTH WALES/AUSTRALIAN CAPITAL TERRITORY DIVISION
261-265 Chalmers St,
Redfern NSW 2016
Ph: (02) 8644 0110

QUEENSLAND DIVISION
GPO Box 2210, Brisbane QLD 4001
Ph: (07) 3222 6666

SOUTH AUSTRALIA/NORTHERN TERRITORY DIVISION
PO Box 300, Fullarton SA 5063
Ph: (08) 8408 6900

TASMANIA DIVISION
PO Box 219, Moonah TAS 7009
Ph: (03) 6228 8400

VICTORIA DIVISION
PO Box 220, Mitcham VIC 3132
Ph: (03) 8872 6400

WESTERN AUSTRALIA DIVISION
PO Box 8498, Perth Business Centre WA 6849
Ph: (08) 9260 9500

OUR MISSION AND VISION



Vision

Wherever there is hardship or injustice, Salvos will live, love and fight, alongside others, to transform Australia one life at a time with the love of Jesus.

Mission

The Salvation Army is a Christian movement dedicated to sharing the love of Jesus.

We share the love of Jesus by:

CARING FOR PEOPLE

Being there when people need us most

We offer care and compassion as a sacred encounter with transformative potential

CREATING FAITH PATHWAYS

Taking a holistic approach to the human condition that values spirituality

We graciously share the Good News of Jesus and grow in faith together

BUILDING HEALTHY COMMUNITIES

Investing ourselves in relationships that promote mutual flourishing

We find the wholeness God intends for us in community

WORKING FOR JUSTICE

Tackling the social systems that harm creation and strip away human dignity

We join God's work to build a fairer world where all can thrive



The Salvation Army Foundations – Our Vision and Mission

This video is part of a short-animation series explaining who we are and what we are about as The Salvation Army Australia.



OUR VALUES AND COMMITMENT TO INCLUSION AND RECONCILIATION

Values

Recognising that God is already at work in the world, we value:

INTEGRITY

Being honest and accountable in all we do

COMPASSION

Hearing and responding to pain with love

RESPECT

Affirming the worth and capacity of all people

DIVERSITY

Embracing difference as a gift

COLLABORATION

Creating partnerships in mission

The Salvation Army Foundations – Our Values and Commitment to Inclusion

Our commitment to inclusion and reconciliation



The Salvation Army Australia acknowledges the Traditional Owners of the land on which we meet and work and pay our respect to Elders past, present and future.

We value and include people of all cultures, languages, abilities, sexual orientations, gender identities, gender expressions and intersex status. We are committed to providing programs that are fully inclusive. We are committed to the safety and wellbeing of people of all ages, particularly children.

As a Movement, we believe inclusivity is achieved by treating all people with dignity, compassion and respect. We deliver programs with cultural sensitivity and work with diverse groups to best understand their needs. This includes people of all cultures, languages, capacities, sexual orientations, gender identities and/or expressions.

This year's National Reconciliation Week theme: *Be a Voice for Generations*. Colonel Winsome Merrett, Chief Secretary, reiterated The Salvation Army's ongoing commitment to reconciliation through our Innovate Reconciliation Action Plan. Since its launch in December 2020 the Army has now completed all of the 89 deliverables of the plan.

Learn more about our commitment to reconciliation at
salvationarmy.org.au/about-us/governance-policy/our-commitment-to-reconciliation/

Colonel Winsome Merrett on National Reconciliation Week 2022



MESSAGE FROM THE TERRITORIAL COMMANDER

It has been a tough year for many Aussies. We have once again seen events and circumstances that have caused hardship and sometimes injustice for many. I am grateful to our employees, officers, corps members and volunteers who have been hope givers and hope bringers, supporting so many Australians.

During this time, the focus of our movement has been on:

- Extending the message and love of Jesus to our communities;
- Ensuring our work is sustainable well into the future; and,
- Bringing communities to the awareness that we 'Believe in Good', and we hope that others who believe in good will join us and support our work as we minister to our communities in so many ways. We 'believe in good', and at its best, that results in hope. We believe in God. He makes the difference.

I want to take this opportunity to thank former Territorial Leaders, Commissioners Janine and Robert Donaldson, who led this territory until January this year. I want to acknowledge the wisdom, missional intent, strength and effectiveness of their spiritual leadership during this time.

At the commencement of my appointment in February 2023, an internal rallying cry of 'Jesus-centred... Spirit-led... Hope revealed' was implemented. We want to bring to the people of our local communities all the hope that Jesus offers, as we work in alignment with his Holy

Spirit and aim to be his hands and feet in our local areas. New ways of "being" church are being put into place, with the love of Jesus, and transformation, at the centre.

I want to thank our Chief Secretary, Colonel Winsome Merrett, and her team for their leadership and their untiring work in ensuring that our movement is transparent, diligent and effective in its operations. We are a missional movement, and we will be healthy, missional, sustainable and flourishing.

I also want to thank the Australian public, along with many businesses and Government departments and agencies, who have supported the work of The Salvation Army over the past 12 months. We offer you our sincere gratitude; without you we could not carry on our work of caring and hope-bringing.

This 2022-23 Annual Report for the Social Fund contains stories and accounts from both those who carried out this work and those who accepted it. We are encouraged by these stories to continue, expand and improve our services to those who need them.

We continue to write both a good story and a new story. Thanks for your part in it.

Bless you.

Miriam Gluyas (Commissioner)
Diploma of Business, Diploma of Ministry
Territorial Commander, Chair of the Board



MESSAGE FROM THE CHIEF SECRETARY

As this 2022-23 Annual Report for the Social Fund is released, I am immensely grateful to those who have made the work of The Salvation Army in Australia possible. The extent to which we have been supported by the Australian public has been humbling, as has the sponsorship, assistance and cooperation of so many business and Government entities.

As in previous years, a large part of our work has been to support those affected by natural disasters such as the relentless floods in Lismore. We are glad to have been able to provide assistance, not just to those affected by recent events, but also to those whose recovery from previous floods and other disasters has been slow and difficult.

We have an ongoing commitment to support Aussies doing it tough, not just in the aftermath of disasters, but during this cost-of-living crisis and each day through provision of food and other essentials, financial counselling, homelessness services and employment assistance, as well as providing safe and welcoming spaces for people to gather and enjoy community and belonging.

Thanks to our faithful supporters we have also been able to begin new programs, such as the recently opened affordable housing block in Moonah, Tasmania, jointly funded by The Salvation Army, Housing Tasmania and a significant philanthropic donation. This project provides safe and affordable accommodation to women over 55, as well as a Salvation Army space to connect with and serve the local community.

We believe in good, and our aim is to share that goodness in all of our work as we seek to transform Australia, one life at a time, with the love of Jesus. As we look to

the future, we have refreshed our strategy to ensure our focus is on those aspects of our work that can bring about the greatest good.

We will:

- **Support those who need it most:** We will leverage local mission delivery and embrace innovative ways, focusing our efforts for people experiencing disadvantage
- **Grow Christian faith pathways:** We will explore the changing spirituality of our nation, acknowledging cultural differences and creating faith pathways to see lives transformed by the love of Jesus
- **Build innovative ministry leadership:** We will develop innovative and flexible ministry leadership pathways to increase diversity, build faith communities and secure a sustainable faith-based movement for decades to come
- **Embrace technology:** We will embrace integrated and safe technology to improve community experience of our services and increase our reach

I want to offer my sincere thanks to our Territorial Commander, Chair of the Board, Commissioner Miriam Gluyas, and our Board members for their ongoing support and their input into the operations and direction of the Territory.

God bless you,

Winsome Merrett (Colonel)
B.Sp.Thy., MA Arts (Theological studies) A.Mus.A
Chief Secretary and Chair of the Executive Mission Council Australia Territory

OUR GOVERNANCE

2022-23 Territory Board

The Board is responsible for providing governance oversight to the Australia Territory in accordance with Australian law, all requirements under International Headquarters' Orders and Regulations, and the principles of theology, mission, integrity and compliance.

The Board is also responsible for strategically positioning the territory so that it has a sustainable, major influence on Australian society, and to provide advice and assistance to the Trustees.

The Board is chaired by the Territorial Commander and accountable to the General for its responsibilities.

Board membership for the period 1 July 2022 to 30 June 2023 is as listed:

- Commissioner Miriam Gluyas, Chair (commenced 1 February 2023)
- Commissioner Robert Donaldson, Chair (ceased 1 February 2023)
- Major Kevin Lumb, Alternate Chair (commenced 1 June 2023)
- Colonel Mark Watts, Alternate Chair (ceased 1 June 2023)
- Richard Grellman AM, Lead Independent, Chair, Professional Standards Committee
- Greg Coultas, Chair, Audit and Risk Committee
- Desley Hargreaves PSM, Chair, Quality and Safety Committee
- Auxiliary-Lieutenant Rosy Keane (commenced 1 February 2023)
- Commissioner Janine Donaldson (ceased 1 February 2023)
- Colonel Winsome Merrett
- Adrian Appo OAM
- Felicity Natoli
- Captain Colin Reynolds
- Captain Leisa Humbley

In August 2022, the Board travelled to Darwin to visit different mission expressions of The Salvation Army. In April 2023, the Board visited the NSW/ACT Division.



Commissioner Miriam Gluyas
(Chair, commenced 1 February 2023)



Commissioner Robert Donaldson
(Chair, ceased 1 February 2023)



Major Kevin Lumb
(Alternate Chair, commenced 1 June 2023)



Colonel Mark Watts
(Alternate Chair, ceased 1 June 2023)



Mr Richard Grellman AM
(Lead Independent, Chair, Professional Standards Committee)



Mr Greg Coultas
(Chair, Audit and Risk Committee)



Ms Desley Hargreaves PSM
(Chair, Quality and Safety Committee)



Auxiliary-Lieutenant Rosy Keane
(commenced 1 February 2023)



Commissioner Janine Donaldson
(ceased 1 February 2023)



Colonel Winsome Merrett



Mr Adrian Appo OAM



Ms Felicity Natoli



Captain Colin Reynolds



Captain Leisa Humbley

Board Committees

AUDIT AND RISK COMMITTEE

The purpose of this committee is to ensure the integrity of the financial statements, the risk management framework and the system of internal controls, such that these align with The Salvation Army's values and meet its legislative and regulatory obligations.

NOMINATIONS COMMITTEE

The purpose of this committee is to fairly and objectively identify and nominate suitably qualified candidates for appointment to the Board.

PASTORAL COMMITTEE

The purpose of this committee is to improve the depth and breadth of the spiritual life of The Salvation Army in Australia, and to guide the movement so that it operates in accordance with its God-given mission to: "Share the love of Jesus by caring for people, creating faith pathways, building healthy communities and working for justice".

PROFESSIONAL STANDARDS COMMITTEE

The purpose of this committee is to define and promote within The Salvation Army a world's best-practice response to allegations of abuse and ensure The Salvation Army is actively enhancing child and vulnerable person safety within the Australian community.

QUALITY AND SAFETY COMMITTEE

The purpose of this committee is to define and promote a culture of continuous quality improvement and consumer safety that aligns with The Salvation Army's values and meets its legislative and regulatory obligations.

The Under-35 Board Participant Program



Anthony Eden
(ceased April 2023)



Claire Clifton
(ceased April 2023)

As participating observers, the Under-35 Board Participants attend all Board meetings with full access to the information being considered at each meeting and any additional communications provided to the Board. This position does not carry a Board vote. However, full participation in all Board discussions is encouraged.



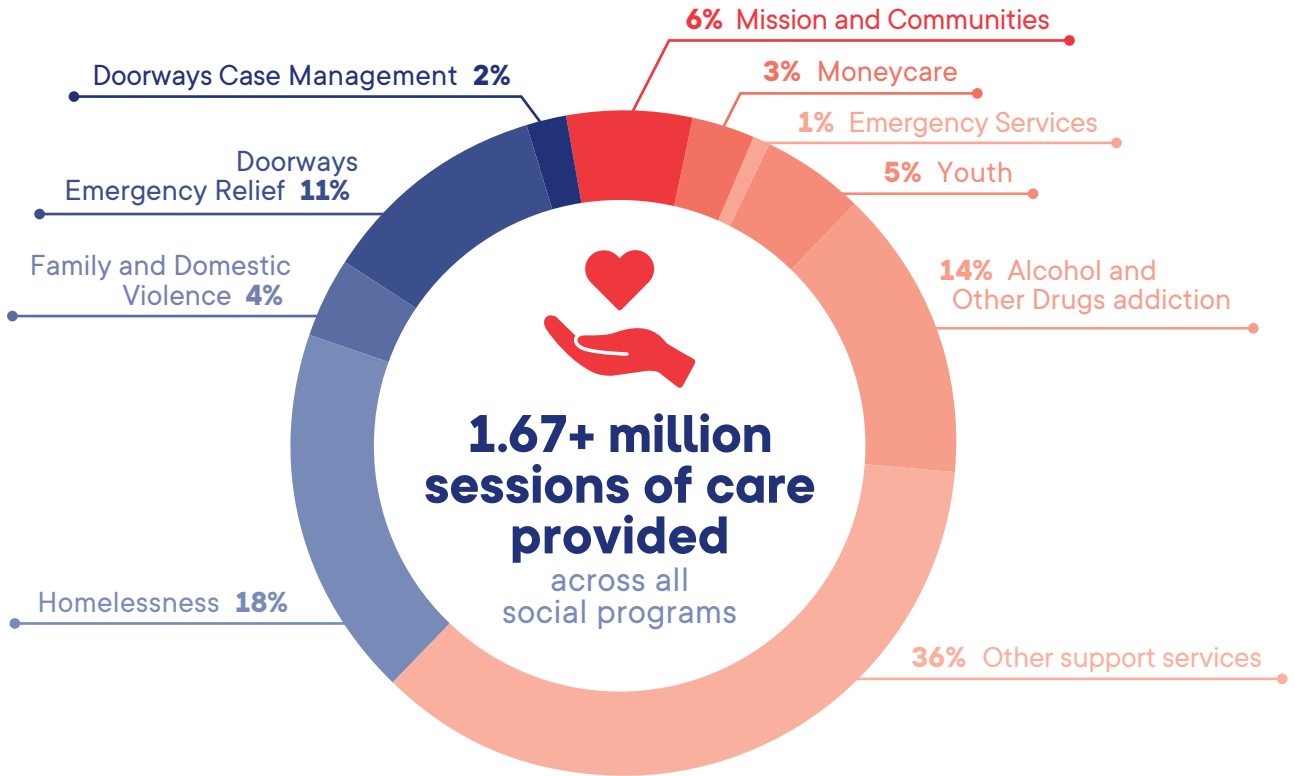
Click or scan to find out more about The Salvation Army Australia leadership at salvationarmy.org.au/about-us/leadership-and-structure/australian-leadership




How does The Salvation Army operate today?
Click or scan to learn more about The Salvation Army governance model.



THE SALVATION ARMY AUSTRALIA HIGHLIGHTS 2022-23



nearly \$25 million of financial assistance provided



in cash, gift cards, vouchers, etc



250,000+ people assisted

across all social programs



provided 1.2 million+ nights of accommodation

across all social programs

Salvation Army faith ministry

300+ Salvation Army corps (churches)

in the community



700+ Salvos officers

actively serving in the community



nearly 439,000 church attendances

on weekday and Sunday



Homelessness

1.63+ million meals provided

to people who accessed homelessness services



nearly 820,000 crisis beds provided

to people who experienced homelessness

Salvos Housing



3000+ people provided with housing

Moneycare

more than 13,000 people provided financial counselling



Addiction

12,000+ people assisted with addiction

to alcohol and other drugs, gambling at rehabilitation services



Salvos Stores



42 million+ items were sold for reuse in Salvos Stores

translating into a remarkable reduction of 583,800 tonnes of CO2 emissions

Doorways & Mission and Communities



more than \$16.6 million of financial assistance distributed

Family and Domestic Violence (FDV)



10,000+ women and children supported

123,000+ nights refuge/emergency accommodation provided



Salvation Army Emergency Services (SAES)

\$8.3+ million of financial assistance distributed

to those impacted by disaster



Youth



more than 4200 young people assisted

Employment Plus

assisted 36,000+ job seekers

to find employment



Aged Care



3000+ seniors being cared for

in residential Aged Care facilities

Salvos Funerals

nearly 600 families served with their funeral needs





SNAPSHOT OF TSA WORKFORCE – AUSTRALIA TERRITORY 2022-23



There are nearly 31,000 employees, officers and volunteers behind TSA's strong workforce



VICTORIA

Employees	2962
Officers*	527
Volunteers^	5226
Total	8715



NEW SOUTH WALES

Employees	2942
Officers*	470
Volunteers^	5008
Total	8420



QUEENSLAND

Employees	1425
Officers*	316
Volunteers^	4084
Total	5825



WESTERN AUSTRALIA

Employees	762
Officers*	116
Volunteers^	2239
Total	3117



SOUTH AUSTRALIA

Employees	610
Officers*	133
Volunteers^	2066
Total	2809



TASMANIA

Employees	358
Officers*	34
Volunteers^	676
Total	1068



AUSTRALIAN CAPITAL TERRITORY

Employees	288
Officers*	34
Volunteers^	262
Total	584



NORTHERN TERRITORY

Employees	127
Officers*	16
Volunteers^	64
Total	207

*Officers both active and retired
^Numbers based on total average

Living Our Mission



2023 marks 140 years of The Salvation Army walking alongside Australians, delivering support in times of hardship and injustice.

The Prison Gate Brigade Ministry was the first expression of the Army's social programs in Australia, launching in Melbourne in the late 19th century to support those re-entering society after imprisonment at the Old Melbourne Gaol.

Since then, the Army's reach has continued to grow into communities across the country, from regional towns to busy cities. The Salvos have provided support across a multitude of areas to meet the needs in a holistic way for those experiencing hardship.

From our corps and faith communities to our social mission programs, mission enterprises and community engagement services, The Salvation Army is dedicated to our Mission of sharing the love of Jesus by:

- Caring for people
- Creating faith pathways
- Building healthy communities
- Working for justice

Here you will find examples of how the Mission is lived out every day by mission expressions across Australia at a local level. It is important to note that every mission expression is committed to all aspects of the Mission and the following examples should be viewed as reflections of each mission intention.

From chaos to calm – Ali labels herself 'a miracle'

Just over five years ago, Ali had lost everything. As she bluntly puts it: "My life was filled with utter chaos and destruction, trying to fill a void with an addiction to ice."

Today, however, Ali is free from drug use, deeply connected to her church and working for the Salvos as coordinator of a midweek gathering and meal for 120 people at City Salvos in Adelaide. She is also a Salvation Army Doorways worker offering support, casework emergency relief, material aid, and referrals.

Ali's passion for caring for others is deepened by the pain and struggle of her life and the faith she discovered on her journey.

"I married quite young, and that relationship dissolved after 15 years," she says. "I then lost my career as an advanced care paramedic moving back to Adelaide, and it was from that I turned to drugs. I lost everything, including my children."

A CRY FROM ROCK BOTTOM

In an unhealthy relationship during the height of her addiction, Ali also experienced extreme fear and violence. One day, literally running for her life, she jumped on a train – her clothes were torn, and she was beaten, bruised and bloody. She called her parents, and that was the turning point. She reconnected with them, undertook residential recovery and joined a SMART Recovery group run by the Salvos.

When she remarried, her husband encouraged her to try church at City Salvos in Adelaide.

"I found that they were just so welcoming, so loving and non-judgmental, and they really embraced myself and my husband," she says. "Our church is our family, and we are blessed to be loved unconditionally."

Ali openly shares her story to encourage others, saying, "People here know my story, they know my background, and they see me as a tangible source of hope. I'm a miracle in a sense, given where I've come from to where I am now."



▶ Ali feels grateful to serve through the Salvos and to God for bringing her to where she is today.

