



CARE AUSTRALIA
2014 Annual Report

Table of Contents

ABOUT CARE AUSTRALIA

- 03 Our vision, mission and core values
- 04 About CARE
- 05 CARE Australia's year at a glance
- 06 Chief Executive's message
- 07 Chair's message
- 08 Overcoming poverty
– *the Millennium Development Goals*
- 09 Overcoming poverty
– *Why CARE focuses on women and girls*
- 10 How we work

WHAT WE HAVE ACHIEVED

- 12 Our performance against our Strategy
- 14 Where we work map
- 16 Our programs: Enhancing migrant women's rights in the Mekong
- 18 Our programs: Integrated community development in Papua New Guinea
- 20 Our response to emergencies
- 22 Our response to climate change

OUR PEOPLE

- 24 Community outreach
- 26 Our staff
- 28 Our governance
- 30 Our supporters and donors
- 32 Our Board and Advisory Council

FINANCIAL REPORT

- 33 Financial overview
- 35 Summary of financial report
- 36 Financial statements



Our Vision

We seek a world of hope, tolerance and social justice, where poverty has been overcome and people live in dignity and security. CARE will be a global force and partner of choice within a worldwide movement dedicated to ending poverty. We will be known everywhere for our unshakable commitment to the dignity of people.

Our Mission

CARE's mission is to serve individuals and families in the poorest communities in the world. Drawing strength from our global diversity, resources and experience, we promote innovative solutions and are advocates for global responsibility.

We facilitate lasting change by:

- strengthening capacity for self-help
- providing economic opportunity
- delivering relief in emergencies
- influencing policy decisions at all levels
- addressing discrimination in all its forms.

Guided by the aspirations of local communities, we pursue our mission with both excellence and compassion because the people whom we serve deserve nothing less.

Our Core Values

We respect and value diversity.

We respect, value and seek to enhance local capacities.

We value and support gender equality and women's empowerment.

We recognise and value the professionalism, skills and experience of our staff, and their contribution to institutional learning and development.

We value CARE's dynamism, adaptability and resilience.

We value the support of our donors and program partners.

We value the operational freedom that stems from being a not-for-profit Australian agency, which is independent of any religious or political affiliations and does not discriminate on the basis of race, gender, ethnicity, age, religion or political affiliation.

Our Program Strategy

CARE plays three roles in order to impact poverty and social injustice:

1. humanitarian action
2. promoting innovative solutions
3. multiplying impact.

We undertake long-term programs with vulnerable and marginalised people to help them overcome poverty by addressing their basic needs, social position and broader environment. Specific emphasis is on:

- strengthening gender equality and women's voice
- promoting inclusive governance
- increasing resilience.

ABOUT CARE AUSTRALIA

FEEDBACK

We welcome feedback on this report or our operations and conduct. Please send any feedback to **Greg Brown, Company Secretary, CARE Australia, GPO Box 2014, Canberra 2601.**

Complaints relating to a breach of the ACFID Code of Conduct by an ACFID member can be made to the ACFID Code of Conduct Committee via www.acfid.asn.au/code-of-conduct/complaints

For donor support please call **1800 020 046** or email info@care.org.au

CARE International – refers to the entire CARE International organisation consisting of 14 confederation members linked through a global secretariat, and 75 Country Offices where local staff and partners work to deliver programs with poor communities.

CARE Australia – refers to CARE's operations in Australia and the six Country Offices we manage, as well as programs and emergency responses supported by Australian funding.

CARE INTERNATIONAL

CARE is an international humanitarian aid organisation fighting global poverty, with a special focus on working with women and girls to bring lasting change to their communities.

As a non-religious and non-political organisation, CARE works with communities to help overcome poverty by supporting development and providing emergency relief where it is needed most.

CARE was founded in the USA in 1945. Initially an acronym for 'Cooperative for American Remittances to Europe', CARE sent food aid and basic supplies in the form of 'CARE packages' to post-war Europe. As the economies of the war-affected nations recovered, focus soon shifted from Europe to the challenges of the developing world.

Today, CARE is a confederation comprised of 14 national members – Australia, Austria, Canada, Denmark, France, Germany-Luxembourg, India, Japan, Netherlands, Norway, Peru, Thailand, the UK and the USA – forming one of the world's largest independent, international emergency relief and development assistance organisations.

The national CARE members operate interdependently and work together through the CARE International Board and Secretariat, based in Geneva. As a confederation, it is critical for CARE to be at the leading edge from both a programmatic and organisational perspective.

CARE is working towards the achievement of Vision 2020, which sees CARE as a global leader in working towards the elimination of poverty by having greater interdependence and collaboration across all of our operations.

CARE AUSTRALIA

CARE Australia was established in 1987 by former Prime Minister, the Rt Hon. Malcolm Fraser, AC, CH. CARE Australia grew through the 1990s and developed a reputation for delivering timely and effective disaster assistance and development programs to those in need.

Today, CARE Australia undertakes activities in 23 countries in the Asia-Pacific, Middle East and Africa, as well as responding to humanitarian emergencies. We manage six of CARE International's Country Offices – Vietnam, Laos, Cambodia, Papua New Guinea, Timor-Leste and Myanmar – as well as the Vanuatu Project Office.

OUR WORK

CARE works with communities to address the underlying causes of poverty, helping empower them to increase their income, improve health and education services, raise agricultural production, build appropriate water supply and sanitation systems, and address child malnutrition. Our work is performed in cooperation with local partner organisations and government agencies.

Because poverty disproportionately impacts women and girls, CARE is particularly focused on gender equality. We know that supporting women and girls, ensuring their voices are heard and helping to remove barriers that hold them back, is the best way to bring lasting change to poor communities.

FUNDING

We rely on the generous support of the Australian public to fund our work. We build on this support by attracting additional funds from institutional donors such as the Australian Government and the United Nations.

ACCOUNTABILITY AND ACCREDITATION

To ensure accountability and transparency, CARE Australia carefully manages all the projects we undertake. We are an active member of the Australian Council for International Development (ACFID) and ensure that ACFID Code of Conduct training is offered to all staff; and internal procedures and reporting guidelines adhere to current regulatory and legislative requirements.

We uphold the highest standards of practice, as demonstrated by our commitment to the:

- ACFID Code of Conduct
- Code of Conduct for the International Federation of Red Cross and Red Crescent Movement and NGOs in Disaster Relief
- Sphere Humanitarian Charter and Minimum Standards
- People in Aid Code of Good Practice
- Fundraising Institute of Australia's Principles & Standards of Fundraising Practice.

CARE Australia holds full accreditation status as a partner in the Australian Government's NGO Co-operation Program. To maintain accreditation, CARE Australia's systems, policies and processes are regularly and rigorously reviewed by the Government. Our status as a Partner Agency reflects the Government's confidence in CARE Australia's professionalism, accountability and effectiveness.

In 2013, CARE Australia was recognised as a finalist in the revenue greater than \$30m category in the PwC Transparency Awards for the quality and transparency of our reporting.



CARE AUSTRALIA'S YEAR AT GLANCE

WHAT YOU HAVE HELPED US ACHIEVE THIS YEAR:



CHIEF EXECUTIVE'S MESSAGE



© Josh Estey/CARE

Behind the numbers in this annual report is a story that is hard to explain with figures alone. In fact it's millions of stories: about thousands of supporters who make our life-changing work possible, hundreds of CARE staff who provide skills and expertise, and millions of people who receive this support, each with their own individual experiences, abilities and dreams.

This year, the numbers we have faced together have been staggering. In 2013, the number of people forced from their home by conflict and persecution passed 50 million in one year for the first time since the Second World War. They are women like Nyakuic, who lives in South Sudan where the United Nations is warning of potential famine. Nyakuic brought her one-year-old baby to CARE's mobile clinic, suffering from severe acute malnutrition. We were able to provide her baby with rehydration therapy and therapeutic feeding at CARE's nutrition clinic. The therapy provided there is basic but effective at reversing an often fatal condition.

We were also there when Typhoon Haiyan struck the Philippines in November, impacting more than 16 million people. The work we had already done with communities to prepare them for natural disasters helped us and the community respond quickly. Australians were extremely generous in supporting our fundraising appeal, and our response was regarded as world-class for ensuring everyone in the communities we worked with received appropriate assistance; our work recognised the different needs of men and women, as well as people with disabilities.

I am so grateful that our supporters enable CARE to be there when disaster strikes, to ensure that the most vulnerable people receive the support they need. With resources, CARE is truly effective in saving lives and helping communities to reduce their vulnerability.

RIGHT: Julia Newton-Howes plants a tree with CARE staff in Malawi. ©Josh Estey/CARE

This is also true in our long-term programs. An independent review of one of our programs in Papua New Guinea found that the holistic range of activities CARE supported over five years has led to a definite impact and improvement in the lives of some of the poorest people in the country. Communities are now improving their diet with fish farms, using a village court system to improve law and order, working with the government to access grants for ongoing development, such as improving infrastructure, and supporting women in leadership roles. This level of change is only possible because we have confidence from ongoing supporters standing by our side, and I thank you for making it a reality.

I am also excited about a new regional initiative underway this year, which will work across the Mekong region to equip very poor women living in city centres with knowledge and opportunities to exercise their rights, and will work with police and other authorities to combat harassment and exploitation. Drawing on lessons from four projects in Vietnam, Myanmar, Laos and Cambodia, we will raise the profile of the issues facing these women, such as exploitation and gender-based violence, in the wider region. This way, the knowledge from four individual projects will combine to create a greater impact.

We know that the greatest outcomes can be achieved by scaling up our work in this manner, by sharing knowledge, replicating success and working closely with local organisations and governments to deliver change in their own communities.

Of course, none of this work would be possible without our supporters, and I sincerely thank you for your generosity. Together, I know that we will be able to continue to support those facing disaster, poverty and injustice so they can live with dignity and security.

Julia Newton-Howes

JULIA NEWTON-HOWES, AM
Chief Executive



CHAIR'S MESSAGE



I am proud of the positive impact CARE Australia had in the lives of over two million people this year. I have had the privilege of seeing firsthand what it means for the people involved in our projects to earn money, improve their health or learn new skills, and I thank our donors for making this critical work possible.

Although 1.2 billion people still live in extreme poverty, I feel optimistic about what we can achieve by continuing to work together – as individuals, communities, organisations and governments. CARE is using innovative programs and our focus on supporting women and girls to contribute to global efforts to achieve a world free of

poverty, and I look forward to working with you – our donors and partners – to achieve this vision, one that we feel can be reached in our generation.

Addressing poverty is not just the right thing to do as a caring society, it is also the smart thing to do. Australia stands to benefit from having prosperous and resilient neighbours that we can trade, invest and do business with, and those countries in turn will benefit from the economic growth they experience.

However, we are mindful that economic growth alone does not equate to a reduction in poverty. For example, in Papua New Guinea, people's access to clean water has not improved despite a decade of strong economic growth. The challenge for CARE and our partners is to adopt policies and programs that enable poor people to reap the benefits flowing from new opportunities.

Finally, I would like to welcome David Feetham to CARE Australia's Board. I have had a rewarding year with the Board, CARE staff, our supporters and the communities we work with and I look forward to continuing to help the world's most vulnerable people to overcome poverty together.

Harold Mitchell

HAROLD MITCHELL, AC
Chair

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Harold Mitchell

HAROLD MITCHELL, AC
Chair

A MESSAGE FROM GAIL KELLY

It is both an honour and a privilege for me to be CARE Australia's Ambassador for Women's Empowerment. This has given me the opportunity to see firsthand the wonderful work CARE does in providing women and girls with opportunities to fully participate in their communities and make decisions about their own future.

It's difficult for me to imagine a world where women can't earn money, run a business or even open a bank account. Women account for half of a country's potential talent base, so it's clear that a nation's competitiveness in the long term depends significantly on how it supports opportunities for women.

It has been exciting to work with CARE to increase women's economic opportunities and the economy overall, by providing women with access to more and better employment, an environment that supports them in starting and doing business, and a financial sector that gives them access to services that are tailored to their needs.

With improved financial security, other areas of women's lives invariably improve. I've seen it myself in the CARE projects I've visited in Cambodia and Malawi, where women are making decisions within their home and taking on leadership roles in their communities for the first time in their lives. I know that women's empowerment is an essential strategy for poverty alleviation, and I look forward to continuing to work with CARE to make this vision a reality.

Gail Kelly

GAIL KELLY
CARE Australia's Women's Empowerment
Ambassador and CEO of Westpac

RIGHT: Gail Kelly speaks to CARE project participants in Cambodia. © Thomas Christofolletti



OVERCOMING POVERTY

THE MILLENNIUM DEVELOPMENT GOALS

As the 2015 deadline for the Millennium Development Goals (MDGs) quickly approaches, we have seen tremendous progress globally against poverty. However, this progress has been uneven. Poverty reduction and access to education have seen the greatest improvements, with all other goals

seeing significant progress, yet much remains to be done, particularly in key areas of gender equality.

CARE is using innovative programs and our focus of supporting women and girls to contribute to global efforts to achieve a world free of poverty.

Progress and Challenges The Millennium Development Goals

GOAL 1: ERADICATE EXTREME POVERTY AND HUNGER

The proportion of people living in extreme poverty globally declined by half from 1990.

However, 1.2 billion people remain in extreme poverty.

