



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

## 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, and
- addressing discrimination in all its forms.

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

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

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## 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. We know that supporting women and girls is one of the most effective ways to create sustainable outcomes in poor communities.

## OUR WORK

In 2008/09 CARE Australia worked with poor and marginalised communities in 24 countries to support **long-term development projects** and respond to **humanitarian emergencies**. CARE helps communities to increase incomes, improve health and education services, increase agricultural production, protect the environment, build appropriate water supply and sanitation systems and address child malnutrition in cooperation with local partner organisations and government agencies.

Due to the disproportionate impacts poverty has upon women and girls, gender equality underpins CARE's approach to poverty reduction. We believe that supporting women and girls, ensuring their voices are heard and helping to remove barriers that have held them back, are some of the best ways to bring lasting change to poor communities.

## OUR HISTORY

CARE Australia was established in 1987 by former Prime Minister, the Right Honourable Malcolm Fraser AC CH, as an independent, operational, Australian overseas non-government development and emergency assistance organisation. CARE Australia is one of twelve members of the CARE International confederation - one of the world's largest independent, international emergency relief and development assistance organisations.

For over 60 years, CARE International has assisted those in need as a result of poverty, disaster and conflict. Originally founded in America in 1945 after World War II, CARE provided food aid and basic supplies to those suffering from the devastation of war-torn Europe. Since the late 1940s, CARE has engaged in development and emergency assistance activities with poor and disaster affected communities and has continued to grow and expand its reach.

## FUNDING

We are dependent 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, as well as project partners.

**As long as poverty, injustice and gross inequality persist in our world, none of us can truly rest. – Nelson Mandela**

## ACCOUNTABILITY AND ACCREDITATION

To ensure accountability and transparency, CARE Australia retains management and contractual control on all projects we undertake.

We are a signatory to the Australian Council for International Development (ACFID) Code of Conduct, which sets out standards on how organisations should be managed, how they communicate with the public and most importantly, how they spend the funds they raise.

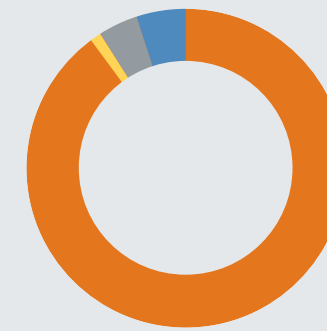
We are also a signatory to the Code of Conduct of the International Federation of Red Cross and Red Crescent Movement; Non-Governmental Organisations in Disaster Relief and; the Sphere Humanitarian Charter and Minimum Standards.

CARE Australia holds full accreditation status with AusAID, the Australian Government's overseas aid program. 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.



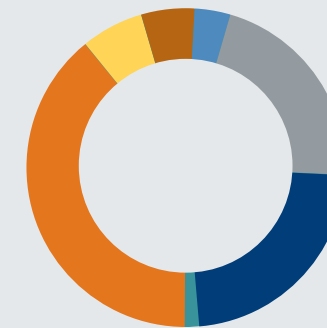
## FAST FACTS

### Expenditure (total \$81,574,000)



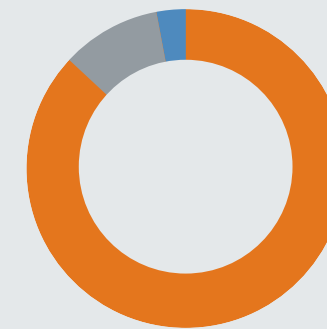
- Overseas projects (program expenditure) 90%
- Administration 5%
- Fundraising 4%
- Community education 1%

### Revenue by source (total \$82,142,000)



- Project grants from CARE International members 39%
- Project grants from multi-lateral agencies 7%
- Project grants from foreign governments and overseas based organisations 6%
- Investment and other income 4%
- Australian public 21%
- AusAID 22%
- Other Australian Agencies and Companies 1%