CARING FOR OTHERS

As coordinator of the DUO (Do Unto Others) program at City Salvos, Ali and a team of caring volunteers provide a weekly community meal for around 120 people. DUO grew out of the street ministry of the Adelaide City Salvos church around 10 years ago to provide support and connection for those struggling with homelessness, mental health issues, isolation and disadvantage.

Community members share a meal and their talents – playing music, singing, gardening and serving others in different ways. Birthdays are celebrated, prayers are shared, small groups support each other, and there are craft activities.

“There is a lot of love... it’s beautiful.”

DUO also offers referrals to a range of Salvation Army services, including the Doorways program, which offers crisis intervention, early intervention and ongoing support via emergency relief, material aid and referrals.

HOPE AND TRANSFORMATION

“With all the support and all the love and light, we see transformations happen on a daily basis,” Ali shares. “They may come in steps, and we celebrate wins along the way – say, if someone has been accepted into casework, or if they’ve just been housed, or if their family is reconciled.

“My heart and our mission here is to love this city of Adelaide as Jesus does. I feel very privileged to serve and so thankful that God rarely calls the qualified but rather qualifies the called!”

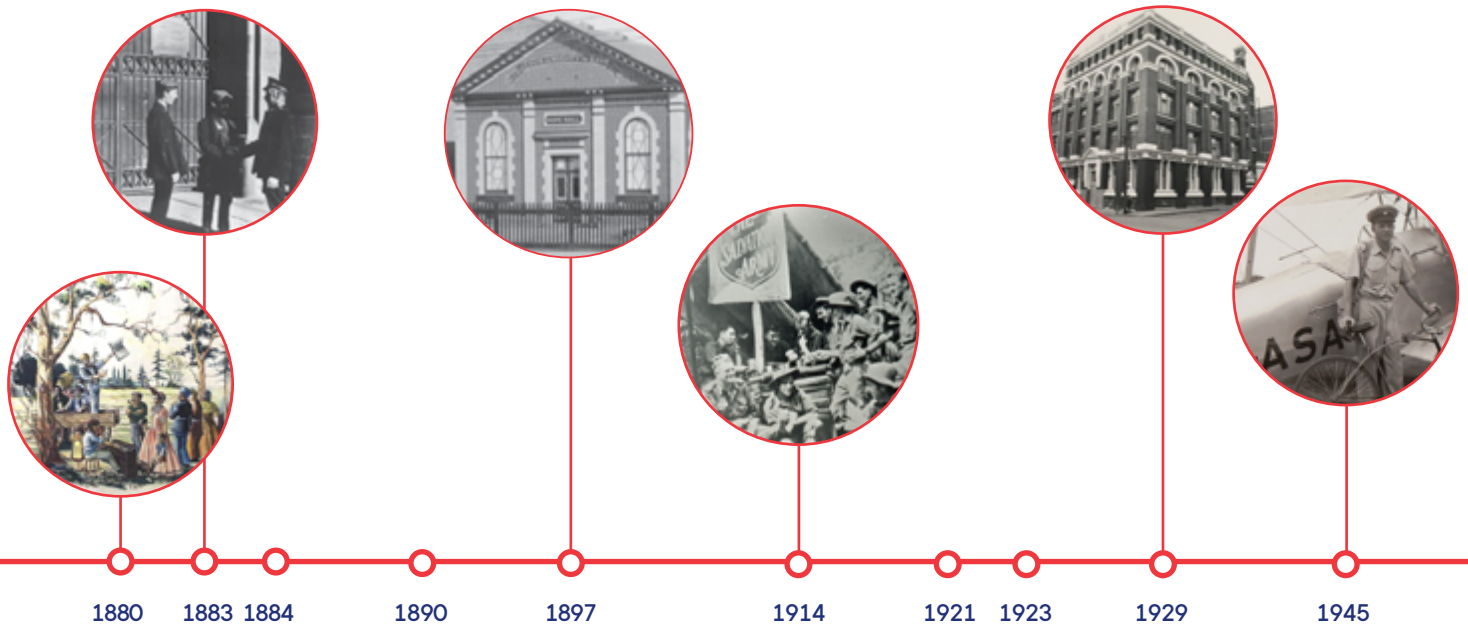


Northern Territory Community Connections Program

Click or scan to discover how through this program The Salvation Army puts its mission into action.



THE HISTORY OF SOCIAL SERVICES IN AUSTRALIA



1880

The first Salvation Army meeting in Australia takes place in Adelaide Botanic Gardens.

1883

- Major James Barker begins conducting chapel services in the Melbourne Gaol.
- Opening of the Launceston rescue home for women.

1884

Opening of Home for Fallen Sisters in Carlton, Melbourne.

1890

The Salvation Army opens a free labour bureau in Melbourne to help people find jobs, the first formally operating free employment bureau in Australia.

1897

Opening of Hope Hall in Exhibition Street, Melbourne, for women experiencing domestic violence and its by-product, homelessness.

1914

In response to World War One, The Salvation Army establishes 'War Services' that would later become the Red Shield War Services in 1934, and finally what it is known today as the Red Shield Defence Services,

established after the Vietnam War. Salvation Army chaplains and officers are sent all over the world to offer practical, emotional and spiritual aid to servicemen. Since World War One, The Salvation Army has been present at every major conflict, ready to minister comfort and provide aid to Australian servicemen and women often experiencing the worst moments of their lives.

1921

The Salvation Army in Australia becomes two territories.

1923

The Salvation Army opens Foster House in Sydney's Surry Hills to provide accommodation for homeless men.

1929

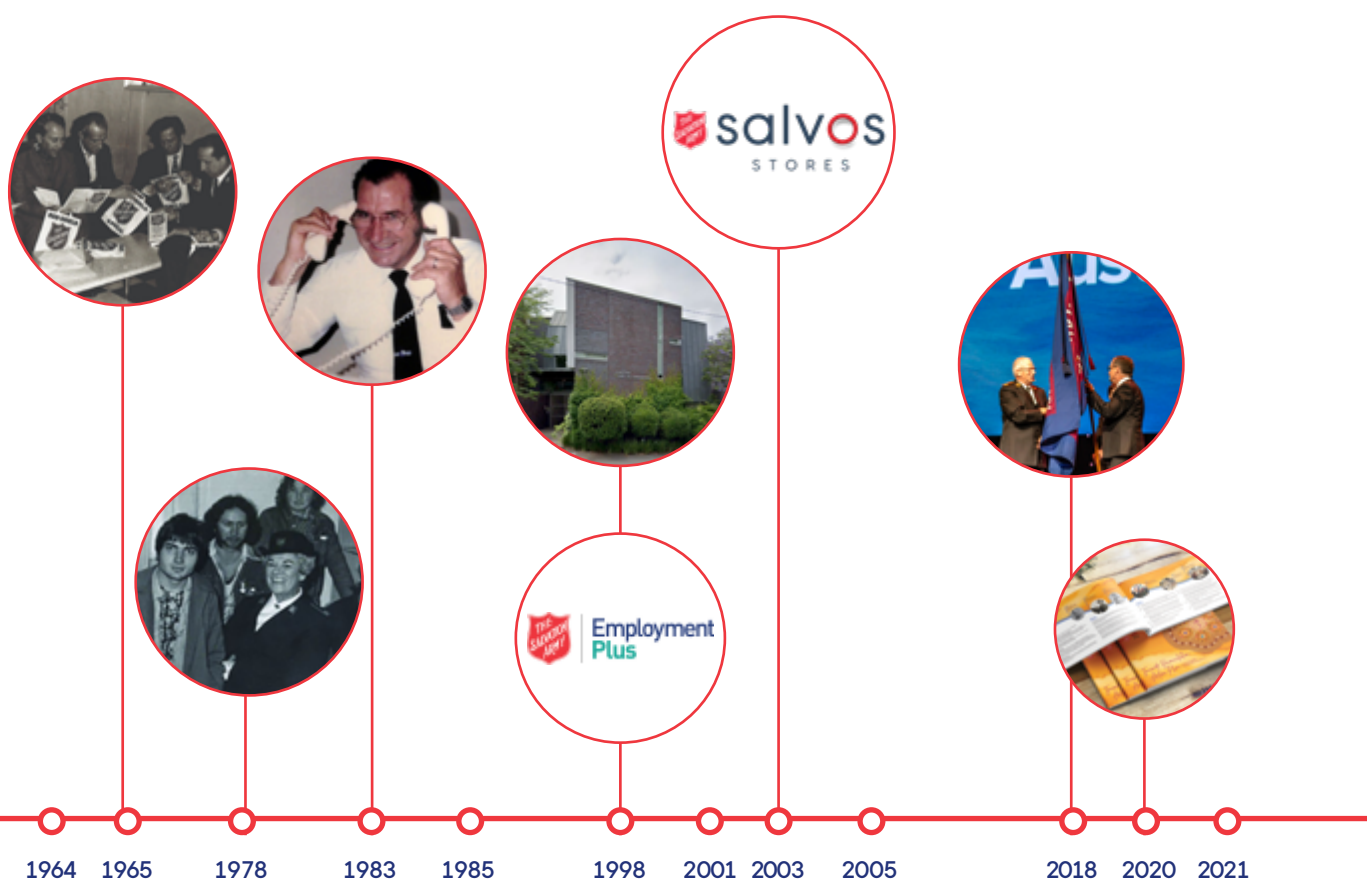
Opening of the Gill Memorial Home in A'Beckett Street, Melbourne, to provide accommodation for homeless men.

1945

Captain Victor Pedersen pioneers The Salvation Army's outback flying service over northern Australia.

1964

- The Salvation Army Bridge Program for rehabilitation begins.
- Mary Anderson Lodge opens for women and children escaping domestic violence.



1965

- The first Red Shield Appeal is run in Sydney as a doorknock.
- Captains Hilton and Wilga Morris arrive in Alice Springs and open the Alice Springs Corps.

1978

Tranmere Street Youth Refuge opens to provide specific accommodation and services for young people.

1983

The Salvation Army establishes a 24-hour telephone counselling service as a pilot project managed by Salvationist Alan Staines.

1985

The Salvation Army receives federal funding for homeless services to men, women and children – the first service to receive funding from the newly created Supported Accommodation and Assistance Program.

1998

- Employment Plus is established.
- Opening of Flagstaff Crisis Accommodation Shelter in North Melbourne, a move away from congregate accommodation to independent unit living for homeless men.

2001

Recovery Services Command and Red Shield Industries/Family Stores administrative operations are separated to enable a more focused strategic direction for each.

2003

Red Shield Family Stores trading entity is renamed and branded 'Salvos Stores'.

2005

Salvos Legal is started by lawyer Luke Geary. (It permanently closed in 2020.)

2018

The Salvation Army Australia becomes one territory.

2020

The Salvation Army Australia launches its first national Reconciliation Action Plan.

2021

The Salvation Army Australia launches its first national Commitment to Inclusion

**EVERY 17 SECONDS
THERE'S ANOTHER
REASON TO
BELIEVE IN
GOOD**



BELIEVE IN GOOD

BELIEVE IN GOOD

This year, The Salvation Army took a new message out to the community through the launch of ‘Believe in Good’, a new brand expression, helping to unite The Salvation Army in the eyes of Australians.

Believe in Good is a powerful phrase for The Salvation Army Australia, symbolically bringing together our belief and faith in God with our outward expression, our social work, and our intention to do good in this world.

Although the brand expression may be new, the foundation is anchored in the history that has seen us serve the needs of Australians for 140 years. And while it is somewhat unusual for us to engage in activity that could be seen by some as self-promotion, for us it was an important step in making the community aware of the Salvos, through our ‘Believe in Good’ message.

We recognise across our nation that it is important people see and hear from us. There is so much need in the community, financial pressures continuing to build, and new groups of people who need to know who The Salvation Army is and why we exist. Being able to engage people with a positive message, talk about our work in the community, and our focus on serving without discrimination has been critical and will continue to be a focus into 2024.

The people of The Salvation Army ‘Believe in Good’ and encourage all Australians – including our officers, soldiers, adherents, volunteers, employees, corporates, government partners, and donors who so generously support our mission – to work more passionately in doing good for the good of others – spiritually, physically and emotionally.

Whether it is looking out for someone in need, rallying around a community devastated by disaster, supporting innovative ways to address social issues, being ready to listen, or being an active part of a Christian faith community, there are so many ways to ‘Believe in Good’ by doing good.

We have always believed in good because it comes from our heart of ‘transforming Australia one life at a time with the love of Jesus’, and now we are asking the rest of Australia to ‘Believe in Good’ with us...



Believe in Good

Is good even that good anymore? At the Salvos, good is more than a default response – it

is the belief that inspires us to fight hardship and injustice, and support someone in need every 17 seconds.



“ Kind words are like honey
– sweet to the soul and
healthy for the body. ”

(Proverbs 16:24, NLT)

*Caring for
People*

Being there when people need us most; we offer care and compassion as a sacred encounter with transformative potential.

The Social Mission area of The Salvation Army Australia focuses on providing quality, non-discriminatory social services to fulfil our Vision to transform lives with the love of Jesus. Social Mission focuses on four main areas of need: alcohol and other drugs harm reduction, homelessness, family and domestic violence, and youth.





OVERVIEW

SNAPSHOT

LIVING OUR MISSION

CARING FOR PEOPLE

CREATING FAITH PATHWAYS

BUILDING HEALTHY COMMUNITIES

WORKING FOR JUSTICE

THANK YOU AUSTRALIA!

FINANCIAL REPORT

Caring for People:

SOCIAL MISSION



FAMILY AND DOMESTIC VIOLENCE (FDV)

Speaking from experience

Sepideh* grew up in Iran until she moved to Australia to get to know the man who wanted to marry her. When her partner began to deny her independence, things took a turn and she became a victim of physical abuse. Soon after an aggressive episode that ended in police being called, her partner left for work and Sepideh escaped. That day, Sepideh went to The Salvation Army for emergency accommodation.

Through Salvos support, Sepideh found transitional housing and set up an apartment to live in. During this time, Sepideh had many hours of consultation with a psychologist from victim services. "The Salvos helped coordinate all this, and I am so grateful to them."

After a while, Sepideh studied at TAFE for a diploma in community services and landed a job with St Vincent de Paul as a case manager.

**Name has been changed*



Read the full version of Sepideh's story here salvosonline.org.au/post/speaking-from-experience



“My job is so rewarding – after my traumatic experiences, helping and supporting people in similar situations is what I love to do.”



The Courage to Start Again

Click or scan to view the animation story on how the Salvos have supported people affected by FDV.




HOMELESSNESS

City of Melbourne partners with Salvos to support homeless

In an effort to boost its support for Melburnians experiencing homelessness, The City of Melbourne partnered with The Salvation Army to offer meals and outreach services via a night-time café in the CBD.

The renewed City East Hub, based at The Salvation Army's Project 614 site at 69 Bourke Street, makes it easier for some of Melbourne's most vulnerable people to access essential services.

Since January, the service has hosted twilight meals and support services seven days a week, as well as further support services including:

- After-hours outreach five days a week
- Housing and homelessness advice
- Showers and lockers

“We're proud to be partnering with the Salvos to ensure the most vulnerable members of our community get the support and care they deserve.”

~ Sally Capp, City of Melbourne Lord Mayor



Read the full version of this story here

salvosonline.org.au/post/project-614-partnership-supports-melbourne-s-homeless



306,000+ sessions of care provided

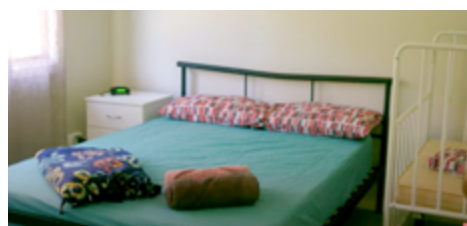
to people who were at risk of or experienced homelessness



nearly 38,000+ people assisted who were homeless or at risk of homelessness



21 FDV centres available in Australia



Salvos Victoria Homelessness Service – Gateways

Click or scan to learn more about The Salvation Army's Gateways Program for people experiencing primary homelessness.





more than 87,000 sessions of care provided

to young people



480+ young people assisted with learning how to drive

learning how to drive



more than 2800 students supported in education



nearly 8300 young people attended addiction programs

addiction programs



Drive for Life in Bundaberg

Click or scan to learn more on how Drive for Life program in Bundaberg, Qld is making a difference in the community.



› Drive for Life's Laurie Camilleri and Moira Guthrie at Shire Salvos Miranda.

YOUTH

Keys to Drive for Life

When Moira Guthrie goes to work at Shire Salvos Miranda in southern Sydney, she's never really sure what each day will hold. Whilst her job as a trainer for The Salvation Army's Drive For Life program involves her assisting young people in obtaining their L-plate licence, she often finds herself advocating for the people she journeys with in various ways.

"I really love this job," she says. "I see some amazing changes in young people's lives."

The Salvation Army's Drive For Life program primarily supports young people aged between 16 and 25. It is designed to meet the needs of students and young adults who find obtaining their driver's licence challenging due to various life barriers.

Moira says it can sometimes take months for a young person to overcome the various hurdles in their life and pass their L's test. But when they do, it's a life-changer.

"It opens up so many opportunities to employment; it opens up their independence, setting goals, achieving them, seeing something through," she says.



Read the full version of Moira's story at

salvosonline.org.au/post/sutherland-shire-youth-given-the-keys-to-drive-for-life



ALCOHOL AND OTHER DRUGS (AOD)

Loving life and living free through God's grace

From a young age, Katrina struggled with addiction after being abused by someone close to her. She knows now that drinking became her coping mechanism.

Through primary school, I drank continually, but by high school, I started smoking marijuana and taking pills. There were many challenges at home and my behaviour wasn't good, so I went into a youth hostel at 15. I was taking drugs, drinking and often getting arrested and was told if I didn't go to rehab I would be back on the streets again.

So I went to Perth to deal with marijuana and alcohol, but instead I was introduced to heroin by a bunch of city kids. It became a vicious circle. The fourth time I was in rehab a guy came and spoke about another program, but I had no intention of going to a Christian rehab. I ripped his pamphlets up, but then I thought, "At least that's 12 months of accommodation." I went through the motions of rehab for around six months – I was getting clean, and it was a good place to be.

FINDING FAITH

We were in chapel one day, and I had what I can only describe as an encounter with God. Something in me changed.

I went on to finish the program and do a six-month traineeship at the same place, then a training course in YWAM (Youth With A Mission) because I knew I wanted to serve God.



▶ Katrina has received help and support to get clean from alcohol and drugs, and now assists others.


In the role I travelled to India, then home to help start Aboriginal ministries. That was great and we did a lot of good, but when I left that job, I ended up back in addiction. That became a cycle through a few roles until I experienced the worst time of addiction I'd ever been in.


I went into full-blown heroin addiction. I got arrested for many things and ended up in a psych ward for months with a camera on me because my partner at the time had died of a heroin overdose. I had absolutely nothing – no family connection, no home, no possessions, no friends. So, I cried out to God again.

SERVING OTHERS

I was eventually released into the care of my family, which was strange, but things were better this time. I walked into a Salvos church and soon started going to church every Sunday. When we went into COVID lockdown, I thought, "Oh my, I'm gone. I haven't got the support of church." But during the lockdown, I got even closer to God.

I went back to church after the lockdown a totally changed person. That's when I knew I was going to serve God again, but this time as a whole person. I love the work I do now, working with our Salvos Doorways team, supporting people who come for help and case management. We do toasties twice a week, and I sit with people and get to know them as we chat over food and coffee. I love it!





Sally's story
Click or scan to view how a housing accommodation service in Perth, supported by the Red Shield Appeal, turned Sally's life around.