Last year alone, CARE International assisted 97 million people living in poverty across 87 countries, through 927 projects. Our work is far reaching and has a lasting impact, helping some of the world's poorest people lift themselves out of poverty.

GOAL 2: ACHIEVE UNIVERSAL PRIMARY EDUCATION

From 2000 to 2011, the global primary school enrolment rate grew from 83 per cent to 90 per cent, reducing the number of out-of-school children from 102 million.

However, 57 million children are still out of school.

In Cambodia, CARE is improving access to quality primary and secondary education for ethnic minority children, and ensuring girls go to school alongside their brothers. Building on over a decade of work carried out by CARE Australia in Ratanakiri Province, the bilingual model of instruction designed by CARE has gained global recognition for its effectiveness in engaging and retaining ethnic minority students in school, and acceptance among local communities.

GOAL 3: PROMOTE GENDER EQUALITY AND EMPOWER WOMEN

Girls' access to education has improved and women's employment outside of agriculture rose to 40 per cent.

Yet in 2012, only 20 per cent of parliamentarians were women.

In Papua New Guinea, CARE supported Local Development Committees with minimum representation required for women. The Committees have developed new long-term priorities, provided a forum for female leaders as role models, and brought community needs to the ears of government.

GOAL 4: REDUCE CHILD MORTALITY

Since 1990, the under-five mortality rate has dropped by 47 per cent.

However, 6.6 million children under five die each year, largely from preventable diseases.

In Laos, CARE is improving the health of remote communities, particularly mothers and children, by constructing village water systems, training local health workers to provide better healthcare support to pregnant women and children, and facilitating village women's groups to support village health education activities.

GOAL 5: IMPROVE MATERNAL HEALTH

Maternal mortality declined by 47 per cent over the past 20 years, but this is well short of the 75 per cent reduction target.

In Timor-Leste, CARE is helping to address high levels of maternal mortality and morbidity by improving access, use and provision of quality reproductive health services.

GOAL 6: COMBAT HIV/AIDS, MALARIA AND OTHER DISEASES

New HIV infections have reduced 33 per cent from 2001 to 2011, 1.1 million malaria-related deaths were averted from 2000 to 2010 and tuberculosis treatment saved 20 million lives from 1995-2011.

Yet all three diseases remain major killers, with tuberculosis killing 1.4 million people in 2011 alone.

In Vietnam, CARE is assisting women who are vulnerable to HIV - such as injecting drug users and sex workers - to improve their health and wellbeing and to be aware of their right to safe and equitable employment.

GOAL 7: ENSURE ENVIRONMENTAL SUSTAINABILITY

2.1 billion people gained access to improved drinking water since 1990 and two billion more people now have access to proper sanitation.

However, 748 million people still drink unsafe water.

One CARE project in Zimbabwe is working to provide 20,000 people with access to water and sanitation services, due to the rehabilitation of seven broken boreholes in five wards, and hygienic behaviours like handwashing through ongoing education programs by Community Health Clubs to reduce the incidence of waterborne diseases.

GOAL 8: DEVELOP A GLOBAL PARTNERSHIP FOR DEVELOPMENT

This goal measures the developed world's efforts to overcome poverty. Despite an increase last year, development aid was still US\$180 billion short of the commitment.

CARE helps to maximise impact by facilitating partnerships between poor communities and the private sector, governments and community-based operations. Our long-term approach to programs emphasises working with partners to maximise our impacts.

Source: United Nations Development Programme

WHY CARE FOCUSES ON WOMEN AND GIRLS

The following depicts the all-too-common divergent pathways for girls and women: one of challenges and one of opportunities. CARE's targeted interventions at any stage can make the world of difference, supporting girls and women to move from a life of challenges to a life of opportunities, alongside their brothers, fathers and husbands.

Challenges versus Opportunities

Start of an Uphill Battle

As a baby, she's more likely to face **malnutrition, limited healthcare** and consequently life-threatening sickness, while boys are given preference.



A Promising Start

From day one, she receives **adequate nutrition and healthcare**, ensuring healthy physical and mental development.



Overburdened

From an early age, she spends hours each day collecting firewood, water and food. School attendance drops, **employment opportunities reduce.**



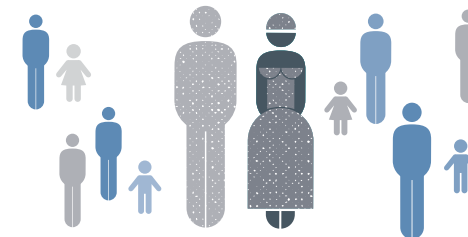
Educated

Her family shares household chores. She goes to school, has time for homework and thrives with **new knowledge and skills.**



No Control

She faces sexual harassment, is potentially forced into marriage, and has no control over if, when or how many children she will have. Mortality risks increase, education and livelihood **opportunities all but disappear.**



Making Decisions

She influences household, community and other decisions that impact her life. She chooses if or when she'll have a partner and/or children. Empowered, **she decides her future** and opportunities beckon.



CARE takes a holistic approach to the empowerment of girls and women, recognising that each life stage offers the potential to transform lives, thereby creating opportunities and delivering better futures. Equipped with the right resources, women and girls don't just lift themselves out of poverty, they change their families, communities and society for the better, breaking poverty cycles. Supporting women and girls is the key to reducing poverty and social injustice, creating a more sustainable, equitable world. This is why empowering women and girls is at the centre of all CARE's work.

HOW WE WORK

The past year saw the launch of CARE International's 2020 Program Strategy to guide our work in reducing poverty and improving social justice.

Based on 70 years of experience in poverty-fighting and humanitarian action, the Strategy describes the changes we want to see in the world and our role in bringing about those changes. Underpinning the Strategy is recognition that poverty is caused by unequal power relations, resulting in inequitable distributions of resources and opportunities. CARE will continue our leading role in addressing these power imbalances, striving to deliver a more equitable world with particular focus on women, girls and marginalised groups.

WHAT WE DO

CARE has three key methods to reduce poverty and improve social justice, achieving sustainable long-term impacts and promoting inclusive development.

- 1. Humanitarian Action:** Starting with disaster preparedness and risk reduction and complemented by emergency response, we respond to humanitarian emergencies to save and improve lives.
- 2. Promoting Lasting Change and Innovative Solutions:** CARE and our partners implement innovative solutions to persistent challenges, focusing on improving access to essential services, building community and government capacities, enhancing resilience and empowering people to generate further change.
- 3. Multiplying Impact:** We use our experience, evidence, innovation and learning to create broader structural changes, addressing the root causes of poverty and injustice to promote equitable, sustainable development on a global scale.

THE CARE APPROACH

The overarching approach to all of our work is to tackle the underlying causes of poverty and social injustice to create lasting change for poor and marginalised people. We ensure communities are actively involved in all of our work. CARE's approach is tailored to specific contexts, yet emphasises three priorities.

- 1. Strengthening gender equality and women's voices is essential.** Addressing gender inequities is one of the most powerful ways to ensure equitable development.
- 2. Promoting inclusive governance is key.** We support community empowerment by helping individuals know their rights and influence decision-making, strengthening links between the public and government, and supporting governments to take a lead role in ensuring sustainable and ever-increasing improvements in people's lives.
- 3. Increasing resilience to changing environments, particularly those threats posed by climate change and emergencies.**

CHARACTERISTICS OF A CARE PROGRAM

CARE's programs are carefully and strategically designed to maximise impact, efficiency and sustainability. Despite the complexity and diversity of our programs, they all contain four key characteristics:

- 1. Target Groups:** Our programs target those suffering the most from poverty and social injustice, primarily marginalised and socially excluded groups. For example, in Laos and Cambodia, our programs focus on remote ethnic groups and marginalised urban women.
- 2. Analysis of Underlying Causes of Poverty:** Effective, sustainable poverty alleviation demands that we analyse and address the immediate, longer-term and underlying causes of poverty. For example, in Papua New Guinea we provide access to more and better quality food (immediate cause), improve literacy and education (longer-term cause), and strengthen governance (underlying cause) to sustainably address community needs.
- 3. Partnerships:** We work with a wide range of partners to extend and enhance our programs, from the local to the global, bringing together technical, contextual and other expertise. In the Philippines, CARE's local partner ACCORD played a central role in ensuring rapid emergency assistance following Typhoon Haiyan.
- 4. Measurement and Learning:** Development is a dynamic process in challenging circumstances. Learning, measuring progress and sharing lessons is critical for identifying and scaling up effective practices, and recognising when we need to change our approaches.

PERFORMANCE AGAINST OUR STRATEGY

DIRECTLY ASSISTED OVER

2 MILLION PEOPLE
 across
23
 countries

CARE Australia's 2010-15 Strategy outlines our goal to be a recognised leader in achieving significant, positive and sustainable impact on poverty through the empowerment of women and their communities.

We achieved strong results against our strategic goals this year.

As we look towards the final year of the strategy, planning is underway to develop, consult and implement CARE Australia's strategy for beyond 2015.

Goal 1:

Deliver quality programs with demonstrated impact in reducing poverty

Directly benefited over two million people across 23 countries

Responded to 11 emergencies

Ninety per cent of our long-term programs have a focus on women's empowerment, while benefiting entire communities

This year, we continued our focus on improving the quality and impact of our work. A particular highlight is the independent review of the Integrated Community Development Program in Papua New Guinea (PNG), which concluded that CARE had made a significant and tangible contribution to improving the well-being of disadvantaged communities.

The Laos, Myanmar and PNG offices were assessed to be meeting the agreed Performance Standards of Country Offices (the three other CARE Australia-managed offices were assessed and met standard in 2012/13).

Our focus on developing 10-15 year programs with specific target groups continued, with long-term programs developed in the Cambodia, Laos, Myanmar and Vietnam offices, and one long-term program identified in PNG and Timor-Leste, with further support provided to complete the process in 2014/15. (Read more about CARE's Program Approach on page 14).

A mid-term review of CARE Australia's Gender and Diversity Strategy (2011-15) found there has been significant progress in promoting and integrating gender equality across the organisation. Gender equality and women's empowerment principles influence work across the organisation, from programs to human resources and marketing. Gender equality is also being increasingly integrated into programming work - since 2011, projects stating gender equality and women's empowerment as explicit objectives have risen from 30 per cent to 63 per cent.

Goal 2:

We will have effective leadership and management systems

Leadership training delivered to staff in Laos, Timor-Leste, Vietnam and Australia

Productivity increased in accounts, cash management and travel operations

As we strive to support established and emerging leaders, we delivered leadership training for national staff in Laos, Timor-Leste and Vietnam. (Staff from Cambodia, Myanmar and PNG received training in 2012/13.) The PNG office extended the training to more than 20 of its national staff. Fourteen staff in Australia also participated in a leadership program.

We made significant progress in the Information and Communication Technology Strategy, to ensure that staff are able to work efficiently. This year, we refreshed IT infrastructure in Timor-Leste and commenced plans for similar updates in Laos and PNG. The stability of Country Office email systems has been significantly improved after moving to a centralised hosting environment and we established an IT disaster recovery site in our Melbourne Office.

We also increased productivity across our accounts, cash management and travel desk processes by implementing system guides and better use of IT resources.



© Josh Estey/CARE

Leadership Training
 DELIVERED to staff in
LAOS, VIETNAM
TIMOR-LESTE
 and **AUSTRALIA**


PUBLIC REVENUE
 exceeded
\$14M

85,949
ACTIVE DONORS



© Josh Estey/CARE

Goal 4:

Foster effective relationships which enhance our reach and impact

Over 85,000 active donors

Reached over three million people through media

Facebook likes increased 162% to 13,419
 Twitter followers increased 30% to 9,755

Reached over 287,500 people through development awareness activities at public events

Goal 3:

Significant income growth

Public revenue exceeded \$14 million

Grants increased by 4.8%

Strong gains were made in public fundraising, as we head into the final year of CARE's Strategy where the target is to raise \$20 million from the Australian public by 2015.

Significant restricted income of \$1.4 million was raised for the Typhoon Haiyan Appeal, leading to a strong year of restricted fundraising (up 42 per cent on last year). Unrestricted fundraising increased seven per cent, with a particular highlight being the Walk In Her Shoes Challenge raising over one million dollars for the first time.

The only area of funding decrease year-on-year was in the area of grants from AusAID/DFAT, though this remains a strong result in a period of contraction in the government's aid budget and uncertainty about policy direction.

REVENUE	2012/13	2013/14	YOY %
Unrestricted donations	\$9,839,480	\$10,573,172	7.5%
Restricted donations	\$2,752,272	\$3,924,798	42.6%
Total	\$12,591,752	\$14,497,970	15.1%
GRANTS			
AusAID/DFAT	\$21,622,003	\$19,370,029	-10.4%
Other Aus Gov	\$3,230,705	\$6,676,138	106.6%
Total	\$24,852,708	\$26,046,167	4.8%

We reached thousands of Australians with messages about poverty and development. Our Development Awareness Raising Program facilitated over 19,000 conversations with Australians about global poverty, and reached over 287,500 people with information about development at public events. Our media coverage reached an estimated 3.187 million people, a 91 per cent increase on last year.

We facilitated and strengthened strategic partnerships, acting as the co-convenor the ACFID Gender Equity Working Group and the secretariat for the Parliamentary Group on Population and Development, an important and strategic forum involving over 100 parliamentarians.