### Overseas projects by geographical region (total \$73,509,000)



- Asia Pacific 82%
- Middle East/West Asia 15%
- Africa 3%

#### Asia Pacific

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

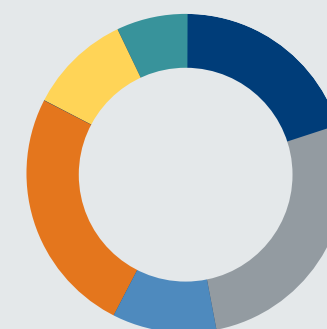
#### Middle East/West Asia

Afghanistan  
Bangladesh  
Jordan  
Pakistan  
Palestinian Territories  
Yemen

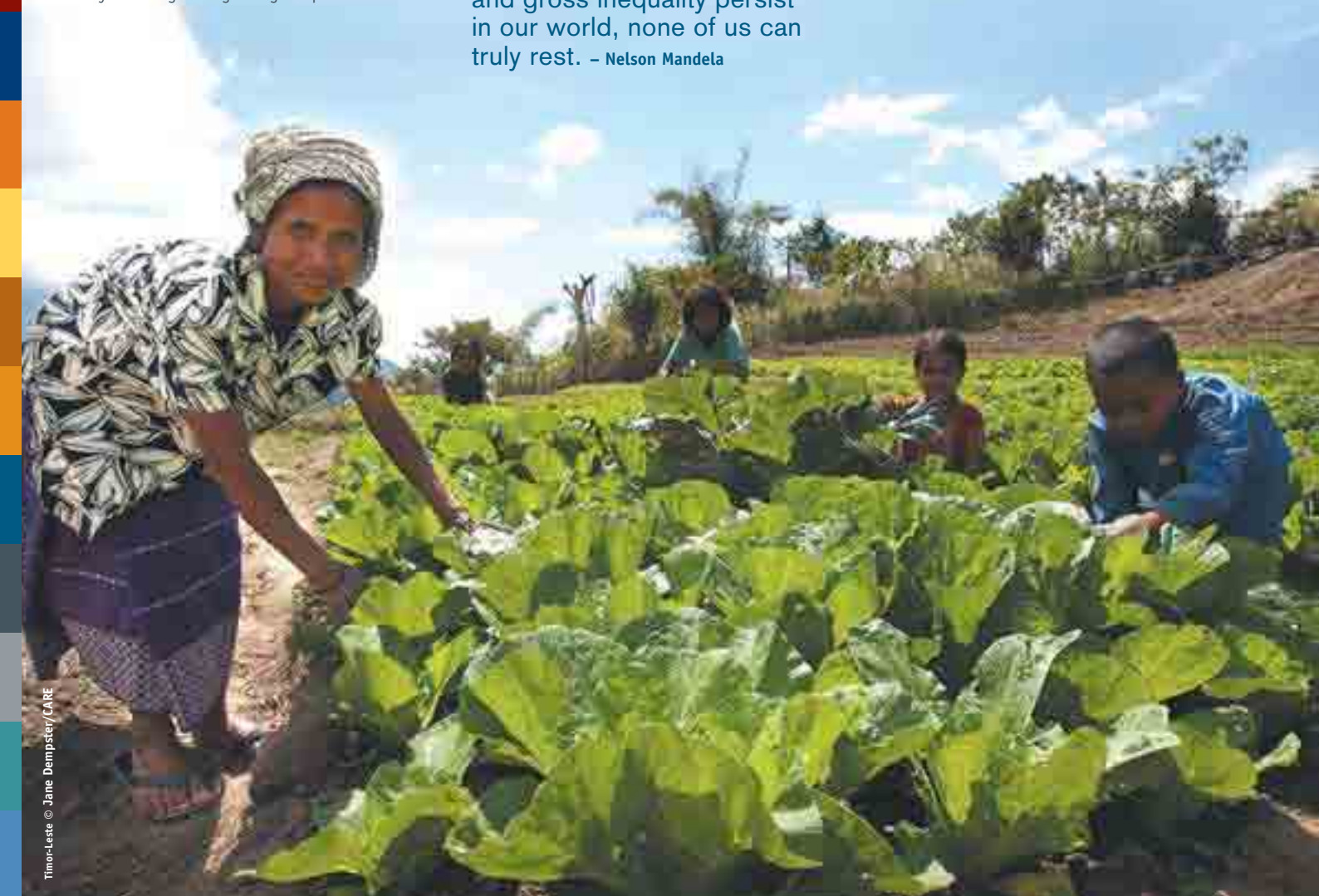
#### Africa

Democratic Republic of Congo  
Ethiopia  
Kenya  
Malawi  
Mozambique  
South Africa  
Sudan

### Expenditure by sector



- Emergency 25%
- HIV/AIDS 10%
- Other infrastructure 7%
- Agriculture/Natural resources 20%
- Supporting and training communities to deliver sustainable outcomes 27%
- Education 11%





## CHAIRMAN'S MESSAGE



My journey with CARE began 15 years ago as a donor. Since then, my affiliation and passion has only continued to grow over what has been an extremely memorable and rewarding period of my life. Joining CARE's Board in 2000, we faced a challenging agenda; close to a decade later I am very happy with our progress and optimistic about CARE Australia's future. I feel particularly proud of the valuable experience and passion evident in our Board, our strong leadership as part of the greater CARE family and our success in implementing projects to create lasting change for women and their communities.

I am confident in the coming years that CARE Australia will continue to build on its successes and address the complex issues of global poverty and discrimination in the communities where we have the privilege to work. In my final year as Chairman, I'm proud to report on our sustained strong performance and acknowledge the achievements and milestones reached in the past year.

In 2008/09 some of the communities we work in were overcome by natural disaster or conflict. Fortunately, our presence and existing partnerships in these communities meant we were able to provide a rapid and effective response.

In Ethiopia we helped thousands through the food crisis; in the Democratic Republic of Congo (DRC) we supported internally displaced people caught up in conflict; and we provided much-needed assistance to the people of Gaza.

We've also increased our number of emergency specialists to respond to emerging long-term disasters such as climate change. The islands of Vanuatu have always faced ferocious cyclones, flooding and landslides, but today these events are compounded by climate change. In 2008 we commenced our first ever project in Vanuatu, working with local communities to help them prevent, prepare for and respond to the growing threat from climate change.


As we enhance gender equality across all our programming, I'm excited to report on the implementation of new empowerment projects to help women and girls live, learn, earn and lead. These projects will help women to create lasting change that will benefit whole communities. We strongly believe that women and girls are key in the fight against poverty and will continue to provide them with every opportunity to reach their potential and help their communities to flourish.

With such achievements and a strong strategic direction, I feel it's time to pass on the Chairman's baton and am extremely pleased to be succeeded by Harold Mitchell AO. His tremendous experience in the corporate and philanthropic sectors gives me confidence that Harold's leadership will only strengthen CARE's ability to fight global poverty.

