

**CARE Australia**  
Annual Report 2006

## 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 logo

CARE's brand mark - 'the community of hands' - symbolises our humanism, and evokes the concepts of self-expression and industriousness. The circular shape suggests the holistic and collaborative nature of CARE's work and our global scope, as well as unity and diversity. The earth-toned colour palette conveys warmth, optimism and a grounded sensibility, combining to illustrate the spirit of working together, and the power of what is possible when people unite around a common goal.

## 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, and
- 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 the central role of women in development.

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 programme partners.

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



# Contents

Chairman's message	02
CEO's message	03
Fast facts	04
The CARE family	07
Cambodia	08
Laos	10
Yemen	12
Vietnam	14
Jordan	16
Myanmar/Burma	18
Kenya	20
Timor-Leste	21
Emergencies	22
Fundraising highlights	24
Programming highlights	25
Our partners	26
CARE Young Executive Committee	26
Fundraising Committee	26
Special thanks	27
Our Board	28
Financial Report 2006	29
A commitment to CARE	34
The Will to CARE	35

## Throughout this report

CARE is committed to building a child-safe organisation. The names of the children have been changed for the protection of the child.

Myanmar is the name recognised by the United Nations and the country in question. Burma is the name recognised by the Australian Government.

Timor-Leste was formerly known as East Timor.

# Chairman's message



CARE has responded to humanitarian suffering in many parts of the world over the past year. The earthquakes in Pakistan and Indonesia come immediately to mind, as well as the turmoil in Sudan and the Middle East and the civil unrest in Timor-Leste.

CARE Australia, together with the CARE International family, is consistently at the forefront of emergency response and the delivery of longer-term aid. Every year, CARE assists some 45 million people, many of them in our region of the world. The fundamental role that women play in their communities is essential to many of our aid projects and we place special emphasis on women's roles in health, education, land management and small business enterprises.

Currently, the CARE family is celebrating two significant milestones. CARE International has just turned 60 this year (2006), and CARE Australia will be commemorating its 20th birthday in 2007.

The CARE family is a confederation of 12 national members providing humanitarian assistance in over 70 countries. CARE Australia has been a part of the CARE family from the time of our inception in 1987. Under the leadership of former Prime Minister Malcolm Fraser, we quickly established ourselves among the foremost of Australia's overseas aid organisations. Over the last 20 years, CARE Australia has been directly involved in emergency and relief projects in Europe, the Middle East, Africa, Southeast Asia and the Pacific.

The CARE family is not just the national members and the countries and people that we support. It is also the 14,000 staff around the world who devote themselves to performing CARE's work; they are highly valued and vital members of the family.

I can not speak highly enough of the staff of CARE Australia, skilfully guided by our CEO, Robert Glasser. They contribute professionally and unstintingly, often operating in demanding and difficult circumstances.

Then there are those who give generous support to our work, providing the CARE family with essential resources and encouragement. We are particularly grateful for the strong backing we receive from the Australian public, from corporate Australia, and also from the Australian Government's overseas aid programme, AusAID.

Since CARE Australia's formation, there have been three Chairmen (Malcolm Fraser, Sir William Deane and myself). After serving in various positions with CARE International and CARE Australia, it was a great privilege to be invited to chair the Australian organisation. I am retiring as Chairman at the end of this year, and will be succeeded by our Vice Chairman, Peter Smedley.

Peter is a prominent Australian businessman (among other roles, Chairman of OneSteel) and a contributor to diverse community activities. He has been closely involved with CARE over the past seven years, as founding Chairman of the CARE Australia Corporate Council, as a CARE Australia Board member, as our Vice Chairman and as a delegate to CARE International. He will provide strong and effective leadership for CARE Australia, and for our dedicated Board.

Over the years, we have been fortunate to benefit from sound governance with distinguished Board members of the highest calibre. I also acknowledge the ongoing encouragement and support of Malcolm Fraser and the members of our Advisory Council (Sir William Deane, Sir Leslie Frogatt and Alf Paton).

After 15 years as a member of the CARE family, I look forward to continuing my close association with CARE, and with our programmes that bring hope and assistance to the world's poorest and most disadvantaged people.

Again, my thanks to those generous Australians who are the lifeblood of the CARE Australia family.

A handwritten signature in black ink, appearing to read 'Tony Eggleton'.

Tony Eggleton



# CEO's message



The past financial year (FY06) has been tremendously challenging and productive for CARE Australia. We responded to humanitarian emergencies in Africa, South Asia and closer to home in Timor-Leste, Indonesia and Papua New Guinea (PNG). In addition, our CARE Australia staff of more than 1000 people, based overseas and here in Australia, managed activities to reduce poverty in over 20 countries. I want to acknowledge the tremendous commitment, dedication and professionalism of our staff. They have done an outstanding job, often under extremely stressful circumstances. They have my utmost respect and my deepest gratitude.

This Annual Report describes in detail some of our important work in less developed countries around the world. I would also, however, like to highlight two additional initiatives we have underway. The first is our effort to reduce the risk of avian influenza (bird flu). If this virus develops the ability to spread efficiently among people, it has the potential to cause a massive increase in poverty in developing countries. CARE Australia has already played a leading role in addressing this issue, including co-sponsoring two major meetings on bird flu (with the Lowy Institute and Asialink respectively) and through our work to reduce the risk of bird flu in villages throughout Southeast Asia.

The second initiative is the establishment of a new CARE Australia Country Office in PNG. PNG, Australia's nearest neighbour, confronts enormous development challenges, including a looming HIV/AIDS crisis. The new CARE Australia Country Office will position us to support PNG's responses to these development challenges. Last year we secured the PNG Prime Minister's endorsement of our plans to establish the office. We anticipate launching the new PNG Country Office in FY07.

It is always gratifying when outside observers acknowledge our professionalism and effectiveness, particularly when the acknowledgement comes from one of our key development partners, the Australian Government's overseas aid programme, AusAID. This year, AusAID conducted its periodic review of CARE Australia's accreditation to receive AusAID funding. Following their rigorous examination of our financial, programmatic and fundraising systems, the AusAID review team not only recommended CARE Australia for full accreditation, but also complimented us on the high quality of our systems and procedures.

We often describe our staff and supporters as the 'CARE family'. I want to note an important milestone for one key member of this family – our Chairman, Tony Eggleton. Tony is retiring as Chairman in November of this year and I wish to personally thank Tony for his tremendous support, encouragement and guidance. He has made a huge difference to our organisation.

Fortunately, Tony will be very ably succeeded by Peter Smedley, our current Vice Chairman and a long-standing member of the CARE family. I very much look forward to working closely with Peter on the exciting agenda of initiatives we have planned in the coming years.

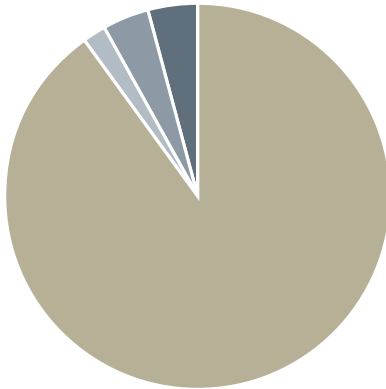
I hope you enjoy reading about our work in the following pages of this Annual Report. If you already support CARE, the report provides some moving examples of the difference you have helped us make in so many people's lives. If you are not already a supporter, I hope you will be inspired to join us in providing lasting solutions to poverty.

A handwritten signature in black ink that reads "Robert Glasser". The signature is written in a cursive, flowing style.

Robert Glasser

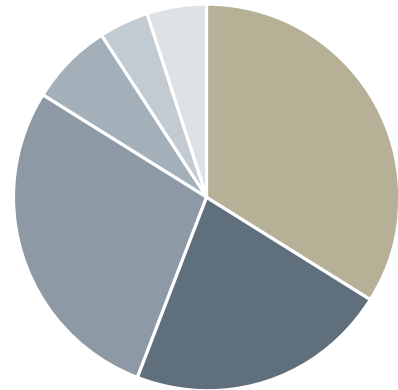
# Fast facts

**Expenditure**  
(Total \$52,324,956)



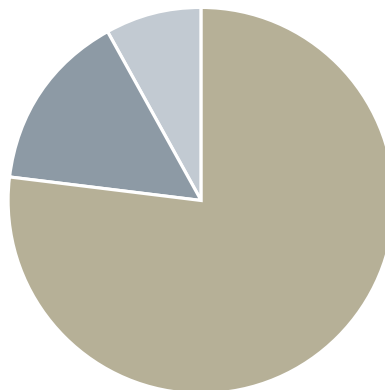
- 90% Overseas projects (programme expenditure)
- 4% Administration
- 4% Fundraising
- 2% Community education

**Income by source**  
(Total \$55,024,479)



- 34% Donations, legacies and bequests from the Australian public
- 28% CARE International members
- 22% AusAID
- 7% Multilaterals
- 5% Other
- 4% Foreign governments and agencies

**Overseas projects by geographical region**  
(Total \$47,081,162)



- 77% Asia Pacific
- 15% Middle East/West Asia
- 8% Africa

## Asia Pacific

Cambodia  
India  
Indonesia  
Laos  
Myanmar/Burma  
Papua New Guinea  
Sri Lanka  
Thailand  
Timor-Leste  
Vietnam

## Africa

Chad  
Ethiopia  
Kenya  
Malawi  
Mozambique  
Niger  
South Africa  
Sudan

## Middle East/West Asia

Afghanistan  
Jordan  
Pakistan  
Palestinian Territories  
Yemen

■ Countries where CARE Australia has managed projects over the last financial year.