Partnerships with Qantas, The Body Shop and Girl Guides Victoria helped to make the 2014 Walk In Her Shoes challenge our most successful yet. Our partnership with Westpac also provided significant opportunities to engage with a new network of supporters through events on International Women's Day.

CARE Australia has a longstanding relationship with, and is fully accredited by the Australian Government. We are one of ten Australian NGO Cooperation Partnership agencies and one of six Humanitarian Partnership Agreement agencies.

WHERE WE WORK

Countries with CARE programming in 2013-14:

1. Afghanistan
2. Albania
3. Armenia¹
4. Azerbaijan¹
5. Bangladesh
6. Benin
7. Bolivia
8. Bosnia and Herzegovina
9. Brazil
10. Burundi
11. Cambodia
12. Cameroon
13. Chad
14. Czech Republic¹
15. Côte d'Ivoire
16. Croatia
17. Cuba
18. Democratic Republic of the Congo
19. Djibouti¹
20. Ecuador
21. Egypt
22. El Salvador
23. Ethiopia
24. Georgia
25. Ghana
26. Guatemala
27. Guinea¹
28. Haiti
29. Honduras
30. India³
31. Indonesia
32. Jordan
33. Kenya
34. Kosovo
35. Laos
36. Lebanon
37. Lesotho
38. Liberia
39. Madagascar
40. Malawi
41. Mali
42. Montenegro¹
43. Morocco
44. Mozambique
45. Myanmar
46. Nepal
47. Nicaragua
48. Niger
49. Pakistan
50. Palestinian Territories
51. Papua New Guinea
52. Peru²
53. Philippines
54. Romania¹
55. Rwanda
56. Serbia
57. Sierra Leone
58. Somalia

59. South Africa
60. South Sudan
61. Sri Lanka
62. Sudan
63. Syria¹
64. Tanzania
65. Thailand³
66. Timor-Leste
67. Togo
68. Tunisia¹
69. Turkey¹
70. Uganda
71. Vanuatu¹
72. Vietnam
73. Yemen
74. Zambia
75. Zimbabwe

CARE International Members:

76. Australia
77. Austria
78. Canada
79. Denmark
80. France
81. Germany
82. Luxembourg⁴
- India³
83. Japan
84. Netherlands
85. Norway
- Thailand³
86. United Kingdom
87. United States

CARE International Affiliate Members

- Peru²

CARE International Secretariat:

88. Geneva, Switzerland
89. Brussels, Belgium
- New York, United States

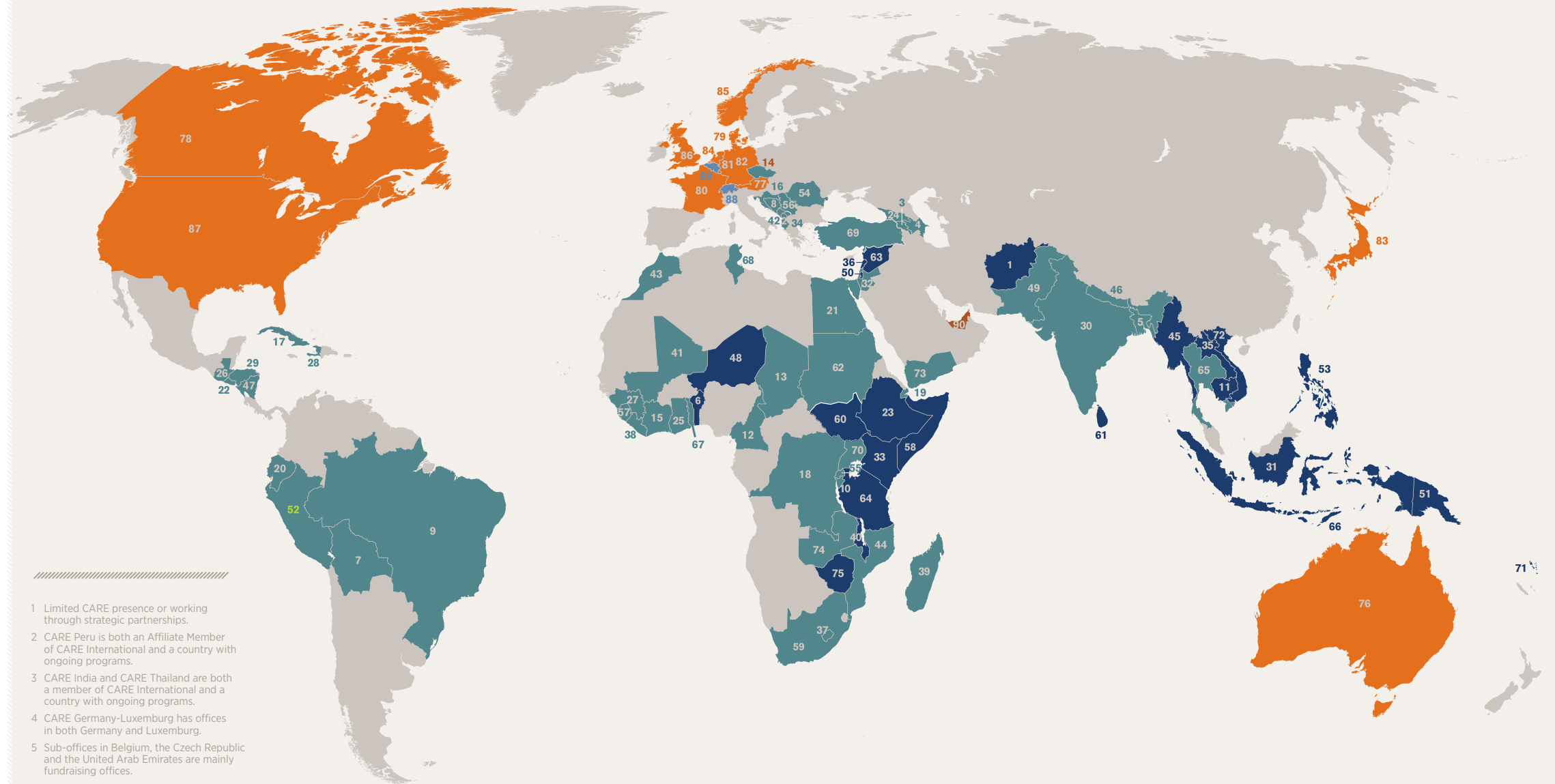
Sub-offices:

- Belgium⁵ (of CARE France)
 -- Czech Republic⁵ (of CARE Austria)
 90. United Arab Emirates⁵ (of CARE USA)

IN 2013/14, CARE WORKED IN 90 COUNTRIES AROUND THE WORLD.

CARE Australia managed projects in 23 countries, and managed the country offices in Cambodia, Laos, Myanmar, Papua New Guinea, Timor-Leste, Vietnam and Vanuatu.

■ Countries with CARE Australia programming are identified in dark blue.



- 1 Limited CARE presence or working through strategic partnerships.
- 2 CARE Peru is both an Affiliate Member of CARE International and a country with ongoing programs.
- 3 CARE India and CARE Thailand are both a member of CARE International and a country with ongoing programs.
- 4 CARE Germany-Luxemburg has offices in both Germany and Luxembourg.
- 5 Sub-offices in Belgium, the Czech Republic and the United Arab Emirates are mainly fundraising offices.



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OUR PROGRAMS

ENHANCING MIGRANT WOMEN'S RIGHTS

South-East Asia is developing rapidly but unevenly, with many of the benefits concentrated in urban centres. Rural to urban migration is increasing rapidly as people seek new opportunities and escape the challenges posed by subsistence lifestyles in the countryside. Leaving behind local support networks for city-based opportunities, where limited social services can't cope with increasing demand, poses many risks for internal migrants. Women are at particular risk, often facing low pay and poor work conditions and gender-based violence.

Drawing on decades of experience in South-East Asia, CARE is responding to this situation with a new four-year 'EMERGE' Regional Initiative, launched in 2013. This initiative aims to equip vulnerable women with legal protection and access to services and income opportunities so they can participate in society, influence decisions and be free from violence. With funding from the Australian Government and the public, women targeted in this initiative include those working in the garment industry, sex industry and hospitality sector in the region's four least developed countries – Myanmar, Vietnam, Cambodia and Laos.

RIGHT: CARE staff in Vietnam are helping sex workers understand and stand up for their rights. ©Josh Estey/CARE



STRONG VOICES ADDRESSING DISCRIMINATION AND EXCLUSION IN VIETNAM

In Vietnam, CARE is working to reduce the extreme stigma and social exclusion faced by female sex workers, which often result in the denial of their basic rights. CARE's research has found that women in Vietnam have relatively fewer social contacts outside the family and greater dependence on men, creating isolation and vulnerability when they migrate to a new city. In many cases this is a driving factor in engaging in sex work.

To address these issues, CARE focuses on addressing gender-based violence and facilitating opportunities for women to influence policies and decisions that affect their lives. This will result in greater access to decent work and social services, while reducing abuse and discrimination for 2,000 women over a four-year period with a flow-on benefit for many more.

INCREASING SAFE, EQUITABLE EMPLOYMENT IN MYANMAR

Myanmar is not just a country in transition; it's undergoing a transformation. Since the establishment of a civilian Government in 2011, Myanmar has opened up to foreign investment, relaxed restrictions on people's movement and continues to undergo widespread changes, with GDP growth hovering at approximately six per cent, albeit from the lowest starting point in the region. Despite these improvements, Myanmar remains one of the poorest countries in Asia.

The resulting rapid urbanisation is creating new social vulnerabilities. CARE is supporting employment opportunities, access to social and legal services and protections, and influence in decision-making processes to create a more supportive environment for women in Yangon and Mandalay.

Over the course of four years, the project will directly benefit 77,000 female migrants and 300 men (such as employers).



ABOVE: In Myanmar, CARE will assist 77,000 vulnerable women who have migrated to cities. ©Tom Greenwood/CARE

ENGAGING LAW ENFORCEMENT AND PROMOTING WOMEN'S RIGHTS IN LAOS

An astonishing 45 per cent of women living in Laos' urban centres work in informal sectors and are at risk of sexual and labour exploitation. Even for the 10 per cent of women working in the formal sector, the vast majority work in garment factories, where pay is low and conditions poor. In Laos' patriarchal society, men hold power as managers, police, judiciary and gatekeepers of influence – overcoming injustices necessitates addressing these power imbalances.

CARE supports women's networks for peer-to-peer education about rights and to increase women's influence in decision making, while also educating police, employers and others about gender and rights' issues. Directly targeting 1,500 women and 1,400 men over four years, twenty-five-year-old Orlady exemplifies the potential of this program.



ABOVE: Orlady hosts a talk-back radio program on women's rights. © Jeff Williams/CARE

Moving to Vientiane in 2007, Orlady found work as a cashier in a bar, joining CARE's project when the CARE team visited her workplace.

"I didn't know much about the industry. My boss was angry a lot of the time and I didn't know how to deal with it. I would just sit there with no reaction. Since working in this project I now know about my legal rights and who to go and talk to if there's a problem. I can now stand up for myself and say what is right and what is wrong."

Orlady now supports the project by attending training sessions led by CARE and sharing information and advice with her peers about issues including human trafficking, gender-based violence and women's rights. She also presents a radio show offering advice to women. "I like to share information with others, and I'm proud of myself for doing so," Orlady explains.



PEER EDUCATORS SHARE VITAL INFORMATION IN CAMBODIA

In Cambodia, urban women earn 33 per cent less than men. Young women who migrate from rural areas also face a significant risk of trafficking and being drawn into jobs that exacerbate their vulnerability, such as commercial sex work, beer promotion and garment factory work, where 350,000 people like Thyda are employed.

Thyda grew up in Svay Reang Province but moved to Phnom Penh to get a job to help support her family. She works in a garment factory and also as a Peer Educator supported by CARE, a role that has changed her life.

"I feel excited, I never thought I would have the ability to provide information to other people. As a Peer Educator I provide training to my friends [factory workers] during lunch time," she says.

The training covers topics such as maternal and child health, sexual and reproductive health, micro-finance savings and financial management.

CARE's project is expected to reach 14,000 women in the most vulnerable professions - garment factory and entertainment workers – building on previous support to these groups. Peer education and concurrent work with law enforcement will ensure much broader change.



ABOVE: Thyda runs training sessions on health and financial management for her colleagues. ©Josh Estey/CARE

MAXIMISING OUR IMPACT

Drawing on lessons from these projects across the Mekong countries, CARE seeks to raise the profile of marginalised urban women's issues and challenges in the wider South-East Asian region.

This will be achieved through research and advocacy, capacity building of CARE and partner staff, and sharing best practice, experiences and tools with other non-government agencies and other relevant groups.

OUR PROGRAMS

INTEGRATED DEVELOPMENT IN PAPUA NEW GUINEA

Recognising the complexities of development, CARE utilises holistic, integrated approaches to reach the most disadvantaged people. There are few places in the world where this is more important than in Papua New Guinea (PNG).

Home to hundreds of ethnic groups and speaking more languages than any other country in the world, PNG is brimming with diversity. It is also home to some of the poorest people in our region. Nationally, 85 per cent of the population survive on subsistence farming, 40 per cent live below the poverty line and a staggering 80 per cent of men have committed gender-based violence, in the form of physical or sexual abuse, or both. For remote areas, these challenges are exacerbated, due to limited or non-existent social services and economic opportunities, and minimal government accountability.