22 AOD residential centres available in Australia

Caring for People:

AGED CARE



100 low-cost units provided to
elderly Australians
in need



more than 121,000 visits provided
by Salvos Home Care
personnel



4600+ bed days provided
in respite care facilities



Find out more
about The Salvation
Army's Aged Care at
agedcare.salvos.org.au



Ageing with dignity

Pacific Lodge Aged Care Centre's connection to The Salvation Army dates back to the late 19th century when The Salvation Army received large holdings of land in the Sydney suburbs of Collaroy and Dee Why from Elizabeth Jenkins. Elizabeth had been helped spiritually by The Salvation Army and had responded with a gift of a small farm at Dee Why and 400 pounds to build a 'Home of Rest' for "sick or injured officers".

Over five years ago, the Men's Home was rebuilt, with Pacific Lodge now a modern 24-hour aged care centre, offering rooms with ensuites. It caters to a mixed cohort of residents, some with complex behaviours and mental health or substance abuse issues.

Centre Manager Jim Murray states it's about having a flexible care model to support each of his residents based on their individual care needs. "We adapt the level of care that we offer to our more challenging residents to ensure their safety, but also to maintain the safety of the majority of the residents that live at Pacific Lodge," he says.

Pacific Lodge provides services to its residents that they may not receive in the community. Jim notes that safety is paramount. He goes on to say: "Nutritionally their needs are being met and the centre will alter each resident's nutritional provisions to their individual requirements. There are also regular staff attending to a resident's needs. Somebody living in social housing or independently may not have that sort of network of people," he explains.

James Barker House Aged Care Centre, located in Melbourne's Footscray, also caters to a mixed cohort of male and female residents, including residents who were formally homeless or who were at risk of homelessness. One resident, David*, lived in a Supported Residential Service before moving to James Barker House, and prior to that, he was homeless for "quite a while". He says he became homeless due to a "lack of support" and that being homeless was "disquieting", but moving to James Barker House has been "an improvement".

Mike*, who has been a resident at James Barker House for seven years, was homeless for two years prior to moving to the centre. "I just ran out of money; I couldn't afford



rent anymore,” he says. “I slept in a park in Fitzroy and kept people away from myself, and I didn’t let anyone know where I was, so I was in no danger to myself. I got found by Kensington Salvation Army and they said that they could get a room for me at James Barker House or Foley House.

“Now I get a solid night’s sleep every night; I’ve got somewhere to sleep; I’ve got somewhere to base myself. I’m able to live somewhere. I say hello to people at the centre and I’ve got to know them a bit. I’m friendly to people and people are friendly to me.” Mike enjoys the centre outings; he’s visited the airport to see the planes and the Maribyrnong River, to name a couple. He also enjoys meals at the centre, which cater to his vegetarian meal choices. “I listen to songs and there’s a reading from the Bible. It’s good to have a spiritual emphasis,” he states of his attendance at the centre’s chapel services.

Like Jim, Trudi Clinton, Centre Manager of the Montrose Aged Care Centre in Sydney’s Balmain, embodies The Salvation Army Aged Care’s mission of supporting older persons who are homeless, living in poverty or seeking support to age with dignity by providing high-quality, compassionate and holistic care on a daily basis.

Montrose is a specialised, all-male aged care centre, that provides a home to men with complex or high care needs. “With the men’s mental health issues and possible substance-abuse issues in the past, the majority of them have lost their family connections over the years,” Trudi says. “So, they’re

usually on their own; there is nobody, no support to rely on.” She goes on to say that the majority of her residents are at risk of homelessness, for different reasons, given their background.

Centres like Montrose support their residents’ changing care needs, which is important in one’s older years, Trudi explains. This might be support from allied health professionals, registered nurses, and people who can make referrals to the relevant medical practitioners. “Also, when it comes to end of life, what we can do is give them the dignity and compassion like everybody else deserves, like you and I deserve, to die in an environment around people that care and embrace them.”

Trudi says that having the right staff is important at the centre. “You need to prepare, if you work here, to accept that you’re going to become like a family member to these men because we basically become their surrogate families,” she states. “We accept them for who they are. We don’t judge who they are. We get to know them, we get to know their histories and their past, we get to know what they like, we try and empower them to once again have some level of quality of life.”

**Names have been changed*

The Salvation Army’s Mission Enterprises deliver Mission and use commerce to generate surpluses for other Salvation Army mission expressions or to maximise enterprise sustainability and impact. These enterprises include: • Aged Care • Employment Plus • Salvos Stores • Salvos Funerals • Salvation Army Housing.



“I wanted to write and say thank you!
We, as The Salvation Army, had the
amazing privilege to participate in
the Celebration of Life for Joe*.

Without you [Salvos Funerals], this week
would have been much different for Joe’s
family. Thank you for the part each of
you played. Everyone who attended had a
chance to say their final farewell to Joe. It
was a vision of how Salvos work together
to achieve a blessing for a family.”

*~ Salvos chaplain
name has been changed

Caring for People:

SALVOS FUNERALS

Genuine compassion

Salvos Funerals is now in its seventh year of operation and has had the privilege of serving more than 2700 families with genuine compassion in that time. The 2022-23 period witnessed a record 572 families requiring 'at need' services, with more than half of these families seeking low-cost, affordable cremations.

We thank God for sustaining this special ministry. The journey of Salvos Funerals has been quite remarkable, from what started out as an idea first shared around a boardroom table, into a significant enterprise and ministry that supports families as they grieve the loss of loved ones.

DRAWING ON OTHERS' EXPERTISE

Salvos Funerals comes across many families in need of a celebrant to conduct a funeral service and it is not uncommon for Salvos Funerals to call upon retired officers to support grieving families by coming alongside them and offering professional and pastoral support.

GIVING HOPE IN TIMES OF GRIEF

Recently, we had the privilege of serving a family who had lost a loved one at a relatively young age. This client at one point in time had an affiliation with Foster House – an Inner City Men's Supported Accommodation Centre run by The Salvation Army. The family in their time of need reached out to Foster House, seeking both practical and financial support with organising a funeral service. With a short timeframe and limited funds, Salvos Funerals, with the support of Foster House and the chaplain of the Inner City program, were able to provide a dignified low-cost funeral service, and so much more than that, a time for the family to reflect on the loss of someone they loved.

The Salvation Army's Mission Enterprises deliver Mission and use commerce to generate surpluses for other Salvation Army mission expressions or to maximise enterprise sustainability and impact. These enterprises include: • Aged Care • Employment Plus • Salvos Stores • Salvos Funerals • Salvation Army Housing.



more than 2700 families assisted
with their funeral service requirements since 2017



\$2.4 million total revenue turnover



\$195,000 total amount of contracts signed this year



Find out more about Salvos Funerals at salvosfunerals.com.au



“ Let us consider how we may spur one another on toward love and good deeds. ”

(Hebrews 10:24)

Creating Faith Pathways

As we take a holistic approach to the human condition that values spirituality, we graciously share the good news of Jesus and work towards growing in our faith together.

We are all invited to experience a life full of love, hope, purpose and fulfilment. It is our mission and ministry to care for the whole person – body, mind and soul.

Anyone who is looking for connection, acceptance and a place of belonging will always be welcomed without discrimination.





OVERVIEW

SNAPSHOT

LIVING OUR MISSION

CARING FOR PEOPLE

CREATING FAITH PATHWAYS

BUILDING HEALTHY COMMUNITIES

WORKING FOR JUSTICE

THANK YOU AUSTRALIA!

FINANCIAL REPORT

Creating Faith Pathways:

LOCAL MISSION DELIVERY



Kids, connection and coffee – a simple formula for building God’s kingdom

Rev Minis is a new parents group at Revolution Church in Oakden, Adelaide. The church members open the corps building to the community each Monday, sharing the tools they have with parents and carers who need them.

In two years, the initiative has reached hundreds of people and grown to other communities, demonstrating the potential of people over program. The simple formula in sharing toys and conversations has been capitalised via social media. As participants tagged the gatherings in social media, more began following online, and new people walked through the door each week. More than 200 different individuals have come through the doors of Rev Minis since its launch in 2021.



400+ corps run community support activities



190+ corps run thrift shops

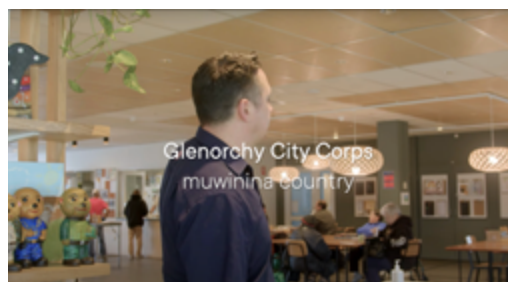


32,000+ attendances at parent and toddler group activities



Read the full version of this story at

salvosonline.org.au/post/kids-connection-and-coffee-a-simple-formula-for-building-god-s-kingdom



Glenorchy City Corps

Click or scan to learn more about Glenorchy City Corps – it’s a busy hub for a variety of services, from homelessness support and financial counselling to community meals and more.



Creating Faith Pathways:

MISSION SUPPORT/RESOURCES

Breakfasts, building connections and belonging at Launceston Salvos

A Tasmanian city corps has provided around 9700 free meals to the community over the past year.

The Launceston Corps began offering free hot breakfasts at the beginning of COVID-19 lockdowns in March 2020, and now offer breakfast six days a week.

On Mondays, Wednesdays and Fridays, Launceston locals can find fresh bacon and egg muffins and barista-style coffee at the corps, and all other days except Saturdays, staff and volunteers provide a continental breakfast.

“The meals were not just about filling stomachs but also about building connections with those doing it tough.”

~ *Launceston Corps Officer Auxiliary-Lieutenant Roderick Brown*

He said when lockdowns began in 2020, many existing community services in the city were forced to pause. For the Launceston Salvos and local Christian radio station Way-FM who partnered with them to offer the meals, this was the perfect opportunity to step in and assist. Roderick said there was often a volunteer or staff member available to chat with those who came.

“One of the people who comes in always gives us a Christmas card at Christmas time,” he said. “It’s replaced a family and belonging. People have found a safe place to come into.”

Additional to the breakfasts, the Launceston Corps



► *Nigel Chong, Strategic Emergency and Disaster Management Coordinator for Tasmania, making breakfast muffins with volunteers from the Launceston City Council.*

partners with a local school and Domino’s Pizza to provide several monthly lunches.

Recently released data from the Australian Bureau of Statistics indicated that over 2000 people declared themselves as experiencing homelessness on the 2021 census night in Tasmania. Roderick estimated at least 250 people were experiencing homelessness in Launceston but said this number was likely much higher. He said up to about 40 people came to a breakfast and about half were experiencing homelessness.

“In the winter, we tend to see more people in that situation unfortunately,” Roderick said. He estimated the service would provide another 9000 meals this coming financial year.



Launceston Salvos

Delivering holistic care is a top priority at Launceston Salvos. They work together to provide care for the whole individual, fostering a healthy and thriving community. Click or scan to learn more.

Creating Faith Pathways:

FAITH COMMUNITIES



Batemans Bay on a roll with local mission delivery

Batemans Bay Corps on the NSW South Coast is leading the way in showing us what it means to meet people where they are at.

It could be the connections happening in the community garden patch. Maybe it's Connect Day Wednesday in the Connections café providing a missional space for people to meet for food, tea, coffee and relationship building. Or even its Christianity Explained groups, arts classes and emergency relief, just to name a few of the ways the corps is living out the Salvos' mission. "The Lord is bringing people together in an organic way through all the various connection points," said Lesley Archer, Batemans Bay Corps Team Leader.

“Lonely people in our community are really finding a community, which allows them to do what they need to do.”



Read the full version of this story at salvosonline.org.au/post/batemans-bay-on-a-roll-with-local-mission-delivery



300+ corps
(churches/faith communities)



1600+ online worship meetings
(livestream and recorded)



nearly 36,000 attendances
at women's ministries groups and activities



4600+ young people
who attended at youth camps



Just Guitars

Click or scan to learn more about Just Guitars. See how this wonderful community group in Perth is connecting people from all walks of life.





▶ Gladstone Mayor Matt Burnett (left) enjoys a conversation with Mick Evans, Community Engagement Officer for Gladstone Corps, at the barbecue set-up at the Philip Street Precinct.

Building the kingdom one chat at a time in Gladstone

Conversations based around values of dignity and respect in order to build the kingdom of God are the whole purpose of Kingdom Chat Rooms, according to Captain Chris Ford, Manager of Philip Street Communities and Families Precinct in Gladstone, Queensland.

Each week, 70 to 80 people come for a meal and chat at the Philip Street community hub. Chris said they used to have the Kingdom Chat Room at the corps building but relaunched it after COVID restrictions so that participants could access the full range of services available at the hub.

“Our Kingdom Chat Room is highly missional and restorative. It is a warm entry to faith, based on beautiful, quality conversations.”

~ Captain Chris Ford, Manager of Philip Street Communities and Families Precinct.

There are always two or three Christians in attendance, and staff from other services wander through informally to engage participants in

conversation. Chris said many people come for the food, to meet others because they are lonely, and many don't really know why they are there initially but receive help. He said the format helps people find assistance for themselves.

Chris gave examples of people who were suicidal or experiencing family violence who were able to find help with multiple services that they didn't even know existed. One such person came for a psychologist appointment and was referred to the Salvos for food relief. Another young person came for a meal but now cooks for the group. Some are beginning to engage with the church, and many more with the rest of the community.

Volunteers weren't sure how they could have quality conversations in the beginning, but now they know all they have to do is just talk to people, according to Chris. Some even have the opportunity to pray with participants.

“It's such a safe place that we don't even need to promote it,” Chris said. “We can offer hope because there is always hope.”



Search for your nearest local Salvation Army church and get connected with your local community at salvationarmy.org.au/contact-us/



“ Each of you should use whatever gift you have received to serve others, as faithful stewards of God’s grace in its various forms. ”

(1 Peter 4:10)

Building Healthy Communities

Investing ourselves in relationships that promote mutual flourishing, we find the wholeness God intends for us in community.

Through our community engagement services, The Salvation Army commits to building healthy communities that will continue to flourish in years to come. Community Engagement includes a range of services and initiatives that enable mission expressions across Australia to transform communities through practical, emotional and spiritual support.

Community Services include Moneycare, national corps-based social programs and Doorways. The Community Engagement department also supports mission expressions and community members through Chaplaincy, Strategic Emergency and Disaster Management and Red Shield Defence Services.





OVERVIEW

SNAPSHOT

LIVING OUR MISSION

CARING FOR PEOPLE

CREATING FAITH PATHWAYS

BUILDING HEALTHY COMMUNITIES

WORKING FOR JUSTICE

THANK YOU AUSTRALIA!

FINANCIAL REPORT

Building Healthy Communities:

COMMUNITY ENGAGEMENT



Improving the way we meet community need across Australia

The Salvation Army Doorways program provides emergency relief and holistic case management with referral to internal and external support services.

With the aim to support people as they seek to make changes in their lives, Doorways caseworkers walk alongside people as they develop plans to achieve their goals.

The Salvation Army believes that the people we serve deserve the best of what we have to offer. That's why in 2022, the Doorways program was restructured to support a national delivery model.

The national model saw a shift from face-to-face financial emergency relief assessment at most corps

sites, to selected sites where the data indicates there is the most community need. A national reporting structure was also established, as well as the introduction of the Salvos Phone Assistance Line (Salvos PAL), which supports all Doorways sites with financial Emergency Relief Assessment.

The change to the Doorways program has been made to ensure the sustainability and success of the service well into the future. The national approach enables The Salvation Army to continue to provide good stewardship of money and resources while offering additional resources to Aboriginal and Torres Strait Islander and culturally and linguistically diverse communities.

Devonport Doorways new focus

Following the national changes to the Doorways operational model, Devonport Corps in Tasmania has refocused its Doorways program on creating space for connection and community.

The Salvos Connect site is focused not only on creating time and space for conversations but also on the way those conversations occur, which has provided a safe place for community members to discuss their challenges. Community members can then connect with other Salvo programs at the corps, such as craft group, men's and women's get-togethers, Employment Plus Disability Employment Service and the Positive Lifestyle Program.

"We are with people when they need it most," says Lieutenant David Bruford, Devonport Corps



▶ Lieutenant David Bruford enjoys a cuppa and chat with Devonport community members Dennis and Carol Cannon.

Officer. "Making sure we take time for a chat has also created opportunity for faith conversations. This is a fantastic adventure, and calling, to live out our values and vision, to really connect with community."

Melbourne program assists people to rebuild lives after prison

A Melbourne inner-city corps has recently begun a multi-faceted program to assist those recently released from prison.

The Salvation Army Project 614 program titled People Going Beyond (PGB) offers participants 12 months of accommodation, an individual caseworker and access to The Salvation Army's Positive Lifestyle Program, alcohol and other drugs assistance programs, family violence programs and mental health care.

Possible participants soon to be released are identified by Salvation Army prison chaplains who then partner with Project 614 to deliver services.



▶ A Salvation Army officer greets two former prisoners as they are released from gaol as part of the old Prison Gate Brigade ministry that operated throughout Australia in the late 19th century.

“What we really want to do is see people that have been in prison come out, receive intensive support and actually get back on their feet.”

~ Corps Officer Major Brendan Nottle

"Our goal is that we're providing accommodation [and] we're addressing the drivers for offending."

The irony is the full-circle moment in this mission delivery as this year marks the anniversary of 140 years of the first expression of Salvos Social work, which began with a halfway house titled the Prison Gate Brigade for those just released from the Old Melbourne Gaol.



Read the full version of this story at salvosonline.org.au/post/melbourne-program-assists-people-to-rebuild-lives-after-prison



Building Healthy Communities:

SALVATION ARMY EMERGENCY SERVICES

Salvos to the rescue in flood-ravaged WA communities

Salvation Army Emergency Services (SAES) volunteers were flown in from Perth to help set up relief operations in Broome and Derby to support communities affected by devastating floods in Western Australia's north-west in January 2023.

The Salvos provided Woolworths vouchers for food and essential items and assisted people who had been displaced from their homes and communities with immediate and ongoing support.

The first step of the assistance and recovery efforts involved liaising with those affected in the Kimberley region to assess their needs. The Salvos worked with the Department of Communities, Red Cross and other non-government agencies to ensure everyone displaced received the help they required.

“Being faced with a flood is a distressing experience, and those affected are usually keen to have someone to talk to, helping them process the turn of events.”

~ Karratha Corps Officer Major Pam Marshall

The Salvos team discovered that many people who visited the Broome area for medical treatment before Christmas were unable to return home. “They arrived by bus and had no way of heading back,” shared Major Pam Marshall, Karratha Corps Officer.

REMOTE AREAS ISOLATED

Remote areas of WA were completely cut off by the floods, stranding many people.

As part of her assistance efforts, Pam visited a couple who were looking after their grandchild. “Initially, they thought they would be unaffected,” she explained. “But



➤ Major Pam Marshall, standing left, worked with Salvation Army Emergency Services volunteers from Perth – Julie and Kris – to support flood-affected communities.



➤ Remote areas of WA were cut off by the devastating floods.

as they watched the water come up, they saw the first step disappear, then the second step, then they saw water bubbling up through the floorboards of the house.

“The water was chest-height before they were evacuated by boat, and then plane, arriving in Broome with only the clothes they were wearing.”

The collapse of the main bridge at Fitzroy Crossing, which connects the north and south of WA, cut off residents and left them with no travel options except flying. As Pam explained, “We saw a loss of normality, a loss of independence, the loss of homes and, most of all, a loss of community.”

Due to the pressure of needing to escape floodwaters, there were also those who were escaping domestic



more than 9600 households/families assisted

who were impacted by disaster



nearly 14,000 assistances/episodes of care provided

to households/families who were impacted by disaster

violence situations. The Salvos team and other agencies assisted these people, many with children, who were seeking refuge.

At one stage, approximately 500 people in Broome were trying to get back to their community. “People were stranded. Their lives had been shattered. They had lost everything, including the feeling of safety,” said Pam.

