



ABOUT CARE AUSTRALIA

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Front cover: A woman plants drought-resistant seeds in the Eastern Highlands of PNG. ©Josh Estey/CARE

PwC
Transparency
awards



Top 10 Finalist 2011
> \$30m revenue category

CARE Australia was pleased to be recognised as one of 10 finalists in the revenue greater than \$30m category in the 2011 PwC Transparency Awards for the quality and transparency of our reporting.



A woman weaves a traditional basket to sell on Nissan Island, PNG. ©Josh Estey/CARE

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 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 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 affiliation and which does not discriminate on the basis of race, gender, ethnicity, age, religion or politics.

ABOUT CARE

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 is a confederation composed of 12 national members – Australia, Austria, Canada, Denmark, France, Germany-Luxembourg, Japan, Netherlands, Norway, Thailand, the UK and the USA – forming one of the world’s largest independent, international emergency relief and development assistance organisations. India and Peru are affiliate members of the confederation and will become national members over the next two years. The national agencies operate independently but cooperate closely in the field and work together under the CARE International Board and Secretariat, based in Geneva. For example, in 2011/12, CARE Australia worked closely with CARE International on the development and implementation of Vision 2020, CARE’s global vision for the future. (Refer to page 7.)

Our history

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.

CARE Australia was established in 1987, and this year celebrates 25 years of fighting global poverty. Former Prime Minister, the Rt Hon. Malcolm Fraser, AC, CH was the founding Chair. 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 26 countries in the Asia-Pacific, Middle East and Africa, as well as responding to humanitarian emergencies.

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, increase 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 AusAID and the United Nations.

Accountability and accreditation

To ensure accountability and transparency, CARE Australia retains management and contractual responsibility for 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 with AusAID, the Australian Government’s overseas aid agency and was reviewed and re-accredited for a further five years during this financial year. 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.

Feedback

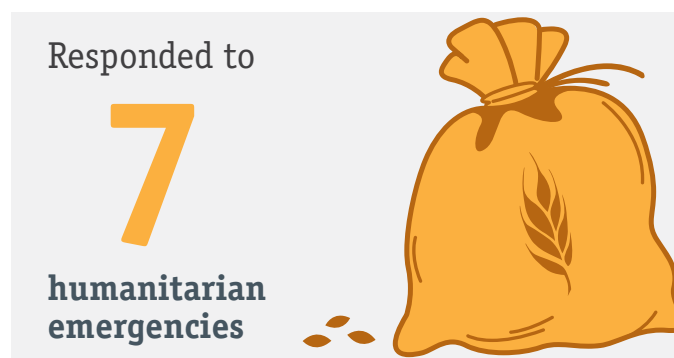
We welcome feedback on this report or our operations and conduct. Please send any feedback to **Greg Brown, Company Secretary, CARE Australia, GPO Box 2014, Canberra 2601.**

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-and-compliance-monitoring



CARE AUSTRALIA BY THE NUMBERS

In 2011/12, CARE Australia:



¹ Includes staff based in Australia and our Country Offices.

CARE Australia works in **26** countries

We fight global poverty with a focus on empowering women and girls to help entire communities



CARE Australia formed in 1987

ABOUT CARE AUSTRALIA

CHAIR'S MESSAGE



Left and middle: CARE Australia Chair Harold Mitchell and CEO Julia Newton-Howes met with communities CARE is working with in Cambodia in 2011. ©CARE. Right: In Malawi, Julia Newton-Howes met with women involved in village savings and loans groups to improve their financial literacy, gain access to loans and share income-generating skills and opportunities. ©Josh Estey/CARE.

This year is an important milestone for CARE Australia: our 25th anniversary.

Our operations began with founding Chair, the Rt Hon. Malcolm Fraser, AC, CH, establishing CARE Australia as 'the Australian face of overseas aid'. We were developed as an organisation that is directly and operationally responsible for managing all Australian-funded activities and at the forefront of providing emergency humanitarian assistance in times of disaster.

We joined the global CARE confederation, then consisting of CARE Austria, Britain, Canada, Denmark, France, Germany, Italy, Japan, Norway and the USA, which made up one of the largest secular development agencies in the world.

CARE Australia quickly became recognised for its effective responses to humanitarian emergencies - assisting survivors of severe flooding in Bangladesh, famine in Sudan and helping to resettle 370,000 Cambodian refugees who had spent up to 15 years in refugee camps. Our first development programs included supporting CARE International's work in Mozambique, China, Sudan and Thailand. CARE Australia has always had a particular focus on supporting poor communities in our region, and we developed CARE's operations in Papua New Guinea, Vietnam and Cambodia.

From 25 years of experience, we know that working with women and girls provides the single biggest return on investment in development. We know that each woman who has the opportunity to lift herself out of poverty will help at least four others out of poverty. The advances we have witnessed over the past two decades demonstrate that when women can access their basic rights, they are the most powerful force in the fight against poverty.

In that first year, we contributed to CARE's global efforts to assist over 20 million people. This year, CARE has assisted 122 million people globally. I am incredibly proud to be Chair of CARE Australia and part of an international movement that is helping to eradicate extreme poverty.

In fact, in the time that CARE Australia has been in existence, the world has witnessed dramatic shifts in poverty reduction. In the early 1980s, more than half of all people in developing countries lived in extreme poverty. Today it is less than 16 per cent.

However, we are also seeing increases in the frequency and scale of humanitarian emergencies, the impact of climate change and uncertainty in the global economy. We are committed to tackling these new challenges and innovating to achieve sustainable progress.

We recognise that our work is not yet finished, but we celebrate our progress by sincerely thanking the people who share our unshakable commitment to a world where poverty has been overcome and people live with dignity and security.

I thank our previous Chairs: The Rt Hon. Malcolm Fraser, AC, CH; Sir William Deane, AC, KBE; Tony Eggleton, AO, CVO; and Peter Smedley for their role in establishing and building CARE Australia to be the organisation we are today.

I also sincerely thank our staff - both past and present. CARE has benefited from their skill and professionalism and, above all, the shared humanity they bring to the communities we work with.

I especially thank our supporters - those who have been involved with CARE Australia since the beginning, and those who have joined us in more recent years. We simply could not achieve so much without your support.

Harold Mitchell, AC
Chair CARE Australia

CEO'S MESSAGE



In Chad, the impact of CARE's work to improve information and access to family planning gives me great hope for the potential to address this enormous global issue. In the initial four months, the family planning project exceeded expected take-up for the first full year. There was huge and previously unaddressed demand by both men and women to space their children. Good information targeting men, women and community leaders and reliable access to appropriate services proved to be very effective. CARE took these and other messages to world leaders attending the Family Planning Summit, and strongly advocated on behalf of the more than 200 million women in developing countries who want family planning but cannot access it.

During the year, I also had the opportunity to share first-hand experiences of CARE's work with our Women's Empowerment Ambassador, Westpac CEO Gail Kelly. We travelled to Malawi in January to visit CARE's *Village Savings and Loans Program*, where Gail was able to combine her passion for development, women's rights and finance. We met with women who had set up their own savings groups and saw what they achieved with access to finance, like starting up businesses selling baked goods or increasing their crop yield and selling surplus at the market.

It was significant for me to see the impact this work had on such an accomplished businesswoman and leader, who I know is pleased to be associated with the positive difference CARE is making in poor communities by addressing the needs of women.

I hear from colleagues that it was a difficult year for many charities, with reports of donor fatigue and challenges in meeting fundraising targets. I am pleased that CARE has not experienced this problem, in fact we saw a 6 per cent increase in donations from the Australian public this year. In unstable economic times it is even more important for CARE to reach funding targets - as economic uncertainty often has a knock-on effect in the countries where we work by increasing poverty levels. My focus is on ensuring we continue to work with communities in these tougher times, and I am thankful that your generous support allows us to continue helping communities access the tools and support they need to lift themselves out of poverty.

In this, CARE Australia's 25th year, we will continue to build on the advances of the past two and a half decades to see our vision of a world without poverty achieved. Every year we are building a stronger and larger evidence base of ways in which we can overcome poverty, and sharing this information directly with poor communities, our colleagues and peers around the world as well as you, our donors. A world without extreme poverty is possible; indeed we can be the generation that makes it happen.

Julia Newton-Howes
Chief Executive

I look back on 2011/12 with an overwhelming sense of pride. In these 12 months, the CARE Australia community faced many challenges and helped forge new opportunities to overcome global poverty.

When the worst drought in 60 years and conflict merged to create a food crisis in Somalia, Djibouti, Ethiopia and Kenya, the humanitarian impact was severe. Over 13 million people were affected by hunger, disease and a lack of water and security. CARE's response assisted 2.77 million people with the provision of food and water, and long-term support to improve farming practices and increase income opportunities.

Our response to large-scale emergencies was tested again at the beginning of the year, when we launched an appeal in response to the emerging food crisis in West Africa. As I write, there are 18 million people in need of assistance and CARE is working in Niger, Chad and Mali, helping bring support to affected communities.

In June, I travelled to Chad where CARE is distributing food, improving access to clean water and providing seeds to vulnerable communities. Despite the enormous challenges facing them, the people I met with had so much strength and dignity - they had faced droughts before and knew they would face them again, but with the right assistance, I know we can help them get through difficult seasons without facing the threat of hunger or disease.

While in Chad, I also took the opportunity to meet with CARE's staff who were working to address family planning needs ahead of the Family Planning Summit in London in July. On average, women in Chad have 6.3 children; 60 per cent of girls are pregnant before the age of 18; and the maternal mortality rate is 1,100 deaths per 100,000 live births. While these figures are alarming, they are not unique to this country, with similar rates seen in Afghanistan, Malawi and Sierra Leone.



Fasika is a divorced 32-year-old mother of two, living in rural Ethiopia. She is the Savings Advisor for her village savings and loans group, and has started three more groups with CARE's support – one especially to support female-headed households like her. ©Josh Estey/CARE

189 projects helped
3.6 MILLION
PEOPLE
in
26
countries

31%
more
regular
givers

NEW
leadership and
mentoring
program

We spoke directly to
10,000
Australians

WHAT WE ACHIEVED

CARE International's Vision for 2020

Vision 2020 is CARE International's global Vision, which seeks to ensure that CARE's approach to fighting poverty remains relevant in the future and in an ever-changing and complex world.

CARE Australia is a key contributor and is collaborating and providing leadership in initiatives designed to achieve this Vision.

CARE Australia's Strategy

CARE Australia's 2010–15 Strategy articulates our ambition to be the recognised leader in achieving a significant, positive and sustainable impact on poverty through the empowerment of women and their communities. After completing the second year in our five-year strategy, we are continuing to strengthen our positioning, impact and effectiveness in the global fight against poverty and social injustice.

This year, we made the following progress against our four strategic goals:

1 *CARE Australia will deliver quality programs with demonstrated impact in reducing poverty*

In 2011/12, CARE Australia worked with nearly 3.6 million people across 26 countries through 189 projects. This is a smaller number of people than we reached in 2010/11 due to various factors, particularly the completion of major emergency response projects in Pakistan and Haiti.

Our long-term programs are based on a shared vision with poor communities of what we can achieve in partnership over a 10-15 year period. This approach will continue to ensure that the concerns and priorities of the most vulnerable people – often women and girls – are addressed through our work. This year, we further

developed long-term programs working with poor and vulnerable women in Cambodia, regional ethnic groups in Laos, and socially marginalised people in Vietnam.

Poor communities are particularly vulnerable when natural disaster or conflict strikes, and progress made in development can be stalled or lost during an emergency. CARE Australia responded to seven emergencies this year, including large-scale food crises in East and West Africa and flooding in South-East Asia. We also work to reduce long-term vulnerability to disasters and incorporate disaster risk reduction into our programs (refer to page 19).

CARE Australia played an important role in the development and implementation of CARE International's Vision 2020. The Vision was endorsed by the CARE International Board and aims to ensure our approach to fighting poverty remains relevant and effective into the future.

CARE AUSTRALIA'S STRATEGIC DIRECTION

CARE Australia's 25 years of experience allowed us to help inform the process of review and change in CARE International and we actively participated in several working groups: the Country Presence Review Process, Cost Structure Study and a review of CARE International's Emergency Strategy.

In 2012/13 CARE Australia will continue working in partnership with poor communities to help address their priorities. We will continue to participate in CARE International groups to improve the quality and impact of our work. We will also release the *Asia Impact Report 2005–10*, which will detail the impact of CARE's programs in our region; and implement our new strategy for research and analysis to improve the use of evidence from our programs.

2 *We will have effective leadership and management systems*

CARE's work is largely carried out by local staff in the countries where we work. Initiatives were undertaken to increase the leadership and management skills of our staff in countries managed by CARE Australia. This will be consolidated in 2012/13 when national staff will participate in our first National Leadership Program. In addition, our network of National Human Resources Managers are working together to identify areas where shared knowledge can contribute to development of robust national staff human resource policies and practices.

The implementation of a revised performance management framework and delivery of leadership and mentoring programs have contributed to a higher level of employee engagement. The survey conducted in late 2011 revealed that employee engagement increased from 48 per cent in 2009 to 65 per cent in 2011. These initiatives also had a positive impact on turnover rates, which reduced from 26 per cent in 2011 to 15 per cent in 2012.

Over the last three years, we significantly improved our financial management practices. This included streamlining our processes, such as improved cash flow management and reporting, to ensure staff are able to concentrate on their core work. We also proactively engaged with CARE International on the development of a new finance system, which was implemented by a number of CARE members in July 2012. While we have elected not to implement the system at this stage, we do intend to conduct an evaluation of the system with other CARE members during 2013/14.

Significant work was undertaken with CARE members on developing a common project/program information and impact reporting system. While we are at an early stage of development, significant benefits will be derived from having a CARE-wide information platform for collecting, accessing and reporting relevant information on projects and programs.

In 2011/12 we conducted a comprehensive review of our Risk Management Framework including updating our Fraud and Corruption Control Plan in recognition of the broader risks faced by CARE Australia due to the locations in which we work. In addition, we introduced our Whistleblower's Policy *Tell Us* which provides an avenue for staff to raise concerns to them and CARE Australia (refer to page 28).

Priorities for 2012/13 include continuing to work with CARE International on developing the information and impact reporting system, furthering leadership training in our Country Offices, furthering implementation of our new People Strategy and improving our information and communications technology infrastructure so our staff continue to be supported and motivated to work effectively.

3 *We will achieve significant income growth*

CARE Australia continued to achieve significant income growth throughout 2011/12.