■ Countries where CARE Australia has direct operational responsibility for all CARE International programmes.

## The CARE global family

CARE Australia is a member of CARE International, a confederation of 12 independent non-profit, non-sectarian humanitarian organisations that share the same vision and work together to end poverty and defend human dignity. The member nations of CARE International are Australia, Austria, Canada, Denmark, Germany, France, Japan, the Netherlands, Norway, Thailand, the United Kingdom and the United States of America.

## CARE facts

- \* Active in over 70 countries
- \* Reaches 45 million of the world's poorest people
- \* Global staff of more than 14,000. Ninety per cent are nationals of the nations we work with.
- \* Founded in 1945 to provide emergency aid to Europeans after WW II
- \* One of the world's largest non-government emergency relief and development organisations

## CARE Australia facts

- \* Founded in 1987 by former Prime Minister Malcolm Fraser
- \* Works with local partners and communities to directly deliver aid
- \* Plans, designs, implements and evaluates projects in partnership with local communities
- \* Retains management and contractual control on all projects
- \* High degree of accountability and transparency

## CARE Australia funding

CARE Australia depends on Australian public support to fund our projects. Over the last nine years over 90 per cent of our total income has been spent on our work in the field. The generous public support given to CARE Australia helps us secure additional funding from institutional donors such as the Australian Government, United Nations organisations and the European Union.

## CARE Australia accountability and accreditation

CARE Australia is a signatory to the Australian Council for International Development (ACFID) Code of Conduct, which sets out standards on how organisations should be managed, how they communicate with the public and most importantly, how they spend the funds they raise. More information about the ACFID Code of Conduct can be obtained from CARE Australia and from ACFID at [www.acfid.asn.au](http://www.acfid.asn.au)



CARE Australia is also a signatory to the Code of Conduct of the International Federation of Red Cross and Red Crescent Movement and Non-Governmental Organisations in Disaster Relief and the SPHERE Humanitarian Charter and Minimum Standards.

CARE Australia holds full accreditation status with AusAID, the Australian Government's overseas aid programme. Achieving accreditation entails a rigorous review of CARE's systems and capacities. It reflects the Government's confidence in CARE Australia's professionalism, accountability and effectiveness.

## CARE Australia and VIDA

This year CARE Australia entered into a new partnership with VIDA (Volunteering for International Development from Australia). VIDA places skilled Australian volunteers in developing countries in the Asia Pacific region. VIDA volunteers work with local counterparts to reduce poverty and achieve sustainable development in the communities in which they work. For more information go to [www.vidavolunteers.com.au](http://www.vidavolunteers.com.au)







# The CARE family

*All over the world, families are as different and diversified as they are alike ... As the world's oldest form of expression of human relationship, the family has survived thousands of years, adapting itself constantly to changing socio-economic conditions and the progress of humanity.*

United Nations, *Family: Challenges for the Future*, United Nations Publications, 1996.

Within a world of over six billion people, families are the foundation of communities and the bedrock of our social fabric. They drive our economic and social development. They influence our future generations. Poor people, or people affected by conflict or disease, rely on families to sustain them through hard times.

Today, the definition of family goes far beyond its traditional meaning. People who have lost or become estranged from their families often find 'family' in others. Family can be found among people diagnosed with HIV/AIDS; among people who have lost loved ones through conflict or natural disaster; and among people who are working together for a better future.

CARE defines 'family' as a unit, in which each part is as important as another. The CARE International family, made up of 12 member

organisations, shares expertise and knowledge, working together in ways that benefit vulnerable and disadvantaged people around the world. We work closely with the donors, partners, staff and local communities that make up our extended family, creating sustainable projects that help people in need. We see families as inclusive, equitable groups, where children, women and men can benefit equally.

In all our work, CARE focuses on the most vulnerable people. This includes households headed by children or women and households in which the main income-earner is absent or unable to work.

As a member of the CARE International family, CARE Australia works closely with communities to ensure that their specific needs are met and that the improvements continue long after our projects are completed.



## Cambodia

# Making learning possible for indigenous highland communities

Sopich's voice blends with the sing-song of his classmates chanting their teacher's words in unison. This morning the grade 4 students are continuing their Khmer lessons, and Sopich pays close attention, eager to expand his vocabulary. The 13-year-old appreciates the value of his new language skills, as it makes doing business with visiting Khmer-speaking traders much easier. He also knows it will help him achieve a longer-term goal – to become a police officer and protect his family and community from crime.

Sopich is a member of the Tampuen indigenous ethnic minority, and his school is set in one of the most picturesque, and most isolated, parts of Cambodia. He walks to school each day with his younger sister Phany through close-set houses perched high on stilts in a clearing in the surrounding dense jungle. The village is peaceful during the morning classes – the men are in the fields or forest and the women are either working with them or preparing the midday meal. Inside the three simple school buildings, however, the children are animated and lively.

Such enthusiasm for learning is new to the village – not due to lack of interest, but lack of opportunity. As most indigenous people do not speak Cambodia's national language of Khmer – the language of instruction in government schools – indigenous children's rates of enrolment, retention and literacy are among the lowest in the country. This is changing due to a CARE project that is educating children and training teachers in Cambodia's remote northeastern province of Ratanakiri.

With the local communities, CARE has established six community-run schools across the province, where students learn in both their own language and Khmer. The proportion of Khmer is progressively increased, so the children can ultimately join the government school system and participate in wider Cambodian life. The communities select local people to train as teachers, such as Sopich's 21-year-old brother Voeun, who now teaches his younger brother's grade 4 class and regularly receives ongoing teacher training.

'I very much wanted to go to school,' Sopich says, when his morning classes end. He enrolled when the project began four years ago, and is one of 610 children currently attending the schools. In five of the six villages where the project operates, there is a 98 per cent enrolment rate. 'It was important to me to learn how to speak Khmer and to read and write Khmer and Tampuen,' Sopich adds, smiling.

School materials, including text books and picture dictionaries, have been created in two local languages – Tampuen and Krueng. Developed by local indigenous people, the content is culturally relevant, and incorporates photographs of everyday scenes and activities as well as stories about village life. The children also learn traditional skills such as basket weaving and music, as well as mathematics – which is a particularly helpful subject for Sopich.

'I used to have difficulty calculating prices for goods I was selling with my family at the market. I didn't know how much change to give,' he explains. 'Now that my family can speak Khmer and understand mathematics, we can make good business.'

Not surprisingly for a teenage boy, Sopich's favourite pastime at school is sport. At recess, he's one of the first to pour out of the classrooms and across the flat expanse of rich red earth. The children kick soccer balls, play badminton and clamber on a wooden climbing frame. More playground equipment will soon be provided thanks to donors' support of the CAREgifts Catalogue\*. The children have fun devising their own games – running and passing balls back and forth and catching them in orange witches' hats.

After school, Sopich clears plots of land and helps his mother plant rice. Sometimes he makes traps with his father, used when hunting together in the forest, and he regularly looks after his three younger sisters. Sopich's obvious commitment to his family extends to making the world a better place for his community.

'When I'm a police officer, I'll catch people who steal from our village,' he says with determination. 'I'd like to go to high school first and maybe live outside my village for a short time. I understand that to do all of this I need to stay at school and do well in my studies.' Sopich's face is serious, but then he smiles. 'My new school is helping me realise my dream.'

\*For more information on the CAREgifts Catalogue visit [www.careaustralia.org.au](http://www.careaustralia.org.au)

**Population:** 14 million  
**Literacy:** 73.6 per cent  
**Survivors of landmines:** one in every 278  
**Infant mortality:** 109.7 deaths/1000 live births  
**Life expectancy:** 56 years\*

Cambodia is one of the poorest and least-developed countries in the Mekong Region.

Generations of war have left the country strewn with landmines. CARE worked in Cambodia from 1973 to 1975, returning in 1990 to assist the United Nations to repatriate 370,000 Cambodian refugees. Although CARE is helping to clear mines so that communities are able to use land safely and effectively, more than 5 million mines remain, causing further deaths and injuries and seriously limiting access to usable land.

\*All country figures from the United Nations Development Programme, 2005

*'HCEP is as much a community development project as it is an education project, empowering indigenous communities to take control over their own lives in a rapidly changing world.'*

Bron Ives, Education Coordinator, Cambodia

# Laos

## Empowering ethnic communities to improve their health



The sun is barely over the horizon but Chanedia has been up for hours. As she moves through the house, her four-year-old daughter Oli follows, tidying just like her mother. Chanedia lives in Luang Prabang Province with her parents, husband and daughter, as well as her brothers and sisters.

At 27 she is responsible for all the housework and moves swiftly through the morning's chores as her mother makes noodle soup for breakfast. Outside, Nambark town comes alive with morning sounds. It is a long way and very different from

Vienghie village where she grew up. Her childhood village, like many parts of the region, is inaccessible by road. By 8am, when Chanedia has finished her household work, the town outside is bustling. Chanedia's day has only just begun.