CARE's Integrated Community Development Project (ICDP) responds to these challenges in three remote and disadvantaged districts - Menyamya District (Morobe Province), Obura Wonenara District (Eastern Highlands Province), and Gumine District (Chimbu Province) - reaching approximately 200,000 people over the past five years. Funded by the Australian Government and donations from the Australian public, the integrated approach recognises that creating sustainable improvements in people's lives requires activities in multiple areas. Improved service delivery in healthcare and education, and new ways to earn an income requires engagement with communities, local organisations and government. Underpinning CARE's integrated work is our focus on improving gender equality, the vital ingredient for enhancing and sustaining development.



FOUNDATIONS FOR CHANGE

CARE's approach prioritises gender equality by providing women with knowledge and skills, equalising the power relationships between men and women, and over time, changing norms and policies that shape women's choices.

For example, CARE has been ensuring women influence decision-making processes so their needs are recognised and supported. When men dominate decision-making, development priorities may focus on roads and economic infrastructure. Meanwhile, women's traditional roles, such as daily food production and caring for sick family members, may be neglected. The reality is communities have many needs and outcomes improve when men and women work together to agree and act on priorities.

WOMEN IMPROVING LOCAL GOVERNANCE

Distrust between local communities and government institutions in PNG limits effective dispute resolution, delivery of essential services and, ultimately, development. For CARE, bridging this gap is not just about strengthening governance, but specifically increasing women's participation. ICDP is highly effective, linking and forging new agreements with departments and government institutions for education, health and agriculture, establishing village courts to improve local dispute resolution, and establishing local Development Committees with minimum standards for representation from women. These actions lay the foundation for sustainability, as other elements of the program become integrated into government plans, thus receiving continued support. Development Committees have been instrumental, developing new long-term priorities, providing a forum for female leaders as role models, and bringing community needs to the ears of Government in PNG.

Specific achievements include:

- Over \$435,000 of new PNG Government funding for community needs
- A women's network created to support women Development Committee members (in Menyamya District)
- PNG Government funding allocated to rehabilitation of a health centre in Omaura
- Ongoing PNG Government-funded school subsidies established for four new elementary schools and one primary school (more will be included in 2015)

- Local leaders selected, trained and allocated to eight new village courts (and receiving a fortnightly government allowance)
- Community contributions, including construction, labour and teachers.

WRITING A BETTER FUTURE

Low literacy rates severely restrict development in PNG, with a national literacy rate of 56 per cent. This rate drops to 44 per cent in the Eastern Highlands and in CARE's remote target areas the rate drops to 27 per cent, making opportunities for education, and any kind of business development a challenge. ICDP addresses this issue through formal and non-formal education, recognising the diverse needs of the population. Literacy is not just a matter of reading and writing, but gaining the skills to independently create a better future for individuals, families and communities. Key achievements of the literacy program include:

- 28 newly trained early childhood literacy teachers and 38 adult literacy teachers
- Establishment of six early childhood literacy schools, educating 278 males and 379 females, and nine adult literacy schools, educating 752 males and 682 females
- Community mobilisation to build the schools and select teachers, promoting social harmony and active citizenship.

ADDITIONAL RESULTS

Over five years, CARE has supported improvements in a range of other areas including health and income generation. The following are highlights:

- 485 fish ponds have been established to increase the availability of protein in people's diets. Further fish ponds are being established by communities without CARE's support
- Rehabilitation of 40 coffee plots, aiming to increase cash incomes
- Seven footbridges being built will benefit 18,000 people to have easier and safer access to markets, health centres, schools and courts
- 120 Village Health Volunteers and 58 Village Birth Attendants trained.

The project has improved local planning, farming practices, infrastructure and political accountability. A recent evaluation indicated the project had positive results that are likely to be sustained.

We hope to receive further funding to ensure this work will be maintained and replicated in other remote, disadvantaged areas.

LEFT: Skaila is a member of her village's Ward Development Committee. She works with other members to identify priorities for her village's development. © Tom Greenwood/CARE

OUR RESPONSE TO EMERGENCIES

CARE AUSTRALIA'S NEW AND ONGOING EMERGENCY RESPONSES IN 2013/14



SMALLER-SCALE SUPPORT WAS PROVIDED TO RESPOND TO A MEASLES OUTBREAK, LANDSLIDE AND FLOODING IN PAPUA NEW GUINEA AND CYCLONE LUSI IN VANUATU.

During 2013/14, the world witnessed severe natural and man-made disasters, making it one of the worst periods for humanitarian emergencies in history.

The impact of conflict was extreme – with the number of people forced from their homes by conflict and persecution passing 50 million in a year for the first time since the Second World War – more than twice the population of Australia.

Emergencies require rapid, targeted responses; time is critical, long-term vision essential. CARE's responses saved and improved the lives of hundreds of thousands of people facing dire situations.

DEVASTATION IN THE PHILIPPINES

A staggering 16.1 million people were affected when Typhoon Haiyan struck the Philippines in November 2013. Over four million people were displaced, over one million households were damaged and over 8,000 people were killed or missing. CARE's response reached far beyond our initial target to assist 200,000 people, providing over 314,000 people with:

- lifesaving food kits to meet immediate needs
- shelter materials and tools
- cash transfers for income-generating activities.

Before Typhoon Haiyan, CARE had facilitated disaster risk reduction activities in the Philippines to ensure communities had early warning systems in place, were prepared for the onset of a typhoon and had better links to government services. These activities enabled CARE to draw on existing community relationships and rapidly scale up our disaster response with greater efficiency and effectiveness. It was all hands on deck, with numerous local volunteers joining CARE's ranks to pack and deliver thousands of food packages. CARE took this opportunity to enhance future community resilience through researching and implementing a livelihood recovery strategy that addresses the specific local needs of men and women, and includes planning to protect against future hazards.

The Australian public were exceptional in their generosity to this emergency, with public donations reaching \$1,489,695. CARE also received \$833,334 funding from the Australian Government. Stand Up, Vietnamese Community in Australia – Victoria Chapter, and Optiver were generous donors to the emergency response. These contributions were critical to CARE Australia's ability to support the distribution of food, shelter kits and cash transfers.

SYRIAN CRISIS

The conflict in Syria has caused a staggering 9.3 million people to require critical support, 3.5 million of whom are in areas that are extremely difficult to access. A further 2.8 million people have sought refuge in nearby countries. Each of these people have individual stories of lost family members and homes, and little idea of what the future will bring. Only 21 per cent of the humanitarian sector's US \$2.2 billion request for assistance to Syria has been met.

CARE is there for the long haul, working with affected people in Syria, Jordan, Egypt and Lebanon. CARE's work has reached approximately 450,000 people this year through a diversity of activities, drawing particularly on our expertise in and prioritisation of gender equality. For example, water, sanitation and hygiene improvements are delivered in a manner that take into consideration the different needs of men, women, boys and girls and ensures that infrastructure is well located, well lit and reduces women's exposure to violence.

The Australian public generously donated \$676,500 to our Syrian Crisis Appeal in 2013/14, including donations made by The Charitable Foundation. The Australian Government is also providing a total of \$2,150,000 for our response efforts, with \$800,000 received in 2013/14.

Funds allocated this year have allowed CARE Australia to support Syrian refugees and host communities in Jordan with emergency cash assistance and winter kits, including items such as blankets and heaters. In addition CARE has reached 3,570 Syrian households with information about education and healthcare services, through volunteers, group information sessions and text messages. Vulnerable Syrian and Jordanian households were also invited to participate in psychosocial activities coordinated by CARE.



ABOVE: CARE provided food, shelter kits and cash transfers to survivors of Typhoon Haiyan in the Philippines. ©Thomas Haunschmid/CARE

SOUTH SUDAN CONFLICT AND FOOD CRISIS

South Sudan is facing an extreme crisis, with the United Nations warning of imminent famine. 1.5 million people are displaced, approximately 15 per cent of the population, and over 50 per cent already live in poverty, a number set to soar with increasing conflict. Nearly four million people are at risk of an extreme food crisis – roughly the entire population of Melbourne. Avoiding famine in South Sudan is of utmost importance – we know it is far more effective and humane to prevent it rather than respond once it has occurred.

CARE's operations in South Sudan currently provide a lifeline to more than 192,000 people with basic food, health provisions and other support. Nyakuic, mother of a twelve-month old baby explains the desperation of her situation: "I don't have enough food for myself. I can't produce enough milk for the baby." Nyakuic received rehydration therapy from CARE and therapeutic food from CARE's nutritional clinic. CARE's work to support mothers like Nyakuic continues, despite increasing insecurity caused by growing conflict.

REHABILITATION IN MYANMAR

CARE's emergency response for Cyclone Nargis was evaluated during the year. Impacting Myanmar in 2008, Cyclone Nargis killed an estimated 140,000 people, with humanitarian assistance initially restricted by the former military regime. CARE's operations in the country since 1995 provided a vital opening to an otherwise closed-off country. Over the past six years, vast improvements have been made in people's lives.

IMMEDIATE RESPONSE PHASE: (MAY–NOV 08)

- Distribution of 3,870 tonnes of rice, 749 tonnes of beans and 13.3 tonnes of high energy biscuits, described by recipients as "livesaving" assistance
- Temporary shelter and family kits (tools, clothing and other essentials) for 40,000 families
- Rice seed, fuel and tools to immediately restart rice farming, with village leaders explaining: "Without the seeds and [fertiliser] we could not have planted our fields in time ... to not have a winter harvest would have been the end for us".

TRANSITION PHASE: (DEC 08–AUG 09)

- Provided 25,602 people with assistance to restart farming activities with items such as seeds
- Creation of 98 Village Development Committees to manage rehabilitation and Village Development Funds, and continue to advocate to local authorities for their needs.

RECOVERY AND DEVELOPMENT PHASE: (AUG 09–JUNE 13)

- Recovery of village infrastructure led to improved economic opportunities, while cyclone shelters and reinforced housing construction resulted in greater emergency preparedness.

As CARE winds down our response, communities are well positioned to continue improving their lives with Village Development Committees, new infrastructure and improved skills.

GENDER IN EMERGENCIES

CARE is a leader in ensuring the needs of men, women, boys and girls are met at all stages of emergency response. Our rapid gender analysis in South Sudan highlights the importance and potential of this approach. When CARE began working in a camp for displaced people in Malakal, we spoke to women about their experiences with the water, sanitation and hygiene facilities. We found that sexual violence was occurring as women lined up to collect water and used toilets that were only separated by thin plastic sheeting from male toilets. Women and girls reported being afraid of using the toilets and taps, instead going outside the relative safety of the camps and crossing into areas where fighting was on-going.

Isadora Quay, CARE's Gender in Emergencies Advisor, explains the importance of understanding and addressing the needs of men and women in emergencies. "It's about making sure that women's voices are heard, and not just talking to village leaders who are often male. Sometimes women make up 75% of the population in a refugee camp, so if we aren't talking to them we are not going to meet the needs of the majority of the population. There are many practical solutions that can be applied to overcome these issues – such as separating male and female toilets and ensuring there is adequate lighting. We also share our analysis with others so that issues can be addressed more broadly."

OUR RESPONSE TO CLIMATE CHANGE



While the impacts of climate change are already being felt around the globe, the world's poorest people are experiencing the impact with devastating consequences. CARE tackles climate change through our programs, advocacy and by minimising the environmental impact of our own operations.

CLIMATE CHANGE POLICY

Working throughout the world in highly diverse contexts, CARE's Climate Change Policy guides our work to maximise immediate impacts and ensure sustainable results. Years of experience, pioneering techniques on promoting gender equality and an extensive international network are key strengths driving our work. Our policy prioritises four key areas for CARE's climate change work:

- 1. Programing:** ensuring our programs are appropriate and effective at addressing climate change issues
- 2. Advocacy:** advocating for fair and responsible action to address the underlying causes of climate change
- 3. Organisational Change:** leading by example, CARE must take responsibility for and reduce our emissions
- 4. Co-operative Action:** we work as part of the CARE Confederation to ensure coordinated action and support for partners.

COMMUNITY-BASED ADAPTATION

CARE works with local communities to find innovative, context-specific techniques to reduce the impacts of climate change, equipping communities with the necessary skills and materials to bring immediate benefits and build longer-term resilience to a range of shocks and changes. CARE Australia's climate change programs operate in Papua New Guinea, Vietnam, Timor-Leste and Vanuatu through our Community-Based Adaptation Project, funded by the Australian Government.

VANUATU: RESILIENCE THROUGH ADAPTATION

Recognising the need for a collaborative approach to support a population scattered across over 80 islands, CARE is a member of the Vanuatu NGO Climate Change Adaptation Program, a consortium of NGOs working from community to national level to address the impacts of climate change. CARE is working on Futuna, a small island at the southernmost tip of Vanuatu, to build community and government understanding of how to plan for climate risks and improve agricultural techniques to adapt to inconsistent weather patterns.

CARE also developed a Gender Action Plan to guide the members of the Program to consider gender in all activities and ensure women and girls share equally in the benefits.

Mala Silas is a Climate Change Adaptation Field Officer for CARE Vanuatu. She explains, "I've been involved in a project to help the people of Futuna Island build home gardens to bring them more food; food which can handle changing weather patterns and diseases. Before the project, the people of Futuna mostly ate boiled fish and boiled cassava. If they wanted to eat any other vegetables, they had to send money to islands many hours away by boat.