	2011/12	2010/11	Variance
Active donors	48,243	34,152	41%
Regular givers	8,508	6,495	31%
AusAID Funding	\$21,184,489	\$18,204,532	16%
Other institutions funding	\$22,786,327	\$18,991,981	20%

Overall revenue from the Australian public grew by 6 per cent to \$11.9 million in 2011/12. Unrestricted donations (those not given for a specific purpose such as an emergency response) increased by 19 per cent. We continued to expand our relationship with AusAID and other Australian and overseas institutions with a 16 and 20 per cent increase in funding respectively (refer to page 35 for financial report).

In 2011/12, the number of people who donated to CARE increased by 41 per cent. A key component of this growth was the 31 per cent increase in people donating on a monthly basis. These donors enable us to plan ahead with confidence because of the regular income they provide. We have particularly sought to increase this type of funding.

New donors also came from the expansion of our annual *Walk In Her Shoes* challenge and through our significant increase in media coverage, particularly around the East Africa food crisis (refer to page 23).

We experienced a 28 per cent increase in the amount donated online, which is the most cost effective method of donating and illustrates that CARE is increasingly front of mind for Australians wanting to donate to an international aid agency.

In 2012/13, we will continue to grow our public income through the expansion of the *Walk In Her Shoes* challenge, the consolidation of our regular giving acquisition program and increase in appeal approaches.

4 *We will foster effective relationships which enhance our reach and impact, and position us as a champion for women's empowerment*

CARE Australia plays a crucial role in sharing the knowledge and experiences gained from our partnerships with poor communities with other CARE members and partners. Our collective ability to help overcome global poverty depends on building and sharing an evidence base of effective strategies. This year, CARE Australia provided valuable insights from our 25 years of experience to the CARE International working groups tasked with achieving Vision 2020.

We also maintained our strong relationship with AusAID and gained full re-accreditation through their rigorous five-yearly assessment process (refer to page 13).

In order to increase our effectiveness, we seek to coordinate efforts with other development agencies in Australia, plan joint actions and learn from each other's work. In 2011/12, we established a consortium with like-minded organisations for advocacy on sexual and reproductive health issues. This complemented our new work in 2011/12 as the Secretariat for the Parliamentary Group on Population and Development, supporting Members of Parliament with information on population and sexual and reproductive health (refer to page 14). We also share our knowledge in working groups with other Australian agencies around priority themes such as gender equality; water, sanitation and hygiene; climate change; or geographical areas.

CARE's AusAID-funded Development Awareness Program provided an opportunity to increase the Australian public's awareness of global poverty and the role women's empowerment can play in overcoming it. CARE Australia reached over 10,000 people through presentations and direct conversations with schools, universities, community groups and work places (refer to page 23).

We continued to foster relationships with partners who share our passion for women's empowerment. This year we reached out to new networks with the assistance of Gail Kelly – our Women's Empowerment Ambassador, Chrissie Swan – our *Walk In Her Shoes* Ambassador and through strong relationships with Qantas and The Body Shop (refer to page 23).

In 2012/13, we will continue to strengthen existing relationships with our Ambassadors, corporate partners and peers in order to share knowledge and take our collective messages to a broader audience. This will include a partnership with Marie Stopes International to implement the Bare Campaign – an awareness raising campaign that will educate Australians about the issues women and girls in developing countries face, and how they can play a role in helping them overcome poverty.

STRIVING TO ACHIEVE GENDER EQUALITY

In CARE's fight against injustice, discrimination and poverty, our research, analysis and experience show that poverty and the denial of women's basic human rights consistently go hand in hand.

Women and girls make up the majority of those living in extreme poverty. It means rights denied, opportunities curtailed and voices silenced.

CARE works with women and girls, men and boys to achieve gender equality as a fundamental human right. Women's empowerment is an essential component of gender equality. Empowered women – women with the ability and freedom to identify and choose their life courses – will act in ways that lift themselves, their families and communities out of poverty.

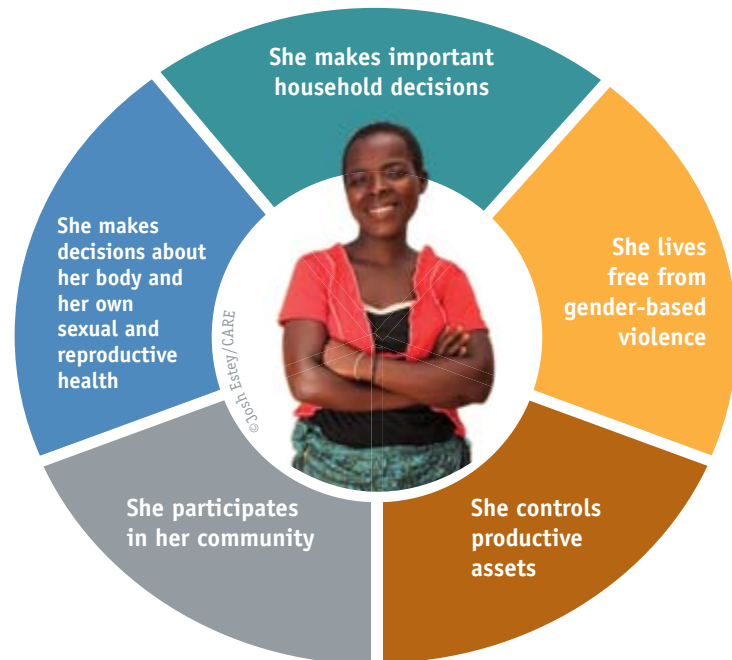
Women's empowerment is more than giving a woman training or a loan and expecting her to do more or to do things differently. Empowerment is derived from the changes needed for a woman to realise her full human rights: the combined effect of changes in

her own aspirations and capabilities, the environment that influences or dictates her choices, and the interactions she engages in each day.

CARE's work on gender equality is about ensuring that women and men, girls and boys are genuinely consulted and their different needs, aspirations and capacities are considered in the design, implementation and evaluation of our development and emergency work. Our programs aim to work with communities to transform gender roles, alter structures that maintain inequality and promote positive change in the relations between women and men.

As husbands, fathers, brothers and community leaders, men are often those who define and keep women within boundaries. CARE engages men and boys to support the role women can play to help their family and community overcome poverty and social injustice.

What does an empowered woman look like?



Gender, equality and empowerment defined

- > Gender: the socio-cultural constructs, differing somewhat from culture to culture, that dictate the expected behaviours and choices of males and females. Because gender is created by human societies, it can be changed by human societies.
- > Gender equality: the equal enjoyment by women and girls, men and boys, of rights, opportunities, resources and rewards. Gender equality is an explicit, internationally recognised human right.
- > Women's empowerment: an essential component of achieving gender equality and it implies a desired goal, an empowered woman.

CARE works with



to overcome poverty and achieve gender equality

CARE AND THE MILLENNIUM DEVELOPMENT GOALS

As part of our commitment to reducing poverty and empowering women, CARE is proud to be making progress towards achieving the United Nations' Millennium Development Goals by 2015.

GOAL 3 PROMOTE GENDER EQUALITY AND EMPOWER WOMEN



Women and girls are disproportionately affected by poverty and discrimination, so without addressing their needs and promoting gender equality through the attainment of Goal 3, none of the Millennium Development Goals can be achieved.

In Laos, CARE is working with migrant women in the sex, hospitality, entertainment and garment factory industries. Exploitation and violence towards women in these industries is rife, and women are isolated from the legal system and broader society. CARE supports these women to access health and legal services and improve their understanding of their rights.

GOAL 1 Eradicate extreme poverty and hunger



In sub-Saharan Africa, 550 million people live on less than \$2 a day. *Access Africa*, CARE's 10-year women-focused village savings and loans program, assisted more than two million households to generate \$33.5 million in assets. With improved financial security, women can afford better healthcare, education for their children and play a leadership role in their communities.

GOAL 2 Achieve universal primary education



In Ratanakiri Province, Cambodia, CARE has worked with ethnic minority communities for the last 10 years to help develop bilingual education in local languages as well as the national language of Khmer. This project changed the status of education across the country – the Cambodian Government now supports bilingual education for ethnic minorities and the project is being scaled up to reach more indigenous children.

GOAL 4 Reduce child mortality



In Timor-Leste, nearly one in 10 children dies before their fifth birthday. CARE is supporting the Ministry of Health to train staff and volunteers, conduct regular growth monitoring in remote areas and distribute supplementary food to malnourished children under five, as well as pregnant and breastfeeding women. We also support activities that combine nutrition education and access to nutritious foods, such as the establishment of kitchen gardens.

GOAL 5 Improve maternal health



Papua New Guinea has one of the worst maternal health indicators in the Asia-Pacific region with 250 deaths per 100,000 births. CARE, in collaboration with the Provincial Division of Health, is supporting Village Birth Attendants to provide family planning advice, assist in safe deliveries, recognise the signs of a high risk pregnancy and refer women to the local health centre.

GOAL 6 Combat HIV/AIDS, malaria and other diseases



In Vietnam, CARE was one of the first NGOs to respond to the HIV epidemic, through long-established partnerships with communities and local organisations. CARE supports people in changing risk behaviours and adopting protective behaviours.

GOAL 7 Ensure environmental sustainability



In Myanmar, around 30 per cent of rural communities do not have access to safe drinking water. CARE is working with communities to establish a water and sanitation program, which concentrates on providing safe drinking water, water for irrigation, sanitation and hygiene promotion. These activities are in some of the most inaccessible and remote parts of the country.

GOAL 8 Develop a global partnership for development

CARE Australia is an active member of Make Poverty History, a coalition of more than 70 aid and development organisations and community and faith-based groups who work together to achieve the United Nations Development Goals and halve global poverty by 2015.

MAKE POVERTY HISTORY

WHAT WE ACHIEVED

GLOBAL ACHIEVEMENTS:

In 2011, CARE assisted 122 million people across 84 countries through 1,015 poverty-fighting projects. ©Josh Estey/CARE



In 2011, CARE reached 41 million women, men and children with information and services to improve maternal health. ©Josh Estey/CARE



In 2011, CARE helped more than 27 million people develop sustainable water management practices and improve hygiene and sanitation practices. ©Josh Estey/CARE



WHERE CARE WORKS

Countries with CARE programming in 2011-12:

Countries with CARE Australia programming in 2011/12:

1. Afghanistan
2. Angola
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. Côte d'Ivoire
15. Croatia
16. Cuba
17. Democratic Republic of Congo
18. Djibouti¹
19. Ecuador
20. Egypt
21. El Salvador
22. Ethiopia
23. Georgia
24. Ghana
25. Guatemala
26. Haiti
27. Honduras
28. India⁴
29. Indonesia
30. Jordan

31. Kenya
32. Kosovo
33. Laos
34. Lesotho
35. Liberia
36. Madagascar
37. Malawi
38. Mali
39. Montenegro¹
40. Morocco
41. Mozambique
42. Myanmar
43. Nepal
44. Nicaragua
45. Niger
46. Pakistan
47. Palestinian Territories
48. Papua New Guinea
49. Peru⁴
50. Philippines¹

51. Romania¹
52. Rwanda
53. Serbia
54. Sierra Leone
55. Somalia
56. Sri Lanka
57. South Africa
58. South Sudan
59. Sudan
60. Tanzania
61. Thailand³
62. Timor-Leste
63. Togo
64. Uganda
65. Vanuatu¹
66. Vietnam
67. Yemen
68. Zambia
69. Zimbabwe

CARE International Members:

70. Austria
71. Australia
72. Canada
73. Denmark
74. France
- 75-76. Germany-Luxembourg²
77. Japan
78. Netherlands
79. Norway
- Thailand³
80. United Kingdom
81. United States

CARE International Affiliate Members

- India⁴
- Peru⁴

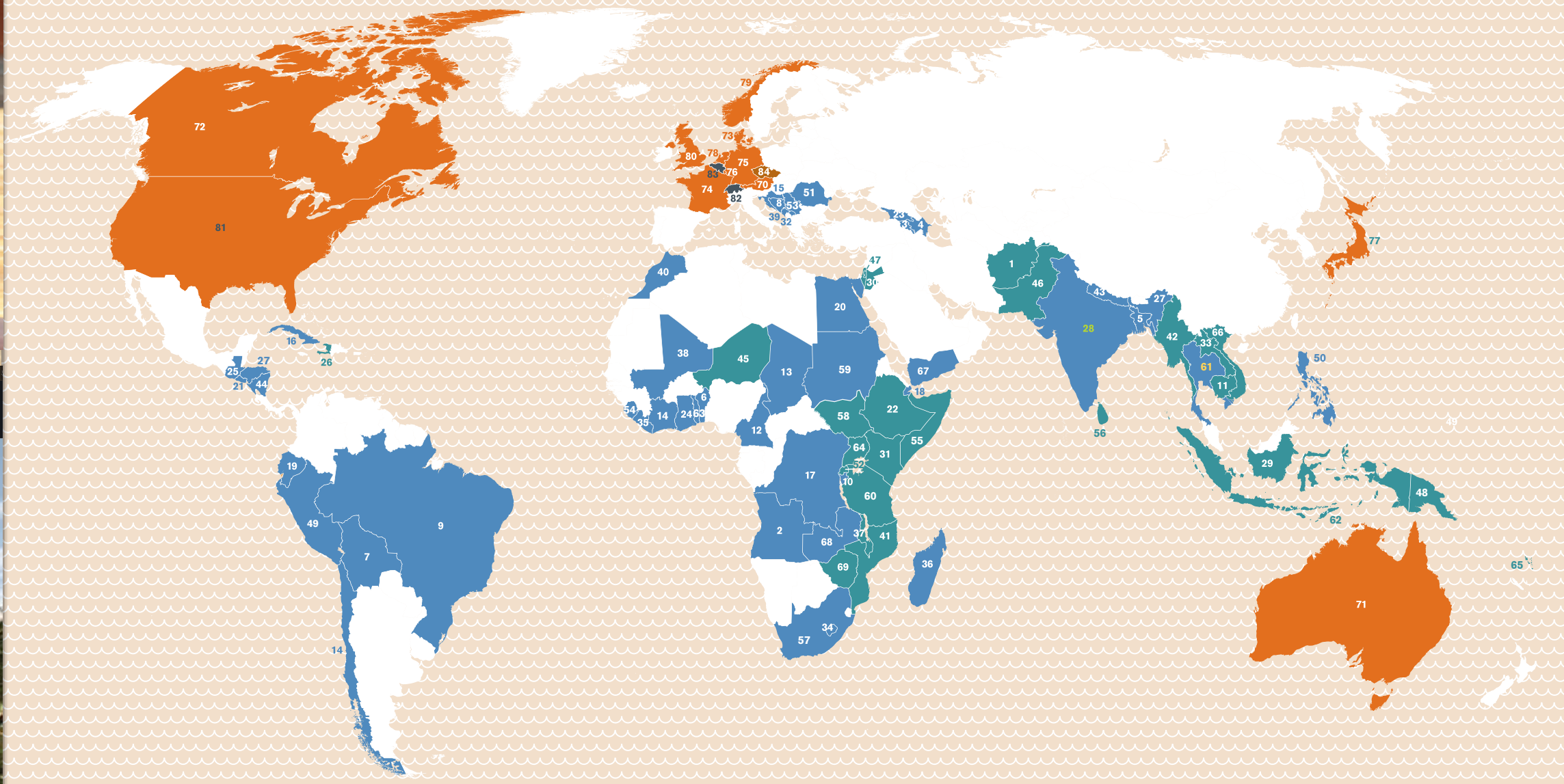
CARE International Secretariat:

82. Geneva, Switzerland
83. Brussels, Belgium
- New York, United States

Sub-offices:

84. Czech Republic (of CARE Austria)

¹ Limited presence.
² CARE Germany-Luxembourg has offices in both Germany and Luxembourg.
³ CARE Thailand is both a Member of CARE International and a country with ongoing programs.
⁴ CARE India and CARE Peru are Affiliate Members of CARE International and countries with ongoing programs.