ACCOMMODATION CRISIS

The aftermath of the flood resulted in a severe shortage of accommodation. As Pam explained, “There were a lot of people sleeping in parks as they had been displaced from the floods, but it was hot and humid. Many stranded people were trying to bunk down with families, which meant overcrowding in homes.”

Many homes were also uninhabitable due to the floods. “To get accommodation in the town was hard yakka at that stage,” Pam said.

“Flood help was being offered by the Salvos but we knew that needs would be ongoing. It’s imperative that flood support continues in these situations to get people back to normality.”

Many residents not only lost their homes and possessions, but their community too. “When it became safe, we loved seeing people back in their own communities and getting on with rebuilding their lives,” Pam said.



► The Queensland Emergency Services team serving in the evacuation centre. (From left) Elsa Stibbe, Allen Stibbe, Tealamisu LiLi (cleaner extraordinaire in orange shirt), David Johnson, Rob Smith and Zane Haupt.

Salvos teams serve hundreds of evacuees in NT

In the midst of crisis, Salvation Army Emergency Services (SAES) teams are on the ground ready to support people in the various ways they can. This was the case when Salvos teams alongside other charities worked together to serve those in Howards Springs, south of Darwin, after they were evacuated from three remote indigenous communities devastated by floods.

Major Zane Haupt, Strategic Emergency and Disaster Management coordinator for the Northern Territory, said, “We served over 45,000 main meals over six weeks and also many random cuppas and snacks.”

“Serving food to 720-plus evacuees is no easy task! Even though the days have been long – 13 to 14 hours – the rewards have been even greater. Bringing smiles to kids’ faces, lending an ear to hear concerns, and just being a servant to those in need, have been the richest blessings I’ve received.”

~ Major Zane Haupt

Building Healthy Communities:

SALVOS STORES

A community of Changemakers

Salvos Stores is a Mission Enterprise of The Salvation Army, operating more than 360 stores across Australia with the support of more than 8000 'Changemakers'.

Back in 1883, the journey began at The Anchorage Hostel, where a spark of empowerment ignited. The Salvation Army was a pioneer in offering work placements and affordable options to those in need. Clothes weren't just clothes, they were possibilities. Donated items found new life, mended and transformed. The spirit of circular economy thrived, long before the term even existed. Repurposing fabrics into new garments, upholstering furniture and weaving mats for local businesses – this was sustainability in action.

Fast forward 140 years, Salvos Stores Abbotsford still stands at this site where more than 80 changemakers create change for people and the planet. In FY23, more than 42 million items were sold for reuse in our stores, translating into a remarkable reduction of 583,800 tonnes of CO2 emissions. Through these sales and innovations across The Salvation Army, Salvos Stores achieved more than \$44 million in surplus to support critical mission programs through The Salvation Army.

We're proud to welcome 15 more corps store teams to Salvos Stores as part of the Corps Stores Transition Project. The project will create greater financial stability and sustainability for the local corps by utilising Salvos Stores existing systems and processes and team resources. This will allow corps officers to use their valuable time to focus on other areas of mission and ministry.

We have also invested in the development of our systems as the Retail IT Project takes shape to build a unified operational platform that streamlines processes and reduces risk for our teams. The project will deliver more efficient tools for our business and create a more positive and consistent experience for all our people - donors, customers and changemakers.

Salvos Stores online success has continued to grow year on year with a 35 per cent growth in combined sales across the online store and eBay store. This

was through finding new homes for 245,094 preloved items. A third online hub was opened at our WA Distribution Centre, helping to list more unique items while also reducing our carbon footprint as WA listings no longer needed to be sent to Victoria for processing and listing.

Partnering with UniDays, Salvos Stores have been able to grow their omni experience by replicating some of the discounts offered in-store to the online store. This ultimately allows a new generation of customers to experience the benefits of buying preloved and an even more affordable entry point.

A new look and feel for Salvos Stores was launched to build a clear national identity and offer a fresh store design. In January 2023, with the help of The General Store, Salvos Bondi Junction took out the Better Future Australian Design Award for Circular Economy. The design highlighted that if the op-shop was invented today, it would be the hottest retail concept in the world – sustainable, affordable, and surplus goes towards helping vulnerable people. It is a checklist most companies could only dream of.

On top of our incredible surplus, which supports the ongoing delivery of support to those in need, we are proud of our 366 stores who were able to raise more than \$518,000 for The Red Shield Appeal and Christmas Appeal.

Salvos Stores' greatest achievement of the year was the community of changemakers we have been able to build, who continue to share their valuable time and dedication to supporting our purpose and our mission.

As we move into the new financial year, we look forward to building strong foundations for our strategic goals and growing our team to support even more people in need. Here's to the past, the present, and the future – a journey powered by purpose and driven by change.

**The Salvation Army Mission Enterprises deliver Mission and use commerce to generate surpluses for other Salvation Army mission expressions or to maximise enterprise sustainability and impact. These enterprises include: • Aged Care • Employment Plus • Salvos Stores • Salvos Funerals • Salvation Army Housing.*



360+ Salvos Stores

throughout Australia



Salvos Stores achieved more than \$44 million in surplus that was

generated back to TSA corps, projects and programs



7300+ Salvos Stores volunteers worked more than 2.25 million hours



Shop and help make a difference to thousands of lives in need at salvosstores.com.au



Building Healthy Communities:

EMPLOYMENT PLUS

The Salvation Army's commitment to supporting the unemployed goes back to 1890 when we first recognised the struggles of those unable to provide for themselves and their families. This realisation was the start of Australia's first-ever free labour bureau in Melbourne, and the beginning of The Salvation Army's legacy of helping people find work.

Many things have changed since we first began, but our dedication to helping the unemployed remains unchanged. It would be another 100 years before The Salvation Army would launch Employment Plus, and since first opening its doors in 1998, Employment Plus has assisted approximately 1.3 million job seekers to prepare for the workforce and supported approximately 740,000 individuals to find work.

New chapter for Employment Plus

After 24 years of operation, the beginning of the 2022-23 financial year marked a new chapter for Employment Plus. On 4 July 2022, after months of tireless efforts to acquire 30 new premises and train new staff, and just days after the conclusion of our involvement in the jobactive and Transition to Work programs, we commenced work in the government's newest program, Workforce Australia.

Delivered from 67 sites in four states and territories, and with more than 35,000 job seekers registered with us at the commencement of the contract, Workforce Australia is the largest of our four employment service programs.

Like all new programs, this first year has been a learning curve, as we adapted to new processes and new systems, all while continuing to deliver on our existing programs. However, throughout this our job seekers remain our primary focus. Across all our four programs – Workforce Australia, Disability Employment Services (DES), ParentsNext and Jobs Victoria Employment Services (JVES), we have worked with more than 36,000 job seekers during the 2022-23 financial year, and placed nearly 11,000 people into work.



placed nearly 11,000 people into work



Employment Plus operates 100+ sites across Australia

including full-time, part-time and outreach sites



7500+ partnerships with employers

New initiative to help regional job seekers

As we branch out into new regional communities, we have had to consider how we can better reach more people, with many job seekers unable to attend our sites due to limited transport options. With this in mind, in March 2023 we launched the Employment Plus minibus. Unique in the employment services industry, this fully equipped minibus enables us to reach more job seekers in more locations across the ACT and surrounding areas in regional NSW. In time, we hope to extend upon this initiative, and expand our fleet into other areas of Australia.

Reaching more job seekers in more areas continues to be a priority as we plan for the new financial year. We are looking forward to growing our Employment Plus Local initiative – a specialised service to better meet increasing demand from unique groups of job seekers (like asylum seekers and refugees) who require holistic support to work through complex social issues as they seek to gain employment. Furthermore, with the government expected to commence tender processes for the DES and ParentsNext programs within the next 12 months, we are embracing these opportunities and hope to expand these programs into new states and regions.



Not just a job, but a life!

Like almost everyone who walks through our doors, Hayden needed more than a job to turn around his life. At 55, Hayden had very little to his name, except for a rundown farmhouse with no running water, which was left to him when his parents passed away. He had no employment history and no support network. He is also intellectually challenged with limited social skills and lived a very isolated life in his small farmhouse.

The team at Employment Plus in Goulburn first met Hayden in June 2021 and after learning of his situation, the team worked with him to develop a plan to address his numerous and complex barriers.

- They referred him to Salvation Army services Doorways and Salvos Food Pantry, to address his immediate financial needs and to ensure he had food on his plate.
- They connected him with Moneycare to help him to budget and to teach him basic financial skills.
- They arranged doctor appointments and a place to shower.
- They referred him to TAFE to help him develop basic social, literacy and numeracy skills.
- They helped him access rebates and discounts through Service NSW.

Over time, Employment Plus in Goulburn became a safe haven for Hayden, where he felt welcomed, supported and safe. The team worked with him, helping him to develop the life skills, routine and social interactions he was missing. They also supported him in arranging for necessary identification documents and clean clothing. And when he was ready, the team began to work with him on his job search and interview skills.

In February 2023, a vacancy became available for a process worker at a recycling plant. Jena, Hayden's Employment Consultant, contacted the employer and discussed Hayden and his situation. The employer was open to meeting with Hayden, and after one interview, they offered him the role. Jena then worked with the employer and Hayden to negotiate working hours that would coincide with the bus timetable.

Jena and the team continued to provide one-on-one support to Hayden as he settled into his role and adjusted to the workforce, and remained in contact with his employer to make sure there were no issues. They ensured Hayden was presentable and punctual and helped him to make his lunch, and each day they drove him from the bus stop to work. Hayden's employer reported that he was doing well and was keeping up with his tasks.

After commencing work, Hayden has flourished and is interacting with greater confidence. Within just a couple of months, he was well on his way to saving for a car, and for the first time ever he was on top of all his bills. Hayden is proof that Employment Plus is more than just a service to help people find work, it is changing lives!

The Salvation Army Mission Enterprises deliver mission and use commerce to generate surpluses for other Salvation Army mission expressions or to maximise enterprise sustainability and impact. These enterprises include: • Aged Care • Employment Plus • Salvos Stores • Salvos Funerals • Salvation Army Housing.



Find out more
about Employment
Plus services at
employmentplus.com.au



Building Healthy Communities:

SALVATION ARMY HOUSING



970+ people provided
with longer-term housing



150+ people assisted
with crisis housing



64% of people remained accommodated
in Salvation Army Housing for 5 years

Salvation Army Housing (SAH), Salvation Army Housing Victoria and The Salvation Army Community Housing Service (together “Salvation Army Housing”) as a National Enterprise are committed to assist individuals experiencing social disadvantage and to establish and maintain safe, affordable, secure tenancies through the management of a range of high-quality housing options.

Salvation Army Housing operates nationally as a community housing organisation that provides homes for individuals and families who are homeless or at risk of homelessness, on low incomes and often with specific support needs.

As of 30 June 2023, Salvation Army Housing managed over 1800 properties throughout Australia, providing long-term housing, transition housing as well as crisis and rooming house tenancies, housing over 3000 people.

As a not-for-profit organisation, registered charity and a public company limited by guarantee, each Salvation Army Housing entity operates under the auspices of The Salvation Army to address the needs of people at all stages of their life and housing requirements. This includes early intervention to avoid a slide into homelessness, emergency accommodation and crisis response, transition to more stable accommodation and supporting a move to independence.

Salvation Army Housing sits under both the National Regulatory System, (NRSCH), and the Victorian Regulatory System, (VHR), with properties in all states and one territory, the ACT. Salvation Army Housing is fully compliant under both systems.

Salvation Army Housing is in the unique position of having the full potential of The Salvation Army in all aspects to support our tenants.

- Spiritual support
- Case management
- Rehabilitation services
- Family and domestic violence services
- Youth services
- Employment services
- Salvos Stores

There is no other Community Housing Provider better placed to offer full wrap-around services.

The Salvation Army Mission Enterprises deliver mission and use commerce to generate surpluses for other Salvation Army mission expressions or to maximise enterprise sustainability and impact. These enterprises include: • Aged Care • Employment Plus • Salvos Stores • Salvos Funerals • Salvation Army Housing.



Learn more about
Salvation Army Housing
at [salvationarmy.org.au/
need-help/housing/](https://salvationarmy.org.au/need-help/housing/)





► From left: Diane Quinlan (Salvos Housing) with the Bayside Salvos team – Jodie Frazer (Operations Manager), and Captains Natalie and Scott Frame (Corps Officers).

Collaboration provides housing, help and hope

‘Housing, Help and Hope’ has already achieved the desired result for one family, with another family soon to reap the benefits of Bayside Corps’ Houses of Hope initiative in south-east Brisbane.

“Launched in June 2023, the Houses of Hope initiative – with the slogan ‘Housing, Help and Hope’ – aims to provide safe and secure housing for families at risk of homelessness.

Bayside Corps acts as the lead tenant for rental properties, helps furnish the property, assists families in accessing available government and community support and aids the family’s journey to sustainable self-sufficiency.

The launch involved all three levels of government, local businesses, community groups, real estate agents and local Salvo expressions.

“Within three days of the launch, our local Remax real estate agent came to us with a landlord wanting to offer their house for rental,” said Captain Natalie Frame, Bayside Corps Officer. “Other organisations and individuals have since offered furniture and fundraising opportunities.”

Bayside Salvos are using \$60,000 raised from several years of fundraising through Red Shield

Appeals to fund the initiative.

“However, we really needed buy-in from the community to make this work,” Natalie said. “Salvos Housing is a key component in managing the property side of things, and Cleveland Salvos Stores has been amazing as usual.”

“Our first family is now starting to dream about a better future,” said Jodie Frazer, Houses of Hope Coordinator. “The stability of secure accommodation has really helped, and the children regularly attend corps activities.”

Previously, the family had struggled to maintain stability through five months of temporary living arrangements, sometimes without cooking facilities, making it difficult for the children to attend school regularly.

The corps anticipates having two additional families in rentals by the end of 2023. A landlord connected to the Bayside Salvos has offered their place for a family, and Remax Alexandra Hills has secured another house to rent.

“It is so exciting to have this level of collaboration as the project brings people together to meet a desperate need,” Natalie said. “We thought we could start with one of these houses, but we have stretched our vision because so many people are interested in joining us to offer hope.”

Building Healthy Communities:

SALVATION ARMY INTERNATIONAL DEVELOPMENT



77,426 people reached

through SAID's community development projects in FY23



39% people reached

live in South Pacific and East Asia (SPEA) Zone (Indonesia, Papua New Guinea, the Philippines and Myanmar)

61% people reached

live in Africa Zone (Kenya, Malawi, Rwanda, Tanzania and Uganda)

The Salvation Army International Development (SAID) works globally in specific countries, empowering vulnerable communities to prosper in their economic, social, and spiritual lives.

SAID works in partnership with other Salvation Army territories and commands in two key areas: community development, and supporting The Salvation Army mission work globally through mission support.



To learn more about SAID and how you can be a support go to salvationarmy.org.au/said



The following are some life-changing stories from SAID community projects in Kenya



► Jacquaeline (left) and Pamela.

Pamela

Pamela experienced an early pregnancy in her youth. As a result, she did not complete her education and moved in with her sister on the coast of Kenya where she could receive assistance. After the birth of her son, Pamela struggled and said she had “no hope for life” but desperately wanted to go back to school. She was not supported by her mother or father at the time, so began a small business selling fruit. For six years, she and her son lived in financial insecurity. Pamela wanted to focus on life but was unable to.

When she came to the coastal region, Pamela was reconnected with Salvation Army Malindi Corps and was introduced to the SIMBA Project. The Coastal Cluster Coordinator, Jacquaeline, advocated for Pamela to receive government support to pay for the completion of her education. This support also provided learning materials, such as stationery and books. Pamela stated that the other students did not know her situation and the hardships she had endured, “I did not want to follow peer pressure or others but live my own life.”

The project has changed Pamela’s worldview, including understanding her rights. After completing her secondary education, she aims to go on to further study and dreams of becoming a nurse one day. Pamela now wants other girls to know they can have a life after experiencing an early pregnancy. She is no longer ashamed and says she has hope for the future.



Margaret

In Kenya, people with disabilities experience significant stigma and discrimination. They are often hidden away by their families. Margaret (pictured), herself a person with disability, wanted to address this issue and, in 2005, started a local self-help group to bring people with disabilities together to support each other. They received training in soap-making and began a savings and loans program. When the group started, there were 15 members. Today, the group has 32 members with 22 active members of all ages and genders.

The Mseto Resilience Project has been supporting this group for a number of years. They have received training in kitchen gardening at the Tika Centre, some participants have received water tanks for their homes and many have now created their own kitchen gardens. Group members have also been trained on how to raise chickens and many are now keeping between 8-30 chickens. Since its formation, the group has saved 500 Kenyan Shillings (KSh) through its savings and loans program, and started three nurseries, as a result of reliable access to water from the water tanks. They sell the seedlings they grow to other community members for 5KSh per seedling to generate income for the group. The group expressed that they have “found a new purpose” since the formation of the group, “they are no longer idle and isolated.”

“ The righteous care about justice for the poor, but the wicked have no such concern. ”

(Proverbs 29:7)

*Working for
Justice*

Tackling the social systems that harm creation and strip away human dignity, we join God’s work to build a fairer world where all can thrive.

The Salvation Army Policy, Research and Social Justice (PRSJ) area provides support functions in the areas of research and advocacy work on social justice issues. Working with mission expressions and in collaboration with the Government Relations team, the Policy, Research and Social Justice team identifies social justice issues, explores effective social policy responses and seeks to influence decision-makers to make changes that transform Australia.





OVERVIEW

SNAPSHOT

LIVING OUR MISSION

CARING FOR PEOPLE

CREATING FAITH PATHWAYS

BUILDING HEALTHY COMMUNITIES

WORKING FOR JUSTICE

THANK YOU AUSTRALIA!

FINANCIAL REPORT

Working for Justice:

POLICY, ADVOCACY AND GOVERNMENT RELATIONS

Working for justice

Tackling the social systems that harm creation and strip away human dignity, we join God's work to build a fairer world where all can thrive. The Salvation Army Policy, Research and Social Justice (PRSJ) area works across The Salvation Army to identify social justice issues, explore and develop effective social policy responses and, leveraging our expertise, experience, research and data, influence decision-makers to make changes that transform Australia.

Policy, advocacy and government relations

Two teams, both based in Canberra, work closely together to influence and advise government decision-makers on issues impacting the wellbeing of Australians nationwide and in local electorates.

The Policy and Advocacy team drives the policy and advocacy strategy and agenda for how The Salvation Army can make a positive contribution to the social justice debate in Australia. Working with Mission Expressions and leveraging The Salvation Army's leading-edge research and data collection, the Policy and Advocacy team contributed to government policy-making through direct advocacy, contribution to parliamentary inquiries, engagement with Government departments and public advocacy campaigns.

The Government Relations team is the principal relationship manager of the Salvos' relationship with the Federal Government and State and Territory governments across Australia. Government Relations work was focused on developing strong relationships and building a bridge between parliamentarians, their local constituencies and The Salvation Army's faith and mission expressions within their constituencies. This relationship management is a critical component of ensuring that our advocacy and service delivery matters are well received by decision-makers.

Poverty and cost of living

In 2022-23, The Salvation Army witnessed how increasing cost of living pressures have only intensified peoples' experiences of financial hardship and poverty. This has been a major advocacy priority, pushing for changes to the structural elements that drive the experiences of poverty and financial hardship for the people we serve. Major parliamentary inquiries into poverty, cost of living and the rising cost of housing has allowed The Salvation Army to influence the debate around rethinking Australia's welfare system, and for a much-needed increase to the base rate of the Jobseeker and Youth Allowance Payments, to allow all people in Australia to live with dignity. Critically, The Salvation Army has influenced the committees to think about poverty in a broader sense than just financial hardship, reflecting the true experience of the people who seek support from The Salvation Army.