CARE Australia's continued success is testament to the commitment of the team who have shown great determination and passion in supporting some of the world's poorest communities to overcome poverty. Their professionalism and dedication help to ensure millions of people's lives continue to change for the better. I would also like to commend our Chief Executive, Julia Newton-Howes, my Board colleagues and CARE's Advisory Council members for their tireless efforts in the past year. The people behind our work are our greatest strength and my sincere gratitude goes to each and every employee, supporter, volunteer and partner.

I wish Harold Mitchell all the best in his role as Chairman and am sure CARE Australia will continue to deliver positive change and create lasting impact while acting as responsible stewards of the funds so generously donated to change the lives of millions.

Finally, as I step down from CARE Australia's Board, I feel honoured and extremely grateful for the experience of a decade. I leave humbled by the generosity of CARE's supporters and will always treasure the memories of the field staff I've met over the years. My respect for the people we strive to create change for will only continue to grow. It's been a true pleasure.

  
Peter Smedley  
Chair, CARE Australia Board

## CHIEF EXECUTIVE'S MESSAGE



The past year has held many challenges for us at CARE and for the communities we work with. I've read so many reports from our staff, the World Bank and a plethora of economic commentators about the impact of the global financial crisis in developing countries. The facts are stark; falling consumer demand, commodity prices and employment have challenged poor communities across the world. Put simply, more people have been pushed into poverty.

The technical language of these reports can often obscure the tragedy that occurs to people in poor communities globally. For example, a recent report from the World Bank said: 'Aggregate economic shocks have generally had much larger impacts on infant mortality among girls than among boys ... families appear to make greater efforts to protect boys than girls in dire economic times.'

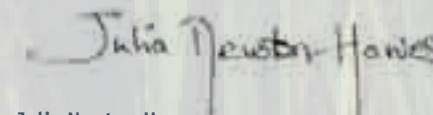
It's horrifying to consider the choices very poor families have to make in tough times. Yet, despite these difficult circumstances, we remain undeterred – our commitment to fight poverty and defend dignity is only heightened in the face of such overwhelming adversity. Now, more than ever, we must work to break moulds that have held women back, to ensure school doors open for children globally and to find opportunities for whole communities to overcome poverty. Our response, like all emergencies we face, is to address the underlying causes of poverty while supporting women and girls to create lasting change in their communities. With help from donors like you, we have been there to provide support in 24 countries.

For example, in Cambodia our work with health services has led to major improvements in immunisation rates, the number of pre- and post-natal visits and the use of health clinics. In Timor-Leste, we worked with villagers to build new roads – these rural roads, a first in the area, provided a source of income for poor women. We then helped these women use their income to start sustainable, small businesses. Today, the whole community recognises how valuable their contributions are and the women themselves are thriving. These two examples are just a snapshot into the change we're helping to create with your support every day.

In this year's Annual Report you'll read more about the changes we're witnessing in poor communities as well as some of the questions we ask ourselves as we strive to build a more just world for all. As we tackle the underlying causes of poverty, the barriers that women and girls face, climate change and conflict (to name a few), we constantly critique our approach to ensure the best possible outcomes for the people we work with. If the answers were easy, the problems would be solved by now. Only by asking questions, challenging old paradigms and understanding the perspectives of the communities we work with can we create real and lasting solutions.

I would like to farewell a very important member of the CARE family – our Chairman, Peter Smedley. After a ten-year presence on the CARE Australia Board and three years as Chairman, Peter is retiring in November. I wish to personally thank him for his wonderful support, guidance and his firm commitment to the work of CARE. His contribution has made a real and lasting difference. Peter will be ably succeeded by Harold Mitchell AO – another long-standing member of the CARE family. I look forward to working with Harold in the coming years.

I hope you'll be inspired by the strength of the communities we have the honour to work with, and lastly, would like to thank you again for helping us take ever more confident steps towards our vision of a world where poverty has been overcome and people live in dignity and security.



Julia Newton-Howes  
Chief Executive, CARE Australia

**'We strongly believe that women and girls are key in the fight against poverty and will continue to provide them with every opportunity to reach their potential and help their communities to flourish.'**

**'It's horrifying to consider the choices very poor families have to make in tough times. Yet, despite these difficult circumstances, we remain undeterred – our commitment to fight poverty and defend dignity is only heightened in the face of such overwhelming adversity.'**

# Q1

## WHERE DOES CARE WORK?

CARE Australia is a member of CARE International, a confederation of 12 independent non-profit, non-sectarian humanitarian organisations that share the same vision and work together to fight poverty and defend dignity.



Vietnam © Catherine Dolleris/CARE

CARE supported more than 55 million people through 1,139 projects in 70 countries.



Malawi © Tim Freccia/CARE

CARE employed close to 14,000 staff worldwide. Ninety-six per cent of CARE employees are citizens of the country they work in.



Timor-Leste © Jane Dempster/CARE

Our education programs helped nine million students gain the skills they need to succeed and removed barriers to school attendance – especially for girls.



Chad © Josh Estey/CARE

10 million people saved money, gained access to credit and learned skills to start or expand their business through CARE's economic development programs.



Sri Lanka © Melanie Brooks/CARE

CARE supported over 35 million people with information and services to protect their health, plan their families and raise healthy children. We also helped seven million people prevent the spread of HIV/AIDS and reduce the negative social and economic consequences of the epidemic.