WHAT WE ACHIEVED

PLANNING, PROGRAMMING AND LEARNING

As we celebrate CARE Australia's 25th anniversary, we also draw on over 65 years of CARE's global experience working in partnership with communities to deliver practical, evidence-based poverty solutions. We monitor and evaluate our activities in consultation with local communities, so we can better understand and measure our impact, and learn how our work can be improved.

Increasingly, CARE is designing long-term programs over 10-15 years, which continue to be based on a shared vision with communities of what we can achieve together. Each program may include targeted projects, working within smaller areas and timeframes to help deliver the overall program goal.

We work at three different levels to help communities overcome poverty:

- **Human condition** – ensure people's basic needs are met and they attain livelihood security with regard to those needs.
- **Social position** – support people's efforts to take control of their lives and fulfil their rights, responsibilities and aspirations and support efforts to end inequality and discrimination.
- **Enabling environment** – create a sound enabling environment – public, private, civic and social institutions – that is responsive and inclusive of constituents and fosters just and equitable societies.

How we work

Community engagement is the foundation of our approach to long-term development. Our programs are a response to needs identified by communities and are informed by an understanding of what those communities face.

New projects come about in a variety of ways: via consultations with communities or local partners, non-government organisations (NGOs), government and government agencies, institutional donors or from new opportunities or needs raised through our existing work.

We implement our programs through participatory approaches that enable women and men to help guide the outcomes we achieve together. We also work alongside local organisations with shared values in support of targeted communities. Our partners might include local NGOs, civil society organisations, government agencies, community groups, private sector groups or research institutions.

Monitoring, evaluating and learning

CARE is constantly looking for opportunities to learn from our work and make programs more effective. We regularly collect information on program activities to measure progress. We also look to improve the quality and efficiency of our processes to ensure value for money, so each dollar spent creates maximum benefit for the people we aim to reach.

In 2011/12, CARE Australia worked with other CARE members on a major initiative to analyse and report on the impact of CARE's programming in Asia over a five-year period. The *Asia Impact Report 2005-10* explores CARE's strategies for achieving positive impact by drawing on program evaluations and other assessments. The report includes aggregated impacts in areas such as food security, education and health, as well as positive value for financial assessments of selected projects. The report will be publicly released in late 2012.

Working with the Australian Government

AusAID

CARE has a longstanding relationship with and is fully accredited by AusAID. To qualify we undergo rigorous assessments of our organisational structure, systems and values. In 2011/12 we were subject to the routine accreditation review and achieved full re-accreditation for the next five years.

AusAID NGO Cooperation Program

CARE is an active partner in AusAID's *NGO Cooperation Program (ANCP)*. ANCP supports NGO activities that align with AusAID's priorities.

The program allows flexibility for NGO programming across countries, regions and sectors and gives the NGOs responsibility for project design and delivery, along with monitoring, evaluating and full accounting of funds provided.

In October 2011, CARE increased our engagement with the program through entering into an ANCP Partnership agreement. With the expanded funding available under the partnership, CARE supported activities in 12 countries in the Asia-Pacific and Africa.

Humanitarian Partnership Agreement

The Humanitarian Partnership Agreement (HPA) is a three year funding agreement between AusAID and six agencies (CARE, Oxfam, Caritas, Plan, World Vision and Save the Children) created to enable AusAID to respond to emergencies quickly.

So far the HPA has been used to respond to the East and West Africa food crises and Pakistan floods. As at 30 June 2012, AusAID had channelled \$12.5 million through the mechanism, and CARE had successfully received an average of 20 per cent of the funding. In addition to the response funding, each agency also receives \$500,000 per year for disaster risk management and disaster risk reduction activities.

Long term funding partnerships with AusAID

In addition to ANCP and HPA, CARE manages a suite of long-term AusAID partnerships programs. For instance, through these partnerships CARE is delivering community-based education in Afghanistan; rural development in Laos, Myanmar and West Bank Gaza; food security and women's empowerment in Tanzania, Ethiopia, and Malawi; and community development and HIV/AIDS activities in Papua New Guinea.

AusAID's *Community-based Climate Change Action* funding is supporting communities to adapt to the impacts of climate change in Papua New Guinea, Timor-Leste, Vanuatu and Vietnam. CARE works at multiple levels to draw from this grassroots experience to inform and influence national and global agendas on climate change (refer to page 21).

AusAID funding under the *Civil Society Water, Sanitation and Hygiene Fund* enabled CARE to expand access to water and sanitation to both urban and rural communities in Zimbabwe, Mozambique, Ethiopia and Laos.

The long term nature of these programs provides certainty for local communities and our partners, and enables CARE to develop and pilot new initiatives that can be expanded and replicated.

Department of Immigration and Citizenship

The Department of Immigration and Citizenship (DIAC) provides humanitarian relief to assist people displaced by conflict and strengthen their protection. With funding received from DIAC in 2011/12, CARE worked to develop the livelihoods and life skills of youth in Sri Lanka (read more on page 18) and to provide community assistance programs to Iraqi refugees in Jordan (refer to case study below). We also secured funding to work with displaced people, returnees and those vulnerable to displacement in Ghazni, Afghanistan.

Parliamentary Group on Population and Development

In 2011/12, CARE took on the role of Secretariat for the Parliamentary Group on Population and Development (PGPD), with funding support from the UN Population Fund (UNFPA). The PGPD is a cross-party group of like-minded Members of Parliament with an interest in issues of population and development, particularly around sexual and reproductive health and women's rights. As Secretariat, CARE works with PGPD members to keep them informed of relevant issues. CARE's work with the PGPD is grounded in, and complements, our global programs with poor and vulnerable women.

CASE STUDY

Working with communities to create water systems in Ethiopia



Mulugeta is a member of his village's Water Committee in rural Ethiopia. ©Josh Estey/CARE.

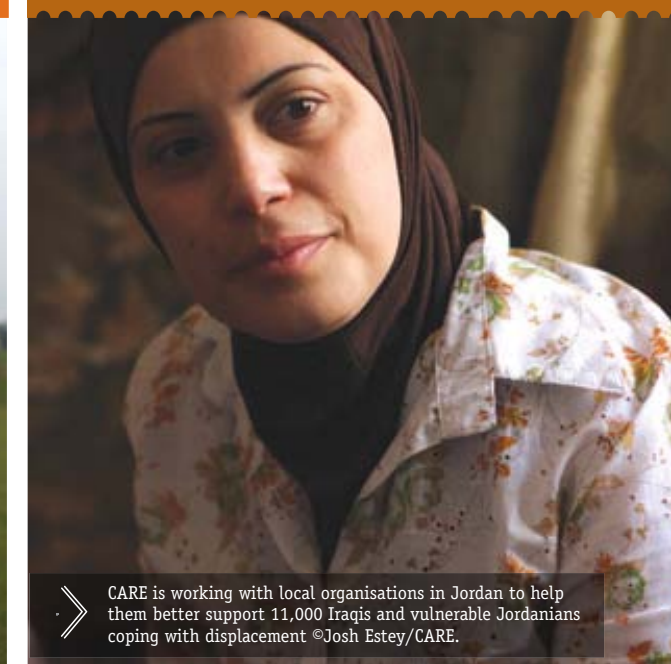
CARE has worked with communities in the highlands of Ethiopia to improve access to clean water, sanitation and hygiene for over eight years. Locals like Mulugeta form water committees and work with CARE to determine what sort of water source they would like and how to build and manage it together.

The committee contributes to the initial costs for skilled labour and construction of the pump. They manage their money by contributing to a monthly fund. As the account grows, loans can be taken out to allow members to start other initiatives.

Mulugeta explains: 'I appreciate that the community is involved in all the work constructing this water pump. The local materials are collected by the community. It is a good system because then CARE provides the materials that can't be collected. The communities also take care of the schemes and they ensure the stability.'

CASE STUDY

Supporting displaced people in Jordan

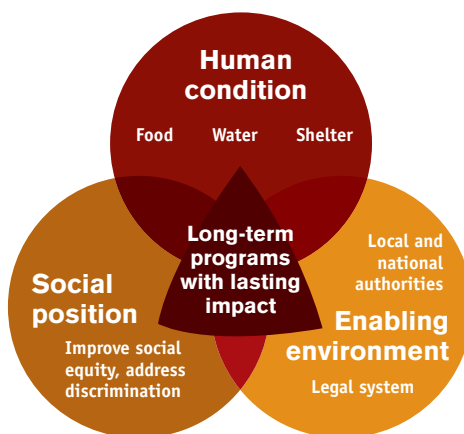


CARE is working with local organisations in Jordan to help them better support 11,000 Iraqis and vulnerable Jordanians coping with displacement ©Josh Estey/CARE.

CARE is working with local Community-Based Organisations (CBOs) and the Government of Jordan to provide integrated services to around 11,000 Iraqis and vulnerable Jordanians coping with displacement in Jordan and preparation for resettlement or return.

The DIAC-funded project builds on CARE's previous work with the refugee community to strengthen the capacity of 18 local Jordanian CBOs to provide services including needs assessment, distribution of material assistance, skills training and income generation/livelihoods support.

Twelve Jordanian organisations working with Iraqis also formed a network to organise joint initiatives and learn from each other.



WHAT WE ACHIEVED

PROGRESS IN THE FIGHT AGAINST POVERTY AND INJUSTICE

CARE's long-term programs are delivered in partnership with poor communities to address the multiple causes of poverty and help support permanent social transformation. Each program may include targeted projects, working within smaller areas and timeframes to help deliver the overall goal of the program.

2011/12, CARE Australia managed 189 projects in 26 countries, reaching nearly 3.6 million people. Of the 189 projects, 113 were completed in 2011/12. As we enter 2012/13, we continue to manage 76 ongoing projects and have 44 new projects starting up while also working to identify new programming opportunities throughout the year.

Remote communities break down barriers in Papua New Guinea

Papua New Guinea (PNG) is home to 6.5 million people, with over 80 per cent living in rural areas – the majority in the highlands region. This group has limited or no access to income, basic services or markets.

Five major studies conducted over 30 years show there is a strong geographic component to extreme poverty in PNG, so it is possible to identify specific remote locations where the poorest of the poor live.

In 2009, CARE's AusAID-funded *Integrated Community Development Program (ICDP)* began working in one of the most disadvantaged districts: Obura-Wonenara in the Eastern Highlands Province. The program is now building on the lessons from this work and is expanding to two new districts in the Highlands: Menyama District, Morobe Province and Gumine District, Simbu Province.

ICDP partners with the most economically, socially and politically marginalised people in PNG to help facilitate sustainable and measurable improvements to their lives. Primarily, it is working to strengthen:

- local organisations and processes that include women's participation
- formal and non-formal education opportunities
- household food security and income
- social services.

Crucially, the issue of gender inequality is also being addressed through the program by supporting girls to attend school and women to have control over productive assets, as well as a role in community decision-making. A significant indicator of the impact of this work is that Ward Development Committees (WDCs – similar to local governments), that were dormant or non-existent, are now functioning in the program areas and have increased participation from women. For example, in Yelia and Lamari, women's participation in the 286 member WDC went from zero to 62 in the program period. In addition, four out of 20 magistrates trained by the Village Court Secretariat are now women.

An independent review found that at the midpoint of the program, it had achieved significant positive changes and impact in people's lives, such as increased access and quality of healthcare, education and livelihood options – areas the communities identified as their own priorities.

The community of Andakombi highlighted high maternal and child mortality rates and lack of income earning opportunities as areas they

wanted to address through ICDP. Tima is one of 49 women who has since had Village Birth Attendant (VBA) training. She learnt how to support a safe delivery and has already helped five women in her village give birth. Tima is now equipped to monitor and advise pregnant mothers, refer complicated pregnancies to the health centre and provide advice on family planning. 'Before, mothers didn't go to the clinic and some babies died, so I decided to volunteer to become a Village Birth Attendant,' Tima says.

Stephen and his wife Rona are running a fish farm, which is a new activity for them. CARE helped provide access to information and the initial baby fish to get the farms started. Now, on top of expanding their own fish farm to include a third fish pond, the couple has helped train others and their community has 80 active fish ponds. Accessing markets is very difficult for families in Andakombi and people's diets are low in fat and protein, so producing and selling protein-rich food locally is a positive activity for the farmers and the community.

'If you have fish regularly you live longer and healthier. When we have fish to eat then we are happy and the children are happy,' explains Stephen.

Education creating a brighter future in Timor-Leste

In recent years access to primary education in Timor-Leste increased significantly. However, the rates of access to secondary education, particularly for girls, are still extremely low. In 1995 only 7 per cent of the population over 10 years of age completed junior high school.



Hidayah lives in Tanzania, and is optimistic that participating in WE-RISE can help her feed her children and grandchildren, who she is the sole carer for. With her first loan, she plans to grow more crops to feed her family and sell for a profit. ©Josh Estey/CARE



Despite their struggle to afford to send their daughters to school, Romana clearly sees the benefits: 'Not only the girls are happy – but also the parents.' ©Josh Estey/CARE

Children in Timor-Leste miss out on going to school when periods of food shortages and high food prices compete with the importance of education.