When I first arrived on Futuna Island a few years ago, I would never see a woman stand up or speak during a community meeting; they were too shy and didn't seem comfortable getting involved. Seeing women standing up to talk now – even challenging the men – was something very special. These inspiring women have plenty of knowledge about their local environment, gardens and households, and I feel lucky to be working with them to improve their lives and break down many cultural and social barriers."

Mala is not only supporting communities to voice their concerns at a local level, but also in national and international forums. As a youth representative from Vanuatu to the 2013 UN Climate Change Conference in Warsaw, Mala represented those living at frontline of climate change impacts. "We are facing the impact of climate change and I don't know why other governments [at the Warsaw Conference] don't recognise that climate change is real and it's happening and it's really affecting people," she says.

WATER IS OPPORTUNITY IN TIMOR-LESTE

"Sometimes we eat fish, but no meat because it's too expensive. Right now, we eat breakfast and lunch but no dinner ... It's not enough, because a lot of food is destroyed, so it's not sufficient for my family," Judith, mother of eight, says wearily.

Judith represents an all-too-common scenario in Timor-Leste, where climate change is adding additional pressure to communities who are already struggling to produce enough to eat. The situation is changing through CARE's MAKAS project, which delivers improved water management to reduce destructive flooding and provide a reliable water source during times of drought. The project delivered strong results in 2014, with the establishment of Water Management Groups, 77 new Farmers' Groups and 12 nurseries producing 91,000 seedlings. Through improved water management, local communities will produce more food, gain extra income and also increase sanitation and hygiene, leading to less sickness, better education results and improved productivity, as villager Berta explains:

"Through the home gardens we are now able to produce enough vegetables for our families to eat but also to sell at the local market ... With the money from selling vegetables the women in our group have been able to pay [for children to go to school] and make improvements to their houses."

PREVENTION IS THE BEST MEDICINE

Disaster risk reduction and resilience activities assist communities to mitigate and recover from the impacts of climate change. In May 2014, CARE coordinated a joint learning event for NGOs in the Australian Government's Humanitarian Partnership Agreement to explore the impacts of our collective disaster risk reduction programs. Key findings included:

- Understanding local hazards encourages communities to adopt methods of earning an income that are suited to their environmental conditions, and helps them better prepare and respond to disasters and climate change.

- Disaster risk reduction builds links between local and international levels, as NGOs develop relationships with communities, district and provincial level officials, and national government agencies.
- Pilot projects are able to trial new approaches and demonstrate effectiveness so national governments can implement on a much larger scale.

These findings reinforced the critical role that disaster risk reduction plays as a bridge between emergency response and long-term sustainable development, making it a key component of CARE's Humanitarian and Emergency Strategy.

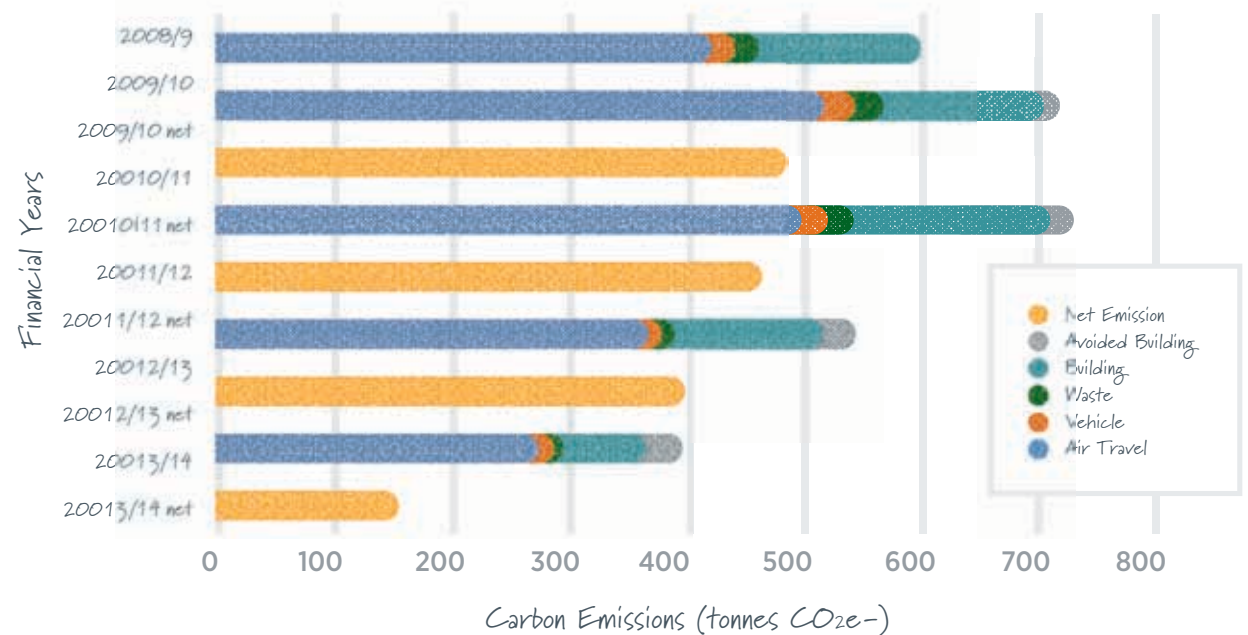
OUR OPERATIONS

CARE Australia is committed to reducing our carbon footprint by 40 per cent across our Australian operations.

In the past year, we achieved:

- A significant 23 per cent gross decrease in emissions from 2013
- Reduction in emissions from waste to landfill by over 80 per cent due to the implementation of comprehensive recycling systems
- Substantial recycling rates – 273 kg of organic waste was recycled in Canberra, and our recycling of paper and mixed recycling has increased substantially since the provision of desk-side recycling and removal of general waste bins
- Melbourne car use decreased, with staff increasingly using public transport
- 100% offset of emissions for the majority of flights.

CARBON EMISSIONS FROM CARE'S AUSTRALIAN-BASED OPERATIONS (TONNES CO2E-)



COMMUNITY OUTREACH

Thousands of Australians share our commitment to strive for a world where poverty has been overcome and people live in dignity and security. We sincerely value our supporters standing with us to maximise our impact through learning and sharing experiences at education activities, fundraising through campaigns and calling for change through advocacy initiatives.

EDUCATION

CARE Australia's Development Awareness Raising Program interactively engages Australians in issues relating to global poverty and social justice through activities at public events and a speaker program for schools and workplaces. Through both activities, we had over 19,000 interactive conversations with Australians about global poverty.

EVENT AND VOLUNTEER PROGRAM

At the heart of CARE's volunteer program is a community of people sharing information about poverty and CARE's work. This year, over 300 new volunteers registered their interest in joining the program, helping us reach over 287,500 people with information about development issues and having over 11,700 conversations with Australians at events.

Volunteers assisted CARE at events such as WOMADelaide (South Australia), The Sustainable Living Festival (Victoria) and university open days, setting up information stalls, sharing information and conducting interactive learning activities. For example, at WOMADelaide the events team developed activities for people to experience and understand the burden of carrying water long distances, a task usually undertaken by women and girls.

SPEAKER PROGRAM

CARE speakers travelled to urban and rural schools, speaking with over 7,200 people. On average, 109 people attended hour-long presentations covering topics such as gender equality, human rights and how we can all take action to end poverty.

"You spoke to the girls with genuine passion and the presentation was interactive and informative. Many thanks for the fantastic resources you have shared."

Erin Crawford, Year 10 Student Coordinator at Pymble Ladies' College.

CAMPAIGNS

WALK IN HER SHOES

From Kalgoorlie to Mt Isa, Australians stepped up to the Walk In Her Shoes Challenge in 2014, walking 25, 50 or 100km between 17-23 March and reaching a collective distance of 183,725kms - more than four times around the world!

The challenge symbolises the many hours women and girls walk every day to collect food, water and firewood. It also raises funds to support CARE's work - this year raising over \$1 million for the first time. Many participants took advantage of the new Walk In Her Shoes iPhone app to help them track their steps and fundraising.

Our walkers were kept motivated with generous prizes from our Founding Sponsors, The Body Shop and Qantas, while our Community Partner Girl Guides Victoria demonstrated their commitment with over 300 Guides walking. The campaign reached an estimated 2.95 million people through our Ambassadors and strong media coverage, including segments on *The Project* and *Wake Up*.

An amazing 98 per cent of our walkers said they would do it all again in 2015, so we are looking forward to making Walk In Her Shoes even bigger next year!

BARE

Bare is an initiative of CARE Australia and Marie Stopes International Australia, asking Australian women to 'Go Bare' without makeup on 20 September to raise awareness of women and girls living in poverty in Africa, who go without basics every day.

In its final year, the Bare initiative achieved a total audience reach of approximately 1.8 million Australians, gaining coverage through influential bloggers, musicians, The Body Shop, *Dumbo Feather* magazine and *2Day FM*.



RIGHT: CARE's Lyrian Fleming-Parsley talks to Channel 10 hosts of *Wake Up* about Walk In Her Shoes. © Tom Perry/CARE



ABOVE: Julia Newton-Howes joined other female leaders to mark International Women's Day at a Westpac event in Sydney. Photo courtesy of Westpac. TOP RIGHT: Joanne Parker at one of the ten events she participated in to fundraise for CARE. Image: Joanne Parker.

ADVOCACY

PARLIAMENTARY GROUP ON POPULATION AND DEVELOPMENT

CARE Australia provides the Secretariat of the Parliamentary Group on Population and Development (PGPD) with funding support from the United Nations Population Fund (UNFPA). PGPD is a non-partisan group of approximately 100 federal, state and territory politicians interested in international development issues, with a particular focus on gender equality, women's empowerment and sexual and reproductive health and rights.

The PGPD conducts parliamentary briefings, presentations from aid and development experts for parliamentarians, and supports politicians to engage with major development events, such as the 20th International AIDS conference. This year, highlights included events at Parliament House in partnership with seven NGOs to commemorate the third anniversary of the Syrian conflict; welcoming Australia's new Global Ambassador for Women and Girls, Natasha Stott Despoja; and meetings with the Director-General of the International Planned Parenthood Federation, Tewodros Melesse.

INTERNATIONAL WOMEN'S DAY

International Women's Day (IWD) is an important day for CARE, marking the achievements and advances of women around the world, and calling for action to address continuing gender inequality. CARE's Walk In Her Shoes Challenge was promoted as an active way for Australians to show their support for women and girls living in poverty.

Westpac CEO and CARE Australia Women's Empowerment Ambassador Gail Kelly hosted a breakfast for around 80 CARE supporters to showcase CARE's work, particularly in relation to economic inclusion and the empowerment of women and girls - the United Nations' themes for this IWD. Our Country Offices also conducted diverse IWD activities.

CARE Australia's Chief Executive Dr Julia Newton-Howes joined other female leaders at a public event organised by Westpac to encourage Australians to take greater action to improve gender equality.



FUNDRAISERS PERFORMING AMAZING FEATS!

We are amazed by the efforts that our supporters went to this year to raise money for and awareness about CARE's work. From fun runs to marathons and quiz nights to bike treks, it was inspiring to see what can be achieved with passion and commitment. Thank you to all of our community fundraisers!

JOANNE PARKER RAISED OVER \$5,000 BY COVERING 3,755KM IN TRAINING AND EVENTS!

"I was looking for a new fitness challenge to keep me motivated and accountable throughout the impending winter and remainder of the year. I chose ten events including bike rides, fun runs and a swim covering a total 3,755km in order to raise awareness and funds for CARE Australia. As a busy full-time working mum, with a daughter of my own, I wanted to find a way to help raise awareness and funds for this fantastic charity."

DEAD2RED MARATHON FOR SYRIAN REFUGEES

In March 2014, three years after the beginning of the crisis in Syria, a team of ten runners participated in the famous 'Dead2Red' marathon in Jordan. Their goal: to raise awareness and funds for the plight of millions of Syrian refugees.

The team consisted of five CARE emergency staff and five Syrian refugees who volunteer in CARE's urban refugee centres. They finished the 242 kilometres from the Dead Sea to the Red Sea in an amazing 22 hours and 23 minutes. Defying sand storms, exhaustion and darkness, they raised US\$25,775 for CARE's emergency work for Syrian refugees.

Thank you to all of our community fundraisers!

OUR STAFF



© Tom Greenwood/CARE

One of CARE's greatest strengths is our staff, bringing compassion and skill to CARE's work. Ninety-five per cent of CARE's staff are nationals of the country they work in.

STAFF PROFILE

CARE Australia employs 957 staff: 79 in Australia and 878 in our Country Offices. In the past year, staff levels remained the same in Australia, while there was a 7.8 per cent reduction in expatriate staff and a 6.6 per cent reduction in national staff, due to the completion of some projects and increasing delivery of projects through partners.

VOLUNTEERS

Throughout the year, we were fortunate to benefit from 29 volunteers performing 337 days of work in our Melbourne and Canberra offices, representing a contribution of \$77,379 in in-kind services. They supported CARE's education, advocacy, programmatic, marketing and communications activities.

A further 27 event volunteers contributed 160 hours at events, such as WOMAdelaide and The Sustainable Living Festival in Melbourne.