“The Salvation Army believes that every person should be able to live with dignity... That is not the Australia we live in right now.”

~ Jennifer Kirkaldy, The Salvation Army General Manager of Policy and Advocacy



► Jennifer Kirkaldy, Salvation Army General Manager of Policy and Advocacy, representing The Salvation Army during the housing inquiry, with Simon Schrapel (Chief Executive Uniting Communities).

Engagement with government officials:



70+ submissions
270+ conversations



1000+ letters



900+ emails



200+ meetings



› Leaders of faith-based charities in Australia gathered in Canberra for conversations around supporting the Indigenous Voice to Parliament. The meeting was held at The Salvation Army's Canberra office. From left: Claerwen Little, National Director, UnitingCare Australia; Lieut-Colonel Stuart Glover, Secretary for Business, The Salvation Army Australia; Maiy Azize, Deputy Director, Anglicare Australia; Minister Burney; Lieut-Colonel Gregory Morgan, Secretary for Mission, The Salvation Army Australia; Toby oConnor, National Council CEO, St Vincent de Paul Society; and Monique Earsman, Executive Director, Catholic Social Services Australia.

Aboriginal and Torres Strait Islander justice

Aboriginal and Torres Strait Islander peoples experience a disproportionate amount of disadvantage, including lower life expectancy and poorer health outcomes, and higher rates of infant and maternal mortality, family and domestic violence, suicide, and incarceration. In 2022-23, The Salvation Army's Policy and Advocacy team advocated for change to the systems and structures that drive this disadvantage. This included, but was not limited to, advocacy regarding youth justice and child wellbeing reform, family and domestic violence, poverty, and housing and homelessness in addition to support for the Aboriginal and Torres Strait Islander Voice.

Social Justice Stocktake (2022-23)

In 2021, The Salvation Army's Policy, Research and Social Justice Department commenced a major national research project looking at social justice priorities across Australia, where we built a map of social justice priorities, captured in 19 Policy Issue Briefs, 149 electorate reports, eight state/territory reports and one report for the country. These incredible findings allowed us to share respondents' views through extensive media



The Salvos and the Aboriginal and Torres Strait Islander Voice



The Salvation Army sees first-hand the social injustices experienced by Aboriginal and Torres Strait Islander peoples across the breadth of our services. For this reason, The Army supported an Aboriginal and Torres Strait Islander Voice being enshrined in the constitution, as a social justice response. Hear from Territorial Commander, Commissioner Miriam Gluyas and Chief Secretary, Colonel Winsome Merrett on the Army's commitment to providing support to the Voice through active community engagement and discussion.

engagement (with an audience reach of more than two million people), with every registered candidate in the May 2022 Federal Election and to all newly elected, re-elected and ongoing parliamentarians.

Throughout 2022-23, we met individually with 81 Members of Parliament and Senators to discuss the research findings in detail and share the experience of The Salvation Army in working with disadvantaged individuals and communities across Australia. These meetings allowed us to foster and develop relationships with ministers and parliamentarians and discuss ways that the Australian Government could work with The Salvation Army to better address identified concerns.



To download the report, scan the QR code or go to salvationarmy.org.au/socialjusticestocktake



Thank you
Australia!





OVERVIEW

SNAPSHOT

LIVING OUR MISSION

CARING FOR PEOPLE

CREATING FAITH PATHWAYS

BUILDING HEALTHY COMMUNITIES

WORKING FOR JUSTICE

THANK YOU AUSTRALIA!

FINANCIAL REPORT

Red Shield Appeal:

SO NOBODY STRUGGLES ALONE



While COVID-19 and its immediate impact may have diminished, 2023 presented another monumental challenge: the cost-of-living crisis.

With interest rates, utility bills, groceries and everyday essentials all rising, right across Australia far too many Australians are facing financial pressures like never before. Doing all they can just to get by, but still struggling to put food on the table or a roof over their heads.

In response, this year Salvos united once again to connect with communities – virtually and in person – to raise funds for the Red Shield Appeal.

Now in its fourth year, the Digital Doorknock has become a permanent fixture in our Red Shield Appeal calendar alongside our face-to-face community fundraising events. Both modes of fundraising work hand-in-hand to amplify our message of hope and bring people together to advocate and support the most vulnerable members of our communities.

This year's theme brought to life the struggles everyday Australians are facing. Stories of people who stop short of seeking help due to fear or shame, or people facing unbearable challenges just to feed their families and keep them safe. Last year alone, The Salvation Army's social programs provided more than 1.86 million sessions of care or assistance to those in need. In these tough times, nobody in need should be left to struggle alone.

Thanks to our supporters, who we recognise and acknowledge are also navigating this crushing cost-of-living crisis, this year's Red Shield Appeal raised a remarkable \$94 million. This is an incredible statement to those facing adversity: they are not alone. Australia sees and hears them. We are here to meet them at their point of need.

This generous support will mean that for thousands of people who come to The Salvation Army every week looking for assistance, they will be provided

with services and support tailored to meet their specific needs. Whether through accommodation and housing services, financial assistance, food vouchers, case management, emergency relief, addiction recovery services, advocacy and referrals, or local Salvos corps and community offerings, because of our generous supporters, we can ensure those in need get not just immediate help, but also long-term solutions.

I am so grateful to everyone for the success of this year's Red Shield Appeal. It was a massive team effort. Communities right across the country mobilised themselves to shake tins, sizzle sausages and doorknock, both virtually and in-person.

This year was Matt Seaman's fourth year riding between Sunshine Coast Salvos centres to raise funds for Nambour Salvos. With his mates Dean Morrison and David Donaldson by his side, they covered 165km in a day to raise a total of \$6600.

Matt represents so many Aussies who dig deep to support the Salvos. Thank you to Matt and every single person who has championed our work. From our individual donors to our corporate partners, celebrities to community members, first-time donors to our faithful regulars, volunteers and employees – this year's appeal saw so many come together to support those doing it tough. On behalf of The Salvation Army, I want to express my sincere appreciation and gratitude.

You are a true inspiration to us, as we have the privilege of taking your generosity and hope to those struggling through the hardest of times. The harsh reality is that the cost-of-living crisis is pushing more people than ever before into poverty for the first time, and crushing those who were already struggling.

Thankfully, there is a bright light of hope shining through the darkness. That hope is you. In the face of this deepening crisis, there are good hearts like yours right across Australia who see heartache and suffering, and simply reach out and help. For this, I can never thank you enough.

God bless you,



Colonel Rodney S Walters
 Secretary for Communications
 The Salvation Army Australia



20,000+
volunteers were
involved in
 this year's Red Shield Appeal



more than
\$550,000 was
donated
 via 'Tap & Go' cashless payment devices



\$94 million
raised in
 this year's Red Shield Appeal

KEY SUPPORTER ACKNOWLEDGEMENT

Thank you for helping us to give hope where it's needed most. We are empowered by the generous support of the Australian community and a large number of corporate, government, community, family and individual supporters.

COMPANIES AND ORGANISATIONS

7-Eleven Australia	Fortescue	Queenscliffe Holdings Pty Ltd
AA Holdings Pty Ltd	Glencore	Queensland Government - Department of Communities, Housing and Digital Economy
Advanced Personnel Management	Gold Fields Australia	Queensland Government - Department Of The Premier and Cabinet
AGL Energy Limited	Grill'd	Real Estate Institute of WA
AIA Australia Limited	HopgoodGanim Lawyers	Rio Tinto
Alinta Energy	HYTEK Group	Ritchies Stores Pty Ltd
Amalgamated Property Group Pty Ltd	IG Design Group Australia	Salland Nominees
AON	Kmart Australia Ltd	Siesta Holdings (Australia) Pty Ltd
Aurora Energy Pty Ltd	Lumo Energy Australia	South32
Beyond Bank Australia	Macquarie Group Foundation	Stan Perron Charitable Foundation
BHP Billiton	Macquarie Private Bank	State Government of Victoria
Blundstone Australia Pty Ltd	McCosker Contracting Pty Ltd	State Government of Tasmania
Bunnings Group Limited	Mercer	Technology One Ltd
Carinity	Mirvac Victoria Pty Ltd	Transurban Limited
Cherry Collectables	Myer Community Fund	Woodside
Coca-Cola South Pacific Pty Ltd	National Australia Bank	Woolworths Limited
Crown Resorts	Newcrest Mining	Wythenshawe
CRS Pty Ltd	NSW Government - Department of Premier and Cabinet	
Downer Group	Origin Energy	
Doxa Community Club	Path Of Hope Foundation	
Electel Resources Pty Ltd	Programmed Facility Management	

INDIVIDUALS AND FAMILIES

Carol Price	John Brett	Peter Routley
Dallas and Margaret Finney	Mr John Uhrig AC and Mrs Shirley Uhrig	Peter Larkin
Daniel Chan	Dr Michael Burgess	Robert Rich
Gae Fowler	Nigel Price	Roger Massy-Greene AC and Belinda Hutchinson AC
Jane Giles	Bryant and Louise Macfie	Susan Scotford
Janet Grimdsdale	Patricia New	Tim Fairfax AC and Gina Fairfax AC
Jennifer Smith	Peter Robinson	

TRUSTS AND FOUNDATIONS

AON Charitable Foundation	Matana Foundation For Young People	The Dorothy Levien Foundation
APS Foundation	McVay Foundation	The Eddy Dunn Endowment
ATF Grafer Foundation	Minderoo Foundation Trust	The Hugh D T Williamson Foundation
Barry Lambert AM - Count Charitable Foundation	Nigel and Patricia Peck Foundation	The Jane Phillips Foundation
Brinsmead Hill Family Foundation	Orloff Family Charitable Trust	The John and Margaret Schneider Charitable Trust
Bruce Wall Charitable Trust	Paul Griffin Charitable Trust	The Manindra Foundation
Centenary Foundation - Warren Read Endowment	Property Industry Foundation (Qld)	The MAST Foundation
Colin Bisdee Trust	Queensland Community Foundation	The O'Halloran Foundation
Collingwood Football Club Community Foundation	Sargents Charitable Foundation	The Ragdoll Foundation Pty Ltd
Eureka Benevolent Foundation	Stan and Maureen Duke Foundation Ltd	The Regal Foundation
Gladstone Foundation	The Alan (AGL) Shaw Foundation	The Rock Private Ancillary Fund
Gloria McKerrow Endowment	The Cory Charitable Foundation	The Select Foundation
Goldburg Family Foundation	The Donald and Joan Wilson Foundation	The Sun Foundation
Jack Tilburn Endowment		The Sylvia & Charles Viertel Charitable Foundation
Judith Neilson Foundation		The Wheeler Family (NQ) Charitable Endowment

GIFT IN WILL

The Salvation Army is grateful to the many people who have considered the future of people in need in Australia and have made the powerful decision to invest for generations to come via a gift in their Will. We are honoured to recognise and thank these most generous supporters.

Financial Report:

THE SALVATION ARMY AUSTRALIA SOCIAL FUND AGGREGATED FINANCIAL REPORT

For the year ended 30 June 2023

FINANCIAL STATEMENTS

Trustees' Report	62 - 65
Aggregated Statement of Profit or Loss and Other Comprehensive Income	66
Aggregated Statement of Financial Position	67
Aggregated Statement of Cash Flows	68
Aggregated Statement of Changes in Funds	69
Notes to the Financial Statements	70 - 97
Trustees' Declaration	98
Auditor's Independence Declaration	99
Independent Auditor's Report	100 - 102

The Salvation Army Australia

- William and Catherine Booth** – Co-Founders
- Brian Peddle** – General
- Miriam Gluyas** – Territorial Commander

International Headquarters

101 Queen Victoria Street, London, EC4V 4EH

Australia Headquarters

95–99 Railway Road, Blackburn 3130
 PO Box 479, Blackburn 3130
 Telephone (03) 8878 4500
salvationarmy.org.au

Trustees' Report

The Trustees of The Salvation Army Australia Social Fund ("Social Fund") submit the following report, together with the financial statements, on the operations of the Social Fund for the financial year ended 30 June 2023 and the independent auditor's report thereon.

TRUSTEES

The Trustees of the Social Fund at any time during or since the end of the financial year are:

Title	Full Name	Position	Date Appointed	Date Ceased
Commissioner	Robert William Donaldson	Territorial Commander	1 July 2019	21 February 2023
Colonel	Mark Douglas Watts	Governance Advisor - IHQ	1 January 2022	21 February 2023
Commissioner	Miriam Joy Gluyas	Territorial Commander	21 February 2023	
Aux-Lieut	Rosemary Margaret Keane	Board Member	21 February 2023	
Colonel	Winsome Joy Merrett	Chief Secretary	11 January 2017	
Lieut-Colonel	Winsome May Mason	Assistant Chief Secretary	1 July 2020	
Lieut-Colonel	Neil Risely Venables	Secretary for Communications and Business Support	7 March 2022	1 July 2023
Captain	Colin Leslie Francis Reynolds	Board Member	1 July 2020	
Captain	Stuart Norman McGregor Glover	Secretary for Business Support	20 September 2021	
Lieut-Colonel	Gregory Mark Morgan	Secretary for Mission	1 July 2023	

PRINCIPAL ACTIVITIES AND OBJECTIVES

During the year, the principal continuing activities of the Social Fund comprised of:

- Aged Care
- Employment, education and training services
- Housing and homelessness programs
- Family and domestic violence programs
- Community support services
- Humanitarian services
- Overseas aid
- Chaplaincy programs
- Addiction, alcohol and other drugs programs
- Salvos Stores

The Social Fund provides welfare and social support services across Australia and overseas – in cities, country towns and rural communities. Our work touches every demographic and age group. The Social Fund is involved in national issues while also bringing hope to people who may be experiencing hardship or injustice. We speak about justice, compassion and other issues that support the welfare of others and view them as a whole person – body, mind and spirit.

REVIEW OF OPERATIONS

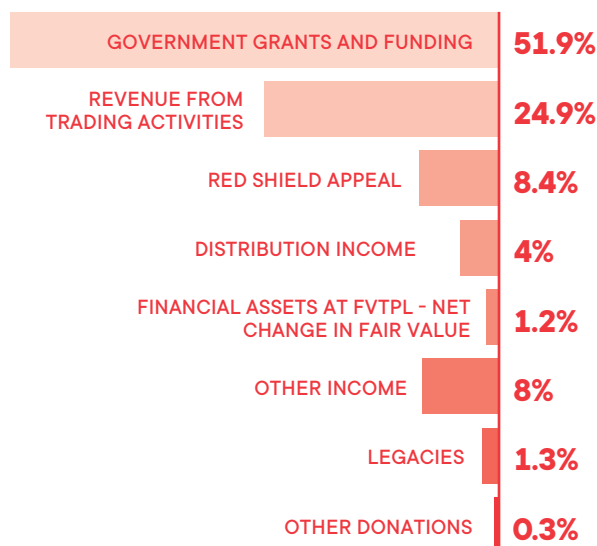
The Social Fund's operating result was net income of \$22.9m (2022: \$39m net expenditure).

	2023 \$000	2022 \$000
Revenue	1,125,328	941,242
Expenditure	(1,102,403)	(980,263)
Net income/(expenditure)	22,925	(39,021)

SOURCES OF INCOME

The following is a summary of the main sources of income for the Social Fund.

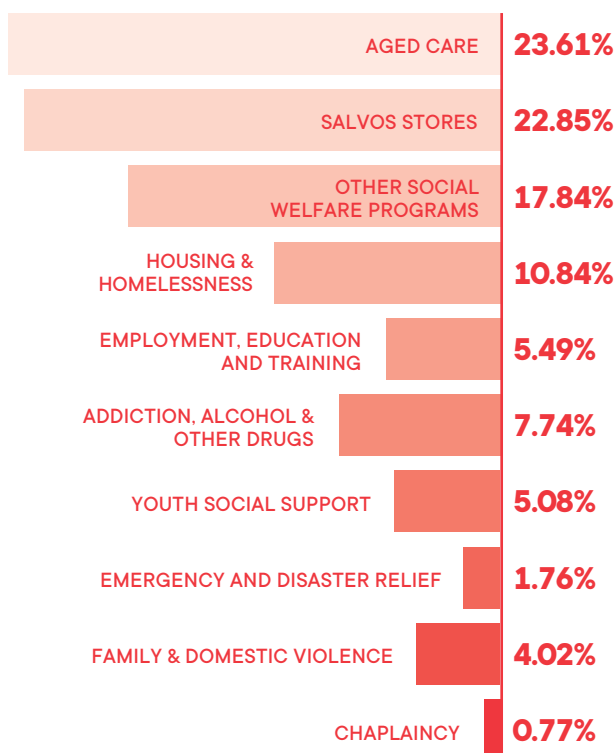
SOURCES OF INCOME	2023 \$000	2022 \$000
Government grants and funding	583,619	552,594
Revenue from trading activities	280,501	213,141
Red Shield Appeal	93,995	112,379
Distribution income	44,890	27,277
Financial assets at FVTPL - net change in fair value	13,497	(32,768)
Other income	90,419	41,518
Legacies	14,645	20,776
Other donations	3,762	6,325
Total Income	1,125,328	941,242



SOURCES OF EXPENDITURE

The following is a summary of the areas of expenditure within social program categories, in relation to social services provided by the various centres operating within the Social Fund in 2023.

SOURCES OF EXPENDITURE	2023 \$000	2022 \$000
Aged Care	260,277	215,615
Salvos Stores	251,899	182,334
Other Social Welfare Programs	196,669	186,937
Housing & Homelessness	119,500	144,744
Employment, Education and Training	60,522	67,930
Addiction, Alcohol & Other Drugs	85,326	67,855
Youth Social Support	56,002	46,372
Emergency and Disaster Relief	19,402	25,973
Family & Domestic Violence	44,317	28,963
Chaplaincy	8,489	6,827
Salvos Legal and Salvos Legal Humanitarian	-	6,713
Total Expenditure	1,102,403	980,263



The 2023 result included the following:

- The Red Shield Appeal recorded income of \$94m (2022: \$112.4m) before fundraising expenses for the year ended 30 June 2023. Recorded within Red Shield Appeal income was \$14.1m donor designated gifts including emergency appeals and disaster relief (2022: \$35.4m). Fundraising expenses incurred were \$26.7m (2022: \$22.3m). No Red Shield Appeal funds are used to cover National Redress Scheme claims.
- Legacy income \$14.7m (2022: \$20.8m) was received during the year. Legacy income received from one year to the next can fluctuate considerably, given the uncertain nature of this type of income. Apart from those bequests that specified particular programs or activities for which the funds have been set aside in reserves until able to be used, additional funding was able to be allocated towards the operational costs, as well as further funds being set aside for future capital expenditure requirements.
- Salvos Stores performance has continued to improve as trading conditions have recovered from the impacts of COVID-19 which resulted in a number of stores being completely shut down in NSW and VIC between July – October 2021.
- Government grants and funding of \$583.6m (2022: \$552.6m) has remained a strong funding source to continue to provide social support to the community.
- Included within other expenses is \$52.4m relating to an increase in the provision for National Redress Scheme. The Salvation Army Australia Territory has publicly expressed it is deeply regretful of any incident of abuse perpetuated between the 1940's and 1980's towards children who had been in its care. The National Redress Scheme for Institutional Child Sexual Abuse Act 2018 (National Redress Scheme) was assented to on 21 June 2018. On 9 October 2018, the Minister for Families and Social Services accepted The Salvation Army's application to join the National Redress Scheme. (For more details, refer to note 11)

DEVELOPMENTS

The Salvation Army continues to provide community services, assistance and support to the community and its members ensuring care is provided to the most vulnerable in our communities. Many people in the community continue to experience hardships as a result of the instability and uncertainty driven by the rising costs of living.