Girls are usually the first to be taken out of school so they can help with household chores or earn an income. Even fewer girls get a chance to attend secondary school, where costs are increased and students are often required to move to a larger village in order to attend.

However, when a girl receives an education, she is more likely to have children later, send her own children to school, have a healthier family and earn a greater income.

CARE's *Young Women Young Nation Program (YWYN)*, which is funded by AusAID's *NGO Cooperation Program (ANCP)* and donations from the Australian public, works with parents to break down barriers to sending their girls to school.

Romana dos Santos is a proud mother of four young girls and she is determined that her daughters will get the education that many girls in her country miss out on. It is not easy for Romana and her husband, but through conversations with CARE staff and community activities, they learnt that educating their daughters is one of the best ways to give them a brighter future.

However, sending girls to school is only half the challenge; the girls must also feel confident to attend. CARE encourages activities at school that the girls enjoy, like sport, music and traditional dance, so they feel comfortable attending and are less likely to leave. Teachers also use books with positive female role models as characters for the girls to aspire to.

Every few months, the community hosts an event for the girls to showcase their new skills. Parents and other community members are invited to celebrate the achievements of their children, and parents are publicly recognised for sending their girls to school.

The Harold Mitchell Foundation supported the project by funding the renovation of sanitation facilities and the promotion of hygiene in schools in three locations. This impacts positively on the attendance of students, particularly girls, who require privacy and functional sanitation facilities. Hygiene education is also provided to all staff and students to minimise the spread of disease.

Since the four-year project's inception in 2009, pilot schools have shown a reduction in dropout rates compared with other schools in the district.

The success of YWYN is highlighted by the project activities being adopted and replicated in 100 schools in five districts by a new USAID-funded project, the *School Dropout Prevention Program*.

Women improving resilience, income and food security

In Ethiopia, Malawi and Tanzania, many rural women lack access and control of productive assets, and gender norms restrict them from earning an income and participating in their community.

These norms make it difficult for women to access education, land, markets or participate in community decision-making. As a result, women and girls are disproportionately affected by poverty, and female-headed households are especially vulnerable.

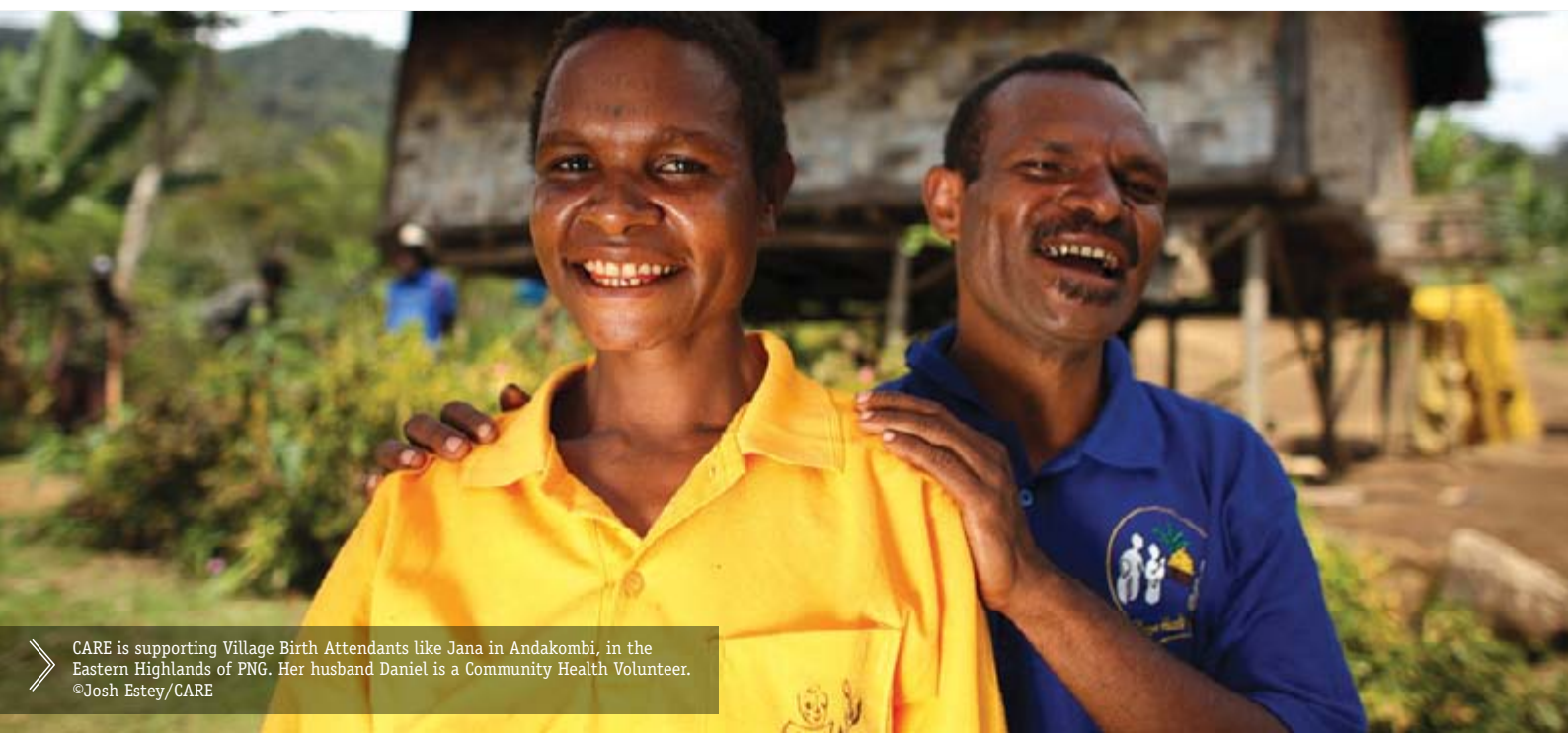
In Ethiopia, many girls are uneducated because boys' education is prioritised and early marriage is often practiced. In Malawi, women make up 70 per cent of the farming work force, but have limited access and control over land. In Tanzania, many husbands assume absolute control over their wives when they marry, and gender-based violence is common.

CARE's five-year *Women's Empowerment: Improving Resilience, Income and Food Security (WE-RISE) Project* began in July 2011 and aims to work with over 200,000 chronically food-insecure women and other marginalised groups to improve food security through social and economic empowerment. It is supported by the *Australia Africa Community Engagement Scheme (AACES)* with funding from AusAID.

Village Savings and Loans Associations (VSLAs) are established to provide women with a mechanism to save together and access loans for productive activities. The groups also provide an opportunity for members to access and share knowledge about nutrition and financial literacy, resources such as drought tolerant seeds and learn new income-generating skills.

The VSLAs will provide a mechanism to advocate gender equality through activities such as training women's groups in paralegal issues, running public-awareness campaigns and supporting mixed-sex agricultural groups.

At a broader level, CARE will review the governance structures of community groups to ensure they are gender inclusive and empower communities to gauge the accountability of local service providers.

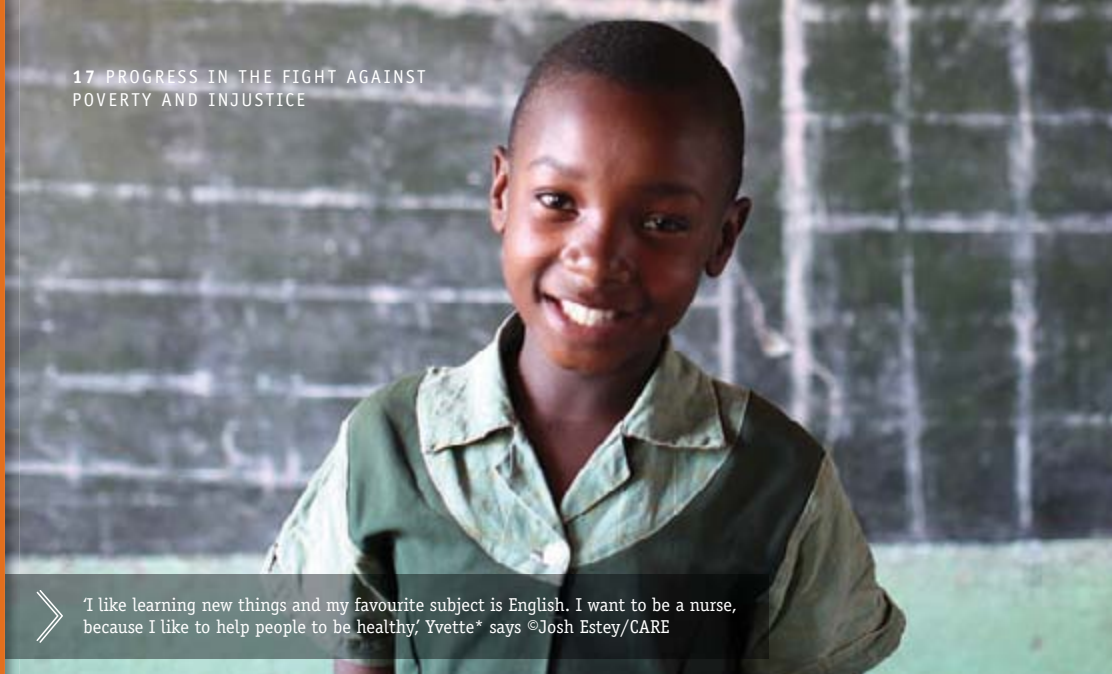


CARE is supporting Village Birth Attendants like Jana in Andakombi, in the Eastern Highlands of PNG. Her husband Daniel is a Community Health Volunteer. ©Josh Estey/CARE



12,000 people

have benefited from goat banks in Laos



'I like learning new things and my favourite subject is English. I want to be a nurse, because I like to help people to be healthy,' Yvette* says ©Josh Estey/CARE

Teaching and learning for a healthier future in Zimbabwe

In Zimbabwe, poor water and sanitation provides a constant threat to families. For many communities the devastating impact of water-borne diseases is a recent memory – a cholera outbreak in 2009 killed over 4,000 people across the country.

Two of the worst affected areas during the cholera outbreak were Gutu and Zaka Districts in the country's south. CARE's AusAID-funded *Water Sanitation and Hygiene Project* is working with communities and schools to address the risks of poor sanitation and hygiene. Local communities developed committees to maintain water sources in the community and health clubs were formed in schools to educate children about the importance of hygiene and sanitation.

At Guzha Primary School, CARE provided the materials and skills that were not locally available to help the community build 20 new toilets for the students and teachers, and they are now proudly maintained by the school.

Mrs Alphoncina Goronga, a grade one teacher, runs the school's health club made up of 10 teachers and 45 students with CARE's support. The club teaches members about how disease is spread and how to improve their personal and household hygiene to reduce illness.

One of the health club members, 10-year-old Yvette*, has taken the messages of sanitation and hygiene back to her home.

'I used to have stomach pains, but since I joined the club I don't have them as often. I learnt how to prevent cholera, malaria and diarrhoea. I have also taught my siblings about health. We used to wash our hands in the same dish, now we pour water for each other to wash our hands separately.'

A toilet is a new addition at Yvette's home after she took the knowledge she learnt from school to her family and helped them construct their first toilet out of locally available materials.

At the end of the 18-month project in December 2011, an additional:

- 18,470 students in 40 schools had access to safe water, plus an additional 9,064 individuals living near the schools benefited from the water supply
- 3,620 students and 577 households (3,347 people) had access to sanitation facilities.

The number of women in water point committees has increased from 36 to 57 per cent during the program, effectively putting them in key decision-making positions.

Guzha Primary School's Principal, Mr Chagwiza, is proud of the improvements he has seen. 'There is a great difference at our school now. There are fewer chances to spread disease, so there is less sickness and greater comfort. We know that a healthy student learns best, they can achieve more.'

Banking on a better future in Laos

In small, remote villages dotted through the mountains of northern Laos, the majority of the rural population survives on what they grow.

CARE's *Goat Bank Project* in Saysathan District is funded by micro-donations from the Australian public through Footprints Fundraising. The project is part of CARE's broader *Rural Development Program*, which aims to develop agriculture and the rural economy to reduce poverty in the remote area.

In Saysathan, villagers of Prai ethnicity have very few or no assets and their day-to-day survival depends almost exclusively on labour intensive agricultural activities.

While ownership of livestock is not a new concept here, CARE is supporting communities to use their knowledge and skill to develop livestock businesses that are increasing income and independence. CARE is working with the poorest households, which mostly comprise of widows, the elderly and disabled people with very low labour capacity.

Collective goat banks are established to provide a sustainable source of income for people who cannot work in the fields. The banks provide an area where goats are kept in safe and hygienic conditions with group members responsible for maintaining their health and vaccinations. The goats breed twice a year and offspring are sold with profits shared by the group.

CARE worked with the community of Samet Noi village to establish a goat bank to assist 28 families and helped facilitate improvements to five goat banks in Kor, Houeysalot, Ban Samet Gnai, Phouleurn and Kongthieng villages to assist 109 families.

This project was completed in early 2012 and supported approximately 10 per cent of the total population of six villages and will indirectly benefit up to 12,000 people.

Project activities included:

- building appropriate livestock pens
- sharing knowledge about animal health and vaccination
- providing goats to the banks
- establishing village fund management committees to manage financial and administrative activities
- assisting participants with the administrative aspects of their new livelihood activities.

The support provided to members included an explanation of the profit distribution model: after the sale of offspring every six months, the deduction of running costs is made and profits are shared between the administrators (5 per cent), animal raisers (30 per cent) and the group of beneficiaries (65 per cent).

The goat bank in Samet Noi generated its first income in mid 2011: 14 goats were sold for \$536. After deduction of running costs, the income generated was a total of \$23 for the management committee, \$141 for the goat raisers and \$305 for the group of beneficiaries (Just under \$11 for each of the 28 beneficiaries). Other villagers made similar sales in June/July 2011. An average annual income for a family in this district is \$79 so this additional income is significant.

CARE Australia's generous CAREgift donors supported similar animal banks in Phongsaly Province.

While the project was completed in 2012, the goat banks will continue and be managed by local goat bank committees together with the goat raisers.