Internationally, five volunteers were stationed in our Country Offices through our continued partnership with the Australian Government's Australian Volunteers for International Development program.

PEOPLE STRATEGY

Eighty per cent of our 2013 People Strategy Action Plan has been completed. Highlights include the development of a Prevention of Harassment and Discrimination Policy to support an even more inclusive and respectful working environment. A staff survey also found improvements in work/life balance, diversity and human resource practices.

Number of staff by location

LOCATION	EXPATRIATE STAFF†	LOCAL STAFF‡	TOTAL STAFF
Australia	n/a	n/a	79
Timor-Leste	10	212	222
Papua New Guinea	9	85	94
Laos	7	96	103
Cambodia	4	114	118
Vietnam	5	67	72
Myanmar	7	246	253
Vanuatu	2	11	13
Regional (incl. WASH staff)	3	-	3
SUB-TOTAL STAFF	47	831	
TOTAL STAFF			957

Staffing levels over time

STAFF NUMBERS	30 JUNE 10	30 JUNE 11	30 JUNE 12	30 JUNE 13	30 JUNE 14	% CHANGE 2013-2014
Australian-based	65	68	75	79	79	0
Overseas-based	50	49	45	51	47	(7.8)
National staff	1,280	920	878	890	831	(6.6)
TOTAL STAFF	1,395	1,037	998	1,020	957	(6.3)

Note: Staff numbers include part-time staff.

† Expatriate staff are international employees posted to a CARE Australia-managed Country Office and staff undertaking Emergency Water, Sanitation and Hygiene field-related activities.

‡ Local staff are nationals of the CARE Australia-managed Country Offices.

RECRUITMENT AND RETENTION

Our staff turnover rate was 16.5 per cent, a decrease from 24.5 per cent in 2012/13. Exit questionnaires indicate that both "time for a change" and "external career opportunities" were factors in turnover. Country Offices in Cambodia and Vietnam benefited from workshops to further improve selection of the best possible candidates for long-term results, with further workshops planned for other Country Offices.

PERFORMANCE MANAGEMENT

All staff participate in performance management processes to help build a culture of strong performance. Country Office human resources teams have been supporting their field offices by providing performance management training, including setting work goals that strategically link to CARE's programmatic goals.

STAFF DEVELOPMENT

Five staff from each of our Laos, Timor-Leste and Vietnam offices were involved in our National Staff Leadership Development Program, while our Papua New Guinea office extended a similar training for more than 20 national staff. CARE's extensive learning and development resources were increasingly disseminated across all offices, providing self-learning opportunities for all staff. Fourteen staff in Australia also participated in a leadership program, as we strive to support established and upcoming leaders throughout the organisation.

EQUITY AND DIVERSITY

CARE's inaugural Gender and Diversity week ran in late July to engage staff on gender and diversity issues. This plays an important role in encouraging staff to reflect on CARE's responsibility to be inclusive both in Australia and internationally.

CARE's commitment to equality was also strengthened through the implementation of our Paid Parental Leave Policy. The policy respects that parenting may be provided by either partner, and provides a choice as to which partner will be the primary care giver, following birth or adoption, when both parents are working.

CARE's 2013 employee survey for Australian-contracted staff demonstrated promising results, with staff citing that CARE's commitment to an open and accepting work environment is effective, irrespective of ethnicity, gender, disability, age, sexual orientation or religion.

HEALTH, SAFETY AND WELLBEING

During 2013/14 we implemented voluntary pre and post-deployment briefing sessions to new overseas-based employees and employees responding to a humanitarian emergency. Staff gain skills to identify and deal with challenging situations that may arise and understand support mechanisms that can be drawn upon.



© Amelia Taylor/CARE

Staff Profile:

SIMPLICIO BARBOSA TIMOR-LESTE

Starting as a translator with CARE in 2003 for the Lafaek magazine – Timor-Leste's only magazine produced in the local language of Tetun. Simplicio's dedication and skill saw him rise to his current position as Project Manager.

"My program manager saw that I had potential. I had already fallen in love with the project and I didn't see any other place better than working on Lafaek because of its environment – the theme, the people, I really feel comfortable working here. CARE is trying to support local staff to fill key positions. Not just to promote, but facilitate those staff to get proper skills and knowledge in order to do the job better.

My favourite character [in Lafaek] is Mau Sesta because he is a naughty boy, but also smart. He is very active and kind, but also naughty. Our character Mau Sesta is like what we can find in real life. No one is perfect. Sometimes we find people with mixed characters. He is really my favourite character because I find in real life that children like to learn things from fun. In the future, I want to see Lafaek as the most popular magazine for children and young people."



© Tom Greenwood/CARE

OUR GOVERNANCE

CARE'S BOARD

The Board of Directors is responsible for directing CARE Australia's activities towards achieving our vision and fulfilling our mission while living the core values as set out on page three of this report.

The Board is responsible for approving CARE Australia's strategic direction, monitoring its implementation and fulfilling stakeholders' expectations. It is accountable for CARE Australia's overall performance, compliance with relevant laws, codes of conduct and ethical standards and for the oversight of its risk management. The Board endeavours to ensure that CARE Australia, its Directors and employees conduct themselves in accordance with the highest ethical standards and consistently with its core values.

It is comprised of 11 independent, non-executive Directors who serve on a voluntary basis and do not receive remuneration, with the exception of reimbursement of reasonable expenses incurred in undertaking Board activities. Directors are drawn from a broad cross-section of the Australian community with a diversity of experience and skills. The Board ensures that its performance, experience and skill base are reviewed and renewed appropriately.

The Board appoints the Chief Executive and delegates to her the operational management of CARE Australia with the powers, authorities and delegations determined by the Board.

BOARD COMMITTEES

The Board appoints Committees to assist in the discharge of its obligations, consider issues referred and delegated by the Board and make recommendations. The Committees regularly report to the Board and are listed in the Organisational Structure on page 29. More information about the Board's functions and development is provided on CARE Australia's website: www.care.org.au/board

RISK MANAGEMENT, FRAUD AND CORRUPTION CONTROL

The Board is responsible for the oversight of material business risk and is assisted in this role by the Finance and Audit Committee and the International Programs and Operations Committee. Management has developed and implemented a risk management framework, which underpins CARE's Risk Management Policy, whereby material operational, financial and compliance risks are regularly assessed, monitored and managed.

The Organisational Risk Management Committee is a standing management committee with members appointed by the Chief Executive because of their leadership roles within the organisation and their unique familiarity with their area's risks. The Committee supports Board sub-committees by continuously assessing our risk management strategies to ensure they remain current with regulatory, operational and legal changes as well as our business objectives.

Our Fraud and Corruption Control Plan is accompanied by a Policy Statement issued by our Chief Executive that clearly sets out CARE's zero tolerance approach to fraud and corruption. We are committed to maintaining a culture of honesty and opposition to fraud, and the plan sets out the steps to ensure that we understand, prevent, detect, investigate and respond to fraud and corruption.

RESERVES POLICY

Our Reserves Policy specifies that reserves need to be retained to safeguard CARE Australia's operations. This policy balances the need to protect our financial security while simultaneously ensuring flexibility in meeting the development and humanitarian challenges of operating in a dynamic global environment.



© Josh Estey/CARE

CARE Australia's Organisational Chart

ADVISORY COUNCIL

Willoughby Bailey, AO, KCLJ
Sir William Deane, AC, KBE
Tony Eggleton, AO, CVO
Philip Flood, AO
The Hon. Barry Jones, AO
Jocelyn Mitchell
Peter Smedley

CARE AUSTRALIA BOARD

CHAIR: Harold Mitchell, AC
VICE CHAIR: Christine O'Reilly
Peter Debnam
TREASURER: Bronwyn Morris
Colin Galbraith, AM
David Feetham
Robert (Bob) Glindemann, OAM
Allan Griffiths
William (Bill) Guest
Professor Stephen Howes
Louise Watson

BOARD SUB-COMMITTEES

Executive Committee
Finance and Audit Committee
People Committee
Fundraising and Communications Committee
International Program and Operations Committee
Committee for Transformational Change in CARE International
Governance and Nominations Committee

CHIEF EXECUTIVE JULIA NEWTON-HOWES

INTERNATIONAL OPERATIONS Principal Executive Robert Yallop

International Operations Unit
Cambodia Country Office
Laos Country Office
Myanmar Country Office
Papua New Guinea Country Office
Timor-Leste Country Office
Vanuatu Project Office
Vietnam Country Office

INTERNATIONAL PROGRAMS Principal Executive Paul Kelly

Quality and Impact
Humanitarian Emergency Unit
Country Programs
Program Compliance and Information Management

MARKETING & COMMUNICATIONS Principal Executive Andrew Buchanan

Communications
Campaign Fundraising
Key Partnerships

CORPORATE SERVICES Principal Executive Greg Brown

Finance
Human Resource
Information Technology
Business Support
Company Secretary and Corporate Governance

TREASURY POLICY

Our Treasury Policy sets out CARE Australia's financial risk management framework and addresses operational, liquidity, interest rate and foreign exchange risks. The policy notes that CARE Australia faces a wide range of financial and commercial risks, and outlines those risks and how we will manage them.

INVESTMENT PERFORMANCE

CARE Australia takes a conservative approach regarding banking and the investment of our reserves. Myer Family Company manages our investment portfolio in line with the approved investment strategy under the oversight of the Board's Finance and Audit Committee. During the year we reviewed our Investment Policy to ensure that it remained relevant given the current and forecasted Australian and global economic conditions. Our investment objectives include achieving a return of CPI plus three per cent on our investments in order to maintain and improve the purchasing power of our capital and to benefit from our tax-free status.

Investment performance against objectives

POLICY OBJECTIVES	1 YEAR	SATISFIED?	SINCE INCEPTION (%PA)	SATISFIED?
Maintain and improve purchasing power of capital	Portfolio: 11.0% CPI: 3.0%	✓	Portfolio: 3.7% CPI: 2.7%	✓
Benefit from tax free status	Franked income where appropriate	✓	Franked income where appropriate	✓
Total return of CPI + 3% over the long term	Portfolio: 11.0% CPI + 3%: 6.0%	✓	Portfolio: 3.7% CPI + 3%: 5.7%	✗

Since inception the portfolio has maintained its purchasing power and benefited from CARE's tax-free status. The objective of CPI + 3 per cent was met over the last year. Since inception, the CPI + 3 per cent objective was not met due to the exposure to equities during the global financial crisis.

SUPPORTERS AND DONORS

Our work would not be possible without the support of our individual donors, trusts and foundations and corporate supporters. Thank you for helping support over 2 million of the world's poorest people this year.

BELOW: Aung Myint's family received income support from CARE, and he started his business selling balloons. Tom Greenwood/CARE.



CARE AUSTRALIA'S SUPPORTERS AND DONORS

The generous contributions of our supporters allow CARE to make significant progress in fighting poverty and injustice. We appreciate the support of everyone who makes our work possible, including the following:

Thank you to the 85,949 people who donate to support our work, but who cannot all be mentioned by name. We would also like to acknowledge our major donors, bequests and trust and foundation supporters who prefer to remain anonymous.

MAJOR DONORS

- Richard Willis and Janet Abernethy
- Phil and Alison Anthony
- Dr Don Bowley
- Mr George and Mrs Maureen Dyer
- Mr Brian Fry
- Mrs Janet Grimsdale
- Stephen and Rosanna Harris
- Mr Peter and Mrs Barbara Hoadley
- Dr John Hunter
- Mr Michael Hutchinson
- Jackel family
- Mr Mark and Ms Alison Leemen
- Mr Alec MacGill
- Darryl and Judy Maher
- Ms Tara Osborn
- John and Valerie Peyton
- Annabel Ritchie
- Dr Graeme and Mrs Dawn Robson
- Dr William Sievert
- Mr Jason Squire
- Mr Raj and Mrs Jyoti Thethy
- Mr Peter Turner
- Ms Sue Adams and Mr Stephen Walker
- Richard and Susan Wilton

TRUSTS AND FOUNDATIONS

- ACME Foundation
- Paul Ainsworth Family Foundation
- Brook Foundation
- Charitable Trust
- The Footprints Network
- Family Frank Foundation
- The Goldsmith Family
- Catherine Gray Trust
- The Isabel & John Gilbertson Charitable Trust
- Thomas Hare Investments Pty Ltd
- J Holden Family Foundation
- The George Lewin Foundation
- Mundango Abroad
- The John Murphy Charitable Trust, managed by Perpetual
- C&T Park Endowment CEF Management Account
- The Desmond Prentice Charitable Fund, The Trust Company as Trustee
- Skipper-Jacobs Charitable Trust
- Dick Smith Foods Foundation
- Dick and Pip Smith Foundation
- Women's Plans Foundation
- Wood Family Foundation

CORPORATE SUPPORTERS

- AGL Energy Limited
- Allens Arthur Robinson
- Arrium
- BHP Billiton
- Deutsche Bank
- Gresham Partners
- Guest Group
- Jetmaster Pty Ltd
- King & Wood Mallesons
- Maple-Brown Abbott Ltd
- Mitchell Communication Group
- NAB
- Optiver
- Qantas Airways Ltd
- Quest - Southbank
- The Body Shop Australia
- Westpac Group

BEQUESTS

- Estate of the late David Neil Bridger
- Estate of the late Joan M Ritchie
- Estate of the late Robyn Elizabeth Trinder
- Estate of the late Alfred Rowe

REGULAR GIVERS

Over 10,600 regular giving supporters

MULTILATERAL

- Asian Development Bank (ADB)
- European Commission Humanitarian Office (ECHO)
- European Union (EU)
- The Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM)
- United National Children's Fund (UNICEF)
- United Nations Educational, Scientific and Cultural Organisation (UNESCO)
- United Nations Office for Project Services (UNOPS)
- United Nations Population Fund (UNFPA)
- UN Women (formerly UNIFEM)

BILATERAL

- Government of Australia
- Government of Denmark
- States of Guernsey
- Government of Luxembourg
- Government of New Zealand
- Government of Norway
- Government of Switzerland
- Government of United States of America

BOARD & ADVISORY COUNCIL

CHAIR

Harold Mitchell, AC

Director since 2004

Founder, Mitchell & Partners; Chair, Melbourne Symphony Orchestra; Vice President, Tennis Australia; Chair, Art Exhibitions Australia; Chair, TVS University of Western Sydney's television service for Greater Sydney; Board member, New York Philharmonic; Non-Executive Director, Crown Limited; Chair, Florey Institute of Neuroscience and Mental Health; Chair, FreeTV Australia.