Chanedia and her family are Hmong people, an ethnic group that lives mostly in northern Laos. Hmong is Chanedia's first language but she has also spoken Lao since she was young and learned Khmu, another local language, through friends. After her housework is finished, Chanedia sets off to the office in

*'The project aims to strengthen the ability of young people and their parents to deal with daunting life problems and to improve communication between parents and children in the family. Through the project, parents now communicate with and educate their children.'*

Dr Sengsay, Project Manager of the Shapyep project, Laos



Luang Prabang town where she works full-time for the Lao Women's Union. Here she looks at the impact of gender roles on women, such as issues for women infected with HIV by their husbands.

Chanedia's work, which includes her role as a CARE Project Working Team member, is well respected by the community. The CARE project works with young ethnic people to prevent sexually transmitted infections and diseases such as HIV. Chanedia has been with CARE for six years – first on an HIV/AIDS prevention and management project and now providing life skills for young people. One of CARE's main strategies is to support people like Chanedia who are already working with the Government. Coordinating projects with local people means that the benefits of CARE's work will continue once the projects have finished.

'Many organisations are needed to do this work,' Chanedia says, adding that CARE's work with parents is having an important impact. In communities where young people want more sexual health information from their parents, Project Working Team members discuss with parents ways to support their children and discuss issues, even though the subject matter may be uncomfortable for them.

Chanedia explains that young people have unsafe sex for many reasons, including low self-esteem, peer pressure and drug and alcohol use. Other risks to young people's health and safety include human trafficking and leaving home to work in factories with illegal working conditions. Chanedia gives young people information about risky behaviours and teaches them how to solve problems and make informed decisions. She also learns from them. 'My work is of value to the community, but it's also an opportunity for me to learn from the people I help,' she says. Her language skills often come in handy, particularly during workshops where participants from different ethnic groups may not speak the predominant Lao language. People like Chanedia who are multilingual and, importantly, understand the cultural differences

between ethnic groups, are able to ensure that all participants feel comfortable and can become involved and benefit equally.

Chanedia's work takes her to villages even more inaccessible than the one where she grew up. In extreme cases she has travelled for 12 hours by foot to reach remote communities and she has now worked in nearly all of Nambark District's 98 villages. 'In these isolated places, children are unable to go to school, and there are no health care facilities,' Chanedia says. The same was true for her own family.

When Chanedia's long working day finishes, she goes home to look after her daughter and husband. Bright and articulate, Chanedia seems to draw energy from her work. Her hope for the future is to 'keep life going every day'. For many young people in Nambark district and for her family, she does.



### Population:

almost 5.7 million

### Adult literacy:

68.7 per cent

### Explosive ordnance:

Up to 600,000 tonnes of bombs lie unexploded.

### Infant mortality rate:

91 deaths/1000 live births

### Life expectancy:

68.7 years\*

The Vietnam War left Laos with one of the world's worst legacies of unexploded ordnance. This continues to maim and kill people every day and reduces the amount of arable land available for farming. Recently, many poor rural communities have also been severely affected by successive years of droughts and floods.

CARE works in Laos to remove unexploded ordnance and reduce vulnerability to natural disasters. Ethnic minorities comprise about 65 per cent of the total population; 80 per cent of whom are among the country's poorest people. We are working with minority groups to improve agricultural yields and the environment.

\*All country figures from the United Nations Development Programme, 2005



# Working with rural women's groups for healthier families

## Yemen

The black flowing cloth billows around Shouia as her youngest daughter plays underneath it, ducking in and out of the material. Shouia smiles and chats easily, her hennaed hands clasping a small goat on her lap. The animal is the second kid of the goat that Shouia and her family received from CARE, and the benefits of regular goats' milk are evident in her daughter's healthy complexion.

While 30-year-old Shouia, cooks, cares for her family and tends to the goats, her husband Ahmed sells qat at the nearby market. Although

chewing the leaves of this plant is a popular pastime, especially for the majority of men who enjoy its stimulant effect daily, Ahmed's work brings in little money. It is barely enough to support six growing daughters. Like others in Al Mokhiam village, the family lives in a crowded makeshift house. 'When it rains,' Shouia says, pointing to the roof, 'the water comes in.'

Despite the long hours that poor rural women spend working in their homes, in the fields and tending livestock, traditional Yemeni society discourages them from

making decisions, especially about finances. CARE is supporting rural women to exercise more control over income and assets through their participation in women's associations. Where Shouia lives, in Hajja Governorate, CARE's project is helping women increase their decision-making influence over household food needs.

Hajja is one of the least food secure governorates in Yemen. National statistics are alarming, with 46 per cent of children under five underweight and 53 per cent with stunted growth. In Hajja, infant and child malnutrition and mortality rates are among the highest in the country. As well as serious health concerns, malnutrition can cause learning disabilities and make it difficult for children to concentrate and understand their school lessons.

Shouia was keen to join the women's association in Al Mokhiam; one of 28 associations set up in the area as part of a CARE project. The members meet regularly to discuss the difficulties they face in feeding their families and to look at ways to improve food security in their communities. They also participate in a nutrition campaign for babies and children up to four years old.

Through the associations, members receive goats – a source of nutritious milk and food for their families. They can also earn money by breeding and selling the animals. The women make decisions about animal care and how the money raised from selling the goats is spent.

'I was happy to receive the goat,' Shouia says smiling, as her daughter strokes the kid on her lap. 'It means security for us.' From the money made from selling the goat's first kid, Shouia was able to buy clothes for her children. Half of the sale price went back to the women's association; and when the association has enough money saved, the women will decide together how it will be spent. More livestock or literacy classes are options.

Shouia's children now drink fresh goats' milk every day and Shouia is happy to see her school-aged daughters healthy and able to attend classes, only 15 minutes' walk away. All young girls in

Al Mokhiam attend the village school until the end of high school. Like many women her age, Shouia didn't have this opportunity when she was young, and she enjoys helping her children study. 'It's good to use my brain,' she smiles.

Shouia puts the goat down and goes inside her simple home where one of her daughters is ill with malaria – a common illness among poor rural people in Yemen. 'Of course I worry,' she says, changing the wet flannel on her daughter's forehead, 'but I'm powerless to help her.' It costs money to travel to a hospital and even more to pay for treatment and medicine. 'If we earn more income from the goats, we'll be able to afford health care for the children,' Shouia says, 'and maybe we'll have enough money to build a solid and secure home to replace this one.'



**Population:** 19.7 million

**Adult literacy:**

49 per cent

**Literacy among women:**

28.5 per cent

**Under-five**

**mortality rate:**

113 deaths/1000 live births

**Life expectancy:**

60 years\*

Dry, arid Yemen is one of the world's least developed nations. CARE opened its office in Yemen in 1993, focusing on alleviating poverty, providing water and sanitation services and supporting women's empowerment, including women's and girls' education.

Farming is the dominant industry in Yemen and 88 per cent of livestock work is carried out by women. Despite their heavy workload and responsibilities, rural women are discouraged from decision-making roles in traditional Yemeni society. CARE is working with rural women's groups to improve their access to health, education and training services and to generate household income.

\*All country figures from the United Nations Development Programme, 2005

*'By helping local women to set up small income-generating activities and supplementing their modest livestock herds with goats from the CAREgifts Catalogue, we've seen poor families in Abyan villages begin to thrive despite the harsh living conditions on the edge of the desert.'*

Gareth Richards, Country Director, Yemen



# Vietnam

## Preserving the environment through sustainable agriculture





'Before the dam was built,' 40-year-old Chuot recalls, 'it would take two days to walk through the forest to other villages.' Chout's memories of the densely forested landscape that once surrounded his isolated village are shared by others in his community. But 33 years ago, the people of his village were moved up into the mountains of Phu Yen District to make way for the Hoa Binh dam in Vietnam's northwest. Now the village and the forest are long gone – so too is the peaceful lifestyle that exists only in the minds of those old enough to remember it, as well as the resources that once sustained it.

During and since the dam's construction, the people of Phu Yen have faced many problems. The lowland fields of the district were severely flooded after the dam's completion in 1990. The residents, many of whom were from one of Vietnam's 54 ethnic minority groups, found themselves relocated to upland areas. This put enormous pressure on natural resources and the livelihoods of people already living there.

'At first, the Government encouraged food production with subsidies,' says Ty, 52, another resident of Phu Yen. 'After the subsidy period ended, the people began to cut down trees to grow soy bean and maize. It only took six months to cut down the forest and for five years it was easy to make money. But then the soil was depleted and without the forest there was nothing to stop the water washing away the rice fields.'

After just a few seasons of traditional slash and burn agriculture across the patchwork of fields that had replaced the forests, the soil was eroded and exhausted. Inadequate fallow periods contributed to the problem. Farmers began travelling further uphill to find soil that was still intact, where they employed the same destructive methods.

A CARE project, developed with the local people, is now helping to alleviate the pressure that relocation and over-population have put on the land and the community. New farming

methods are making growing crops on mountainous terrain easier and more productive.

Initially, many farmers resisted the new techniques for agricultural production on sloping lands. While the traditional slash and burn method damages the soil, it is an effective way to control pests. CARE has modified traditional farming practices to embrace sustainable methods. Farmers now burn only some of the plant and leave the stalk as mulch to regenerate the soil.