Women take on non-traditional roles in northern Sri Lanka

The 30-year conflict between the Government of Sri Lanka and the Liberation Tigers of Tamil Eelam ended in 2009 with many people displaced from their homes. By the end of 2011, over 420,000 displaced people returned to the northern districts and today they are still in the process of recovering. Returnees are faced with limited access to livelihood opportunities and external markets, a basic lack of infrastructure and fragmented social support networks.

Young people experienced significant challenges during the conflict, including frequent disruption to their education due to displacement, forcible recruitment and limited mobility. This led to a lack of skill development and these young people now have few employment opportunities.

Ongoing lack of education or vocational opportunities can contribute to youth frustration, and drive them away seeking opportunities elsewhere as economic refugees.

With support from the Australian Department of Immigration and Citizenship (DIAC), CARE is working with vulnerable youth in Mullaithivu and Killinochchi districts in the Northern Province to help develop local skills and job opportunities.

After consultation with the community, demand for vocational training was found in the areas of computer skills, tailoring, driving, masonry, mechanics, carpentry, plumbing and beauty therapy. CARE established partnerships with five local institutions to deliver the selected training programs and young men and women opted into a training program of their choice.

Masonry is a non-traditional occupation for women in northern Sri Lanka. However, during the war, many young men either died or moved abroad, and as a consequence a greater number of women (particularly widows) are engaging in skill development to become bread winners of families. As a consequence, the majority of students who enrolled in masonry are women, and they are determined to prove themselves. 'First of all, we will add something to our house, make flower pots or fence posts – something we can do ourselves,' a masonry participant told CARE's staff.

At the end of June 2012, 420 youths were participating in training programs, with more than 200 set to receive training in late 2012. Out of these, 230 youths have already earned an average income of 7,500-10,000 Sri Lankan Rupees (\$55-\$73) per month. Participants will also have opportunities to join language classes in Sinhala and English. Two computer centers have been established in collaboration with the divisional secretariat to support the students.

CARE has secured additional funding to continue and build on our work in Sri Lanka throughout 2012/13.

18,470 students



9,064 community members

IN ZIMBABWE CAN ACCESS SAFE WATER



49 Village Birth Attendants in remote PNG



420,000 people returned to the northern districts of Sri Lanka in 2011 after being displaced by conflict. ©Mel Brooks/CARE.



Learan feeds the goats in his community's goat bank in Laos. The animals are kept clean and healthy and their offspring are sold twice a year with profits divided amongst the group. ©Josh Estey/CARE

* CARE is committed to being a child safe organisation. Names of children have been changed.

WHAT WE ACHIEVED

OUR RESPONSE TO EMERGENCIES



Eighty per cent of people arriving in Dadaab Refugee Camp were women and girls, many walked for days to reach safety and experienced assault on the way. CARE provided counselling and medical referrals along with distributing water and food. ©Kate Holt/CARE.



Women's savings and loans groups in Mali are providing women with increased financial security during the drought and conflict. ©Brian David Melnyk/CARE.

Those living in poverty are the most vulnerable to the effects of natural disasters, war, famine and disease outbreak. CARE meets the immediate needs of people affected by emergencies. Our first response is to make food, shelter, clean water, sanitation facilities and medical care available to those who need it most. Following the initial survival phase, we continue to help people rebuild their lives and restore their livelihoods in the years that follow.

In 2011/12, CARE International responded to new emergencies in 27 countries, including the East and West Africa food crises and the internally displaced people (IDP) crisis in Côte d'Ivoire.

CARE Australia supported responses to seven emergencies including the East and West Africa food crises and flooding in South-East Asia. We also continued to support those in Pakistan affected by past and new floods.

As well as immediate emergency responses, CARE works with communities to help them prepare and plan for future possible disasters. In the past year, CARE Australia supported emergency preparedness planning in six countries in South-East Asia and the Pacific.

This year, CARE Australia's Humanitarian and Emergency Response Unit continued working to build community resilience in the Asia-Pacific region – where Disaster Risk Reduction (DRR) is a key initiative. The three main components of DRR are prevention, preparedness and mitigation. This preplanning saves lives and helps communities be more resilient to disaster. It also includes Climate Change Adaptation (CCA) activities that seek to reduce the damage caused by natural disasters.

East Africa food crisis

In June 2011, CARE scaled up work in East Africa where over 13 million people were at risk of hunger and disease following one of the worst droughts in the region as well as conflict displacing hundreds of thousands of people from Somalia. CARE provided assistance to 2.77 million people in Ethiopia, Somalia, Kenya and Djibouti, and CARE Australia's funding and programs assisted work in Ethiopia, Somalia and Kenya. We provided water, food and seeds and helped families secure a greater income with access to agricultural training, casual work programs and small farm animals.

The crisis is not over, with the critical rainy season from March–May 2012 arriving very late. CARE is continuing to seek funding so our emergency response can continue to meet the immediate needs of communities as well as providing long-term solutions to help reduce their vulnerability to future droughts.

South-East Asia flooding

Heavy monsoon rains caused devastation across South-East Asia at the end of 2011. Over 2 million people were affected in Vietnam and Cambodia. CARE Australia emergency teams worked with communities to provide food, non-food items (such as water containers, mosquito nets and blankets) and promote safe hygiene practices. While the response in Vietnam was completed in March 2012, livelihood recovery activities continue in Cambodia to mitigate the ongoing effects of crop destruction.

West Africa food crisis

The Sahel region of West Africa faced a severe food crisis for the third time in seven years. As of mid-2012, 18.4 million people were affected in eight countries and more than 1 million children were at risk of starvation.

CARE raised concerns about the situation in 2011/12, scaled up our emergency operations in Chad, Mali and Niger and prepared to support affected people in the long term to make them less vulnerable to future disasters. CARE Australia supported programs in Mali and Niger.

- Conflict in Mali displaced tens of thousands of people, creating a severe humanitarian crisis in the north. CARE provided food, seed and fodder to households in the southern regions and, while seeking access to the northern areas, assisted displaced families with food and essential household and hygiene items.
- In Niger, CARE provided casual employment so families have an income to buy food and assisted Malian refugees and Nigerien returnees with food and basic relief items.
- In Chad, CARE is distributing food, improving access to water and sanitation, and providing seeds and agricultural tools.

At the same time, CARE's long-term development programs such as women-led savings groups and cereal banks helped people invest in livestock and small business activities and become more resilient to drought.

Being prepared

CARE is committed to having staff with the right skills to support emergency responses. Our emergency planning activities in South-East Asia and the Pacific brought CARE and our partners together to review possible emergencies; how these affect communities; and to make realistic plans for addressing humanitarian needs. We coordinated with the responsible government authorities ahead of this planning, which involved simulation exercises.

In Australia, we reviewed our ability to support CARE's emergency response globally, assessing and testing procedures via simulation exercises in July 2011 (repeated annually). This revealed our strengths around rapid deployment of staff and recruitment of personnel with the right skills to support our in-country operations. We subsequently improved our process around the rapid procurement of emergency relief items.



A woman collects water in Dadaab Refugee Camp, where CARE worked to increase the amount of safe water available on a daily basis by more than 80 per cent. ©Kate Holt/CARE.

Global Water, Sanitation and Hygiene Team

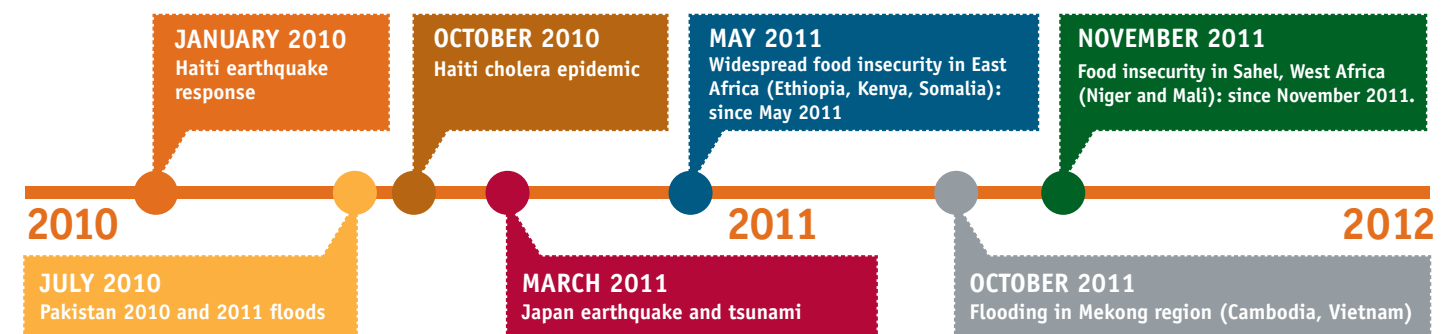
The Emergency Water, Sanitation and Hygiene (WASH) Team is a group of seven highly skilled staff who work on behalf of CARE International and the Global WASH Cluster to build emergency preparedness and response capacity. Members of the team provide additional surge support to ensure a high quality response to WASH needs in major emergencies with a consistent focus on meeting the needs of women, girls and their communities. The team is hosted by CARE Australia and led by Jason Snuggs who provides overall leadership in the emergency WASH sector.

In Pakistan, WASH Team members were deployed to assist with the scale up and implementation of the emergency response, helping more than 230,000 people with a broad range of services.

In Kenya, a WASH Team Advisor helped the CARE Country Office respond to a massive influx of Somali refugees in Dadaab refugee camp, where the population increased from 300,000 in January 2011 to over 465,000 by August 2011. The Advisor and WASH Team increased the amount of safe water available to people on a daily basis by more than 80 per cent.

The WASH Team supports Country Offices remotely, as well as undertaking regional and national training and assisting Country Offices in preparedness. At the regional and global level, the WASH Team develops emergency systems and protocols that build on experience and best practice.

CARE Australia's new and ongoing emergency responses in 2011/12:



WHAT WE ACHIEVED



Diep's home is on low-lying land on the bank of a river in Vietnam. Over 85,000 people will benefit from CARE's work to improve climate change adaptive capacity in Vietnam. ©Josh Estey/CARE

OUR RESPONSE TO CLIMATE CHANGE

Poor communities are already affected by the changing climate. Increasingly unpredictable rainfall patterns cause water shortages and compound food insecurity. The impact of unpredictable natural disasters destroys lives, homes and ecosystems and threatens livelihoods. While climate change is largely due to pollution generated by wealthy countries, people in developing countries bear 75–80 per cent of the cost of the damages.

CARE is working with communities in developing countries to help them adapt and become resilient to the changing climate. Because women are central to the food and livelihood security of their families, we place a special emphasis on gender equality and women's empowerment in our climate change work. We support people to apply new farming techniques, access drought-resistant crops, protect themselves from more frequent and intense disasters, diversify their income and secure rights to valuable natural resources. Last year, CARE's programs helped six million people mitigate and adapt to climate change effects globally.

CARE actively connects the experiences and needs of the people we work with to national and international policies and institutions. We seek to ensure climate change adaptation and the rights of the poorest and most vulnerable people are considered within international climate change negotiations, in national adaptation plans and in donor programs. We also address our own contribution to climate change.

In 2011/12, we continued to implement our climate change policy, endorsed in 2009. This policy guides our response to climate change, providing a framework for ensuring CARE's programs and activities are effective, that advocacy on climate change is targeted and that we take responsibility for emissions from our Australian-based operations.

Our 2011/12 achievements:

- Designed and launched four new community-based adaptation projects
- Appointed a Climate-Resilient Disaster Risk Reduction (DRR) Advisor based in Australia and delivered staff training
- Developed new resources to continue integrating climate change and DRR across our programs
- Supported global advocacy efforts
- Continued reduction of greenhouse gas emissions from our Australian-based operations.

Our advocacy

CARE is committed to influencing decision-makers on climate change issues in the countries where we work. Despite the scope and severity of climate change impact, current efforts to mitigate emissions are not sufficient for keeping global warming below the 2°C threshold deemed safe for avoiding serious climate impacts.

CARE is calling for urgent national and international action to reduce greenhouse gas emissions and ensure that climate finance helps the poorest and most marginalised. CARE is an active member of Climate Action Network Australia and engages with the Australian Government on issues including mitigation ambition, adaptation finance and REDD+.¹

We are also committed to strengthening action in countries where we work. For example, in Vietnam, CARE chairs the NGO Climate Change Working Group and was instrumental in facilitating a Memorandum of Understanding with the Government. At a global level, CARE was a powerful voice at the United Nations Climate Change Conference in South Africa and the UN Conference on Environment and Development (Rio+20) in Brazil. Although disappointed by the results of these conferences, the consequences of climate change on the world's most vulnerable people remain our priority and we continue to press world leaders for a meaningful outcome.

¹ REDD+ stands for countries' efforts to reduce emissions from deforestation and forest degradation, and foster conservation, sustainable management of forests, and enhancement of forest carbon stocks.

Our programs

CARE launched four new projects to support vulnerable communities in Papua New Guinea, Timor-Leste, Vietnam and Vanuatu (led by Oxfam) to adapt to the impacts of climate change. Supported by AusAID's Community-Based Climate Change Action Grants, the projects build the adaptive capacity of communities by supporting climate resilient livelihoods, disaster risk reduction and local capacity development.

Papua New Guinea

CARE is working with communities living in the atoll environment of Nissan District in the Autonomous Bougainville Region, where already food-insecure communities were pushed to the limit by rainfall variability in recent years. CARE is supporting communities to increase food security and income through improved agricultural techniques, homestead gardening and food storage methods. Communities, District Officials and the Autonomous Bougainville Government are supported to plan and prepare for climate change and disaster events. This project follows successful activities to increase access to drinking water on Nissan Island.

Timor-Leste

CARE is working with communities in two highly degraded river catchments in the Liquiçá District, where a high level of deforestation has degraded agricultural soil and reduced water quality. This is exacerbated by erratic rainfall, which has damaged critical infrastructure. CARE, in partnership with WaterAid and a number of local organisations, is working with communities to restore catchments and improve soil quality, increase water and sanitation availability, promote hygienic behaviours, introduce more resilient crops and improve access to markets.

Vietnam

Communities in An Giang and Sóc Trăng Provinces are on the frontlines of climate change impact. In partnership with the Center for Rural Communities Research and Development, An Duong Community Development Center and the Women's Unions of An Giang and Sóc Trăng, CARE will support 5,000 people to climate-proof their livelihoods and reduce their vulnerability to natural disasters. It is expected that over 85,000 people will benefit from adaptation processes and improved understanding of climate change impacts.

Vanuatu

CARE is working with communities on Futuna Island to help increase their knowledge and ability to deal with the impacts of climate change on their livelihoods. As part of a larger consortium led by Oxfam, we are supporting delivery of climate change initiatives through enhanced collaboration and learning.