PNG © Josh Estey/CARE

For more than 11 million people, CARE's water and sanitation programs increased access to safe water and improved health and hygiene practices.



Indonesia © Jane Dempster/CARE

We helped 10 million people improve crop production, increase income and sustainably manage natural resources.



Sri Lanka © Melanie Brooks/CARE

Our emergency response and preparedness programs reached more than 11 million people, with special emphasis on the needs of the most vulnerable: women, children and the elderly.

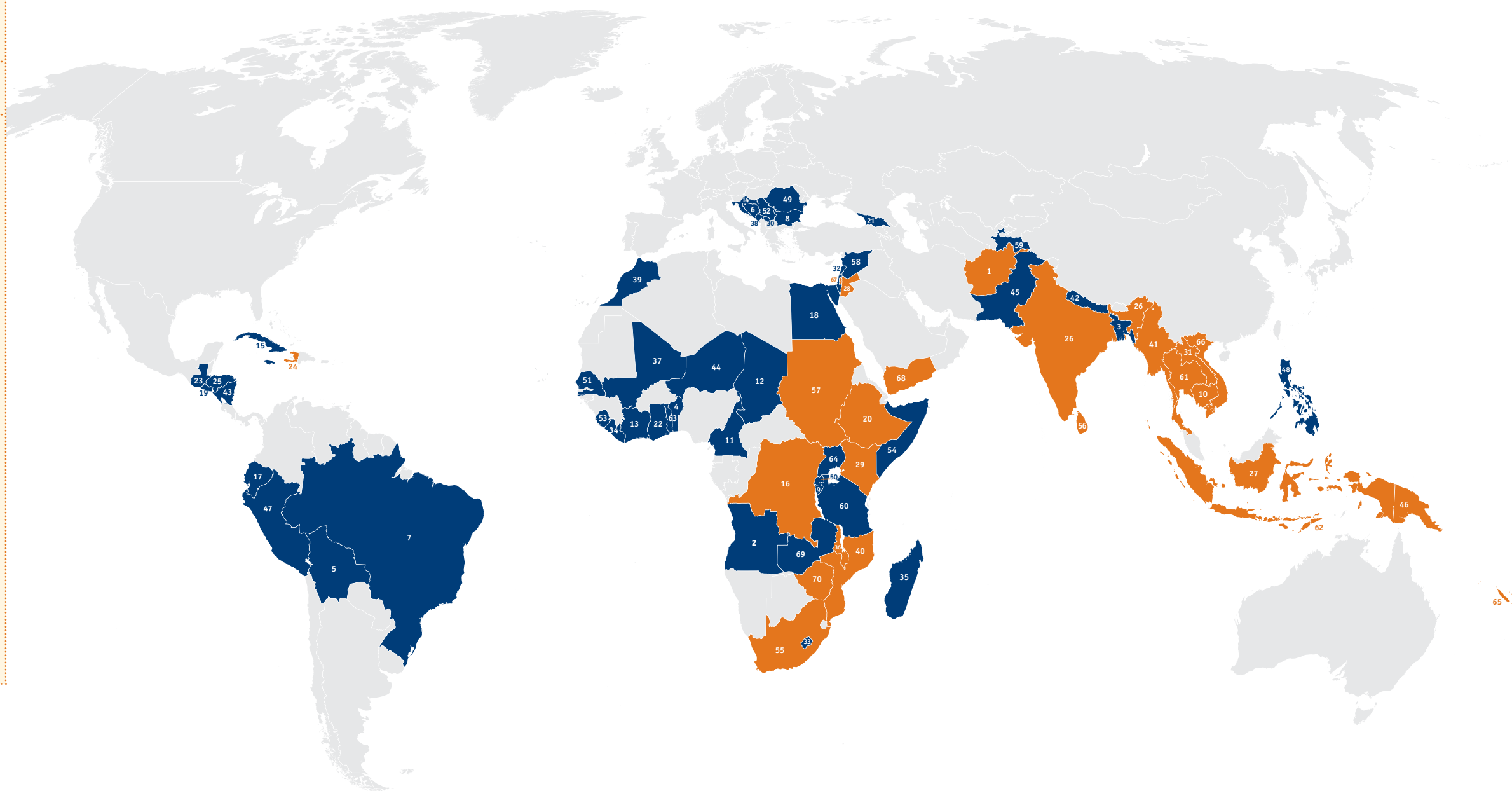
The numbers listed exceed the total number of participants because many CARE projects incorporate more than one programming sector.

# GLOBAL MILESTONES

## COUNTRIES WITH CARE PROGRAMMING IN 2008/09

- Countries with CARE Australia programming in 2008/09
- Countries with CARE International programming in 2008/09