With another dam and more relocations planned in the area in the next decade, CARE's model of sustainable agriculture could prove an essential tool to ensure adequate income for ethnic minority communities such as Chout's – while helping to preserve the environment.



*'Previously, farmers could only cultivate one crop per year. But when farmers followed SALT (Sloping Agricultural Land Techniques) it changed their situation. They are now able to cultivate two to three crops per year with high yield.'*

Hoang Van, Project Manager of the SALT project, Vietnam

**Population:** 82 million

**Literacy:** 90.3 per cent

**Cases of HIV infection:**  
95,871\*

**Infant mortality:**

19 deaths/1000

live births

**Life expectancy:**

70.4 years\*

CARE has worked in Vietnam since 1945, with current projects in most of the 61 provinces.

We were one of the first NGOs to respond to the HIV/AIDS epidemic in Vietnam. We work with young people and high-risk groups to raise awareness about HIV/AIDS and other sexually transmitted diseases. CARE is also teaching people how to reduce the threat of bird flu by improving hygiene and changing techniques for keeping and handling live poultry.

\*UNAIDS, 2005

\*All country figures from the United Nations Development Programme, 2005



## Jordan

# Supplying water for families and creating jobs



'We are gaining a lot,' says Um Ayman as she collects water from a reservoir in front of her home. Um Ayman lives with her family in Um Ayash village, one of the poorest in the Jordan Valley, Balqa Governorate, Jordan. The reservoir serves a number of two-roomed houses, and other women gather here with their daughters, talking and washing clothes in buckets. Um Ayman's is among the 15 per cent of households in the village that are ineligible for the water network that serves the rest of the community. Until recently, Um Ayman's family and their neighbours had to buy water of questionable quality at highly inflated prices.

Like many other women in the village, Um Ayman married young. At 14, she and her husband established their home near a village shrine. Later, construction work on the shrine meant the family of nine had to relocate to a tiny house. In addition to being unable to access the water network, all the families in this location were extremely poor and could barely afford the water that was brought to the town in private water tankers.

Seventy-eight per cent of Um Ayash's population is unemployed, including Um Ayman's husband. Their 27-year-old son, who works in the army for a tiny wage, provides their only source of income.

A CARE project in Jordan, Egypt and the Palestinian Territories of West Bank and Gaza is improving access to water for the people of Um Ayash. Rainfall in the Um Ayash area of Jordan is very low so the project concentrates on strategies to reduce the amount of drinking water used for irrigation. CARE's work is making agricultural water use more efficient and promoting environmentally friendly use of water and land.

Um Ayman and her family are now regular visitors to the water tank that CARE set up in their village. Here, they can buy water at low prices and have confidence in its quality. In addition to increasing access to safe drinking water in these communities, CARE is

providing employment opportunities. We are helping members of the community to manage and maintain the project, as well as holding workshops on the best use of water.

'We feel that people are now more interested in helping us,' says Um Ayman, who has attended some of the workshops in the village with her family. 'We have a role in the community, and we now know which government officials we can contact if we have a problem. Thank you very much CARE – this is the best thing to happen to us in a long time.' Um Ayman looks thoughtfully at the bucket that she uses to take water from the reservoir back to her house. 'We're looking forward to the next phase of the project – establishing a fund to install a water network to our home,' she smiles.

**Population:** 5.4 million  
**Literacy:** 89.9 per cent  
**Population displaced from homes:** 20 per cent  
**Under 5 mortality rate:** 28 deaths/1000 live births  
**Life expectancy:** 71.3 years\*

Jordan gained its independence in 1946. It is one of the 10 most water-deprived nations in the world. High unemployment, the unpredictable climate, poverty and unsettled refugees from the West Bank and the Gulf War are also fundamental problems.

As a consequence, much of CARE's work in Jordan is conducted in camps for refugees and Jordanians who have fled from their homes. We also focus on improving communities' access to water and encouraging women to become more independent through investing in small income-generating projects.

\*All country figures from the United Nations Development Programme, 2005

*'Through the EMPOWERS project, women and other marginalised groups are able to prioritise water problems, negotiate with the Government and propose water plans, and they are now engaged within their community.'*

Fadi Shraideh, Country Coordinator of the EMPOWERS project, Jordan





## Myanmar/Burma

# Making space for women's sexual health

The room is special. Spacious and light filled, it is decorated with medical diagrams and teaching equipment. But unlike a doctor's waiting room or a classroom, the women and men gathered here relax on mats on the floor, chatting casually. Among them is Nu, who works at a karaoke club in Mandalay. Despite the long hours Nu works to support her family, she is relaxed and happy, directing all her energy into putting her workmate Mya, who is visiting for the first time, at ease.

This room is one of the women's spaces being created across Mandalay and Yangon as part of a CARE project. The spaces are unique in that they allow discussion of sexual and reproductive health issues in a comfortable, friendly setting. Nu is one of 589 women and their partners who have attended discussions since the project began.

Like many of the people involved, Nu heard about the project through a friend. The spaces are staffed by Women's Health Support Workers and the project focuses on



peer-to-peer learning. The women have frank, open discussions about their personal experiences, attitudes and opinions on sexual health issues. They discuss where to go for sexual health care, how to use condoms, negotiation of condom use, alternative safer sex options and questioning societal judgments on women who are believed to be sexually active. Already, 515 women have participated by asking or answering questions and bringing other peers or partners along. Until Nu told her about the women's space, Mya refused to seek sexual health advice, believing that she would become upset and depressed if she discovered she had contracted a disease.

Nu and Mya are part of the growing number of Burmese women who are working outside the home. Twenty-four per cent of women in Myanmar now head urban households. But despite many women making a major contribution to supporting their families, they continue to experience constraints in all areas of life. There are many unmet health, education and other service needs, with women experiencing relatively high rates of sexually transmitted infections and diseases, including HIV. Attitudes and beliefs also create barriers to good sexual health, especially for vulnerable working women.

Although the HIV epidemic currently affects more men than women in Myanmar/Burma, rates of infection among women are rapidly increasing. Entertainment venues are workplaces where women are potentially at high risk of infection. Like Nu and Mya, many of the women attending the women's spaces work in golf clubs and karaoke bars. Research conducted for the project identified wide gaps between women's knowledge about sexual health risks and their behaviour to protect themselves. In Mandalay, 75 per cent of women participating in the project knew condoms could be used for contraception and disease prevention. Yet the attitudes against condom use are so great that before they took part in the project, these women used other contraception methods that did not

protect against disease. Now hundreds of women accept and know how to use condoms.

Gender-based double standards are also frequently discussed in the women's spaces in Yangon and Mandalay. Many of the women are now openly questioning these double standards, and encouraging other women to do the same. The women also talk to their partners about these issues – many of whom now accept that women have a right to sexual health knowledge and services. As the number of males infected by HIV is still far higher than the number of infected females in Myanmar, male partners are not only welcome at the women's spaces, they are actively encouraged to come along. It is anticipated that the number of male partners coming to the spaces will continue to increase.

Participation in the project is increasing, particularly among women working in karaoke parlours. The next phase of the project is expected to directly benefit up to 400 women working in the entertainment industry, hotels and factories. In a domino effect, it will reach more than 3000 people (boyfriends, husbands, family and friends) with HIV/AIDS messages and information on sexual health services.

Sitting with Nu and the other women at the women's space, Mya gradually becomes more comfortable with the discussions taking place and even speaks about some of her experiences. In future visits, Nu hopes to encourage her to seek advice from the Women's Health Support Workers so that Mya will be able to receive confidential counselling and treatment.

*'The project develops the ability of women to look after their own health and the health of their families and community. They share what they learn with family members and neighbours, enabling them to make better sexual health choices.'*

Dr Win Maung, Project Manager of the Women at Work project, Myanmar/Burma

**Population:**  
almost 49.5 million

**Adult literacy:**  
89.7 per cent

**Infant mortality rate:**  
76 deaths/1000  
live births

**Life expectancy:**  
60.1 years\*

CARE Australia has worked in Myanmar/Burma since 1995. Our aim is to improve the living standards of rural communities in mountainous areas through the introduction of health education in 80 towns, with emphasis on HIV/AIDS prevention and nutritional support for children and pregnant mothers. CARE also focuses on education, microcredit and water and sanitation programmes. This work has been supported by the introduction of home gardens to provide food for vulnerable communities.

\*All country figures from the United Nations Development Programme, 2005

# Kenya

## Boosting success for farmers through pooling resources

Julius smiles and holds up a small, perfectly formed eggplant. This harvest, together with produce from the 20 other members of the Kikoo farming group, is destined for tables in the United Kingdom – quite a journey from eastern Kenya’s Makueni District.

The district is one of the country’s poorest. It receives enough rain for farmers like Julius to survive through subsistence farming, but not enough for rain-fed cropping and grazing to flourish. The district does, however, have significant potential for horticulture. To enable subsistence farmers with limited resources to tap this potential, a CARE project has helped form production groups, which allow farmers to pool their resources.

Julius, 43, is the Organising Secretary of the Kikoo group which now exports 80 per cent of what it produces. He explains that previously the farmers couldn’t produce enough on their small plots even to support their families. And then there was the challenge of finding buyers for what they did grow. CARE’s project linked the Kikoo farmers to an export market and provided credit to purchase fertilizer and better quality seeds. The farmers now earn up to 10 times more than before and they can plan for the future.