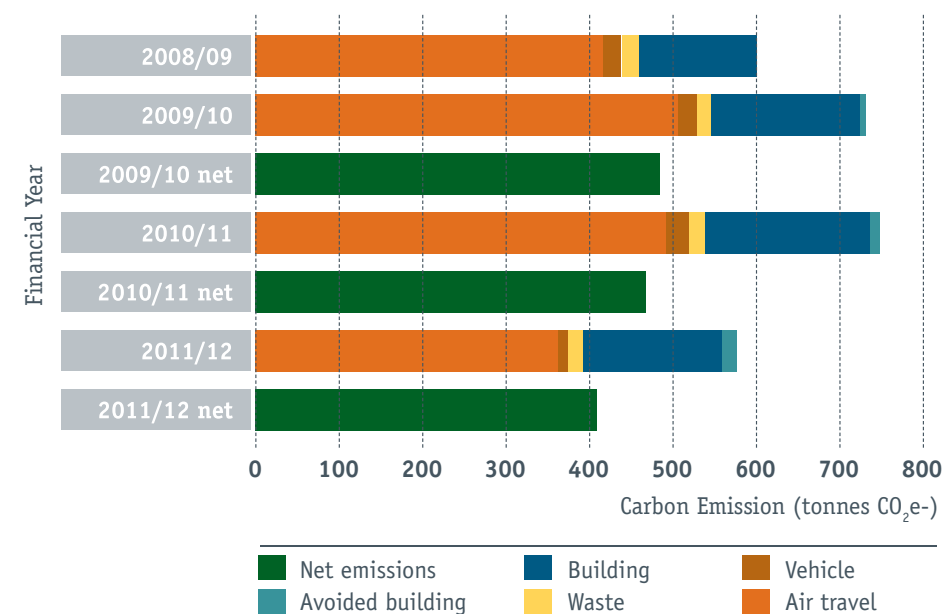
Continuing to integrate climate change across our programs

CARE remains committed to ensuring all our programs help communities adapt to climate change and reduce their vulnerability. In 2011/12, we worked with other CARE members on training modules for staff and partners in integrating climate change adaptation into disaster risk reduction. This was subsequently rolled out in Vanuatu and Timor-Leste. We also supported our Papua New Guinea, Cambodia and Laos Country Offices in developing climate change adaptation and DRR strategies.

Our local operations

In 2011/12, we moved closer to achieving our goal of a 40 per cent reduction in emissions from our Australian operations by 2015. Our net emissions declined by 12 per cent to 411 tonnes, showing we are close to our 360 tonne goal. This was achieved through reducing energy consumption and flights, and purchasing renewable energy and offsets through the Qantas Group. This year, our offset purchase was 25 per cent of total emissions.

CARE Australia emissions



CARE Australia's emissions were calculated using Australia-specific emissions factors published in the National Greenhouse Accounts (NGA) Factors 2011. Reported emissions include all direct emissions (Scope 1) and indirect emissions from electricity consumption (Scope 2). Other significant indirect emissions (Scope 3), specifically air travel and waste, were also calculated and reported. The planned review of the organisational and operational boundary planned for 2011/12 was postponed to 2012/13.

While air travel remains our major emission source, reductions in the number of domestic and international flights and distance travelled contributed to the overall annual emission reduction. Building emissions were reduced by purchase of renewable energy in the Canberra office in November 2011 and continuing 20 per cent renewable energy for the Melbourne office. Vehicle emissions reduced by 43 per cent from the previous financial year.

Our 2012/13 priorities:

- > Implement our four new climate change projects and capture lessons for community based adaptation programming globally
- > Ensure CARE-led WASH and livelihood programs are resilient to climate change
- > Support CARE Country Offices to finalise development of climate change and DRR strategies
- > Review CARE Australia Climate Change Policy
- > Improve data collection for our greenhouse gas emissions inventory and continue engagement of CARE staff to reduce emissions.

WHAT WE ACHIEVED

WORKING WITH OUR SUPPORTERS

The generous support of our donors, partners and the Australian public enables CARE to make significant progress in empowering women and girls to lift themselves and their communities out of poverty.

This year CARE shared our vision, passion, work and achievements with Australians through media, events, conversations and the networks of our supporters. Australians responded by engaging with and donating to CARE – making this year one of our most successful yet.

Making an impact at events

Events provide an effective opportunity to highlight CARE's work overseas to audiences in Australia, raise awareness of the role of women's empowerment in poverty alleviation and recognise the contribution of our supporters. In the past 12 months, CARE was involved in a range of exciting events from coordinating Make Poverty History photo exhibitions to being the City of Sydney New Year's Eve charity partner.

The Governor-General, Ms Quentin Bryce, AC, CVO, hosted a luncheon at Admiralty House in October 2011. Attendees heard about our programs in Cambodia and Afghanistan and the importance of education in empowering women and girls. Guest speakers included Stav Zotalis, CARE Cambodia Country Director and Jennifer Rowell, Advocacy Advisor from CARE in Afghanistan.

We celebrated International Women's Day on 8 March with a breakfast generously hosted by Gail Kelly, CARE's Women's Empowerment Ambassador and CARE's Chief Executive, Julia Newton-Howes. Gail spoke about her recent trip to Malawi to visit one of CARE's projects (read more on page 24). At the breakfast, we released a report illustrating the power of women as agents of change. The report on CARE's *SHOUHARDO Program* in Bangladesh showed women's empowerment activities literally helped children grow taller because when their mothers were empowered, children were healthier. Coverage of this report appeared in the *Sydney Morning Herald*.

Donations

Overall revenue from the Australian public grew by 6 per cent to \$11.9 million in 2011/12 (refer to page 35). Unrestricted donations (those not given for a specific purpose such as an emergency response) increased by 19 per cent this financial year.

The number of people donating to CARE Australia increased by 41 per cent, which indicates an increase in public awareness of CARE and the issues we are working to overcome. New and current donors provided crucial support by giving generously to emergencies and supporting our appeals for food, water, education and livelihood programs. The response to CARE Australia's East Africa Food Crisis Appeal was overwhelming – with over \$2.3 million raised with the assistance of the Australian Government's dollar matching initiative.

We are also grateful to donors who support CARE through regular monthly donations, which increased by 31 per cent this year, allowing us to plan ahead with confidence.

Our CAREgift Catalogue was updated and continued to offer supporters life-changing gifts to share with their loved ones. New gifts this year included mosquito nets, nutritious meals for a child and sending a girl to school. Purchasing clean water for a family, a piglet and schoolbooks continued to be popular choices.

We are grateful for the generosity of our corporate supporters who partnered with us on a range of initiatives this year to help tackle poverty. We convey special thanks to Qantas, AGL, King & Wood Mallesons, Westpac and The Body Shop for their significant support.

Walk In Her Shoes

This year's *Walk In Her Shoes* challenge was our biggest yet. Over 2,800 participants took to their streets, parks, offices and homes to walk 10,000 steps a day for a week. The campaign raised over \$620,000 to invest in programs that reduce the time women and girls in developing countries spend walking and to help them spend more time in school or earning an income. 2013 promises to be another big year for *Walk In Her Shoes* and we encourage our supporters to join us again to make this annual event a success.

Remembering CARE through bequests

Bequests allow CARE to help future generations lift themselves out of poverty, these generous donations leave a lasting legacy.



©Josh Estey/CARE

CARE Australia is privileged to have the support of Gail Kelly as our Women's Empowerment Ambassador. This year, Gail visited CARE projects in Malawi and spent time with local communities learning about CARE's Village Savings and Loans programs. Gail also met with the CARE Australia Board to engage in our Strategy and Vision.

'On my visit to CARE programs in Malawi, three things made a lasting impact. Firstly, I was impressed by the high quality of the CARE staff on the ground. The CARE people are very professional and talented and these qualities are reflected in the great outcomes being achieved. Secondly, I was delighted to see that the programs CARE initiates are able to continue and prosper once CARE's involvement ends. The sustainable nature of CARE's work is terrific. Finally, this trip reinforced the importance of women's empowerment in tackling poverty. The women I met in Malawi were capable, confident and proud of what they had achieved. Their hard work and energy has brought lasting change for their families and their communities. I truly appreciate now that women's empowerment is an essential strategy for poverty alleviation.'

- Gail Kelly, CARE Australia Women's Empowerment Ambassador and Westpac Chief Executive and Managing Director.

Development Awareness Program

CARE reached more than 10,000 Australians through our AusAID-supported *Development Awareness Program*. These interactions occurred through presentations and conversations with schools, universities, workplaces and even libraries. The program provides the opportunity for CARE to engage with the Australian public on a personal level about issues associated with poverty alleviation and the vital role of women's empowerment.

Media

CARE achieved sustained media coverage throughout the year and was a consistent voice on issues ranging from the Federal Aid Budget to the status of women in Afghanistan. Highlights included the range of coverage generated on the East Africa food crisis, which explained the challenge and what Australians could do to help, and working with *Walk In Her Shoes* Ambassador Chrissie Swan to promote the fundraising challenge to more than 2.4 million Australians through traditional and online media.



CARE Australia's supporters helped raise \$2.3 million with the Australian Government's dollar matching initiative for the East Africa food crisis. This supported activities like emergency food distributions in Ethiopia. ©Sandra Bulling/CARE.



Over
2,800
people participated in
Walk In Her Shoes



41%
more public
donors



\$2.3
MILLION
raised through
the East
Africa Food
Crisis Appeal

HOW WE WORK

OUR STAFF

Our staff are among the top in their field with a shared vision of helping people live with dignity and equality and bringing compassion and experience to CARE's work in developing countries.

Staff profile

CARE Australia employs 998 staff: 75 in Australia and 923 in our Country Offices. The number of staff in Australia increased by 10 per cent from last year, primarily to provide technical skills to strengthen our ability to support the growing Australian-funded programs. Staffing numbers in Country Offices reduced by 5 per cent in accordance with program requirements.

Staff* by location

Location	Local staff [‡]	Expatriate staff [†]	Total staff
Australia	n/a	n/a	75
Timor-Leste	189	9	198
Papua New Guinea	75	8	83
Laos	92	7	99
Cambodia	120	5	125
Vietnam	100	5	105
Myanmar	294	5	299
Vanuatu	8	1	9
Regional (incl. WASH staff)		5	5
SUB TOTAL STAFF	878	45	-
TOTAL STAFF	-	-	998

* Staff numbers include part-time staff.

‡ Local staff are locally-employed staff in CARE Australia-managed Country Offices.

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

Staffing levels

Staff numbers	30 June 09	30 June 10	30 June 11	30 June 12	% growth 30 June 11 - 30 June 12
Australian-based	61	65	68	75	10
Expatriate staff	65	50	49	45	(9)
Local staff	1,563	1,280	920	878	(5)
Total staff	1,689	1,395	1,037	998	(4)

Volunteers

This year we hosted 15 volunteers in our Australian offices, 10 in Canberra and five in Melbourne. We also supported 14 volunteers in our Country Offices through our continued participation in Australian Youth Ambassadors for Development (AYAD) and Australian Volunteers for International Development (VIDA).

People Strategy

A People Strategy was implemented to link people management priorities with CARE Australia's Strategic Framework. It articulates the goals that guide and align people management efforts across the organisation. These goals focus on promoting and integrating gender and diversity, recruitment and retention, internal communication, employee wellbeing, and building capacity and performance. The emphasis and priorities for each goal are reflected in action plans being developed in Australia and our Country Offices. These plans are targeted to staff in each location, to meet their potentially diverse needs and requirements.



Louise Atkins, CARE's Australian Youth Ambassador for Development (AYAD) in Ghana

Louise completed a seven-month placement with CARE Ghana. She worked on the *Cocoa Livelihoods and Empowerment Project* and supported women's empowerment and youth participation in farming and community development.

'Volunteering with CARE Ghana was a very fulfilling experience. It allowed me to gain a deeper understanding of the issues on the ground, which drive the organisation's development work, and to witness the positive changes taking place, especially for women.'



Lydia Hanna, Supporter Services Officer, CARE Australia

Lydia has worked for CARE Australia since 2011. She responds to donor queries and public enquiries for information about CARE's work.

'I like CARE's long-term approach to fighting poverty, as well as their focus on including women and girls to create sustainable change. My area of work is always exciting and challenging. My favourite part of the job is hearing back from proud students after their fundraising efforts. One of my favourite stories is about Molly* who asks her friends to buy CAREgifts for her birthday instead of presents every year. She's only 12 years old, but her support and awareness of the issues facing people in developing countries is really heart warming. I feel privileged to work with a creative and passionate team at CARE.'

* CARE is a child-safe organisation, names of children are changed.



Chov Sophorn, Field Supervisor for VSLAs in Cambodia

Sophorn has been working with CARE for five years. Prior to joining a Village Savings and Loans project team, Sophorn worked on a project which helps provide non-formal education and vocational skills to vulnerable people, often girls who did not get the chance to finish school.

'One girl, who lives in a remote area, who had no opportunity to go to school, would work with her family selling fish. But she was cheated by the middleman [who she was selling to]. When she attended our literacy class, she could take notes and could not be cheated anymore. Then she also got training on business skills and has opened a store in her village. She no longer has to go fishing, and her family's living standard is better. I am very proud to help do this work.'

STAFF SNAPSHOTS

Recruitment and retention

The staff turnover rate for 2011/12 was 15 per cent which continues the downward trend from 36 per cent in 2009/10 and 26 per cent in 2010/11. Improved retention rates demonstrate that the initiatives to address issues relating to resourcing, work processes and leadership over the last two years have been effective.

Recruitment and retention of local staff in Country Offices requires a multifaceted approach. This includes reviews of remuneration scales, policies and procedures and ensuring that opportunities for development and capacity building are made available.

Performance management

The revised performance management framework was implemented on 1 July 2011 and focused on encouraging strong performances through introducing a four-point rating scale, making processes and forms clearer and linking strong performance with pay progression.

Staff satisfaction

The 2011 staff engagement survey for Australian-contracted employees was conducted in December 2011 with 79 per cent of staff participating. The results showed a significant increase in employee engagement from 48 per cent in 2009 to 65 per cent in 2011. This demonstrates that new initiatives such as leadership and mentoring programs have had a positive impact.

The results of the survey also indicate that opportunities exist for improvements in staff recognition and work/life balance.