- |                                  |                      |
|----------------------------------|----------------------|
| 1. Afghanistan                   | 36. Malawi           |
| 2. Angola                        | 37. Mali             |
| 3. Bangladesh                    | 38. Montenegro       |
| 4. Benin                         | 39. Morocco          |
| 5. Bolivia                       | 40. Mozambique       |
| 6. Bosnia and Herzegovina        | 41. Myanmar/Burma*   |
| 7. Brazil                        | 42. Nepal            |
| 8. Bulgaria                      | 43. Nicaragua        |
| 9. Burundi                       | 44. Niger            |
| 10. Cambodia                     | 45. Pakistan         |
| 11. Cameroon                     | 46. Papua New Guinea |
| 12. Chad                         | 47. Peru             |
| 13. Cote D'Ivoire                | 48. Philippines      |
| 14. Croatia                      | 49. Romania          |
| 15. Cuba                         | 50. Rwanda           |
| 16. Democratic Republic of Congo | 51. Senegal          |
| 17. Ecuador                      | 52. Serbia           |
| 18. Egypt                        | 53. Sierra Leone     |
| 19. El Salvador                  | 54. Somalia          |
| 20. Ethiopia                     | 55. South Africa     |
| 21. Georgia                      | 56. Sri Lanka        |
| 22. Ghana                        | 57. Sudan            |
| 23. Guatemala                    | 58. Syria            |
| 24. Haiti                        | 59. Tajikistan       |
| 25. Honduras                     | 60. Tanzania         |
| 26. India                        | 61. Thailand         |
| 27. Indonesia                    | 62. Timor-Leste      |
| 28. Jordan                       | 63. Togo             |
| 29. Kenya                        | 64. Uganda           |
| 30. Kosovo                       | 65. Vanuatu          |
| 31. Laos                         | 66. Vietnam          |
| 32. Lebanon                      | 67. West Bank Gaza   |
| 33. Lesotho                      | 68. Yemen            |
| 34. Liberia                      | 69. Zambia           |
| 35. Madagascar                   | 70. Zimbabwe         |



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



# Q2

## WHAT IS THE LINK BETWEEN DEFENDING DIGNITY AND FIGHTING POVERTY?

Our commitment to ending poverty has the defence of dignity at its heart.

'Our efforts to eradicate poverty must pay close attention to respect for human rights and the dignity of all. They must go beyond basic material needs and address discrimination and inequality. Let us guarantee the inherent dignity and equal rights of all members of the human family and strive for a world free of poverty and injustice.' – Ban Ki Moon, The Secretary General, United Nations.



People in poor communities have limited access to basic resources, fewer opportunities for education and little influence over the decisions that affect their lives. These deprivations assault and degrade human dignity, mostly for the sufferer, but also for the rest of us. Put simply, if there is injustice in the world, wherever it may be, its effects travel far beyond the gate of a house, or the borders of a country – we are all affected in one way or another.

That's why when CARE meets someone like Besinati we have to consider our response carefully. At 35 years of age, Besinati is just one woman of the 14 per cent of the adult population living with HIV in Malawi. Cultural beliefs and attitudes toward HIV have been major obstacles for women living with the virus and since Besinati was diagnosed, she's endured widespread discrimination.

To support Besinati with basic living items and essential health services would have improved her life in the short-term, but would not have addressed the discrimination she faced daily. Instead, we invited Besinati to join the Village Umbrella Committee, a group set up to help address the needs of the community, where she brought a voice and a face to those that have died in vain from HIV in her village.

After receiving training in positive living from CARE, Besinati started her own HIV support group for members of her community. Since then, her fight to bring HIV into the public eye and help people understand the virus has gone from strength to strength.

We can build fine schools, fund state-of-the-art hospitals and pipe fresh water into villages. Yet, if we're not affecting the social structures that hold people back, then the schoolhouse doors remain closed to girls, disabled people remain shuttered away and clean water runs only for the most powerful.

We are committed to tackling the underlying causes of poverty. That means investing in those on the margins of society: women, minorities and people who have been silenced by discrimination.

Through our Women's Empowerment Signature Program we will further strengthen our investment and commitment to defend dignity. The power of this program is twofold; it benefits individuals and, at the same time, fosters justice and equality for all members of a community, thus enabling us to develop innovative approaches to address gender-based discrimination.

For example, when violence erupted in Kenya after the 2007 election, CARE was there to support the innocent civilians who were caught up in the conflict. One of the worst hit areas was the slum of Kibera in Kenya's capital Nairobi. Houses and businesses were torched or looted while thousands of women and girls were sexually assaulted during the mayhem that ravaged the country.

In response to this crisis we first addressed the immediate needs of survivors; including shelter, food, clean water and access to health services. These measures helped immensely in the short-term, but we also had to consider the long-term implications and address the underlying causes of such atrocities.

In 2008 CARE staff, along with other members of civil society, testified on behalf of the brutalised Kenyan women in front of the Commission of Inquiry. This joint effort resulted in the inclusion of a specific chapter dedicated to sexual violence in the final report produced by the Commission. As a result, 300 women affected by the conflict came forward to seek justice and gave testimonies against their perpetrators. This was an important step to help these women regain their confidence and dignity. Our work to bring justice for the crimes committed is ongoing.

We will continue to work tirelessly with people like Besinati in Malawi and the women of Kibera. Each human being has a right to live free from poverty, determine their future and have a voice in their community. When that right is fulfilled for one, the dignity of all is multiplied.



Besinati in her village in Malawi © Tim Freccia/CARE



# Q3

## WHY DOES CARE FOCUS ON WOMEN AND THEIR COMMUNITIES?

Decades of experience in the world's poorest communities has shown us that development projects that focus on everyone may not always benefit women and girls, but development projects that focus on women and girls will benefit everyone.

There are two key reasons why we work with women and girls. The first is simple; women face a far heavier burden of poverty and discrimination. As a result, women around the world are disproportionately affected by poverty. The second reason, and our key motivating factor, is that women are an important part of the solutions needed to truly overcome poverty and injustice.