**Population:** 32.7 million

**Adult literacy:**

73.6 per cent

**Life expectancy:**

47.2 years\*

CARE has been active in Kenya since 1968, providing relief assistance to communities. Currently, CARE Australia is working with farmers in the north of Kenya helping them increase income by accessing new markets to sell their produce.

\*All country figures from the United Nations Development Programme, 2005



# Timor-Leste

## Providing nourishing food for children and ensuring long-term health

A mother gently feeds her baby a spoonful of food that contains all the nutrients the tiny 14-month-old needs. Jacinta has worked hard to prepare the meal for her daughter, Amivi.

Amivi had been in a critical condition with diarrhoea, but since Jacinta started bringing her to CARE's nutrition programme four months ago, the toddler has gained weight. 'If I didn't have CARE's help, I would have to seek treatment in the hospital or with a traditional healer,' Jacinta says. Both these options are costly for a poor farming family.

The session that Jacinta and Amivi are attending is designed especially for women whose children are malnourished. Malnutrition is estimated to cause more than 60 per cent of deaths among children under five in Timor-Leste. This CARE project comprises health promotion and education, supplementary feeding and monitoring needs of malnourished children. It also provides nutritious food to pregnant and breastfeeding mothers.

Jacinta has actively participated with 50 other women learning about hygiene and food preparation, the importance of regular meals, immunisation and what to do if a child is sick.

All the children receive a meal prepared by their mothers. 'I hope she will get better,' Jacinta says softly as Amivi finishes her food and falls asleep in her lap. 'And that one day she will be able to study in Dili.'



**Population:** 0.8 million

**Literacy:** 58.6 per cent

**Life expectancy:**  
55.2 years\*

CARE has been operating in all 13 districts of Timor-Leste since 1994. In response to the violent events of 1999, CARE designed an emergency programme that included providing water and sanitation, food, shelter and agriculture rehabilitation.

CARE Australia is focusing on projects in health and education in the Bobonaro district of Timor-Leste. We are providing food and clean water to malnourished children under five years old and helping children learn how to read and write.

\* All country figures from the United Nations Development Programme, 2005

# Emergencies

CARE Australia's emergency work involves preparing for disasters, the immediate delivery of emergency supplies to survivors and longer-term recovery and rehabilitation.



## Recovering from the tsunami

CARE has continued to assist the survivors of the 2004 tsunami. The tsunami swept through coastal communities in South and Southeast Asia and as far away as the eastern coast of Africa. An estimated 300,000 people died and millions were left homeless.

CARE has worked with 660,000 survivors to rebuild lives and communities. In Indonesia, CARE Australia's work has focused on the island of Simeulue, where we initially delivered food to 79,000 people. We have since shifted our attention to longer-term needs. We are also continuing our work in India, Thailand and Sri Lanka, improving housing, water supplies, infrastructure and livelihoods.

The complexity of problems caused by the disaster and a range of issues related to local government and access to materials have affected some rehabilitation activities – in particular housing reconstruction. However, in a recent survey on construction practices conducted by the Architecture Department of Universitas Syiah Kuala and UN-Habitat, CARE ranked as one of the top 10 most accountable NGOs working in Aceh.

## Unrest in Timor-Leste

After the first wave of violence that began with the dismissal of soldiers in April 2006, CARE distributed food to 17,000 people in 24 locations in Dili. People formed makeshift camps at schools, churches and Dili's airport to seek refuge. We provided hygiene kits and health education to 15 of these camps as well as to the communities on Atauro Island.

More violence in May displaced up to 150,000 people in and around Dili, and increased the number of camps in the capital to more than 60.

In total, CARE provided emergency assistance to 35,000 people and distributed an average of 180,000 litres of water daily. As Timor-Leste gradually moves into the recovery stage, CARE Australia will assist 30,000 people affected by the conflict in and around Dili by providing food and other essential items as well as clean water and sanitation facilities.

## Yogyakarta in ruins

When the earthquake struck Yogyakarta, Indonesia on 27 May 2006, CARE's emergency team responded immediately, delivering much-needed clean water to 40,000 households, as well as food and emergency supplies. The earthquake, which killed 5778 people, left 1.5 million people homeless. CARE focused first on the most remote and badly damaged districts. Shortly after, CARE provided mobile clinics, enabling experienced doctors and health workers to visit and assist people in remote villages. CARE also started an innovative market-based approach through local vendors to provide food and household items to 20,000 survivors.

With funding from CARE Australia, approximately 20,000 people will continue to receive help over a six-month period – with food vouchers and other items such as tents, blankets and sleeping mats.





### Earthquake in Pakistan

On the morning of 8 October 2005, Pakistan, India and Afghanistan were struck by an earthquake measuring 7.6 on the Richter scale. The earthquake was one of Pakistan's worst natural disasters, killing around 86,000 people and injuring almost 100,000.

CARE immediately responded to the emergency in Pakistan by distributing relief supplies to 1160 households. We helped people to find shelter and provided hygiene kits, blankets, warm clothing and drinking water.

CARE worked with well-established local NGOs, which have a long history and reputation for effective assistance in the earthquake-affected areas. Assessments were carried out to ensure that assistance provided by CARE and other partners was reaching the most vulnerable people. CARE focused on providing shelter that would protect people through the harsh winter and enable them to survive.

In the rehabilitation phase, CARE Australia helped people to leave the temporary shelters and return to their villages.



### Food crisis in Niger

The 2004 harvest was especially poor in Niger. In 2005, it was followed by the worst locust infestation seen in 15 years. As a result, Niger faced a severe food crisis and by January 2006 over two million people were affected.

In response to the crisis, CARE distributed over 23,000 tonnes of food to over 1.1 million people. In September 2005, CARE Australia distributed 429 metric tonnes of rice to over 33,000 people in the Diffa region and trained staff to better manage and supervise food distribution, ensuring the most vulnerable households received assistance.



### Violence in Sudan

According to the United Nations, 30,000 people were forced to leave their homes in Darfur, Sudan in January 2006, adding to the two million already sheltering in makeshift camps to escape the conflicts that began in 2003. CARE has been active in Darfur since 2004 and is helping to meet survivors' basic needs, including food, shelter, clean water and sanitation facilities. In March 2006, CARE provided humanitarian assistance to over 469,000 people affected by war. In addition, some 61,000 people now benefit from a CARE water and sanitation project, which provides clean drinking water.

CARE Australia has helped to improve the health of people who have been displaced by the conflict. In Alserif camp, CARE Australia constructed 100 latrines, expanded the water supply network by thousands of metres, constructed a water supply tower, trucked in water and established a hygiene education programme.

# Fundraising highlights

CARE would like to thank our donors for trusting us with their generosity. Each gift, significant in its own right, becomes even more powerful when joined together with the tens of thousands of others we receive each year. And it has been an extremely successful year.

In its record-breaking second year, the CAREgifts Catalogue drew thousands of new individual and business supporters, attracted by gifts with the power to help others.

Our donors also supported emergency appeals for people suffering from drought in Niger, Kenya and Sudan and survivors of the devastating October earthquake in Pakistan. They also donated to help people affected by the earthquake in Yogyakarta, Indonesia, and the break-down of security in Timor-Leste.

We would like to pass our special thanks to the many donors who made CARE Australia a part of their extended families and remembered us in their Wills.

## World Hunger Campaign

On 16 October 2005, we celebrated World Food Day with the launch of CARE Australia's signature event – the World Hunger Campaign. Seven hundred and twenty students lay down on their school oval to illustrate the number of children who die every hour from hunger-related causes. The Rt Hon. Malcolm Fraser, entertainer Natalie Bassingthwaight and actor Monica Maughan also attended, to add their support to the fight against hunger.

Over 1200 schools and 200 community and corporate groups took part in the campaign, sponsored by Brumby's Bakeries and *The Age*. The event raised over \$100,000 for CARE's work that provides lasting solutions to hunger.

## CARE partners and friends

CARE Australia's Corporate Council again raised significant funds and provided in-kind support and pro bono services. Special thanks to Chairman Harold Mitchell for generously facilitating community service media announcements through Mitchell & Partners.

Other creative and inspiring contributions to our work included a powerful television commercial to raise awareness of CARE's vital work. It was facilitated by Kim Boehm, Chairman of our Fundraising and Communications Committee, and Chief Executive Officer of Clemengers BBDO Adelaide.

CARE Australia's hard-working Fundraising Committee, led by Jocelyn Mitchell, also assisted with two very successful events. In September 2005, The Australian Ballet and CARE Australia joined forces to support Cambodia's struggling performing arts industry to prevent the further spread of HIV/AIDS. And in May 2006, we held a sell-out event at Tiffany & Co in Melbourne to celebrate CARE's 60 years of providing humanitarian assistance around the world. Tiffany & Co also generously sponsored 'Keys for a Cause' functions in Europe, North and South America.

Three CARE Challenges have enabled CARE supporters to visit Vietnam and Laos. Twenty participants from the law firm Mallesons Stephen Jaques cycled through Vietnam, visiting a CARE 'clean water for schools' project, funded by their staff contributions and matching company donations.

'It's all about bonding with and meeting people and realising that there is work to do at a person-to-person level. And that's what the trip has been all about.' Frank Zipfinger, Mallesons Stephen Jaques Chairman.