Staff development

Of Australian-contracted staff, 34 per cent completed the Leadership Development Program during the year, which helps facilitate more effective staff performances and team productivity. For local staff, implementation of the learning and development framework commenced, building on performance management systems currently in place. Leadership training focused on enhancing critical thinking and problem solving.

In addition, our network of National Human Resources Managers are working together to identify areas where shared knowledge can contribute to the development of robust national staff human resource policies and practices.

Equity and diversity

CARE Australia is committed to being an equitable and diverse organisation, and finalised our Gender and Diversity Strategy and the Diversity Policy during the year. The Strategy supports implementation of both the CARE International Gender Policy and the CARE Australia Diversity Policy.

Staff survey results indicated that the majority of staff consider that they are being treated equally, that co-workers respect each other and that they are a valued member of the organisation. Women account for 20 per cent of CARE Australia's Senior Management Team, 66 per cent of Australian-based managers and 29 per cent of overseas managers.

Health, safety and wellbeing

During the year, updated Health and Safety Management Arrangements were developed in consultation with staff. The Arrangements establish the framework for managing occupational health and safety within offices and ensure that every practical step is taken for a safe and healthy workplace. They also set the minimum actions for Country Offices to control and manage workplace-related risks and hazards.

Ongoing safety and security mechanisms are in place for all CARE staff and the CARE Australia Board receives monthly safety and security reports. Safety and security for Country Office staff is regularly monitored and procedures are updated accordingly to mitigate potential risks. For example, in July 2011, a full-time Safety and Security Manager (international staff position) was established in Papua New Guinea due to increasing risks in this location.

CARE Australia Country Office Safety and Security Focal Points and Safety and Security Managers gathered to share ideas and upgrade their safety and security knowledge and skills. This included following up on the priority issues arising from the Country Office Annual Safety and Security Self-Assessments conducted earlier in 2012.

CARE International and stakeholders

CARE International Global Secretariat

Under the leadership of the Secretary General, the Secretariat coordinates and supports the CARE confederation, represents the confederation and leads CARE's global advocacy. The Secretariat also houses the CARE Emergency Group and CARE International Safety and Security Unit.

Partnerships

By working with local groups and governments, we develop a deeper understanding of the context in the communities where we work and build local capacity and ownership. CARE works with other national and international aid organisations, United Nations agencies and the private sector to maximise the impact of our work. We are an active member of several networks with the goal of alleviating poverty through policy change.

Fourteen confederation members, including CARE Australia

Each member implements programs, advocacy, fundraising and communications activities in its own country and developing countries where CARE has programs. Collectively, members share information and evidence about best practice and collaborate on global humanitarian responses and advocacy.

CARE worked with 122 million people last year. We reach the most vulnerable members of poor communities, who are often women and girls.

Staff

In 2011, CARE International employed 11,300 staff around the world, with 97 per cent of them local citizens of the country where they work.

Donors

CARE's work is made possible with the generous support of our donors, including private individuals, national governments, foundations, corporations and United Nations agencies.

Country offices in 69 countries

This is where local staff and our partners work side by side with project participants. CARE Australia manages the Vietnam, Laos, Cambodia, Papua New Guinea, Timor-Leste and Myanmar Country Offices.



A village Savings and Loan Group meets in Malawi. ©Josh Estey/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 2 of this report.

It 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 10 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 to the Board. The Committees regularly report to the Board and are listed in the organisational structure on the opposite page. More information about their functions 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 developed and

implemented a risk management framework, underpinned by our Risk Management Policy, whereby material operational, financial and compliance risks are regularly assessed, monitored and managed.

For example, the measures in place to minimise risk around a potential safety and security incident occurring in a country where CARE Australia works include:

- organisational crisis management plan
- current Security Plans in all Country Offices managed by CARE Australia
- monthly safety and security reporting
- security briefings provided to all visiting staff
- safety and security advice
- Manager's guide to dealing with psychosocial issues during a critical incident.

An important component of our risk management framework is our Whistleblower's Policy: *Tell Us*. This protects employees, volunteers and contractors who lodge a complaint or grievance, and provides employees with a supportive work environment where they can raise issues of legitimate concern to them and to CARE Australia.

During 2011/12, we conducted a significant review of our Fraud Control Plan. This plan was updated and renamed the Fraud and Corruption Control Plan in recognition of the broader risks faced by CARE Australia due to the locations in which we work. The plan is accompanied by a Fraud and Corruption

Control 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

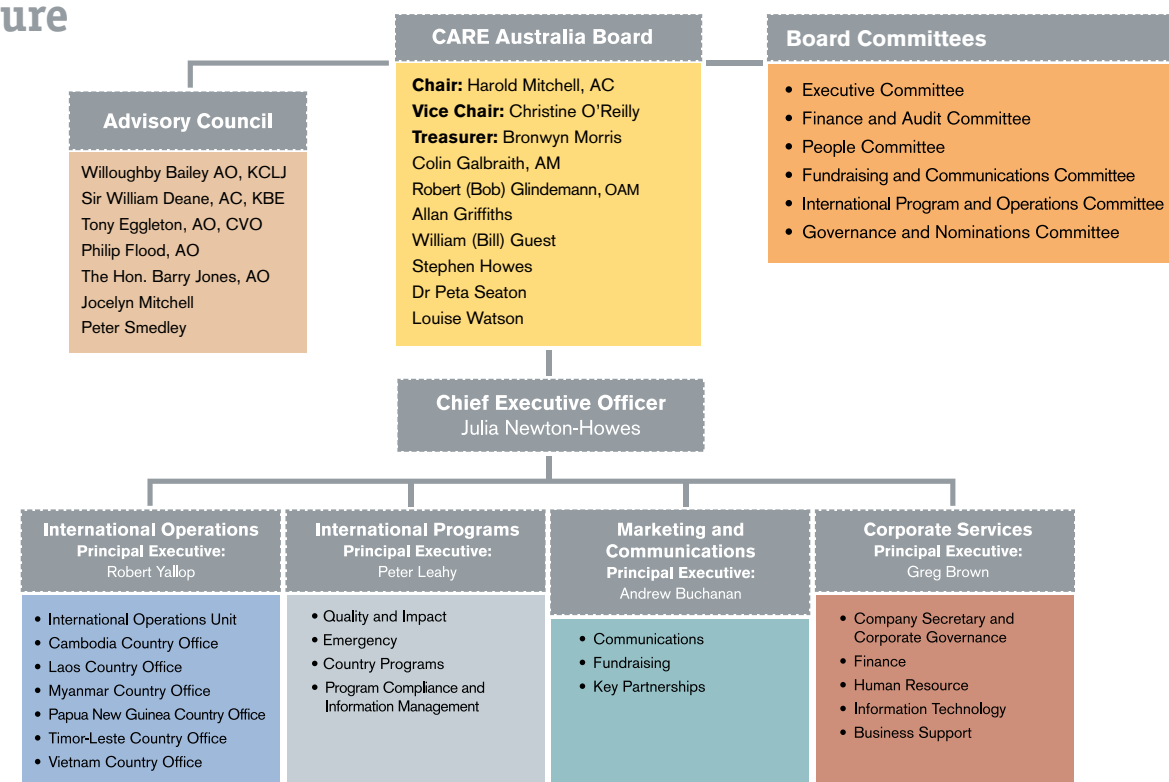
Our Reserves Policy specifies that reserves need to be retained to safeguard CARE Australia's operations. This policy balances the need to protect our financial security while at the same time ensuring flexibility in meeting the development and humanitarian challenges of operating in a dynamic global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

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.

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.

CARE Australia's organisational structure



OUR VALUED SUPPORTERS

MAJOR DONORS

Ms Sue Adams Mr Phil Anthony Mr John Borghetti Matthew and Svetlana Bowen Mr Leo Crompton Mr Rob Koczkar and Ms Heather Doig Mr John Douglas	Annie and Peter Duncan Goldsmith Family Mr David and Mrs Valerie Green Mr Phil Henderson The Honourable David Hodgson AO QC (deceased)	Dr Christopher Holmes Dr John Hunter Dr David James Mr Ryan Keating Mr Chris and Mrs Gill Lee S J and B L Maiden Mr Baillieu Myer AC Mr Jose Navarro	Mr Gerard Noonan Mrs Tara Osborn Ms Melissa Powell Annabel Ritchie Dr Graeme and Mrs Dawn Robson Mr Hans Schweizer Mr William Sievert Mr Bruce Spiers	Jason Squire Mr Anthony Sweetman Mr Raj and Mrs Jyoti Thethy Dr Chris Trotter Mr Stephen Walker Mr Derek Weeks Janet Abernethy and Richard Willis (27 anonymous donors)
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TRUSTS AND FOUNDATIONS

ACME Foundation Ake Ake Fund Annie and John Paterson Foundation Catherine Gray Trust Count Charitable Foundation	Desmond Prentice Charitable Fund Fell Foundation Footprints Fundraising Geoff and Helen Handbury Foundation Greenlight Foundation	Ha-Ke-Na Foundation Harold Mitchell Foundation J Holden Family Foundation Mundango Abroad Paul Ainsworth Family Foundation	Ravine Foundation Thomas Hare Family Trust The Charitable Foundation The George Lewin Foundation The John Murphy	Charitable Trust Women's Plans Foundation Wood Family Foundation
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BEQUESTS

Estate of the Late David Neil Bridger Estate of the Late Mary Eleanor Gordon Estate of the Late Benjamin Paul Jones Estate of the Late Valerie Elizabeth Kelly Gordon McKillop	Estate of the Late Malcolm Robert Henry Minns Estate of the Late Sydney Mirtschin Estate of the Late Shirley Thelma Newnham	Estate of the Late Harold Phillips Estate of the Late Maibry Beatrice Smith
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CORPORATE PARTNERS

Aegis Media AGL Energy Limited Allens Arthur Robinson Arrium BHP Billiton The Body Shop BP Australia Computershare Ltd Cudo Pty Ltd	Deutsche Bank Jetmaster (VIC) Pty Ltd King & Wood Mallesons Macquarie Group Foundation Maple-Brown Abbott Ltd Monash University Fine Arts Department Qantas Airways Ltd Quest - Southbank	Roy Morgan Research Pty Ltd Siltech Pty Ltd Southern Cross Community Healthcare Stevagh Pty Ltd Sussan Corporation Pty Ltd
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BILATERAL DONORS

Government of Austria Government of Australia Government of Denmark Government of Finland States of Guernsey	Government of Ireland Government of Japan Government of Luxembourg Government of New Zealand Government of Norway	Government of Switzerland Government of the United States of America
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MULTILATERAL DONORS 2012

Asian Development Bank (ADB) European Commission Humanitarian Aid Office (ECHO) European Union (EU)	The Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM) United Nations Children's Fund (UNICEF) UN Women (formerly UNIFEM)	United Nations Population Fund (UNFPA) United Nations World Food Programme (WFP)
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Students in a Youth Training Centre in Dili, Timor-Leste, learn vocational skills and life skills including peace-building as many were affected by the 2006 conflict. ©Josh Estey/CARE



Women construct a road as part of a casual work program in flood-affected areas in Pakistan. ©Warrick Page/CARE.



CARE is working with communities in Cambodia to improve access to clean water and sanitation. ©Josh Estey/CARE

CARE AUSTRALIA'S BOARD

Chair Harold Mitchell, AC Director since 2004

Founder, Mitchell & Partners; Executive Chair, Aegis Media Pacific; Director, CARE International; Chair, Melbourne Symphony Orchestra; Chair, ThoroughVision; 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; Chair and Owner, Melbourne Rebels Rugby Union; Non-Executive Director, Crown Limited.

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.

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, CSL Limited, Transurban Group; Member, Chief Executive Women.

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.

Treasurer Bronwyn Morris Director since 2007

Director, Queensland Investment Corporation Ltd, Director RACQ; Councillor, Queensland Division of the Australian Institute of Company Directors; Director, Collins Foods Limited.

Formerly - Director, Spotless Group Ltd, Director, Brisbane Marketing; Director, Queensland Office of Financial Supervision; Director, Bond University; Chair, Queensland Rail; Director, Colorado Group Ltd; Member, Australian Advisory Committee of Parsons Brinckerhoff.

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

Karyn Baylis Director since 2004

Resigned October 2011

Chief Executive, Jawun - Indigenous Corporate Partnerships.

Formerly - Director, Organisational Renewal, Sing Tel Optus Pty Ltd, Group Executive, Sales and Marketing, Insurance Australia Group; Senior Vice President, The Americas - Qantas Airways Ltd; Director, NRMA Life Nominees Pty Limited and NRMA Financial Management Limited.

Karyn resigned from the CARE Australia Board and also from Chair of the CARE Australia People Committee in February 2012.

John Borghetti Director since 2005

Resigned December 2011

Chief Executive Officer, Virgin Australia Group of Airlines.

Formerly - Executive General Manager, Qantas; Director, Sydney Football Club; Director, Jetset Travelworld; Director, Piper Aircraft (USA); Director, The Australian Ballet.

Colin Galbraith, AM Director since 2004

Special Adviser, Gresham Partners Limited; Chair, BHP Billiton Community Trust; Director, Australian Institute of Company Directors; Director, Commonwealth Bank of Australia; Director, Arrium Ltd; Trustee, Royal Melbourne Hospital Neuroscience Foundation.

Robert (Bob) Glindemann, OAM Director since 2008

Deputy Chair and Non-Executive Director of Navy Health Limited; Deputy Chair, Very 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; President, Rotary Club of Darwin and Rotary Club of Melbourne Inc.

Allan Griffiths Director since 2008

Managing Director, South East Asia, Aviva Asia Pty Ltd.

Formerly - Chief Executive Officer, Aviva Australia Group; Director, Financial Council of Australia

William (Bill) Guest Director since 2000

Chair/Director, Guest Group, Guest Hire, Guest Commercial, Suite Deals, Guest Interiors, Property 4 Retail and Guest Nominees.

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.

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 Operations and Program Committee.

Dr Peta Seaton Director since 2008

Director of Strategic Priorities, Office of the Premier of NSW; Director, Bradman Foundation; Member UNSW Faculty of Science Advisory Council.

Formerly - Member of the NSW Parliament and Shadow Treasurer.

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, KCLJ 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.

Philip resigned from the CARE Australia Board and associated committees October 2011.

The Hon. Barry Jones, AO Director, 1992-2011

Chair, Port Arthur Historic Site Management Authority; Chair, Vision 2020 Australia; Director, Victorian Opera Company Ltd.

Formerly - Director, Burnet Institute; Australian Minister for Science; Member, Executive Board UNESCO.