Whilst there are no significant developments or changes to the overall operations of The Salvation Army, there is continued effort toward new initiatives to provide the best support to the community whilst also prioritising the importance of sustainable operations.

EVENTS SUBSEQUENT TO REPORTING DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Trustees of the entities which comprise the Social Fund, to affect significantly the operations of the Social Fund, the results of those operations, or the state of affairs of the Social Fund, in future financial years.

ENVIRONMENTAL ISSUES

The Social Fund is subject to environmental regulations under the law of the Commonwealth and of the States. However, the governing body of the Social Fund believes that adequate systems are in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Social Fund.

INSURANCE OF OFFICERS

The Social Fund has, during the financial year, paid an insurance premium in respect of an insurance policy for the benefit of the Trustees and Officers of the Social Fund. The insurance is in the normal course of business and grants indemnity for liabilities permitted to be indemnified by The Salvation Army Australia Territory under Section 199 of the *Corporations Act 2001 (Cth)*. In accordance with commercial practice, the insurance policy prohibits disclosure of the terms of the policy including the nature of the liability insured against and the amount of the premium.

ROUNDING OF AMOUNTS

Amounts in this report have been rounded off to the nearest thousand dollars except where otherwise indicated.

AUDITOR

KPMG continues as the Social Fund's auditor at the date of this report.

LEAD AUDITOR'S INDEPENDENCE DECLARATION

The Lead auditor's independence declaration is set out on page 99 and forms part of the Trustees' report for the financial year ended 30 June 2023.

Signed in accordance with a resolution of the Trustees:

Stuart Glover

Secretary for Business Support
TRUSTEE

Winsome Merrett

Chief Secretary
TRUSTEE

Dated at Melbourne this 23rd day of November 2023

Aggregated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2023

	Note	2023 \$000	2022 \$000
Revenue	2	976,522	905,215
Distribution income		44,890	27,277
Financial assets at FVTPL - net change in fair value		13,497	(32,768)
Other income		90,419	41,518
Total revenue and other income		1,125,328	941,242
Employee benefits expense		(633,428)	(570,439)
Depreciation expenses	6, 8	(69,878)	(68,359)
Computer expenses		(19,321)	(13,295)
Welfare/Jobseeker expenses		(68,000)	(74,284)
Building/Occupancy expenses		(102,275)	(96,059)
Motor Vehicle expenses		(12,648)	(9,740)
Rollover accommodation bond credits		526	(546)
Amenities and supplies		(52,708)	(44,723)
Professional fees expenses		(36,904)	(20,364)
Financing expenses		(12,478)	(5,663)
Other expenses from ordinary activities		(95,289)	(76,791)
Total operating expenses		(1,102,403)	(980,263)
Operating net income/(expenditure)		22,925	(39,021)
Other comprehensive income/(expenditure)		-	-
Total comprehensive income/(expenditure) for the year		22,925	(39,021)

The accompanying notes on pages 70 – 97 form part of these financial statements.

Aggregated Statement of Financial Position

As at 30 June 2023

	Note	2023 \$000	2022 \$000
ASSETS			
Current Assets			
Cash and cash equivalents		81,979	38,631
Trade and other receivables	4	15,135	14,985
Prepayments		1,773	2,815
Other financial assets	5	8,146	8,044
Inventories		5,541	4,072
Non-current assets held for sale		4,322	3,084
Total Current Assets		116,896	71,631
Non-Current Assets			
Trade and other receivables	4	35,124	30,490
Other financial assets	5	673,813	647,044
Property, plant and equipment	6	734,905	722,951
Right-of-use assets	8	193,549	188,648
Total Non-Current Assets		1,637,391	1,589,133
TOTAL ASSETS		1,754,287	1,660,764
LIABILITIES			
Current Liabilities			
Lease liabilities	8	40,388	39,214
Trade and other payables	9	87,923	79,068
Employee benefits	10	43,823	40,495
Provisions	11	15,698	12,982
Loans and borrowings	12	231,229	220,865
Total Current Liabilities		419,061	392,624
Non-Current Liabilities			
Lease liabilities	8	148,524	141,344
Employee benefits	10	8,568	7,381
Provisions	11	58,672	23,885
Loans and borrowings	12	9,279	8,272
Total Non-Current Liabilities		225,043	180,882
TOTAL LIABILITIES		644,104	573,506
NET ASSETS		1,110,183	1,087,258
CAPITAL FUNDS			
Working Capital fund		622	1,000
Property contributions fund		627,238	610,540
Reserves		344,666	314,260
Trusts and special purpose funds		55,758	77,295
Legacies		81,899	84,163
TOTAL CAPITAL FUNDS		1,110,183	1,087,258

The accompanying notes on pages 70 – 97 form part of these financial statements.

Aggregated Statement of Cash Flows

For the year ended 30 June 2023

	Note	2023 \$000	2022 \$000
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash receipts in the course of operations		1,124,669	1,039,763
Cash payments in the course of operations		(1,031,734)	(986,829)
Interest paid		(12,478)	(5,663)
Interest received		44,376	27,277
Net cash provided by/(used in) operating activities	13	124,833	74,548
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments for investments		(73,255)	(79,049)
Receipts from disposal of investments		64,174	83,923
Payments for property, plant and equipment		(60,357)	(51,890)
Proceeds from sale of property, plant and equipment		16,710	7,960
Net cash provided by/(used in) investing activities		(52,728)	(39,056)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings		1,000	-
Repayment of lease liabilities		(39,425)	(40,006)
Proceeds from residents' accommodation bonds and other deposits received		70,890	61,743
Repayment of residents' accommodation bonds and other deposits		(61,222)	(55,713)
Net cash provided by/(used in) financing activities		(28,757)	(33,976)
Net increase/(decrease) in cash and cash equivalents held		43,348	1,516
Cash and cash equivalents at beginning of year		38,631	37,115
Cash and cash equivalents at end of financial year		81,979	38,631

The accompanying notes on pages 70 – 97 form part of these financial statements.

Aggregated Statement of Changes in Funds

For the year ended 30 June 2023

	Working Capital Fund	Property Contribution Fund	Reserves	Trusts and Special Purpose Fund	Legacies	Total
	\$000	\$000	\$000	\$000	\$000	\$000
2022						
Balance at 1 July 2021	24,453	602,739	338,260	77,863	82,964	1,126,279
Operating net income	(39,021)	-	-	-	-	(39,021)
	(14,568)	602,739	338,260	77,863	82,964	1,087,258
Net transfers and allocations within other capital funds	15,568	7,801	(24,000)	(568)	1,199	-
Balance at 30 June 2022	1,000	610,540	314,260	77,295	84,163	1,087,258
	Working Capital Fund	Property Contribution Fund	Reserves	Trusts and Special Purpose Fund	Legacies	Total
	\$000	\$000	\$000	\$000	\$000	\$000
2023						
Balance at 1 July 2022	1,000	610,540	314,260	77,295	84,163	1,087,258
Operating net income	22,925	-	-	-	-	22,925
	23,925	610,540	314,260	77,295	84,163	1,110,183
Net Transfer and allocations within other capital funds	(23,303)	16,698	30,406	(21,537)	(2,264)	-
Balance at 30 June 2023	622	627,238	344,666	55,758	81,899	1,110,183

The accompanying notes on pages 70 – 97 form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 June 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Salvation Army is a not-for-profit organisation and has been operating in Australia since 1880.

The Salvation Army Australia is domiciled in Australia and the address of the organisation's registered office is:

The Salvation Army Australia
95-99 Railway Rd,
Blackburn VIC 3130

The Salvation Army Australia Social Fund ('Social Fund') includes the following operations:

- The Salvation Army (Victoria) Property Trust (ABN 64 472 238 844) established pursuant to *The Salvation Army (Victoria) Property Trust Act 1930*;
- The Salvation Army (Tasmania) Property Trust (ABN 94 917 169 560) established pursuant to *the Salvation Army (Tasmania) Property Trust Act 1930*;
- The Salvation Army (South Australia) Property Trust (ABN 13 320 346 330) established pursuant to *The Salvation Army (South Australia) Property Trust Act 1931*;
- The Salvation Army (Western Australia) Property Trust (ABN 25 878 329 270) established pursuant to *The Salvation Army (Western Australia) Property Trust Act 1931*;
- The Salvation Army (Northern Territory) Property Trust (ABN 65 906 613 779) established pursuant to *the Salvation Army (Northern Territory) Property Trust Act 1976*;
- The Salvation Army (New South Wales) Property Trust (ABN 57 507 607 457) established pursuant to *The Salvation Army (New South Wales) Property Trust Act 1929*;
- The Salvation Army (Queensland) Property Trust (ABN 32 234 126 186) established pursuant to *the Salvation Army (Queensland) Property Trust Act 1930*;
- The Salvation Army (Victoria) Property Trust atf The Salvation Army (VIC) Social Work (ABN 18 730 899 453);
- The Salvation Army (Tasmania) Property Trust atf The Salvation Army (TAS) Social Work (ABN 23 860 168 024);
- The Salvation Army (South Australia) Property Trust atf The Salvation Army (SA) Social Work (ABN 45 781 882 681);
- The Salvation Army (Western Australia) Property Trust atf The Salvation Army (WA) Social Work (ABN 92 646 174 644);
- The Salvation Army (Northern Territory) Property Trust atf The Salvation Army (NT) Social Work (ABN 34 413 960 392);
- The Salvation Army (New South Wales) Property Trust atf The Salvation Army (NSW) Social Work (ABN 46 891 896 885);
- The Salvation Army (Queensland) Property Trust atf The Salvation Army (QLD) Social Work (ABN 22 035 976 360);
- The Salvation Army (Australia) Redress Limited (ABN 94 628 594 294);
- Salvos Legal Limited (ABN 14 147 213 214)
- Salvos Legal (Humanitarian) Limited (ABN 36 147 212 940)
- The Salvation Army (Australia) Self Denial Fund (For Overseas Aid) (ABN 52 609 689 893);
- The Salvation Army Aust Self Denial Fund (For Overseas Aid) (ABN 15 562 601 404);
- The Salvation Army Community Housing Service (ABN 47 152 257 728);
- Salvation Army Housing (ABN 59 608 346 934); and
- Salvation Army Housing (Victoria) (ABN 85 133 724 651).

In the opinion of the Trustees, having regard to the not-for-profit nature of The Salvation Army, the terms profit and loss have been substituted with the terms 'net income/(expenditure)' as these terms are considered more appropriate given the nature of the Social Fund, as an entity.

The financial report was authorised for issue by the governing body of the Social Fund on 23rd November 2023.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Statement of compliance

These special purpose aggregated financial statements are prepared for the Australian Charities and Not-for-profit Commission and comply with all of the recognition and measurement principles of Australian Accounting Standards except that the aggregated operations that comprise the Social Fund do not constitute a group for the purpose of *AASB 10 Consolidated Financial Statements*. The financial statement disclosures comply with the requirements of 'GPFS-Tier 2 SD' in accordance with '*AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*' adopted by the Australian Accounting Standards Board (AASB), the *Australian Charities and Not-for-profit Commission Act (ACNC) 2012 (Cth)* and the *Australian Charities and Not-for-profit Commission Regulations 2022 (Cth)*.

(b) Basis of preparation

The financial report is presented in Australian dollars which is the functional currency of all operations. The financial statements have been prepared on the historical cost basis except for financial instruments and loans receivable which are measured at fair value.

All amounts in the financial report have been rounded to the nearest thousand dollars except where otherwise indicated.

In preparing these aggregated financial statements, management has made judgements, estimates and assumptions that affect the application of the Social Fund's accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Going concern

Notwithstanding a 'current asset versus current liabilities' deficiency of \$302,165k, the financial statements have been prepared on a going concern basis. The deficiency is caused by the requirement under Australian Accounting Standards to classify all accommodation bonds (\$231,229k) as current liabilities, as there is no unconditional right to defer payment for 12 months if residents were to depart an aged care centre. Based on past experience, the Social Fund believes that not all accommodation bonds will need to be refunded within the next 12 months. The Social Fund has a large investment portfolio which is classified as non-current however is highly liquid and can be called upon if required. Accordingly the financial statements have been prepared on a going concern basis, as the Trustee's of the governing body expect to have sufficient funding available for the foreseeable future.

Basis of aggregation

(i) Aggregation of operations and activities

The aggregated financial statements incorporates the assets and liabilities and the results of social programs, Salvos Stores, Salvation Army Housing, Salvos Funerals and The Salvation Army Employment Plus Program.

(ii) Loss of control

When the Social Fund loses control of an entity, it derecognises the assets and liabilities and any related Non-Controlling Interest (NCI) and other components of equity. Any resulting gain or loss is recognised in the Aggregated Statement of Profit or Loss and Other Comprehensive Income. Any interest retained is measured at fair value when control is lost.

(iii) Transactions eliminated on aggregation

Intra-group balances and transactions, and any unrealised income and expenses arising from intragroup transactions, are eliminated in preparing the aggregated financial statements.

Notes to the Financial Statements

For the year ended 30 June 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Property, plant and equipment

(i) Property, plant and equipment at cost

Items of property, plant and equipment are stated at cost, or if donated, at fair value of the asset on the date received less accumulated depreciation.

Property that is being constructed for future use is classified as 'Buildings under construction' and stated at cost until construction is complete, at which time it is reclassified as 'freehold buildings' or 'leasehold property'.

Upon disposal of freehold properties, the gain or loss on disposal is recorded in the Aggregated Statement of Profit and Loss and Other Comprehensive Income.

(ii) Depreciation

With the exception of freehold land, depreciation is charged to the Aggregated Statement of Profit or Loss and Other Comprehensive Income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. Depreciation commences from the date of acquisition or, in respect of constructed assets, from the time an asset is completed and ready for use.

The estimated useful lives in the current and comparative periods are as follows:

• Buildings	50 years
• Plant and Equipment (excluding motor vehicles)	3 years
• Motor Vehicles/Trucks/Airplanes/Helicopters	4 to 20 years
• Leasehold Improvements	Term of the lease

The residual value, the useful life and the depreciation method applied to an asset are reassessed annually.

(iii) Non-current assets held for sale

Non-current assets, or disposal groups, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to dispose. Any impairment loss on a disposal group is allocated to the remaining assets on a pro rata basis, except that no loss is allocated to inventories, financial assets or employee benefit assets which continue to be measured in accordance with the Social Fund's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in net income or expenditure.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

(iv) Asset sales

The gain or loss on disposal of all property, plant and equipment is determined as the difference between the carrying value of the asset at time of disposal and the net proceeds on disposal.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Financial instruments

(i) Financial assets

Financial instruments are recognised initially on the date that the Social Fund becomes party to the contractual provisions of the instrument. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

On initial recognition, the Social Fund classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Social Fund changes its business model for managing financial assets.

Amortised cost

The Social Fund's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the Aggregated Statement of Financial Position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial assets at fair value through profit or loss (FVTPL)

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

The Social Fund's financial assets measured at FVTPL comprise of managed funds and loan receivables in the Aggregated Statement of Financial Position.

Impairment of financial assets

Impairment of financial assets, held at amortised cost, is determined using the simplified approach in *AASB 9* which uses an estimation of lifetime expected credit losses. The Social Fund has determined the probability of non-payment of these financial assets and multiplied this by the amount of the expected loss arising from default.

The amount of any impairment is recorded in a separate allowance account with the loss being recognised in financing expenses. Once these financial assets are determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

(ii) Financial liabilities

The Social Fund measures all financial liabilities initially at fair value less transaction costs, and subsequently, financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Social Fund comprise trade payables, loans and borrowings and lease liabilities.

Notes to the Financial Statements

For the year ended 30 June 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Measurement of fair values

A number of the Social Fund's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Social Fund has an established control framework with respect to the measurement and disclosure of fair values. This includes management that has overall responsibilities for all significant fair value measurements, including Level 3 fair values, and reports directly to the Trustees.

The carrying amounts and fair value of the Social Fund financial assets, measured or disclosed at fair value are determined using a 3-level hierarchy, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical markets that the entity can access at the measurement date
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the assets either directly or indirectly
- Level 3: Unobservable inputs for the assets

The unlisted units in managed investment funds are level 2 financial assets and their carrying value approximates their fair market value.

Loan receivables include loans from 99 year leases that The Salvation Army purchased from independent living units to accommodate residents from one of its Independent Living Units to make way for an aged care development. The loan receivables are recognised at fair value net of a management fee payable over a maximum of 10 years and incorporate any fair value adjustment in relation to a terminal value. The terminal value results in The Salvation Army sharing in any capital gain or loss.

(f) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank and cash in transit balances with an original maturity of 3 months or less from the acquisition date that are subject to an insignificant risk of change in their fair value.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Accommodation Bonds and Resident Loans

(i) Rollovers

Prior to 1 August 2002, the practice of the Social Fund was to 'rollover' an independent living unit (ILU) resident's ingoing refundable accommodation deposit when that resident moved from an ILU into low care/hostel accommodation on the same site. As part of the sale of various aged care centres on 1 July 2005, the Social Fund retained responsibility, under certain conditions, to fund part/all of any future accommodation bonds charged to ILU residents who had resided at such centres prior to 1 August 2002, when they moved into low care/hostel accommodation on the same site. The majority of any funds released under this 'rollover' policy will be repaid to the Social Fund when the residents vacate the aged care centre.

An assessment was made at balance date by the Social Fund as to the present value of estimated future payments under this rollover policy, and estimated receivables representing funds to be returned to the Social Fund, when the residents vacate the aged care centre, with any adjustment recorded through the Aggregated Statement of Profit or Loss and Other Comprehensive Income.

Various assumptions have been included in the calculation of the present value of these estimated receivable and payable balances, including 10-year government bond rate of 4.07%pa (2022: 3.69%pa) decrement rate assumption of 25%pa (2022: 20%pa), refundable accommodation deposit percentage increase rate of 3%pa (2022: 3%pa) refundable accommodation deposit levels and the estimated inflows and outflows for residents eligible for assistance.

(ii) Refundable/Amortisable Accommodation Bonds

Many residents of aged care centres pay a refundable and amortisable accommodation bond to the Social Fund. The refundable portion is in the form of an interest free loan repayable in full.

(iii) ILUs and Resident Loans

Resident loans are non-interest bearing liabilities to residents of independent living units (ILUs). The loans represent the initial payments made by residents to The Salvation Army to gain entry to an independent living unit net of the accrued deferred management fee. The loans are payable to a resident on the termination of the resident's occupation rights to the independent living unit.

Notwithstanding the expected term of an occupancy is several years, the resident has the option to cancel the residency agreement at any time. As this option constitutes a demand feature, the liability is not discounted. Liabilities to ILU residents are stated net of deferred management fees recoverable.

Additionally, Warringah Place is one of The Salvation Army's resident funded ILUs. Residents of Warringah Place are Registered Interest Holders under the *Retirement Villages Act 1999* (NSW). The ILUs are issued under long term leases and residents share in capital gains and losses.

The lease refurbishment contribution is calculated as either 2.5% of the original lease premium for each year of the lease to a maximum of 10 years or 10% of the original lease premium for each year of the lease to a maximum of 30%, and accounted for as refurbishment contribution receivable.

Notes to the Financial Statements

For the year ended 30 June 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. No value is assigned to donated goods where the value of the item is of nominal or low value.

Inventory is assessed on a regular basis, and slow moving or damaged items are provided for within a provision for stock obsolescence.

(i) Impairment of non-financial assets

The carrying amounts of the Social Fund's assets, other than inventories and financial instruments, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists the asset's recoverable amount is estimated and is compared to the assets carrying value. An impairment loss is recognised if the carrying value of the asset exceeds the recoverable amount.

(j) Employee benefits

(i) Defined contribution superannuation funds

Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the Aggregated Statement of Profit or Loss and Other Comprehensive Income as incurred.