We would like to recognise our corporate donors for their major contributions.

BHP Billiton is funding the Communities Fighting Fires in Kalimantan project in Indonesia a community-based disaster risk reduction programme.

Deutsche Bank is supporting a literacy project for poor children in Timor-Leste through workplace giving by staff and matching company donations

The AIDS Trust of Australia is supporting the 'Women At Work' project, which aims to improve sexual and reproductive health practices and access to services for women in Myanmar/Burma.



# Programming highlights

CARE undertakes hundreds of aid projects worldwide. Our broad programme approach covers agriculture and environment, education, health, microcredit, nutrition, water and sanitation, plus emergency relief and rehabilitation – with numerous projects in each of these categories. CARE projects aim to empower individuals and communities to lift themselves out of poverty and are designed to be sustainable, so the people we help can continue to benefit long after we complete our work.

In addition to supporting emergencies in Asia and Africa, during FY06 CARE Australia's programming department conducted long-term development work in 23 countries.

## Cooperation Agreements

Cooperation Agreements (CAs) between the Australian Government's overseas aid programme, AusAID, and CARE Australia enable us to undertake major long-term projects in countries where CARE Australia has direct responsibility. CAs this year included:

- A CA to reduce the impact of unexploded ordnance (UXO) in Laos, by working with communities in UXO clearance, landmine disaster reduction and agriculture.
- A five-year Australia-Cambodia Integrated Mine Action project, which includes demining, livelihood and agricultural projects, developing water management structures and establishing micro credit schemes.

- Two projects under the Vietnam-Australia NGO CA (VANGOCA), focusing on water, sanitation and disaster mitigation in the highly flood-prone inland Mekong Delta.
- A three-year Australia Middle East NGO CA that will assist poor and vulnerable families to produce enough food to eat and sell, and will strengthen the operational and management capacity of local partners.





# Our partners

## Bilateral

Australian Government  
British Government  
Cambodian Government  
Canadian Government  
Danish Government  
Dutch Government  
French Government  
German Government  
Japanese Government  
New Zealand Government  
Norwegian Government  
Swiss Government  
United States Government

## Multilateral

Asian Development Bank (ADB)  
European Commission Humanitarian Aid Office (ECHO)  
European Union (EU)  
International Labour Organization (ILO)  
Joint United Nations Programme on HIV/AIDS (UNAIDS)  
The Global Fund to Fight AIDS, TB and Malaria (The Global Fund)  
United Nations Children's Fund (UNICEF)  
United Nations Department of Economic and Social Affairs (UNDESA)  
United Nations Development Fund for Women (UNIFEM)  
United Nations Development Programme (UNDP)  
United Nations High Commission for Refugees (UNHCR)  
United Nations Office on Drugs and Crime (UNODC)  
United Nations Population Fund (UNFPA)  
United Nations World Food Programme (WFP)  
United Nations World Health Organization (WHO)

## CARE Young Executive Committee

Jennifer Chemay  
Finance Professional,  
National Australia Bank

Abi Cleland  
General Manager,  
Strategy and Business Development,  
Incitec Pivot

Troy Hey  
Manager,  
External Communications,  
Foster's Group

Kerrie Lavey  
Assistant Company Secretary,  
Amcor

Andrew Lazarus  
Business Manager,  
Manpower Professional

## Fundraising Committee

Jocelyn Mitchell, Chairperson

Jane Ballieu  
Celia Burrell  
Kathy Cameron  
Cara Cunningham  
Jeanine Froomes  
Chloe Hyde  
Sarah Kirby  
Serena Mitchell  
Genevieve Morgan  
Barbara Mulder  
Caroline Natrass  
Robbie Parkes  
Caroline Pescott  
Sarah Reid  
Kate Veall  
Briar Webb



# Special thanks

Thank you to the following generous organisations and individuals who make it possible for CARE Australia to continue to work with some of the poorest communities in the world to enable lasting change.

## CARE Corporate Council members

Accor Asia Pacific  
Amcor  
Australia Post  
C Management Services  
Castle Harlan Australia Mezzanine Partners  
GSA Architects  
Henley Property Group  
Jetmaster (VIC)  
Maple-Brown Abbott  
Merrill Lynch  
OneSteel  
Phillips Fox  
Qantas Airways  
Tattersall's  
*The Age*  
The Gandel Foundation  
The George Castan Family Charitable Trust  
The Macquarie Bank Foundation  
TomatoSource

## Corporate and general supporters

AGL Employees Community Fund  
Angry Anderson  
APN News and Media  
Austereo Group  
Aviva Australia  
Ballina RSL Club  
Natalie Bassingthwaight  
BHP Billiton  
Brumby's Bakeries  
Buddha's Wines (Stuart Wines Company)  
Clemenger BBDO  
Computershare  
Count Charitable Foundation  
Crikey.com  
Data Solutions  
DestinAsian  
Deutsche Bank  
emitch  
Ergon Energy  
Eye Corp  
Federal Chamber of Automotive Industries  
FPE Insurance Brokers  
Greenlight Foundation  
GRM International  
Hewitt Associates  
IGA Distribution  
Jewish Aid Australia  
Lonely Planet Publications  
Malleons Stephen Jaques  
Marmalade Melbourne  
Melbourne Grammar School  
Mitchell & Partners  
Monica Maughan  
Myshare  
Precision Plating Charitable Trust  
Quiksilver  
Rusher Rogers Recruiting  
Ian Stacker  
The Australian Ballet  
The Lowy Institute for International Policy  
The Pratt Foundation  
The Wiggles  
Tiffany & Co  
Greg Vanderjagt  
Visual Jazz  
Voyages Hotels and Resorts  
Walker Refrigeration Cabinets  
John Wood

## Bequests

State Trustees Australia Foundation  
– The Francis Family  
The estate of Cyril Francis Horton  
The estate of Olive Mavis Humphries  
The estate of Ouida Marston  
The John Murphy Charitable Trust  
The estate of Margaret Louise O'Brien  
The estate of John Mervyn O'Brien

CARE Australia would also like to remember a number of valued supporters who passed away this year. An 'in memory' gift is a thoughtful way to commemorate a loved one's life. Any gift, great or small, is truly appreciated and will go toward CARE's work in developing countries. When you make an 'in memory' donation to CARE Australia, you will receive a certificate to keep or present to the bereaved family.

# Our Board

## Chairman Tony Eggleton, AO CVO

Chairman since 2004, Director since 1996, formerly Vice Chairman 2002-2004; Member of the CARE International Board; formerly Secretary-General, CARE International 1991-1995.

Member, Australian Government's Aid Advisory Council; Member, Foreign Affairs Editorial Board; Chairman, Consultative Council, Centre for Democratic Institutions.

Formerly Federal Director, Liberal Party of Australia 1975-1990.

## Vice Chairman Peter Smedley

Director since 2000.

Chairman, OneSteel Ltd; Deputy Chairman, Colonial Foundation; Director, The Australian Ballet; Director, Australian Davos Connection.

Formerly Managing Director and CEO Colonial Ltd and Mayne Group Ltd; Chairman, State Bank NSW; Deputy Chairman, Newcrest Ltd; Executive Director, Shell Australia; Director, Austen and Butta.

## Treasurer Brian Jamieson

Director since 2001.

Non-executive Director, Oxiana Ltd; Non-executive Director, Sigma Pharmaceuticals Ltd; Non-executive Director, Tattersalls Ltd; Non-executive Director, HBOS Australia Pty Ltd; Director, The Bionic Ear Institute; Director, Veski; Director, The Sir Robert Menzies Memorial Foundation; Director, Major Performing Arts Board.

Formerly Chief Executive Officer, KPMG Victoria; Chief Executive Officer, Minter Ellison Melbourne.

## Willoughby Bailey, AO

Director since 1992.

Chairman, CRC for Coastal Zone; Director, Blashki Holdings; Director, Geelong Community Foundation.

Formerly Deputy Chairman and Chief Executive Officer, ANZ Banking Group; Deputy Chairman, Coles Myer Ltd; Member, Economic Planning Advisory Council.

## Karyn Baylis

Director since 2004.

Director, Organisational Renewal, Sing Tel Optus Pty Ltd; Board, Cure Cancer Foundation.

Formerly Group Executive, Sales and Marketing, Insurance Australia Group (IAG) Ltd; Senior Vice President, The Americas - Qantas Airways Ltd; Director, NRMA Financial Management Ltd and NRMA Life Nominees Pty Ltd.

## Kim Boehm

Director since 1998.

Managing Director, Clemenger BBDO Adelaide; Director, BBDO Australasia Ltd; Member, Adelaide Festival Centre Foundation.

Formerly Managing Director, Y&R Melbourne; Managing Director, Clemenger Harvie Edge; Chairman, Advertising Federation of Australia Board (Victoria); Member, Strathcona Girls' Grammar School Board.

## John Borghetti

Director since 2005.

Executive General Manager, Qantas; Director of Asia-based Qantas subsidiaries - Holiday Tours and Travel, Tour East and Jetabout Holidays; Director, National Board of Australia China Business Council.

Formerly Group General Manager, Australia Sales, Qantas; Executive General Manager, Sales and Marketing, Qantas.

## Robert Every

Director since 2003; resigned 24 February 2006.