Barry resigned from the CARE Australia Board and also from Chair of the CARE Australia Program and Operations Committee February 2012.

Jocelyn Mitchell Director, 1993-2006

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

Peter Smedley Director, 2000-2009, Chair, 2006-2009, Vice Chair, 2004-2006 Director, CARE International 2004-2009

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

Formerly - 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: Her Excellency Ms Quentin Bryce AC

Governor-General of the Commonwealth of Australia.

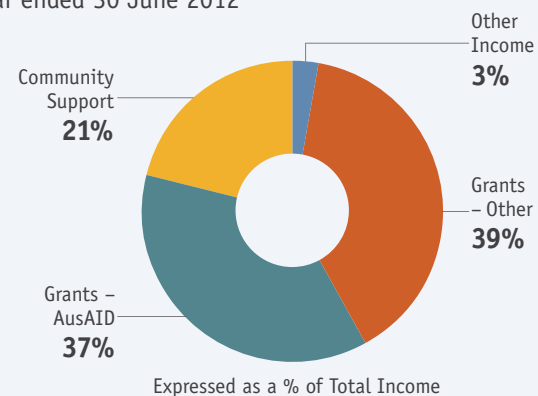
FINANCIAL OVERVIEW

Operating result

CARE Australia recorded an overall surplus of \$0.3 million in 2011/12, reflecting an underlying budgeted deficit of \$0.5 million offset by a net foreign exchange gain of \$0.8 million. The budgeted deficit reflects the Board's strategic decision to continue investments in donor acquisition in order to secure support for future growth in our long-term investment in overseas aid and development programs.

Income and expenditure

Where the Money Comes From
Year ended 30 June 2012



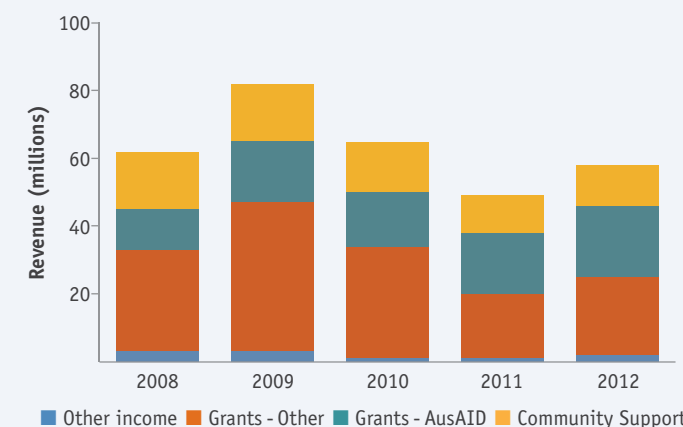
Community support income: - donations, fundraising, legacies and bequests received from the Australian public and corporations.

Grants - AusAID: 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

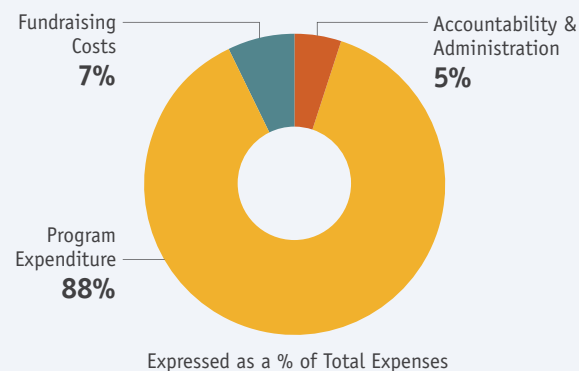


Analysis

Our total revenue grew by 17 per cent in 2011/12, largely due to an increase in grant revenue from AusAID and other Australian and overseas institutions. CARE continues to be successful in securing funding from institutional donors such as AusAID due to our solid reputation as an agency that delivers quality projects and programs. Despite the impact of the continuing economic uncertainty, revenue from the Australian public also grew by 6 per cent.

Where the Money Goes

Year ended 30 June 2012

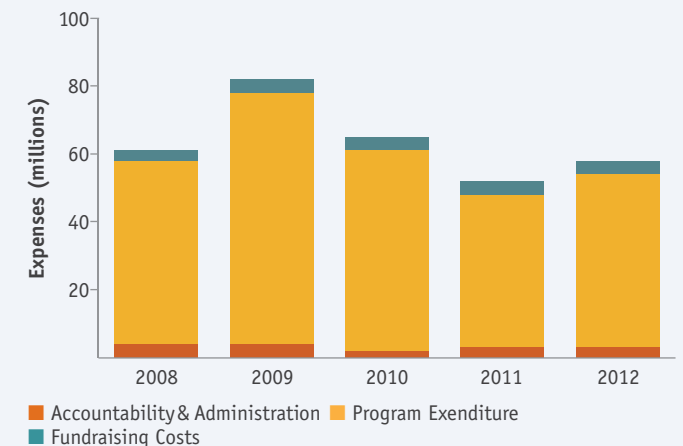


Program expenditure: long-term international development and emergency response work, as well as community education and program support costs.

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

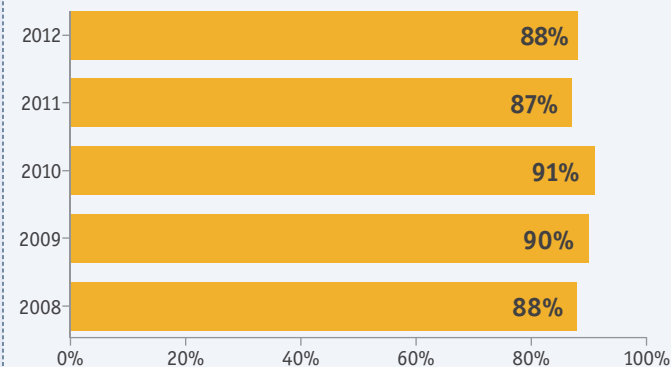


Analysis

CARE Australia expended \$57.5 million in the 2011/12 financial year, an increase of 11 per cent compared to last financial year. During the year we expended \$49.6 million on our overseas programs, which included expenses associated with programs undertaken across South Asia and South-East Asia, the Middle East, the Pacific, the Caribbean and Africa.

Accountability measures

Program Expenditure Ratio

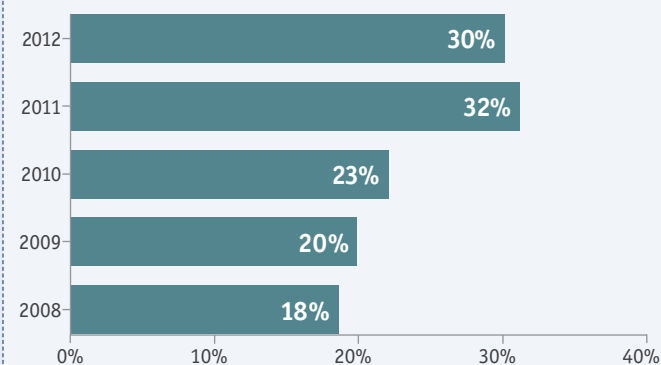


Program expenditure ratio is the total amount spent on our overseas programs, including program support costs and community education campaigns, expressed as a percentage of total expenditure.

Analysis

Our program expenditure ratio remained at a high level, with a three-year average of 89 per cent. The year saw the continuation of aid delivery in South Asia and South-East Asia, the Middle East, the Pacific, and Africa. Emergency assistance was provided to those affected by natural disasters and conflict in South Asia (Pakistan), the Middle East (Jordan), South-East Asia (Myanmar, Cambodia, Vietnam) and Africa (Ethiopia, Kenya, Djibouti, Somalia, Niger and Mali). Emergency programs responding to the Haiti Earthquake and the Pakistan floods also continued during this financial year. Further support for reconstruction and development is still ongoing and will continue into the future for East Africa.

Cost of Fundraising Ratio

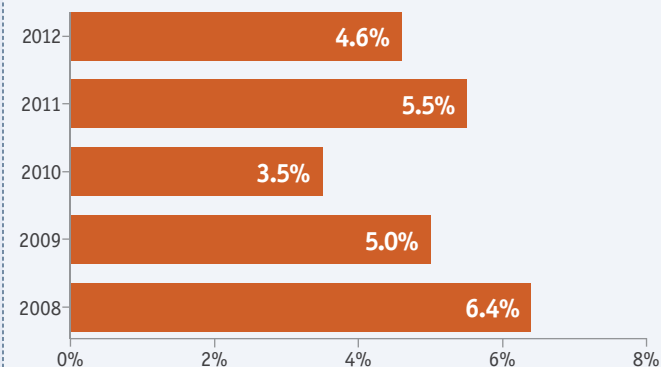


Cost of fundraising ratio is the total amount spent on public fundraising expressed as a percentage of total revenue from the Australian public, rather than total revenue. It excludes funding and associated costs related to grant funding from AusAID and other organisations.

Analysis

The increased cost of fundraising ratio in 2011 and 2012 is due to a strategic decision, taken in 2010, to invest in donor acquisition. This enables CARE Australia to have greater funds available in the future for our important international aid and development work. Major fundraising appeals were also launched this financial year to support affected populations across East Africa due to food insecurity, particularly Somalia, Ethiopia and Kenya, as well as the Sahel.

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 three-year average of 4.5 per cent.

SUMMARY FINANCIAL REPORT

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 2012;
- 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 2012.

On behalf of the Board.

Harold Mitchell, AC | Chair
Melbourne, 19 October 2012

Bronwyn Morris | Treasurer
Melbourne, 19 October 2012

Independent Auditor's Report on the Summary Financial Report

The accompanying Summary Financial Report, which comprises the balance sheet as at 30 June 2012, 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 2012. We expressed an unmodified audit opinion on that financial report in our report dated 19 October 2012.

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 2012 is consistent, in all material respects, with that audited financial report, in accordance with the ACFID Code of Conduct requirements.

Ernst & Young
Canberra, Australia
19 October 2012

Ben Tansley
Partner
Canberra, 19 October 2012

FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2012

	Notes	2012 \$	2011 \$
REVENUE			
Donations and gifts			
Monetary		11,239,560	10,295,726
Non-monetary		49,160	57,008
Bequests and Legacies		564,824	784,237
Total revenue from Australian public		11,853,544	11,136,971
Grants and contracts			
AusAID		21,184,489	18,204,532
Other Australian	2	3,152,452	998,831
Other overseas	3	19,633,875	17,993,150
Investment income		730,125	769,324
Other income		1,239,588	319,586
TOTAL REVENUE		57,794,073	49,422,394
EXPENDITURE			
International Aid and Development Programs expenditure			
Funds to international programs		47,346,201	42,475,292
Non-monetary expenditure – overseas projects		-	469,083
Other program costs		2,256,452	1,863,279
Total overseas projects		49,602,653	44,807,654
Community education		1,269,977	398,245
Fundraising costs - Public		3,589,579	3,541,650
Fundraising costs - government and multilateral agencies		380,810	391,409
Accountability and administration		2,604,503	2,776,828
Non-monetary expenditure		49,160	57,007
TOTAL EXPENDITURE		57,496,682	51,972,793
Excess/(Shortfall) of revenue over expenses		297,391	(2,550,399)
Other comprehensive income		-	-
Total comprehensive income for the period		297,391	(2,550,399)

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

BALANCE SHEET AS AT 30 JUNE 2012

	2012 \$	2011 \$
ASSETS		
Current assets		
Cash and cash equivalents	24,506,052	23,367,452
Held to maturity investments	5,741,625	1,371,630
Prepayments	512,599	757,731
Trade and other receivables	8,299,044	3,691,719
Non-current assets		
Property, plant and equipment	997,735	1,047,109
Investments at fair value	4,166,064	4,365,517
Other investments	-	1
TOTAL ASSETS	44,223,119	34,601,159
LIABILITIES		
Current liabilities		
Trade and other payables	2,079,981	1,689,144
Provisions	2,482,233	1,967,757
Unexpended project funds	29,827,226	21,407,970
TOTAL LIABILITIES	34,389,440	25,064,871
NET ASSETS	9,833,679	9,536,288
EQUITY		
Reserves	-	-
Retained earnings	9,833,679	9,536,288
TOTAL EQUITY	9,833,679	9,536,288

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, Current and non-current other liabilities categories, and Non-current provisions.

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 CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2012

	Retained Earnings \$	Reserves \$	Other \$	Total \$
Balance as 30 June 2011 (commencing balance)	9,536,288	-	-	9,536,288
Excess of revenue over expenses	297,391	-	-	297,391
Amount transferred (to) from reserves	-	-	-	-
Other comprehensive income for the year	-	-	-	-
Balance at 30 June 2012 (year end balance)	9,833,679	-	-	9,833,679

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

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

	2012 \$	2011 \$
Cash flows from operating activities		
General public donations	11,804,384	11,079,964
Grants and contract income (inclusive of GST)	40,394,085	39,115,175
Interest income	730,125	769,324
Other income	310,882	193,150
Payments to suppliers and employees (inclusive of GST)	(48,221,498)	(54,279,727)
Net cash flows from/(used in) operating activities	5,017,978	(3,122,114)
Cash flow from investing activities		
Acquisition of property, plant and equipment	(462,189)	(576,891)
Proceeds from sale of equipment	124,608	165,259
Acquisition of investments	(5,646,102)	(1,029,125)
Redemption of investments	1,279,652	4,941,615
Net cash flows from/(used in) investing activities	(4,704,031)	3,500,858
Net increase in cash held	313,947	378,744
Net foreign exchange differences	824,653	(3,560,413)
Cash at the beginning of the year	23,367,452	26,549,121
Cash at the end of the year	24,506,052	23,367,452

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 2012

	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)	122,006	6,861,465	(4,694,457)	2,289,014
Total for other purposes	23,245,446	48,606,923	(49,635,331)	22,217,038
TOTAL	23,367,452	55,468,388	(54,329,788)	24,506,052

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 30 JUNE 2012

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 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.

	2012 \$	2011 \$
Note 2 Project grants from other Australian organisations		
Australian Government departments or accredited Non-Government Organisations (NGOs)	2,798,423	535,165
Other Australian organisations	354,029	463,666
	3,152,452	998,831
Note 3 Project grants from other overseas organisations		
CARE International members	14,747,860	13,115,818
Multilateral institutions	1,653,105	1,537,502
Foreign governments and other non-Australian institutions	3,232,910	2,870,747
Donated goods from overseas organisations	-	469,083
	19,633,875	17,993,150