(ii) Wages, salaries, annual leave and non-monetary benefits

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date, are calculated at undiscounted amounts based on remuneration wage and salary rates that the Social Fund expects to pay as at reporting date including related on-costs.

(iii) Long-term service benefits

The Social Fund's net obligation in respect of long-term service benefits, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to high quality corporate bonds at the reporting date which have maturity dates approximating the term of the Social Fund's obligations. Remeasurements are recognised as income or expenditure in the Aggregated Statement of Profit and Loss and Other Comprehensive Income as incurred.

(k) Provisions

A provision is recognised in the Aggregated Statement of Financial Position when the Social Fund has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the Aggregated Statement of Cash Flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(m) Revenue and other income

(i) Other donations

Donations are recognised as revenue in the Social Fund to allow it to further its objectives. Where donations contain specific performance obligations, the revenue is recognised over time as work is performed. Where a donation does not have a specific condition, it is recognised as income when received.

(ii) Legacies income

Legacies are recognised when the Social Fund receives the legacy. Revenue from legacies comprising bequests of shares or other property are recognised at fair value, being the market value of the shares or property, at a point in time, when the Social Fund becomes legally entitled to the shares or property.

(iii) Red Shield Appeal donations

The Salvation Army Red Shield Appeal is an annual appeal. The amounts received and corresponding fundraising expenses are reflected in the financial report in the same year as the appeal. Red Shield Appeal monies are recognised as revenue where the Social Fund acquires or receives an asset (including cash) in exchange for no consideration, in order to further its objectives. In circumstances where there are sufficiently enforceable rights and/or sufficiently specific performance obligations, revenue is deferred initially as a liability and is then recognised when obligations or conditions are fulfilled.

(iv) Government grants

The Social Fund's social program activity is supported by grants received from the federal, state and local governments. Grants can be received on the condition of specified services being delivered, or conditions being fulfilled. Such grants are initially recognised as a liability called prepaid government funding and revenue is recognised as services are performed or conditions fulfilled. Revenue from grants, where there is a lack of enforceable rights and obligations and/or sufficiently specific performance obligations, is recognised when the organisation obtains control of the funds.

(v) Resident contributions and patient fees

Resident fee income is recognised over time as the service is delivered to the resident. Accrued resident income represents an estimate of fees due from residents not billed at balance date.

(vi) Government funding - fee for service

Revenue from employment administration services is recognised on a percentage completion basis over time. Revenue from employment outcomes is recognised at a point in time when the unconditional right to receive the outcome fee is earned.

Notes to the Financial Statements

For the year ended 30 June 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Revenue and other income (continued)

(vii) Revenue from trading activities

Revenue from the sale of goods comprises revenue earned (net of returns, discounts and allowances) from the sale of goods for resale and gifts donated for resale. Sales revenue is recognised when the control of goods passes to the customer.

(viii) Distribution income and Financial assets at FVTPL - net change in fair value

Distribution income comprises interest and dividends. Financial assets at FVTPL comprises the fair value (loss)/gain. The 'effective interest rate' is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

Interest income is recognised using the effective interest method. Dividend income is recognised in the Aggregated Statement of Profit and Loss and Other Comprehensive Income on the date on which the Social Fund's right to receive payment is established.

(ix) Contributions in Kind

No amounts are included in the aggregated financial statements for services donated by volunteers, or donated goods that have a low or nominal value.

(n) Expenses

Borrowing costs are expensed as incurred, and lease interest expense associated with lease liabilities, is included in financing expenses.

(o) Accounting estimate and judgments

The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(i) Key sources of estimation uncertainty

Note 11 contains information about the provision for National Redress, and Note 1(g)(i) contains information about rollover receivable and payable balances.

Right of use assets and lease liability balances are subject to risk as the execution of lease extension options is uncertain and incremental borrowing rates are judgmental given the lessee assesses what the equivalent borrowing rate ought to be. Note 1(p) contains information about inputs required in formulating both right of use assets and lease liabilities.

(p) Leases

(i) Determining whether an arrangement contains a lease

At inception of a contract, the Social Fund assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Social Fund uses the definition of a lease in *AASB 16 Leases* along with the application guidance provided in the Standard.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Leases (continued)

(ii) Recognition

Lease terms

Property leases that are not peppercorn arrangements typically have a maximum term of up to 10 years from commencement, including the first renewal option. Property leases normally include provisions for annual increases in rental payments to reflect changes in fixed percentage increases and/or changes in the consumer price index (CPI).

Motor vehicle leases are typically for a maximum period of 5 years, and are expected to run their full terms.

(iii) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease, which is the date on which the lessor makes the leased asset available to the Social Fund. The right-of-use asset is measured at cost, which comprises the initial present value amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Where the Social Fund does not expect to obtain ownership of the leased asset at the end of the lease term, right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter. Where the Social Fund expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is recognised over its estimated useful life. Right-of-use assets are subject to impairment. In addition, the right-of-use asset is periodically adjusted for any reassessments and modifications of the lease liability.

(iv) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments that are not paid at the commencement date and are to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Social Fund's incremental borrowing rate. Lease payments comprise fixed payments (including any in-substance fixed payments), plus any variable lease payments that depend on an index or rate (initially measured using the index or rate as at the commencement date), less any lease incentives received, plus any amounts expected to be paid under residual value guarantees, plus the exercise price of a purchase option when the exercise of the option is reasonably certain to occur, plus any anticipated termination penalties.

The Social Fund has determined its incremental borrowing rates based on rates it would otherwise currently pay in respect to debt facilities for similar assets, adjusted to reflect the terms of the particular lease and the nature of the underlying leased asset.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in one or more of the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, and/or to income or expenditure if the carrying amount of the right-of-use asset is fully written down.

Notes to the Financial Statements

For the year ended 30 June 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Leases (continued)

(iv) Lease liabilities (continued)

Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

Extension and termination options are a feature of most of the property leases agreements that the Social Fund is a lessee party to. All extension and termination options held are exercisable only by the Social Fund and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension and termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. Decisions around lease term and the likelihood of extending a lease (where an extension option is available) are based on the class of asset, nature of the lease and the number of years remaining on the initial lease term. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Social Fund as lessee.

When the Social Fund renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy;
- in all other cases where the renegotiations increase the scope of the lease, the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount; and
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference immediately recognised in income or expenditure. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

(v) Lease exemptions and elections

AASB 16 provides the option to elect, on an asset class-by-asset class basis, not to separate payments in respect to non-lease components (such as outgoings) from lease component payments, and measure the associated right-of-use asset and lease liability based on all of the payments under the agreement. The Social Fund has not applied this practical expedient and therefore has excluded any material nonlease component payments from the measurement of its right-of-use assets and lease liabilities.

The Social Fund has elected to apply incremental borrowing rates by class of asset. Classes include property and vehicles.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Leases (continued)

(v) Lease exemptions and elections (continued)

Peppercorn leases principally enable the Social Fund to further its objectives where a 'peppercorn' amount is paid as consideration to a lessor. The AASB issued *AASB 2018-8 Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-Profit Entities*, which allows not-for-profit entities to elect to measure 'peppercorn' or concessionary leases at cost, rather than fair value. Peppercorn leases are incorporated within the 'Property' class of right-of-use lease assets..

(q) New Accounting Standards and Interpretations

New standards adopted during the year

A number of new standards, amendments to standards and interpretations are effective from 1 July 2022 but they do not have a material effect on the Social Fund.

New standards not yet adopted

A number of new standards are effective for annual periods beginning on or after 1 July 2023 and earlier application is permitted, however, the Social Fund has not early adopted the new or amended standards in preparing these aggregated financial statements.

None of these are expected to have a significant effect on the financial statements of the Social Fund..

(r) Income Tax

The Social Fund is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

Notes to the Financial Statements

For the year ended 30 June 2023

2. REVENUE

	2023 \$000	2022 \$000
Government grants	411,110	381,875
Government funding - fee for service	87,379	90,373
Resident contributions and patient fees	85,130	80,346
Revenue from trading activities	280,501	213,141
Red Shield Appeal donations	93,995	112,379
Legacies income	14,645	20,776
Other donations	3,762	6,325
Total Revenue	976,522	905,215

3. AUDITORS' REMUNERATION

	2023 \$	2022 \$
Audit services - KPMG Australia	981,223	831,166
Other services - KPMG Australia	217,141	80,271
Total Auditors' Remuneration	1,198,364	911,437

4. TRADE AND OTHER RECEIVABLES

	2023 \$000	2022 \$000
Current		
Accommodation Bond Rollovers	1,009	1,208
Sundry debtors	14,126	13,777
Total Current Trade and other receivables	15,135	14,985
Non-Current		
Accommodation Bond Rollovers	4,853	6,918
Loan Receivable - Independent Living Units	12,518	7,044
Independent Living Unit - Lease Refurbishment Contribution	11,762	10,757
Sundry debtors	5,991	5,771
Total Non-Current Trade and other receivables	35,124	30,490

5. OTHER FINANCIAL ASSETS

Current

Short term deposits

2023
\$000

2022
\$000

8,146

8,044

Non-current

Unlisted units in managed investment funds

673,813

647,044

Unlisted units in managed investment funds are those where the Social Fund invests its surplus cash with General Fund who in turn invest those funds with third parties. Accordingly, the nature of the Social Fund's investments in this regard is unlisted units in a managed investment fund operated by the General Fund.

The General Fund typically on-invests the Social Fund's capital principally in third party managed investments associated with Australian equity market indices and Australian property as well as a small portion of the overarching portfolio in Australian equities 7.1% (2022: 7.6%) and fixed interest securities 2.7% (2022: 3.1%).

The returns earned by the Social Fund are influenced by the investment returns of the General Fund and passed back to the Social Fund on a pro-rata basis, based on the Social Fund's contribution to each investment made by the General Fund.

6. PROPERTY, PLANT AND EQUIPMENT

Freehold Land and Buildings

Freehold land at cost

126,486

106,456

Buildings at cost

788,022

766,706

Accumulated depreciation

(245,523)

(232,151)

668,985

641,011

Leasehold Improvements

At cost

26,993

27,613

Accumulated depreciation

(22,786)

(25,932)

4,207

1,681

Buildings under construction - at cost

27,918

38,985

Motor vehicles

At cost

10,468

10,994

Accumulated depreciation

(9,457)

(9,680)

1,011

1,314

Plant and equipment

At cost

112,155

108,977

Accumulated depreciation

(79,371)

(69,017)

32,784

39,960

Total property, plant and equipment

734,905

722,951

Notes to the Financial Statements

For the year ended 30 June 2023

6. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Freehold Land and Buildings \$000	Buildings under construction - at cost \$000	Plant and Equipment \$000	Motor Vehicles \$000	Leasehold Improvements \$000	Total \$000
Year ended 30 June 2022						
Balance at the beginning of year	617,496	52,812	33,790	2,011	1,307	707,416
Additions/Transfers in	46,319	36,185	16,664	909	1,216	101,293
Transfers out	-	(50,012)	-	-	-	(50,012)
Transfer to assets held for sale	(3,698)	-	-	-	-	(3,698)
Disposals	(3,913)	-	(706)	(669)	(11)	(5,299)
Depreciation	(15,193)	-	(9,788)	(937)	(831)	(26,749)
	641,011	38,985	39,960	1,314	1,681	722,951

	Freehold Land and Buildings \$000	Buildings under construction - at cost \$000	Plant and Equipment \$000	Motor Vehicles \$000	Leasehold Improvements \$000	Total \$000
Year ended 30 June 2023						
Balance at the beginning of year	641,011	38,985	39,960	1,314	1,681	722,951
Additions/Transfers in	55,120	66,645	29,894	340	4,497	156,496
Transfers out	-	(75,174)	-	-	-	(75,174)
Transfer to assets held for sale	(4,322)	-	-	-	-	(4,322)
Disposals	(7,560)	(2,538)	(25,133)	(9)	(1,229)	(36,469)
Depreciation	(15,264)	-	(11,937)	(634)	(742)	(28,577)
	668,985	27,918	32,784	1,011	4,207	734,905

7. COMMITMENTS

The Social Fund is constantly engaged in planned and ongoing construction projects requiring the commitment of significant funds.

	2023 \$000	2022 \$000
Cost to complete Buildings under construction	46,522	60,705

8. LEASES

Right-of-use assets

	Property \$000	Motor Vehicles \$000	Total \$000
Cost			
At 1 July 2021	272,249	9,373	281,622
Additions	3,618	1,629	5,247
Reassessments and modifications	25,065	311	25,376
Disposals	(13,312)	(1,453)	(14,765)
At 30 June 2022	287,620	9,860	297,480
Additions	7,543	1,601	9,144
Reassessments and modifications	33,604	1,281	34,885
Disposals	(8,014)	(727)	(8,741)
At 30 June 2023	320,753	12,015	332,768
Accumulated depreciation			
At 1 July 2021	75,210	3,907	79,117
Depreciation	38,741	2,869	41,610
Reassessments and modifications	(538)	(14)	(552)
Disposals	(9,933)	(1,410)	(11,343)
At 30 June 2022	103,480	5,352	108,832
Depreciation	38,645	2,656	41,301
Reassessments and modifications	(2,770)	79	(2,691)
Disposals	(7,499)	(724)	(8,223)
At 30 June 2023	131,856	7,363	139,219
Net carrying amount			
At 30 June 2022	184,140	4,508	188,648
At 30 June 2023	188,897	4,652	193,549

Notes to the Financial Statements

For the year ended 30 June 2023

8. LEASES (CONTINUED)

Lease liabilities

	Property \$000	Motor Vehicles \$000	Total \$000
At 1 July 2021	185,595	6,546	192,141
Additions	3,618	1,629	5,247
Interest expense	4,770	261	5,031
Lease liability payments	(41,516)	(3,521)	(45,037)
Reassessments and modifications	26,292	318	26,610
Disposals	(3,391)	(43)	(3,434)
At 30 June 2022	<u>175,368</u>	<u>5,190</u>	<u>180,558</u>
Included in the financial statements as:			
Current liabilities	36,724	2,490	39,214
Non-current liabilities	138,644	2,700	141,344
	<u>175,368</u>	<u>5,190</u>	<u>180,558</u>
At 30 June 2022	175,368	5,190	180,558
Additions	7,543	1,601	9,144
Interest expense	5,492	257	5,749
Lease liability payments	(41,991)	(3,183)	(45,174)
Reassessments and modifications	37,941	1,217	39,158
Disposals	(518)	(5)	(523)
At 30 June 2023	<u>183,835</u>	<u>5,077</u>	<u>188,912</u>
Included in the financial statements as:			
Current liabilities	37,966	2,422	40,388
Non-current liabilities	145,869	2,655	148,524
	<u>183,835</u>	<u>5,077</u>	<u>188,912</u>

8. LEASES (CONTINUED)

Amounts recognised in Cash Flows from Financing Activities in Aggregated Statement of Cash Flows:

	Property \$000	Motor Vehicles \$000
30 June 2022		
Lease liability payment	(36,745)	(3,259)
30 June 2023		
Lease liability payment	(36,499)	(2,926)

Amounts recognised in Cash Flows from Operating Activities in Aggregated Statement of Cash Flows:

	Property \$000	Motor Vehicles \$000
30 June 2022		
Interest payment	(4,770)	(261)
30 June 2023		
Interest payment	(5,492)	(257)

Refer to Note 16 for further information on financial risk management, and maturity analysis covering contractual maturities representing undiscounted contractual cash flows of all lease liabilities recognised.

Leases with significantly below-market terms and conditions ('Peppercorn')

The Social Fund has the right to use a number of properties for no or nominal rental payments in order to further the entity's not-for-profit objectives. The lease terms for these properties range from 1 - 92 years. The Social Fund is permitted to continue to use the properties provided that The Salvation Army's status as a not-for-profit entity does not change and that it continues to operate for the benefit of the community.

The Social Fund elected to measure the right of use asset arising from these leases at cost, which is based on the associated lease liability. The carrying amounts attributable to Peppercorn leases were as follows:

	2023 \$	2022 \$
Right of use assets	2,020	2,020
Accumulated depreciation	(667)	(505)
Total lease liability	1,404	1,548

Notes to the Financial Statements

For the year ended 30 June 2023

9. TRADE AND OTHER PAYABLES

	2023 \$000	2022 \$000
Current		
Sundry creditors and accruals	46,001	37,614
Prepaid government funding for social programs	35,114	36,279
Deferred Red Shield Appeal and other donations	6,808	5,175
Total Current Trade and other payables	87,923	79,068

10. EMPLOYEE BENEFITS

	2023 \$000	2022 \$000
Current		
Annual leave	30,374	27,570
Long service leave	13,449	12,925
	43,823	40,495
Non-Current		
Long service leave	8,568	7,381

The Social Fund contributed \$50,320,851 (2022: \$44,466,085) on behalf of employees to the superannuation plans of their choice, in accordance with superannuation guarantee legislation.

11. PROVISIONS

	2023 \$000	2022 \$000
Current		
Accommodation bond rollovers	546	689
National Redress	15,152	12,293
Total Current Provisions	15,698	12,982
Non-Current		
Accommodation bond rollovers	2,512	3,241
National Redress	55,072	19,477
Make good of leased premises	1,088	1,167
Total Non-Current Provisions	58,672	23,885

The Salvation Army Australia has publicly expressed it is deeply regretful of any incident of historical abuse perpetrated.

The *National Redress Scheme for Institutional Child Sexual Abuse Act 2018 (Cth)* (National Redress Scheme) was assented to on 21 June 2018, and is in direct response to the Royal Commission into Institutional Responses to Child Sexual Abuse. On 9 October 2018, the Minister for Families and Social Services accepted the Social Fund's application to join the National Redress Scheme.

11. PROVISIONS (CONTINUED)

This Act establishes the National Redress Scheme for Institutional Child Sexual Abuse which provides redress to survivors of past institutional child sexual abuse.

The participating institutions are:

- (a) all Commonwealth institutions; and
- (b) any State institution that is declared to be a participating institution; and
- (c) any Territory institution that is declared to be a participating institution; and
- (d) any non-government institution that is declared to be a participating institution.

Participating institutions that are determined by the National Redress Scheme to be responsible for the abuse of a person are liable for the costs of providing redress to the person. Those institutions are also liable for contributing to the costs of the administration of the scheme. The National Redress Scheme is responsible for recovering those costs from those institutions through funding contributions, which those institutions are required to pay on a quarterly basis.

The provision for historical abuse recognised by The Salvation Army has been based on the assessment by The Salvation Army Australia Territory's legal representatives, historical experiences and information made available either as part of the Royal Commission into Institutional Responses to Child Sexual Abuse or direct claims and consists of four key components:

1. Claims settled previously where the historical payment made to the claimant may be reassessed by the National Redress Scheme and an additional payment is considered probable;
2. Claims known but yet to be settled which will be assessed by the National Redress Scheme and a payment is considered probable;
3. Civil claims known but yet to be settled which are being finalised by nominated legal firms and a payment is considered probable; and
4. Based on historical experience, allowance for unknown claims for historical abuse which are yet to be received either via the National Redress Scheme or directly via legal representatives.

The estimation of the likely exposure associated with claims for historical abuse yet to be lodged under the National Redress Scheme or through known or unknown civil cases against The Salvation Army is inherently judgmental and, consequently, the provision for historical abuse represents a 'best estimate' at reporting date. As additional information comes to light, and the uncertainty is resolved, the Social Fund will reassess the provision.

Any negative change in assumptions about the number of claims or settlement value of such claims will result in additional settlement payments beyond that which is provided. There can be no certainty as to the number of National Redress or civil claims which will be received in relation to historical abuse, or the quantum of such claims.

Claims settled during the year amounted to \$13,897,576 (2022: \$12,034,938).