Director, Iluka Resources Ltd.

Formerly Managing Director and Chief Executive Officer, OneSteel Ltd; Chairman, Steel & Tube Holdings Ltd; President, BHP Steel.

## Philip Flood, AO

Director since 2003.

Member, Asialink; Member, Foreign Affairs Council.

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

## Colin Galbraith, AM

Director since 2004.

Director, Commonwealth Bank of Australia; Director, OneSteel Ltd; Director, GasNet Australia Group; Advisor, Allens Arthur Robinson; Chairman, BHP Billiton Community Trust; Trustee, Royal Melbourne Hospital Neuroscience Foundation; Special Advisor, Gresham Partners.

## Diana Gribble, AM

Director since 2004.

Partner, Private Media Partners; Director, Lonely Planet Publications Pty Ltd.

Formerly Chairman, The Text Media Group.

## William Guest

Director since 2000.

Director, Guests Furniture Hire; Director, Threeways; Director, Tailor Made Sofas; Director, Property 4 Retail.

Former Director, Freedom Furniture Ltd.

## The Hon. Barry Jones, AO

Director since 1992.

National Vice President, Australian Labor Party; Director, Burnet Institute; Chairman, Port Arthur Historic Site Management Authority.

Formerly Australian Minister for Science; Member, Executive Board, UNESCO.

## Jane Jose, CM

Director since 2004.

Principal, Jane Jose Strategy and Communication; Director, Adelaide Convention Centre; Alternate Member, Central Sydney Planning Committee, City of Sydney; Member, Administrative Decisions Tribunal NSW; Centenary Medal.

## Martin McKinnon

Director since 2004.

Chief Executive Officer, BrandAdvantage; Director, Fine Wines Direct; Director, Tarcombe Valley Pty Ltd; Director, Full Advantage Pty Ltd; Director, Hawthorn Football Club; Patron, Education Foundation.

Formerly Head of Marketing, Qantas.

## Harold Mitchell, AO

Director since 2004.

Chairman, Mitchell and Partners; Director, emitch Ltd; President, Museums Board of Victoria; Director, Opera Australia; Chairman, ThoroughVision.

Formerly President, Melbourne International Festival of the Arts; President, Asthma Foundation (Victoria); Chairman, National Gallery of Australia.

## Jocelyn Mitchell

Director since 1993.

Director and former Chairperson, Beaufort and Skipton Health Service; Director, Lowell Pty Ltd.

Formerly Teacher and Careers Advisor; foundation Member, Women's Electoral Lobby; former Chairperson, The Australian Garden History Society.

## Advisory Council

**Sir William Deane, AC KBE**  
Director, CARE Australia 2001-2004; Chairman, CARE Australia 2002-2004.

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

**Sir Leslie Froggatt**  
Director, CARE Australia 1989-2004; Vice Chairman, CARE Australia 1995-2001.

Formerly Chairman and Chief Executive Officer, Shell Australia Ltd; Chairman, Pacific Dunlop Ltd; Chairman, Ashton Mining Ltd; Chairman, BRL Hardy Ltd.

**Alf Paton**  
Director, CARE Australia 1994-2004.

Formerly Managing Director and Chairman, Placer Pacific Ltd; Managing Director and Chairman, Kidston Gold Mines Ltd; President, Australia Papua New Guinea Business Council; Chairman, Hill End Gold Ltd.

## Founding Chairman of CARE Australia

**Rt Hon. Malcolm Fraser, AC CH**  
Chairman, CARE Australia 1987-2001; President, CARE International 1990-1995; Vice President, CARE International 1995-1999

Prime Minister of Australia 1975-1983.

## Senior Executives

During the year the total remuneration paid to senior executives was \$689,764.

# Financial Report 2006

## Independant audit report

To the members of CARE Australia

We have audited the condensed financial statements of CARE Australia comprising the attached Statement of Financial Position, Statement of Financial Performance and Analysis of Operations for the year ended 30 June 2006 in accordance with Australian Auditing Standards. The condensed financial statements have been derived from the statutory financial statements of the company prepared in accordance with the Corporations Act 2001 and other mandatory professional reporting requirements for the year ended 30 June 2006.

We have audited the annual statutory financial statements referred to above in accordance with Australian Auditing Standards, and in our report addressed to the members of the company we expressed an unqualified opinion on those financial statements. The date our opinion was formed on those financial statements was 4 October 2006.

In our opinion the condensed financial statements of CARE Australia and additional information contained in the accounting records of the company are consistent with the annual statutory financial statements referred to above from which they are derived. For a better understanding of the scope of our audit this report should be read in conjunction with our audit report on the annual statutory financial statements referred to above.



**Ernst & Young**

Canberra, 4 October 2006

## Directors' declaration

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

In the opinion of the directors:

- (a) the financial statements and notes of the company and of the consolidated entity are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2006 and of their performance for the year ended on that date; and
  - (ii) complying with Accounting Standards and Corporations Regulations 2001;
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;
- (c) the provisions of the Charitable Fundraising Act 1991 (New South Wales) and the regulations under the Act and the conditions attached to the authority have been complied with; and
- (d) The internal controls exercised by the company are appropriate and effective in accounting for all income received and applied by the company from any of its fundraising appeals.

On behalf of the Board.



**Brian Jamieson**  
Treasurer



**Peter Smedley**  
Vice Chairman

Melbourne, 4 October 2006

## Income Statement for the year ended 30 June 2006

		<b>2006</b>	<b>2005</b>
<b>REVENUE</b>		\$	\$
Donations and gifts from the Australian public	Cash	18,736,066	21,853,139
	In kind	53,044	87,307
Legacies and bequests from the Australian public		75,179	191,529
<b>Total Revenue from Australian Public</b>		<b>18,864,289</b>	<b>22,131,975</b>
<b>Grants and Contracts</b>			
• AusAID	Cash	11,977,813	12,802,404
• Other Australian	Cash	81,657	111,756
• Overseas			
Project grants from CARE International members	Cash	15,509,661	19,609,411
Project grants from multilateral agencies	Cash	3,634,603	3,372,626
Project grants from foreign governments and overseas-based organisations	Cash	2,388,430	3,536,187
<b>Investment Income</b>		2,155,201	953,434
<b>Other Income</b>		412,825	622,699
<b>TOTAL REVENUE</b>		<b>55,024,479</b>	<b>63,140,492</b>
<b>EXPENSES</b>			
Overseas projects (programme expenditures)			
• Funds to overseas projects		46,024,013	52,534,788
• Cost of raising project funds from government and multilateral agencies		228,298	213,884
• Other project costs		828,851	1,095,640
<b>Total Overseas Projects</b>		<b>47,081,162</b>	<b>53,844,312</b>
Community education		832,634	709,679
Fundraising costs – Australian public		2,110,368	2,148,224
Administration		2,300,792	2,015,037
<b>TOTAL EXPENSES</b>		<b>52,324,956</b>	<b>58,717,252</b>
<b>Excess of Revenue over Expenses from Continuing Operations</b>		<b>2,699,523</b>	<b>4,423,240</b>

This condensed 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 request or for inspection at the registered office.



## Balance Sheet as of 30 June 2006

ASSETS	NOTE	2006	2005
<b>Current Assets</b>		\$	\$
Cash and cash equivalents	1	43,375,294	46,738,546
Prepayments		260,628	223,202
Receivables	2	2,410,094	2,623,561
<b>Non-current Assets</b>			
Property, plant and equipment	3	569,214	597,893
Available for sale financial investments		969,461	-
Other investments	4	1	1
<b>TOTAL ASSETS</b>		<b>47,584,692</b>	<b>50,183,203</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	5	1,765,907	2,231,861
Provisions	6	1,701,633	1,282,301
Unexpended project funds		33,207,039	38,612,524
Other liabilities		224,423	67,453
<b>Non-current Liabilities</b>			
Provisions	6	30,517	33,414
<b>TOTAL LIABILITIES</b>		<b>36,929,519</b>	<b>42,227,553</b>
<b>NET ASSETS</b>			
<b>EQUITY</b>		<b>10,655,173</b>	<b>7,955,650</b>
Funds available for future use		10,128,812	7,549,334
Special Reserve		932,000	932,000
Exchange Fluctuation Reserve		(405,639)	(525,684)
<b>TOTAL EQUITY</b>		<b>10,655,173</b>	<b>7,955,650</b>

## Statement of Change in Equity for the year ended 30 June 2006

	2006	2005
	\$	\$
<b>Funds Available for Future Use</b>		
Opening balance	7,549,334	2,643,708
Excess of revenue over expenses	2,699,523	4,432,240
Transfer (to)/from Exchange Fluctuation Reserve	(120,045)	482,386
<b>Balance at 30 June 2006</b>	<b>10,128,812</b>	<b>7,549,334</b>
<b>Exchange Fluctuation Reserve</b>		
Opening balance	(525,684)	(43,298)
Transfer (to)/from funds available for future use	120,045	(482,386)
<b>Balance at 30 June 2006</b>	<b>(405,639)</b>	<b>(525,684)</b>

This condensed 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 request or for inspection at the registered office.