Put simply, working with women and girls makes good investment sense. We know from experience that, when equipped with the proper resources, women have the power to lift families and entire communities out of poverty. Women, more than men, tend to transfer improvements in their own lives into the lives of their children, families and communities. Increases in income, for example, typically translate into greater investment in children's education and healthcare. To ensure this happens we involve women and girls, as well as men, in community decision making and in the projects we implement.

For example, when CARE sets out to design a water project and we ask the whole community to meet to discuss the plan, chances are more men will attend the meeting than women. One woman may be by the river washing clothes, another one may be looking after children, a third may have been forbidden by her husband to leave the house. For a variety of reasons, in many places, women rarely participate in community decision making the way men do. Consequently, their voices aren't heard and decisions affecting the whole community are made without their contribution.

To mitigate this situation, CARE ensures women and girls are involved in community decision making from the beginning of a project. Our project officers may go from door to door in the community meeting women where they live and work to ask about their specific needs and uncover the issues they feel are affecting the whole community. Through this consultative process we've learned

a great deal. In Timor-Leste, we discovered that one of the reasons girls drop out of school when they reach puberty is because there are no toilet facilities at their local school. This information is vital to ensure we implement water and sanitation projects that benefit everyone.

By working with the whole community and ensuring everyone's voice is heard our programs are more effective and long-lasting. At the same time we are giving women and girls the opportunity to live, learn, earn and lead in their communities.

### The Problem

Of the world's one billion poorest people, 60 per cent are women and girls.

Every year more than 500,000 women die from pregnancy-related causes – a shocking statistic which has remained largely unchanged for 20 years.

Out of the world's 130 million out-of-school youth, 70 per cent are girls.

Women produce half the world's food but own only one per cent of its farmland.

### The Solution

When women earn an income, they reinvest 90 per cent of it into their families.

Educated girls grow into educated women, who – research shows – have healthier babies and are more likely to educate their children.

When a girl in the developing world receives seven or more years of education, she marries four years later and has 2.2 fewer children.

A study from Ghana showed that an increase in household assets held by women increased the budget for schooling and food, and decreased spending on alcohol and tobacco.



### THE HUSBAND AND WIFE TEAM IN MALAWI

In Kandaya village in Malawi, dozens of women belong to village savings and loans groups, a concept introduced by CARE. By saving their money together and making small loans to one another, the women have started small businesses and contributed to their family income. They use the money for a wide variety of activities that include increasing crop production, raising poultry, baking, and buying a bicycle to transport goods to market.

Eya Mafuta's wife Jinesi is a member. Eya gives Jinesi the income from his carpentry business to invest with her group. Eya's not the only man in the village who has noticed the women's accomplishments. 'After seeing what the women are doing and the benefits that are coming from it, we feel we are lagging behind,' he says. 'We don't want to stay in the old system where men could not seek advice from women. We want to change the situation and show that even men can learn from the women.'

37 year old Jinesi with her cattle in Kandaya Village, Malawi. Malawi©Phil Borges/CARE



### CHANGE STARTS AT A YOUNG AGE

With 3,200km of low-lying coastline, Vietnam will be among the top five countries affected by the world's rising sea levels. Giang is working as part of a voluntary 'green team' supported by CARE to reduce her village's vulnerability to typhoons and rising sea levels. As part of a larger CARE climate change project, the green team helps to support mangrove forests, clean beaches and remove garbage from mangrove trees. The mangrove forests act as living storm barriers, providing important shoreline protection. Villagers, including Giang, have joined forces to plant and maintain more than 200ha of forests along the coastline.

At 19 years of age, Giang is the leader of the green team of Da Loc Commune, volunteering with 20 other people aged from 16 to 20. Her dedication has inspired her whole community and her commitment is admirable; 'My message to the rest of the world is that we should protect the environment together. In the future I'd like to establish more green teams like us to help clean the environment,' said Giang continuing, 'I would like to enter the university for Agriculture and Forestry in Hanoi. After I can come back to work in the commune to improve the way we work with the mangroves and climate change.'

Giang helping to clean up her local beach as part of the volunteer 'green team'. Vietnam©Catherine Dolleris/CARE



### FISH FARMING FOR A FUTURE IN PNG

Four years after the Backyard Fish Farm Project began in Papua New Guinea's Eastern Highlands Province, Mariana's family is one of many which now has a sustainable livelihood, a first in this rural area traditionally plagued by unemployment and poverty.

The CARE supported Backyard Fish Farm is a co-operative of 200 members that dedicate two days each week to work on the 30 large fish ponds on the communal farm. Once fully grown, most fish are sold at local markets and the profits are distributed amongst the members and used to manage and expand the farm.

For Mariana, the fish farm has provided her with hope for a better future. Her family now has a sustainable income source in place of the meagre and unreliable income once earned during the three-month coffee season. This means her husband doesn't have to leave the family in search of work in a distant city.

With a range of new initiatives addressing community priorities including education, nutrition and adult literacy, Mariana was selected as one of the co-operative's female leaders. Her role is to facilitate women's involvement in these projects. 'I advise the women and bring them information and new skills that I learn at the meetings and training run by CARE. I also teach them how to do new things like construction work which is not something that women have traditionally done before,' she says proudly. Since the farm was started with just 30 fish, it is has created a powerful movement of change for these isolated Papua New Guineans.