Formerly – President, Museums Board of Victoria; President, Asthma Foundation (Victoria); Chair, National Gallery Australia; Board Member, Opera Australia Council; Director, Deakin Foundation; President, Melbourne International Festival of Arts; Chair, Melbourne Recital Centre; Chair, ThoroughVision; Executive Chair, Aegis Media Pacific; Director, CARE International; Chair and Owner, Melbourne Rebels Rugby Union.

Harold is also the Chair of the CARE Australia Executive Committee and Governance and Nominations Committee.

VICE CHAIR

Christine O'Reilly

Director since 2007

Director, CARE International; Director, CSL Limited, Director, Transurban Group; Director, Energy Australia Limited; Director, Baker IDI; Director, Medibank.

Formerly – Global Co-Head of Infrastructure Investment, Colonial First State Global Asset Management; Chief Executive Officer and Director, GasNet Australia Group; Director, Anglian Water Group, Electricity North West.

VICE CHAIR

Peter Debnam

Director since 2013

Chair, The Muscular Dystrophy Association of NSW; Chair, Advisory Board Our Big Kitchen Ltd; Director, Muscular Dystrophy Foundation Australia; Director, The Paraplegic and Quadriplegic Association of NSW; Director, Disability Sports Australia Ltd; Director, Soils for Life Pty Ltd.

Formerly – Member of NSW Parliament, Shadow Minister and Leader of the Opposition.

TREASURER

Bronwyn Morris

Director since 2007

Director, RACQ Ltd; Director, RACQ Insurance; Director, Collins Foods Ltd; Deputy Chair, Children's Health Foundation Queensland; Councillor, Queensland Division of the Australian Institute of Company Directors; Director, Fyfe Group Holdings Pty Ltd; Chair, Queensland Local Government Superannuation Board (LG Super).

Formerly – Director, Spotless Group Ltd; Director, Queensland Investment Corporation Ltd; President, The Brisbane Club; Director, Brisbane Marketing; Director, Bond University; Chair, Queensland Rail; Director, Colorado Group Ltd; Director, Queensland Office of Financial Supervision; Member, Australian Advisory Committee of Parsons Brinckerhoff; Partner, KPMG.

Bronwyn is also the Chair of the CARE Australia Finance and Audit Committee.

David Feetham

Director since 2013

Deputy Chairman, Gresham Advisory Partners Limited.

Formerly – Macquarie Bank in Sydney; Baker & McKenzie.

Colin Galbraith, AM

Director since 2004

Special Adviser, Gresham Partners Limited; Chair, BHP Billiton Community Trust; Director, Arrium Ltd; Director, Colonial Foundation; Trustee, Royal Melbourne Hospital Neuroscience Foundation.

Formerly – Director, Australian Institute of Company Directors; Director, Commonwealth Bank of Australia.

Colin is also the Chair of the CARE Australia Transformational Change in CARE International Committee.

Robert (Bob) Glindemann, OAM

Director since 2008

Deputy Chair and Non-Executive Director of Navy Health Limited; Deputy Chair, Vero Special Kids Foundation; Chair, Australian Institute of Motor Sport Safety; Director, SecondBite; Director, East Timor Roofing Holdings Pty Ltd; Director, East Timor Roofing and Training UNIP LDA.

Formerly – Chair, RMS Logistics Pty Ltd; Director and Vice President, Confederation of Australian Motor Sport; Principal, PRO:NED Vic Pty Ltd; Past President, Rotary Club of Darwin and Rotary Club of Melbourne Inc.

Allan Griffiths

Director since 2008

Non-Executive Director.

Non-Executive Director, IOOF Holdings Pty Ltd; Westpac Life Insurance Services Ltd; St George Life Ltd; Westpac General Insurance Ltd; Westpac Lenders Mortgage Insurance Ltd. Advisory Board Member, Cloud8 Health Pte Ltd.

Formerly – Chief Executive Officer, Aviva Australia; Managing Director, South East Asia Aviva Asia.

Allan is also the Chair of the CARE Australia People Committee.

William (Bill) Guest

Director since 2000

Director of Guest Group, Guest Hire, Guest Commercial, Suite Deals, Guest Interiors, Property 4 Retail and Guest Nominees; Director, Board of Australian Prostate Cancer Research.

Formerly – Director, Freedom Furniture Limited; Director, Melbourne Football Club; Managing Director, Andersons Furniture; Managing Director, Sofa Workshop.

Bill is also the Chair of the CARE Australia Fundraising and Communications Committee.

Professor Stephen Howes

Director since 2012

Professor of Economics, Director, Development Policy Centre and Director, International and Development Economics graduate program, Crawford School of Public Policy, Australian National University; Chair, Papua New Guinea Family and Sexual Violence Case Management Centre.

Formerly – Chief Economist, Australian Agency for International Development; Lead Economist, World Bank in India; Director, Pacific Institute of Public Policy; Advisory Board Member, Asian Development Bank Institute

Stephen is also the Chair of the CARE Australia International Program and Operations Committee.

Louise Watson

Director since 2008

Managing Director and Principal, Symbol Strategic Communications; Communications Adviser to many of Australia's leading public companies.

Formerly – Chair, Corporate and Finance, Edelman Public Relations in Australia; Non-Executive Director, Odyssey House and McGrath Foundation; Advisory Board Director, Grant Samuel & Associates; Committee Member, the Prime Minister's "Supermarket to Asia" Communications Working Group.

ADVISORY COUNCIL

Willoughby Bailey, AO, GCLJ

Director, 1992–2008

Grand Prior, The Order of St. Lazarus of Jerusalem; Director, Blashki Holdings.

Formerly – Chair, CRC for Coastal Zone; Deputy Chair and Chief Executive Officer, ANZ Banking Group; Deputy Chair, Coles Myer Ltd; Member, Economic Planning Advisory Council; President, Council of Trustees National Gallery of Victoria; Deputy Chair, Victorian Arts Centre; Director, Geelong Community Foundation Inc; Chair, Geelong Gallery Foundation.

Sir William Deane, AC, KBE

Director, 2001–2004 | Chair, 2002–2004

Formerly – Governor-General of Australia; Justice of the High Court of Australia; Justice of the Supreme Court (NSW); Federal Court Judge.

Tony Eggleton, AO, CVO

Director, 1996–2007 | Chair, 2004–2006

Vice Chair, 2002–2004

Secretary-General, CARE International 1991-1995; CARE International Director 2001-2007. Foreign Affairs Editorial Advisory Board; Chair, Centre for Democratic Institutions. Formerly – Australian Aid Advisory Council; Chief Executive, National Council for Centenary of Federation; Federal Director, Liberal Party of Australia.

Philip Flood, AO

Director, 2003–2011 | Vice Chair, 2006–2011

Formerly – Secretary, Department of Foreign Affairs and Trade; Director-General, AusAID; High Commissioner to the United Kingdom; Ambassador to Indonesia; High Commissioner to Bangladesh.

The Hon. Barry Jones, AO, AC

Director, 1992–2012

Chair, Vision 2020 Australia; Director, Victorian Opera Company Ltd.

Formerly – Chair, Port Arthur Historic Site Management Authority; Director, Burnet Institute; Australian Minister for Science; Member, Executive Board UNESCO.

Jocelyn Mitchell

Director, 1993–2006

Formerly – Director and Chair, Beaufort and Skipton Health Service; Director, Lowell Pty Ltd; Foundation Member, Women's Electoral Lobby; Chair, The Australian Garden History Society.

Peter Smedley

Director, 2000–2009 | Chair, 2006–2009

Vice Chair, 2004–2006 | Director, CARE International 2004–2009

Chair, Arrium Ltd; Chair, Colonial Foundation; Chair Orygen Youth Health Research Centre; Director, The Australian Ballet; Director, The Haven Foundation.

Formerly – Chair, Spotless Group; Managing Director and Chief Executive Officer, Colonial Ltd and Mayne Group Ltd; Chair, State Bank NSW; Deputy Chair, Newcrest Ltd; Executive Director, Shell Australia; Director, Austen Butta; Director, Australian Davos Connection.

FOUNDING CHAIR

Rt Hon. Malcolm Fraser, AC, CH

Chair, CARE Australia 1987-2001; President, CARE International 1990-1995; Vice President, CARE International, 1995-1999. Prime Minister of Australia 1975-1983.

PATRON

His Excellency General the Honourable Sir Peter Cosgrove AK MC (Retd)

Governor-General of the Commonwealth of Australia.

FINANCIAL OVERVIEW

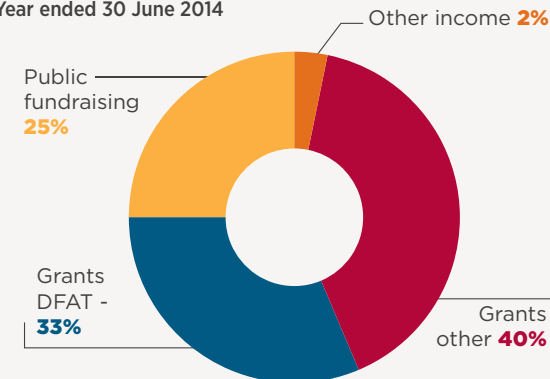
OPERATING RESULT CARE Australia recorded an overall surplus of \$0.3M in 2014, reflecting:

- a net foreign unrealised exchange loss of \$0.7M due to the appreciation of the Australian dollar exchange rate and CARE Australia's policy of converting grant funds to US dollars for allocation to our programs;
- fair value gain of \$0.3M on our investments with Myer Family Company;
- and an underlying operating surplus of \$0.7M.

Income and Expenditure

Where the Money Comes From

Year ended 30 June 2014



(Expressed as a % of Total Income)

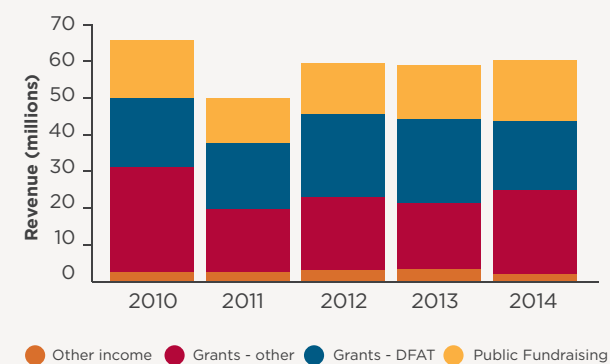
Public Fundraising – donations, fundraising, legacies and bequests received from the Australian public and corporations.

Grants – DFAT – grants received from the Australian Government's overseas aid program.

Grants – Other – includes grants received from CARE International members and other Australian and international organisations and government bodies.

Other income – includes investment income and foreign currency gains.

Where the Money Comes From - 5 Year trend



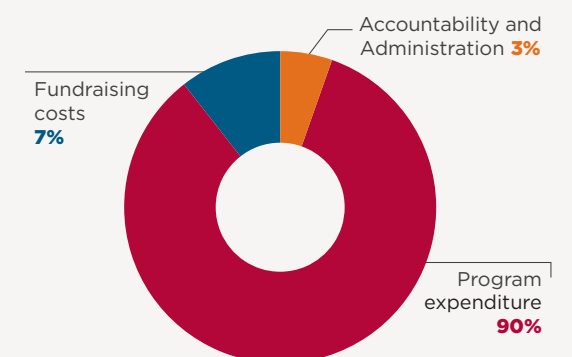
Analysis

Total revenue increased by 4% in 2014, largely due to increased donations from the Australian public and grants from other Australian organisations.

CARE has been investing to grow our donor base and secure ongoing income from the Australian public. Revenue from the Australian public increased by 16% from last financial year. CARE also continues to be successful in securing funding from institutional donors due to our solid reputation as an agency that delivers quality projects and programs. This is reflected in an overall increase in grant revenue by 3% from last financial year.