Notes to the Financial Statements

For the year ended 30 June 2023

12. LOANS AND BORROWINGS

	2023 \$000	2022 \$000
Current		
Accommodation Bonds	231,229	220,865
Total Current loans and borrowings	231,229	220,865
Non-Current		
Secured Loans	7,672	7,672
Unsecured Loans	1,607	600
Total Non-Current loans and borrowings	9,279	8,272

Accommodation Bonds

Accommodation Bonds are repayable to residents of aged care centres upon their vacating of the centres. When taking up residence at aged care centres, government legislation allows for residents to pay a refundable and an amortisable entry contribution to the Social Fund.

The refundable portion is in the form of an interest-free loan repayable in full, while the amortisable portion is amortised over five years and recognised as income.

These balances are required to be used for the benefit of aged care residents. The Salvation Army is required to ensure sufficient liquidity to enable it to repay the bonds as required.

As there is no unconditional right to defer payment for 12 months, these liabilities are recorded as current liabilities. Based on past experience, the Social Fund believes that not all accommodation bonds may need to be refunded within a given year.

Secured Loan

Secured Loan represents loans provided by government bodies towards the construction/purchase of social centres, secured against the properties. The loans are only repayable to the government bodies under certain default or closure circumstances. It is not foreseen that such circumstances will exist within the next 12 months.

Unsecured Loan

Unsecured Loan represents loans provided by government bodies towards the construction of aged care centres and Salvation Army Housing sites. The loans are only repayable to the government bodies under certain default or closure circumstances. It is not foreseen that such circumstances will exist within the next 12 months.

13. RECONCILIATION OF NET INCOME TO CASH FLOWS FROM OPERATING ACTIVITIES

	2023 \$000	2022 \$000
Net income/(expenditure)	22,925	(39,021)
Adjustments for non-cash income and expenditure items contained within operating activities:		
- depreciation	69,878	68,359
- project write-offs	25,100	10,340
- net gain from sale of property, plant and equipment	(21,142)	(20,804)
- property contributed/donated	(2,080)	(7,794)
- legacy bequests received other than in the form of cash	(3,777)	-
- investment distributions reinvested	(515)	-
- investment fair value adjustments	(13,497)	32,768
- other	2,276	18,594
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(4,780)	11,598
- (increase)/decrease in prepayments	1,042	818
- (increase)/decrease in inventories	(1,469)	993
- increase/(decrease) in trade and other payables	8,855	(4,506)
- increase/(decrease) in employee benefits	4,514	64
- increase/(decrease) in provisions	37,503	3,139
Cashflows from operations	124,833	74,548

14. RELATED PARTIES

Key management personnel compensation

Key management personnel compensation comprised the following:

	2023 \$000	2022 \$000
Short-term employee benefits	1,309	1,157
Post-employment benefits	82	121
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
	1,391	1,278

Compensation of the Social Fund's key management personnel includes salaries, allowances and contributions to superannuation or a post-employment defined benefit plan.

Key management personnel include officers of the Social Fund who receive remuneration in accordance with established Salvation Army guidelines. In addition, officers also receive medical benefits, accommodation and use of a motor vehicle at no cost as part of their officership, in accordance with established Salvation Army guidelines. No additional remuneration is received by these officers for acting in their capacity as key management personnel, within the Social Fund. There are no other transactions with key management personnel.

Notes to the Financial Statements

For the year ended 30 June 2023

14. RELATED PARTIES (CONTINUED)

Related party transactions with General Fund

The Australian operations of The Salvation Army are part of an international Christian movement and have been operating since 1880. The Salvation Army's International Headquarters are located in London, England with the General as its head. In order for the movement to operate in Australia and hold property, seven State and Territory based statutory bodies corporate ("Property Trusts") were established. The corporate officers of the Property Trusts ("Trustees") are residents in Australia and are appointed by the General.

The Salvation Army Australia comprises two aggregated entities known as:

- The Salvation Army Australia Social Fund; and
- The Salvation Army Australia General Fund

Both entities are under common management of The Salvation Army Australia.

The Combined Funds is an aggregation of The Salvation Army Australia General Fund and The Salvation Army Australia Social Fund and is comprised of those operations identified by their unique ABN, as set out in Note 1 of these financial statements.

The Social Fund's operation are supported by General Fund's treasury and investment pool distributions. General Fund also incorporates a portion of Social Fund's head office and departmental costs which, by way of transfer pricing, are charged to Social Fund. Social Fund's purchase of goods, services and contributions to projects from other income sources contained within General Fund are as follows:

	2023 \$000	2022 \$000
Social Fund's purchase of goods, services and contributions to projects from:		
The Salvation Army Australia General Fund	166,640	163,789
Social Fund's receipt of goods, services and contributions to projects from:		
The Salvation Army Australia General Fund	103,408	37,533
Amounts owed by The Salvation Army Social Fund to:		
The Salvation Army Australia General Fund	-	-
Amounts owed to The Salvation Army Social Fund by:		
The Salvation Army Australia General Fund*	597,180	631,297

*Contained within non-current investments (disclosed in Note 5 under 'Unlisted units in managed investment funds') of which \$597,180k (2022: \$631,297k) is a related party investment held within General Fund, as a portion of the total investment balance.

14. RELATED PARTIES (CONTINUED)

Related party transactions with other Salvation Army Territories

The Salvation Army Social Fund provides and receives funds for goods, services and contributions for projects, with other Salvation Army Territories across the world:

	2023 \$000	2022 \$000
Purchase of goods, services and contributions to projects		
The Salvation Army Congo (Brazzaville) Territory	3	-
The Salvation Army Eastern Europe Territory	3	78
The Salvation Army Eastern Territory (United States of America)	5	-
The Salvation Army Hong Kong and Macau Territory	3	-
The Salvation Army India Northern Territory	272	331
The Salvation Army India South Eastern Territory	54	-
The Salvation Army India Western Territory	-	2
The Salvation Army Indonesia Territory	370	-
The Salvation Army International Headquarters	878	863
The Salvation Army Kenya East Territory	1,052	231
The Salvation Army Kenya West Territory	255	113
The Salvation Army Malawi Territory	608	761
The Salvation Army Netherlands, Czech Republic and Slovakia Territory	-	5
The Salvation Army New Zealand, Fiji, Tonga and Samoa Territory	5	74
The Salvation Army Pakistan Territory	16	17
The Salvation Army Papua New Guinea & Solomon Islands Territory	726	504
The Salvation Army Philippines Territory	79	-
The Salvation Army Rwanda and Burundi Command	78	26
The Salvation Army Singapore, Malaysia and Myanmar Territory	27	52
The Salvation Army South America West Territory	-	11
The Salvation Army Sweden and Latvia Territory	-	3
The Salvation Army South Africa Territory	341	-
The Salvation Army Tanzania Territory	386	317
The Salvation Army Uganda Territory	96	133
The Salvation Army USA Eastern Territory	-	2
The Salvation Army Zambia and Malawi Territory	27	-
	5,284	3,523
Recipient of goods, services and contributions to projects		
The Salvation Army New Zealand, Fiji, Tonga and Samoa Territory	137	52
The Salvation Army Switzerland Territory	18	-
	155	52
Amounts owed by The Salvation Army Social Fund		
The Salvation Army Kenya West Territory	-	1
The Salvation Army Kenya West Territory	1	-
	1	1

Notes to the Financial Statements

For the year ended 30 June 2023

15. CONTINGENT LIABILITIES

Sale of aged care centres on 1 July 2005

On 1 July 2005, the Social Fund completed the sale of 19 sites catering for aged care hostels and nursing homes, as well as retirement living units to Retirement Care Australia (RCA). In addition, TriCare acquired the Hayville retirement village in Box Hill, Melbourne. The business sale agreements included various warranties from the Social Fund to the purchasers, whereby under certain circumstances, they may seek financial compensation from the Social Fund.

At 30 June 2023, the Trustees are of the opinion that provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required.

Capital grant funding

The Social Fund received \$16,209,000 from the Housing Authority in Western Australia between 2012-2015 as part capital funding towards the provision of a homeless accommodation and support facility in Northbridge, Perth, Western Australia.

Under certain default or closure circumstances, the project agreement requires the Social Fund to repay these capital funds to the Housing Authority over a 30-year term, with the amount repayable reducing by 3.33% per annum upon the anniversary of the date of the project commissioning. As at 30 June 2023, the amount repayable would have been \$11,798,676 (2022: \$12,205,106) and there were no events that required any repayment.

National redress provision

Note 11 contains details of contingencies and uncertainties associated with the National Redress Provision.

16. FINANCIAL RISK MANAGEMENT

The Social Fund has exposure to the following risks from their use of financial instruments, including exposures arising as a result of investments made by the General Fund on behalf of the Social Fund.

- Credit risk
- Market risk
- Liquidity risk

This note presents information about the Social Fund's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. The Trustees of the entities which comprise the Social Fund consider the Social Fund's risk exposure to be within the risk appetite set by the Trustees, from their use of financial instruments. Further quantitative disclosures are included throughout this financial report.

The Social Fund has a proportion of its total assets in cash at bank and deposits at call. Management of the Social Fund regularly monitor the returns obtained on interest bearing deposits.

Credit risk

Credit risk is the risk of financial loss to the Social Fund if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Social Fund's receivables and cash and cash equivalents.

Financial Assets

The majority of the Social Fund's financial assets are held with General Fund which controls and invests funds with major financial institutions. The Social Fund also holds a portion of investments directly with major financial institutions that have a high credit rating.

Trade receivables

The Social Fund's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty. The Social Fund operates in the Australian region. The Social Fund has a concentration of transactions with reputable organisations, financial institutions and the Australian government, including the various Commonwealth and State departments, accordingly limiting its credit risk.

The Social Fund has established a credit policy under which the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all counterparties requiring credit over a certain amount. The Social Fund does not require collateral in respect of financial assets.

The Social Fund has established an allowance for impairment that represents an estimate of expected credit losses not incurred in respect of trade and other receivables and investments. The main component of this allowance are a specific loss component that related to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

Exposure to credit risk

The carrying amount of the Social Fund's financial assets represents the maximum credit exposure. The Social Fund's maximum exposure to credit risk at balance date was as follows:

	2023 \$000	2022 \$000
Cash and cash equivalents	81,979	38,631
Short term deposits	8,146	8,044
Receivables	50,259	45,475
Unlisted units in managed investment funds	673,813	647,044
Total	814,197	739,194

Trade and other receivables

The ageing of the Social Fund's receivables at the reporting date was:

	2023		2022	
	Gross \$000	Impairment \$000	Gross \$000	Impairment \$000
Not past due	50,259	-	45,475	-
Past due 0-30 days	-	-	-	-
Past due 31-120 days	-	-	-	-
	50,259	-	45,475	-

Notes to the Financial Statements

For the year ended 30 June 2023

16. FINANCIAL RISK MANAGEMENT

Market risk

Interest rate risk

Management of the Social Fund ensures that a portion of its interest rate risk exposure is at fixed-rates.

Other market price risk

The Social Fund is exposed to market price risk which arises from unlisted units in managed investment funds held and operated by General Fund. The Social Fund invests its surplus cash with General Fund who in turn invest those funds with third parties. The market price risk is carried by the Social Fund who are subject to fluctuations in the market price as any gains or losses are passed back on a pro-rata basis from the General Fund. The primary goal of the Social Fund's investment strategy is to maximise investment returns whilst preserving investment capital and as such, the General Fund manage the investments with regard to this approach and closely monitor market indices.

During the financial year management was assisted by Crestone Wealth Management, JANA Investment Advisors and Mercer.

Exposure to market risk

Management monitors movements in rates of return on a regular basis and ensures that returns are at market levels. No derivative contracts are used to manage market risk.

Profile

At the reporting date, the market profile of the Social Fund's financial instruments includes 27% Australian equities (2022: 26.5%), 25% Global equities (2022: 21%), 17% Fixed income (2022: 10.7%) and 31% Diversified debt (2022: 41.8%).

Liquidity risk

The Social Fund's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquid assets to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Social Fund's reputation. Management of the Social Fund aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the succeeding 60 days. The Social Fund's investments in unlisted unit trusts are readily convertible to cash within acceptable notice periods.

Exposure to liquidity risk

Liquidity risk is the risk that the Social Fund will not be able to meet its financial obligations as they fall due. The Social Fund's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Social Fund's reputation.

Management of the Social Fund monitors its cash flow requirements and ensures that it has sufficient cash on demand to meet expected operational expenses.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

16. FINANCIAL RISK MANAGEMENT (CONTINUED)

	Carrying Amount \$000	Contractual Cash Flows \$000	Within 1 year \$000	1-5 years \$000	Over 5 years \$000
30 June 2023					
Trade and other payables	(46,001)	(46,001)	(46,001)	-	-
Loans and borrowings	(240,508)	(240,508)	(231,229)	(1,007)	(8,272)
Lease liabilities	(188,912)	(280,512)	(44,675)	(95,493)	(140,344)
	<u>(475,421)</u>	<u>(567,021)</u>	<u>(321,905)</u>	<u>(96,500)</u>	<u>(148,616)</u>
30 June 2022					
Trade and other payables	(37,614)	(37,614)	(37,614)	-	-
Loans and borrowings	(229,137)	(229,137)	(220,865)	-	(8,272)
Lease liabilities	(180,558)	(264,193)	(43,449)	(92,919)	(127,825)
	<u>(447,309)</u>	<u>(530,944)</u>	<u>(301,928)</u>	<u>(92,919)</u>	<u>(136,097)</u>

17. EVENTS AFTER THE END OF THE REPORTING PERIOD

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Trustees of the entities which comprise the Social Fund, to affect significantly the operations of the Social Fund, the results of those operations, or the state of affairs of the Social Fund, in future financial years.

Trustees' Declaration

In the opinion of the Trustees of the entities which comprise The Salvation Army Australia Social Fund ("Social Fund"):

- (i) The accompanying aggregated financial statements and notes set out on pages 66 - 97 are drawn up so as to present fairly the financial position of the Social Fund as at 30 June 2023 and the results of its operations and its cash flows for the year then ended;
- (ii) The aggregated financial statements and notes set out on pages 66 - 97 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (i) presenting fairly in all material respects the Social Fund's financial position as at 30 June 2023 and of its performance, for the financial year ended on that date.
 - (ii) comply with Australian Accounting Standards - Simplified Disclosure Requirements except that the aggregated entities that comprise the Social Fund do not constitute a group for the purposes of *AASB 10 Consolidated Financial Statements, and the Australian Charities and Not-for-profits Commission Regulation 2022*; and
- (iii) There are reasonable grounds to believe that the Social Fund will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Trustees:



Stuart Glover

Secretary for Business Support
TRUSTEE



Winsome Merrett

Chief Secretary
TRUSTEE

Dated at Melbourne this 23rd day of November 2023

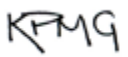


Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To: the Trustees of The Salvation Army Australia Social Fund

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2023 there have been:

- i. no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.



KPMG



Chris Sargent

Partner

Melbourne

23 November 2023



Independent Auditor's Report

To the Trustees of The Salvation Army Australia Social Fund

Opinion

We have audited the **Aggregated Financial Report** of The Salvation Army Australia Social Fund (The Aggregated Entity).

In our opinion, the accompanying Aggregated Financial Report of the Aggregated Entity is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- i. giving a true and fair view of the Aggregated Entity's financial position as at 30 June 2023, and of its financial performance and its cash flows for the year ended on that date; and
- ii. complying with *Australian Accounting Standards* to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022 (ACNCR)*.

The **Aggregated Financial Report** comprises:

- i. Aggregated statement of financial position as at 30 June 2023.
- ii. Aggregated statement of profit or loss and other comprehensive income, Aggregated statement of changes in funds, and Aggregated statement of cash flows for the year then ended.
- iii. Notes including a summary of significant accounting policies.
- iv. Trustees' declaration.

The Aggregated Entity consists of the Registered Entities being

- The Salvation Army (Victoria) Property Trust,
- The Salvation Army (Tasmania) Property Trust,
- The Salvation Army (South Australia) Property Trust,
- The Salvation Army (Western Australia) Property Trust,
- The Salvation Army (Northern Territory) Property Trust,
- The Salvation Army (New South Wales) Property Trust,
- The Salvation Army (Queensland) Property Trust,
- The Salvation Army (Victoria) Property Trust atf The Salvation Army (VIC) Social Work,
- The Salvation Army (Tasmania) Property Trust atf The Salvation Army (TAS) Social Work,
- The Salvation Army (South Australia) Property Trust atf The Salvation Army (SA) Social Work,
- The Salvation Army (Western Australia) Property Trust atf The Salvation Army (WA) Social Work,
- The Salvation Army (Northern Territory) Property Trust atf The Salvation Army (NT) Social Work,
- The Salvation Army (New South Wales) Trust atf The Salvation Army (NSW) Social Work,
- The Salvation Army (Queensland) Property Trust atf The Salvation Army (QLD) Social Work,
- The Salvation Army (Australia) Redress Limited,
- Salvos Legal Limited,
- Salvos Legal (Humanitarian) Limited,
- The Salvation Army (Australia) Self Denial Fund (for Overseas Aid),
- The Salvation Army Aust Self Denial Fund (for Overseas Aid),
- The Salvation Army Community Housing Service,
- Salvation Army Housing,
- Salvation Army Housing (Victoria).

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Aggregated Entity in accordance with the auditor independence requirements of the *ACNC Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

KPMG, an Australian partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation. Liability limited by a scheme approved under Professional Standards Legislation.



Emphasis of matter – basis of preparation and restriction on use

We draw attention to Note 1 to the Aggregated Financial Report, which describes the basis of preparation.

The Aggregated Financial Report has been prepared for the purpose of fulfilling the Trustees' financial reporting responsibilities under the *ACNC Act 2012*. As a result, the Aggregated Financial Report and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Our report is intended solely for the Trustees of the Aggregated Entity and should not be used by any other party. We disclaim any assumption of responsibility for any reliance on this Auditor's Report, or on the Aggregated Financial Report to which it relates to any person other than the Trustees of the Aggregated Entity.

Other information

Other Information is financial and non-financial information in The Salvation Army Australia Social Fund's annual reporting which is provided in addition to the Aggregated Financial Report and the Auditor's Report. The Trustees are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Trustees' report.

Our opinion on the Aggregated Financial Report does not cover the Other Information and, accordingly, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Aggregated Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Aggregated Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of Management for the Aggregated Financial Report

Management are responsible for:

- i. Preparing the Aggregated Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and the *ACNC Act 2012* and ACNCR.
- ii. Determining that the basis of preparation described in Note 1 to the Aggregated Financial Report is appropriate to meet the requirements of the *ACNC Act 2012* and ACNCR. The basis of preparation is also appropriate to meet the needs of the Trustees.
- iii. Implementing necessary internal control to enable the preparation of an Aggregated Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
- iv. Assessing the Aggregated Entity's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Aggregated Entity and Registered Entities or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Aggregated Entity's financial reporting process.



Auditor's responsibilities for the audit of the Aggregated Financial Report

Our objective is:

- i. to obtain reasonable assurance about whether the Aggregated Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- ii. 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 Aggregated Financial Report.

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

We also:

- i. Identify and assess the risks of material misstatement of the Aggregated Financial Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. 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 registered Aggregated Entity's internal control.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- iv. Conclude on the appropriateness of the Trustees' 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 Aggregated Entity and Registered Entities' 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 Aggregated Financial Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Aggregated Entity and Registered Entities to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the Aggregated Financial Report, including the disclosures, and whether the Aggregated Financial Report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees of the Aggregated Entity 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.

KPMG

Chris Sargent

Partner

Melbourne

23 November 2023

**ANNUAL REPORT 2023
THE SALVATION ARMY
AUSTRALIA
(SOCIAL FUND)**



**The Salvation Army
Australia
Communications
Department**

salvationarmy.org.au

13 SALVOS (13 72 58)