Full of joy and hope for the future, Mariana in PNG. PNG©Josh Estey/CARE



# Q4

## HOW IS CARE BUILDING A GLOBAL MOVEMENT TO END POVERTY?

'At CARE we think of ourselves as one movement - with many voices. We are 14,000 people of nearly 100 nationalities, united by our determination to end discrimination, injustice and poverty.'

Julia Newton-Howes, Chief Executive, CARE Australia.

### CARE INTERNATIONAL

CARE Australia is proud of our efforts to reduce global poverty and defend human dignity, yet we recognise that we cannot face these challenges alone. Under the auspices of CARE International, a 12-member confederation with a global reach, we tackle global poverty together.

### ADVOCACY

CARE's focus on advocacy arises from an understanding that the causes of extreme poverty and vulnerability to disaster are often policy-related. By advocating for the rights of the world's most vulnerable we believe we can better address the underlying causes of poverty and multiply the scope of our impact.

For example, in disaster-prone areas we need to ensure local communities are prepared for emergencies. This preparedness will save lives and make future disaster assistance more effective. However, the effectiveness of disaster risk reduction will depend on informed decisions being made at many different levels, in different places and by different groups such as government agencies, communities and donor organisations. We believe

it is CARE's role, along with other like-minded organisations, to advocate at those different levels and inform the decision making process with the experience gained from many years in the field.

At a local level, we work with decision makers including community leaders, local authorities and governments to help determine the best possible outcomes for marginalised groups. For example, in Garissa, Kenya, we found that nomadic pastoralists were strongly disadvantaged when selling their livestock in times of severe drought. Their remote location and lack of bargaining power coupled with inequitable government regulations meant they were discriminated against when trying to sell their stock at market. In response, we worked with local partners to influence policy around livestock marketing and created pastoralist production groups ensuring the pastoralists could trade as a collective instead of as individuals. As a result, all pastoralists in the area now have equitable and increased access to markets.

While we have had great success creating lasting change through advocacy at local levels, we are also determined to bring about change on a global scale. In the coming years, CARE will work to raise awareness of maternal health in order to help

reduce global maternal mortality rates. We will advocate at local and global levels for the rights of the half a million women who die needlessly each year from complications of pregnancy in developing countries. In addition, our attention will also be drawn to the impacts of climate change to ensure the voices of those most affected, the poor, are heard. Both these advocacy stand points are part of a bigger picture to bring attention to global poverty.

### GLOBAL CHALLENGES

The challenges of the past year, and the global financial crisis have increased the difficulties we face in fighting global poverty. The collapse of financial markets, the rising cost of food, and the decline in donations to charities worldwide, reveal just how interconnected the world has become. Despite these difficult times, we believe we can reinvigorate the fight against global poverty. Our country offices, and the network of local partners and contacts they have, are the foundation of any global advocacy effort, and we are always working to ensure their voices are heard. Through this mechanism we are building a global movement to create better lives for millions of people.



# Q5

## HOW DOES CARE CREATE LASTING CHANGE?

Our programs aim to address the most pressing needs of poor communities. We work with these vulnerable and marginalised communities to design projects that respond to the needs *they* have prioritised. We aim to develop the skills and resilience of the communities we work with, training local staff and designing projects which will have long-term, sustainable benefits.

### CHOOSING OUR PROJECTS

When working with poor communities, we consider the symptoms of poverty in conjunction with the underlying root causes of poverty. A symptom of poverty might be hunger and lack of livelihoods, while the underlying causes may relate to discrimination, conflict or poor governance. Our approach is to work at all levels, improving the conditions people live in and addressing the root causes of poverty.

Generally we identify new project opportunities through an in-depth process of consultation and assessment. This may take place as a result of targeted assessment visits for program development, or as needs are identified as we implement existing projects with local communities. Project ideas may also arise overseas as our staff in developing countries work with partners (either community or government organisations), existing or previous project participants, institutional donors, or other NGOs.

Our programs are field-based and demand-driven; they change and evolve over time in response to in-country circumstances such as the global financial crisis, climate change and avian influenza.

4 A village savings and loans group member with her produce in Malawi ©Tim Freccia/CARE

### WORKING WITH COMMUNITIES

Our fundamental approach to long-term development promotes the involvement of communities to identify their needs and a commitment to supporting the efforts required to address them. Our rapid response approach to humanitarian assistance aims to minimise suffering within affected areas.

The exact methods used differ from place to place depending on local circumstances. However we always engage with the community at different levels including community leaders, local decision making bodies and marginalised groups such as women or minorities to ensure the voices of the poor are reflected in our work.

Once agreement has been reached about the project and permission gained from the community and responsible authorities to begin, CARE includes individuals from different areas of society in planning and implementation through project steering or coordination groups. This helps to ensure the needs of the entire community are met and any economic, gender or social problems are addressed and not perpetuated.

CARE staff in developing countries also work with other local organisations to support communities, based on shared values and interests. Depending on the local context, partners may include local NGOs, civil society organisations, government agencies, community groups, private sector or research institutions.

### MONITORING OUR PROGRAMS

Each project has a monitoring framework as part of its project design. This identifies what information is to be collected on project activities and how often, allowing us to check on the progress of project goals, objectives and the overall community impact. This helps identify what is working well, what approaches may need adjustment and what opportunities may be arising where we can improve the lives of the people we are there to support.

### LEARNING FROM OUR PROGRAMMING

We constantly look for opportunities to draw lessons from our work to help make current and future programs more effective. Multi-year projects usually include an annual review and planning process, allowing CARE staff and stakeholders to identify what is working well in the program and what should be changed or improved. Independent project evaluations provide further valuable information and insights for our work.