Where the Money Goes

Year ended 30 June 2014

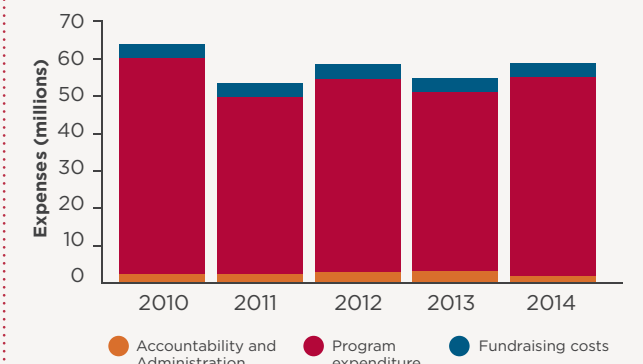


Program expenditure – long-term international development and emergency response work, as well as community education and program support costs.

Fundraising costs – associated with developing and securing our donor supporter base in order to attract donations to fund our program and advocacy work.

Accountability and administration expenses – covers administrative and other costs required to efficiently run the organisation, for example finance, IT, human resources, office maintenance, audit and legal fees, and insurance premiums.

Where the Money Goes - 5 Year trend



Analysis

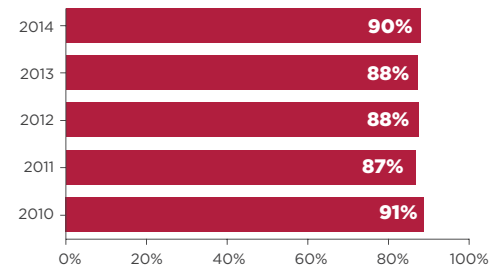
Total expenses increased by 5% to \$59.1m in 2014, reflecting sustained growth in program expenditure.

Expenditure on overseas programs was \$51.6m in 2014 and has seen the continuation of aid delivery in South Asia and South-East Asia, the Middle East, the Pacific, and Africa. 2014 also saw CARE respond to Typhoon Haiyan in the Philippines, the Syrian refugee crisis and provide emergency assistance in South Sudan.

SUMMARY OF FINANCIAL REPORT

ACCOUNTABILITY MEASURES

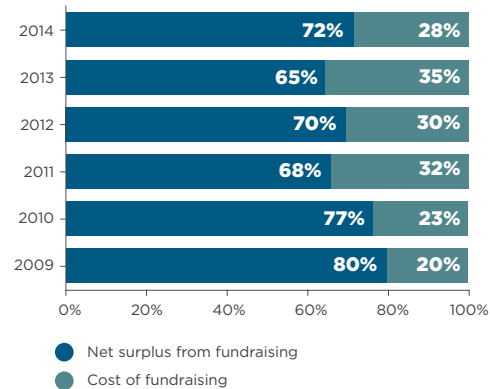
Program Expenditure Ratio



Program expenditure ratio is the total amount spent on our overseas programs, including program support costs and community education campaigns, expressed as a percentage of total expenditure.

Analysis - Our program expenditure ratio remained at a high level, with a five-year average of 88%. This reflects CARE Australia's ongoing investment in programs and program support.

Fundraising Ratio

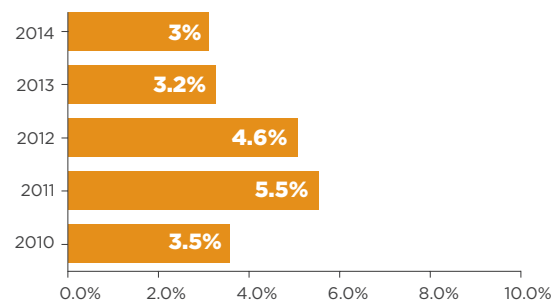


Cost of fundraising ratio is the total amount spent on public fundraising expressed as a percentage of total revenue from the Australian public, rather than total revenue. It excludes funding and associated costs related to grant funding from DFAT and other organisations.

Net surplus from fundraising ratio is the balance of revenue from the Australian public after deducting the amount spent on public fundraising expressed as a percentage of this revenue.

Analysis - The increase in the cost of fundraising ratio between 2011 and 2013 reflects the three year strategic investment in donor acquisition pursuant to a decision made by the Board in 2010. This enables CARE Australia to have greater funds available in the future for our international aid and development work.

Cost of Administration Ratio



Cost of administration ratio is the total amount spent on administration and accountability expressed as a percentage of total expenditure.

Analysis - Our administration costs remain low, with a five-year average of 4%. The reduction in the ratio over the last four years reflects CARE Australia's ongoing commitment to maintaining control over administrative costs and changes in the allocation of cost recoveries on project grants.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of CARE Australia, we state that:

In the opinion of the Directors of CARE Australia:

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- the summary financial report is in accordance with the requirements set out in the ACFID Code of Conduct and has been derived from and is consistent with the full financial statements for the financial year ended 30 June 2014 ;
- the full financial statements and notes are in accordance with the Corporations Act 2001 and:
 - comply with Australian Accounting Standards, International Financial Reporting Standards and the Corporations Regulations 2001; and
 - give a true and fair view of the financial position and performance of the Company for the financial year ended 30 June 2014.

On behalf of the Board.

Harold Mitchell, AC
Chair

Canberra, 24 October 2014

Bronwyn Morris
Treasurer

Canberra, 24 October 2014

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL REPORT

The accompanying summary financial report, which comprises the balance sheet as at 30 June 2014, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, related notes and management's assertion statement, are derived from the audited financial report of CARE Australia for the year ended 30 June 2014. We expressed an unmodified audit opinion on that financial report in our report dated 24 October 2014.

The summary financial report does not contain all the disclosures required by Australian Accounting Standards. Reading the summary financial report, therefore, is not a substitute for reading the audited financial report of CARE Australia.

Directors' responsibility for the Summary Financial Report

The Directors are responsible for the preparation of the summary financial report in accordance with the ACFID Code of Conduct requirements.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial report based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 Engagements to Report on Summary Financial Statements.

Opinion

In our opinion, the summary financial report derived from the audited financial report of CARE Australia for the year ended 30 June 2014 is consistent, in all material respects, with that audited financial report, in accordance with the ACFID Code of Conduct requirements.

Ernst & Young
121 Marcus Clarke Street
Canberra, ACT 2601
GPO Box 281 Canberra ACT 2601
24 October 2014

Ben Tansley
Partner
Tel: +61 2 6267 3888
Fax: +61 2 6246 1500
ey.com/au

FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME For the year ended 30 June 2014

Notes	2014 \$	2013 \$
REVENUE		
Donations and gifts		
Monetary	13,748,558	11,902,543
Non-monetary	173,069	68,386
Bequests and Legacies	749,412	689,209
Total revenue from Australian public	14,671,039	12,660,138
Grants and contracts		
DFAT (including previous AusAID grants)	19,370,029	21,622,003
Other Australian	2 7,155,310	3,830,511
Other overseas	3 16,772,675	16,544,260
Investment income	776,551	808,205
Other income	629,266	1,604,515
TOTAL REVENUE	59,374,870	57,069,632
EXPENDITURE		
International Aid and Development Programs expenditure		
Funds to international programs	47,986,979	43,988,440
Program support costs	3,618,403	3,571,785
Total overseas projects	51,605,382	47,560,224
Community education	1,459,215	1,822,561
Fundraising costs – Public	4,116,167	4,437,759
Fundraising costs – government and multilateral agencies	134,225	403,288
Accountability and administration	1,608,720	1,725,774
Non-monetary expenditure	173,069	68,386
TOTAL EXPENDITURE	59,096,778	56,017,993
Excess of revenue over expenses	278,092	1,051,639
Other comprehensive income	-	-
Total comprehensive income for the period	278,092	1,051,639

During the financial year, CARE Australia had no transactions in the Evangelistic, Political or Religious Proselytisation and Domestic Programs categories.

This summary financial information was extracted from the statutory financial statements. It is consistent, in substance, with these statements notwithstanding the less technical language and content. The statutory financial statements were audited and are available on CARE Australia's website. www.care.org.au/annual-reports

STATEMENT OF FINANCIAL POSITION For the Year ended 30 June 2013

	2014 \$	2013 \$
ASSETS		
Current assets		
Cash and cash equivalents	12,087,725	21,997,842
Held to maturity investments	15,735,281	11,975,154
Prepayments	581,704	568,122
Project advances	2,707,423	2,302,692
Trade and other receivables	8,697,269	4,689,048
Non-current assets		
Held to Maturity investments	320,399	-
Property, plant and equipment	1,352,695	1,281,304
Investments at fair value	5,392,159	4,096,398
TOTAL ASSETS	46,874,655	46,910,560
LIABILITIES		
Current liabilities		
Trade and other payables	2,425,625	2,254,779
Provisions	2,972,225	2,994,182
Unexpended project funds	29,973,369	30,436,711
Non-current liabilities		
Provisions	340,026	339,571
TOTAL LIABILITIES	35,711,245	36,025,243
NET ASSETS	11,163,410	10,885,318
EQUITY		
Reserves	-	-
Retained Earnings	11,163,410	10,885,318
TOTAL EQUITY	11,163,410	10,885,318

At the end of the financial year CARE Australia has no balances in Current inventories, Current assets held for sale, Current and non-current other financial assets, Non-current trade and other receivables, Non-current investment property, Non-current intangibles, Other non-current assets, Current and non-current borrowings, Current tax liabilities, Current and non-current other financial liabilities, and Current and non-current other liabilities categories.

STATEMENT OF CHANGE IN EQUITY For the year ended 30 June 2014

	Retained Earnings \$	Reserves \$	Other \$	Total \$
Balance as 30 June 2013 (commencing balance)	10,885,318	-	-	10,885,318
Excess of revenue over expenses	278,092	-	-	278,092
Amount transferred (to) from reserves	-	-	-	-
Other comprehensive income for the year	-	-	-	-
Balance at 30 June 2014 (year end balance)	11,163,410	-	-	11,163,410

During the financial year, there were no adjustments or changes in equity due to the adoption of new accounting standards.

This summary financial information has been extracted from the statutory financial statements. It is consistent, in substance, with these statements notwithstanding the less technical language and content. The statutory financial statements have been audited and are available on CARE Australia's website. www.care.org.au/annual-reports

CASH FLOW STATEMENT For the year ended 30 June 2014

	2014 \$	2013 \$
Cash flows from operating activities		
General public donations	13,667,209	11,165,077
Grants and contract income (inclusive of GST)	42,960,026	51,517,536
Interest income	776,551	808,205
Other income	315,708	133,001
Payments to suppliers and employees (inclusive of GST)	(61,895,386)	(61,043,370)
Net cash flows (used in)/from operating activities	(4,175,892)	2,580,449
Cash flow from investing activities		
Acquisition of property, plant and equipment	(592,744)	(637,764)
Proceeds from sale of equipment	65,447	36,437
Acquisition of investments	(15,376,003)	(13,957,931)
Redemption of investments	10,281,847	7,982,362
Net cash flows (used in) investing activities	(5,631,453)	(6,576,896)
Net increase/(decrease) in cash held	(9,807,345)	(3,996,447)
Net foreign exchange differences	(102,772)	1,488,237
Cash at the beginning of the year	21,997,842	24,506,052
Cash at the end of the year	12,087,725	21,997,842

This summary financial information was extracted from the statutory financial statements. It is consistent, in substance, with these statements notwithstanding the less technical language and content. The statutory financial statements were audited and are available on CARE Australia's website. www.care.org.au/annual-reports

STATEMENT OF CASH MOVEMENTS FOR DESIGNATED PURPOSES

For the year ended 30 June 2014

	Cash available at beginning of financial year \$	Cash raised during the financial year \$	Cash disbursed during the financial year \$	Cash available at end of financial year \$
Australian NGO Cooperation Program (ANCP)	367,238	6,401,507	(5,642,368)	1,126,377
Total for other purposes	21,630,604	61,665,281	(72,324,537)	10,961,348
TOTAL	21,997,842	68,066,788	(77,966,905)	12,087,725

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 1 Accounting Policies

The format and disclosures in this summary financial report have been prepared in accordance with the requirements set out in the ACFID Code of Conduct. For further information on the Code, please refer to the ACFID Code of Conduct Document available at www.acfid.asn.au.

This financial report does not substitute nor is it intended to replace the mandatory requirements applicable to CARE Australia under the *Corporations Act 2001*. The full statutory financial statements have been audited and are available on CARE Australia's website. www.care.org.au/annual-reports

The summary financial report was prepared on an accrual basis of accounting including the historical cost convention and the going concern assumption. This financial report is presented in Australian Dollars.

	2014 \$	2013 \$
Note 2 Project grants from other Australian organisations		
Australian Government departments or accredited Non-Government Organisations (NGOs)	6,676,138	3,320,705
Other Australian organisations	479,172	509,806
	7,155,310	3,830,511
Note 3 Project grants from other overseas organisations		
CARE International members	9,478,354	10,884,541
Multilateral institutions	2,807,760	2,480,520
Foreign Governments and other non-Australian institutions	4,486,561	3,179,199
	16,772,675	16,544,260



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Solicitors King & Wood Mallesons
Bankers Westpac
Auditors Ernst & Young
Design Christie Davis Design

CARE AUSTRALIA

Donations **1800 020 046**
Email info@care.org.au
Web www.care.org.au
ABN 46 003 380 890

NATIONAL OFFICE

CARE Australia
Ground Floor,
243 Northbourne Avenue
Lyneham ACT 2602
Phone (02) 6279 0200
Fax (02) 6257 1938

MELBOURNE OFFICE

Level 1, 463 Church Street
Richmond VIC 3121
Phone (03) 9421 5572
Fax (03) 9421 5593