# Notes To and Forming Part of the Financial Statements – 30 June 2006

		2006 \$	2005 \$
<b>Note 1</b>	<b>Cash and Cash Equivalents</b>		
	Cash on hand	269,430	317,896
	Cash at bank	12,567,732	15,824,207
	Cash on deposit	30,211,510	30,299,911
	International revolving fund	326,622	296,532
		<b>43,375,294</b>	<b>46,738,546</b>
<b>Note 2</b>	<b>Receivables</b>		
	Debtors	1,096,978	921,468
	CARE International members	301,591	550,951
	Amounts owing by project donors	1,010,317	1,149,934
	Wholly owned entity	1,208	1,208
		<b>2,410,094</b>	<b>2,623,561</b>
<b>Note 3</b>	<b>Property, Plant and Equipment</b>		
	Total property, plant and equipment – cost	1,987,935	1,859,982
	Accumulated depreciation and amortisation	(1,418,721)	(1,262,089)
		<b>569,214</b>	<b>597,893</b>
<b>Note 4</b>	<b>Investments</b>		
	Share in subsidiary – at cost	<b>1</b>	<b>1</b>
<b>Note 5</b>	<b>Payables</b>		
	Trade creditors	469,791	245,512
	Accruals	69,000	63,140
	Other creditors	575,309	952,992
	CARE International members	470,115	811,243
	Accrued salary and contract payments	181,692	158,974
		<b>1,765,907</b>	<b>2,231,861</b>
<b>Note 6</b>	<b>Provisions</b>		
	<b>CURRENT</b>		
	Employee benefits	1,397,357	1,105,101
	Other	304,276	177,200
		<b>1,701,633</b>	<b>1,282,301</b>
	<b>NON-CURRENT</b>		
	Employee benefits	<b>30,517</b>	<b>33,414</b>

## **Note 7** Table of Cash Movements for Designated (Restricted) Purposes

Cash Movements	Cash Available at Beginning of Year	Donations and Grants Received	Amount Disbursed	Available at End of Year
Southern Asia (Tsunami) Appeal	26,749,953	2,252,949	11,768,821	17,234,081
Total for other purposes	10,712,637	39,112,464	34,862,461	14,962,640
<b>Total</b>	<b>37,462,590</b>	<b>41,365,413</b>	<b>46,631,282</b>	<b>32,196,721</b>

# Analysis of Operations for the year ended 30 June 2006

	2006 %	2005 %
Total costs of fundraising, community education and administration / Total income	9	8
Overseas projects (programme expenditure) / Total income	86	85
Increase (decrease) in funds available for future CARE programming / Total income	5	7
<b>Total</b>	<b>100</b>	<b>100</b>

## Information (Charitable Fundraising Act 1991 NSW)

### Fundraising Activities Conducted

Direct Mail  
Major Gifts Programme  
Corporate Gifts  
Bequest Programme  
Special Events  
Media Awareness  
Community Service Announcements

Comparison by Percentage	2006 %	2005 %
Total cost of services (overseas projects <i>plus</i> community education) / Total expenditure <i>minus</i> fundraising	95	96
Total cost of services (overseas projects <i>plus</i> community education) / Total income <i>minus</i> fundraising	91	89
Total cost of fundraising/revenue from the Australian public	11	10
Net surplus from fundraising/revenue from the Australian public	89	90



# A commitment to CARE

## Robert Yallop

Principle Executive of Overseas Operations, Australia

I am responsible for CARE Australia's programmes internationally and our Country Offices overseas. Prior to taking up this role in the Canberra office 10 years ago, I worked in the field as the Country Director of Iraq, then the Regional Director of CARE Australia's operations in the Middle East.

Over my 15 years with CARE I have seen time and again how marginalised and vulnerable people have made remarkable changes – once given an opportunity to be able to participate in their own development. I have also seen the enormous difference CARE's projects and activities can make, not just to individuals, but on a broader scale. I've seen CARE Australia literally save lives by providing health care, water, food and other essential items as part of our emergency response. It is a privilege to work with staff of so many nationalities in Australia and our Country Offices and to experience the high level of professionalism, commitment and compassion they bring to their work.

Outside CARE, I am part of the national leadership group of the White Ribbon Campaign for the Elimination of Violence Against Women. I am also kept busy in my role as a father. I would like to see a day where my children live in an equitable world.



## Mey Saramy

Administration and Finance Manager, Cambodia

In 1975, when I was nine, I was separated from the rest of my family by the Khmer Rouge and lived alone for three years and eight months. Having to live alone at such a young age has made me strong.

I started working with CARE in Cambodia 14 years ago when there were only eight staff – there are now 315. As Administration and Finance Manager with 10 staff, my job is to ensure that the financial accounts for around 30 projects are managed well. I'm also responsible for ensuring the field staff have the accounting resources they need and my role of maintaining staff safety at all times is equally important. I am CARE Cambodia's representative on the NGO forum in Cambodia – a group that advocates for gender, land, environment and development issues.

CARE has a great reputation in Cambodia and that makes me feel very good about my work. I'm proud of the programmes and the real benefit they provide to the most vulnerable people in Cambodian society. On a personal and professional level, one day I would like to secure a position outside Cambodia to show the international community that Cambodia has the natural talent to make a difference abroad. Being a Cambodian woman, achieving this goal would be of even greater significance.



## Michael Bond

CARE Australia volunteer

I'm a great believer in the adage, 'Live simply, so that all may simply live'.

Over the years I've travelled extensively throughout Asia and Eastern Europe, where daily life is a struggle for many and abject poverty abounds. It never ceases to amaze me how happy people appear despite having nothing in the way of material possessions. By contrast, it seems abhorrent that we hanker for a new BMW or Mercedes when there are people in the world wanting for a simple meal or clean water.

I hope by volunteering for CARE I can somehow begin to redress that imbalance and help improve the living standards for all the world's people. While I realise it would be impossible for everyone in the world to live the same lifestyle, people should at least be able to rely upon eating regularly, having clean water, shelter and a basic education.

I also value the feeling of community within CARE's office environment.



# The Will to CARE

Each of us possesses a remarkable gift – the power to help. By leaving a bequest or legacy to CARE Australia, you will help bring about enduring benefits to individuals and families in the poorest communities in the world.

Gifts from Australians in their Wills provide a vital part of CARE Australia's funding and enable us to plan effectively for the future. Bequests to CARE make a significant contribution to the development of sustainable solutions to global poverty and enable us to respond more quickly and effectively to emergencies.

By informing us confidentially of their plans, we are able to thank future bequestors and consult them on how their legacy might be used to maximum benefit, forming a fitting memorial to their generosity.

For further information on remembering CARE Australia in your Will, please complete and return the coupon to the Planned Giving Coordinator. Your legacy will be remembered and appreciated by many of the world's poorest people.

## Confidential response coupon

Please return postage free to:

The Planned Giving Coordinator  
CARE Australia  
Reply Paid 6184, Canberra ACT 2601

Title \_\_\_\_\_

First name \_\_\_\_\_ Last name \_\_\_\_\_

Address \_\_\_\_\_

Postcode \_\_\_\_\_

Phone (home) \_\_\_\_\_ (business) \_\_\_\_\_

Mobile \_\_\_\_\_ Email \_\_\_\_\_

- I have already included a bequest to CARE Australia in my Will.
- I intend to include a bequest to CARE Australia in my Will.
- I would like to discuss a bequest. Please call me.
- Please send me a free copy of CARE Australia's *The Will to CARE*, a useful, plain-language booklet on making a Will.





# CARE Australia

ABN 46 003 380 890

## NATIONAL OFFICE

Level 2, Open Systems House  
218 Northbourne Avenue  
Braddon ACT 2612  
Phone: (02) 6279 0200  
Fax: (02) 6257 1938

## MELBOURNE OFFICE

48 Dover Street  
Cremorne VIC 3121  
Phone: (03) 9421 5572  
Fax: (03) 9421 5593

## SYDNEY OFFICE

c/ OneSteel Ltd  
Unit 8/43 Herbert St  
Artarmon NSW 2064  
Phone: (02) 8436 4388  
Fax: (02) 9439 6824

## Donations

1800 020 046 or  
1800 DONATE

## Email

[info@careaustralia.org.au](mailto:info@careaustralia.org.au)

## Web

[www.careaustralia.org.au](http://www.careaustralia.org.au)

## Solicitors

Mallesons Stephen Jaques

## Bankers

National Australia Bank

## Auditors

Ernst & Young

## Design

Marmalade Melbourne

## Printing

Lithocraft

## Photography credits

---

Kim Johnston/CARE: front cover  
Emma Phillips/CARE: pages 2, 3, 34 (top right)  
Valenda Campbell/CARE: page 6  
Josh Estey/CARE: pages 8, 22 (left and right), 34 (bottom right), 36  
Michelle Lettie/CARE: pages 10 (left), 11  
Nami Nelson/CARE: page 10 (right)  
Karina Coates/CARE: pages 12, 13  
Hoang Van/CARE: pages 14, 15

Rania Zubi/CARE: page 16  
Georgina Cranston/CARE: page 20  
Cathy Boyle/CARE: page 21  
Hana Mijovic/CARE: page 22 (centre)  
Nicole Cappello/CARE: page 23 (left)  
Loetitia Raymond/CARE: page 23 (centre)  
Evelyn Hockstein/CARE: page 23 (right)  
Anne Heslop/CARE: page 25  
Jason Sangster/CARE: page 34 (bottom left)