Across the different CARE International members, information and lessons are shared electronically or through workshops. This helps staff to learn from the experience of related programs in other countries and identify ways CARE's work can be improved in the future. We also share lessons and experiences with others in the development sector in Australia, including our peer NGOs and government bodies such as AusAID.



### BEST PRACTICE IN CAMBODIA

In Cambodia, 65 per cent of primary school age children do not attend school, and less than 10 per cent of the population have completed primary school. CARE has helped establish bilingual, community-run schools in the remote highlands of the northeast province of Cambodia so children from ethnic minorities can learn in their own dialect, as well as the national language, Khmer.

In partnership with local communities, CARE has already established six community schools and recruited and trained 43 local indigenous teachers. Over 650 children are enrolled from grades one to six, with the first group of primary school graduates commencing secondary school in 2009. The project has resulted in a significant increase of ethnic minority children completing primary school and the Government of Cambodia is now replicating the CARE model in other ethnic minority provinces in the country.

1 Students attending CARE's community school in Cambodia. Cambodia ©Josh Estey/CARE

### LASTING CHANGE IN MALAWI

Since 2004, over 2,500 women and 500 men have formed 215 village savings and loans groups across Malawi with CARE Australia's support. Together the group members invest small amounts of their money into a fund from which they can eventually borrow. As the fund grows with interest from repaid loans, the members begin to make money. The groups received training that provided them with the skills and knowledge to support their savings and loans groups and for some, start a small business to support their families.

Women across Malawi have opened small businesses selling second-hand clothes, fresh fruit, vegetables, milk and local baked goods, among others. As a result, all project participants have reported a growth in household income thanks to the savings and loans groups and have built their resilience to shocks and disasters such as food shortages. In addition, we've witnessed an increase on spending for education, health and food throughout the communities where the groups have been implemented.

This model of savings and loans is particularly suited to the rural poor, especially female-headed households who can only afford to make very small savings and have no access to formal financial services. Based on the great success of this project, other organisations have requested CARE's assistance to provide technical support to replicate village savings and loans activities in other communities.

2 Malawi ©Tim Freccia/CARE

### NUTRITION ENHANCEMENT IN TIMOR-LESTE

In Timor-Leste, some 40 per cent of the population live on less than 65c per day, experiencing times of extreme hunger when already scarce food supplies run out. The impacts of poverty are felt most by Timor's children; 47 per cent of children under the age of five are chronically malnourished (stunted) and 43 per cent are severely malnourished (underweight). Consequently, most children don't have breakfast before going to school and find it hard to concentrate on their studies.

In an effort to help address this ongoing problem, CARE has been working in collaboration with the Timor-Leste Ministry of Health to improve nutrition in children under five years of age, pregnant women and lactating mothers. As well as growth monitoring and supplementary feeding, CARE's efforts include support for growing vegetables and increasing the capacity of the health department staff through training and mentoring.

CARE is working with 120 community health volunteers to improve their skills in delivering health education messages to mothers and supporting district health staff in conducting mother and child health clinics. The volunteers see themselves as the bridge between their community and good health; this helps to ensure long-term impact beyond the project's end.

3 Timor-Leste ©Jane Dempster/CARE



PNG ©Josh Estey/CARE



# Q6

## HOW DOES CARE HELP IN AN EMERGENCY?

At CARE we are constantly improving our emergency response capabilities to ensure we are ready to provide emergency relief and on-going support to the people most affected by conflict, natural disasters, famine, disease and other crises.



The world's poorest people will continue to be the most affected by natural disasters, war, famine and outbreaks of disease in the coming years, so it's vital that we are capable of implementing effective and efficient emergency response programs.

Responding to humanitarian emergencies is an essential part of CARE's work in fighting poverty and injustice. As part of our overall assistance to poor communities, we help them strengthen and build their resilience to future disasters by helping them plan and prepare for disasters in addition to responding to emergencies.

### OUR EMERGENCY WORK

The primary objective of humanitarian response is to meet the immediate needs of affected people in the poorest communities in the world. CARE is a leader in humanitarian response and demonstrates the highest standards of effectiveness and quality.

There are three primary focal points of our humanitarian work:

- Food security
- Shelter
- Water supply, sanitation and hygiene

We also consider gender, disaster risk reduction, psycho-social issues and environment among our priorities in addressing the impact of a disaster.

We adhere to the principle of impartiality so we can provide assistance on the basis of need regardless of race, creed or nationality. We are also committed to addressing the rights of vulnerable groups, particularly women and children, in times of crisis.

We uphold the principle of working independently of political, commercial, military, or religious objectives and promote the protection of humanitarian rights.

We believe that local capacity can provide the most effective response to emergencies. However, by their very nature, emergencies often overwhelm local capacities, and in such situations CARE will respond in an appropriate, timely and effective way.

### OVERALL RESPONSE IN 2008/09

CARE Australia supported response operations to emergencies in Kenya, Ethiopia, Vietnam and Zimbabwe, and provided support to operations for conflict affected people in the Democratic Republic of Congo, Sri Lanka and Gaza. We provided emergency capacity building support to CARE Australia managed offices in the Asia Pacific as well as Mozambique and Kenya.

A disaster doesn't end when it's out of the news. Long after the press stopped reporting the 2004 Boxing Day tsunami, CARE was on the ground working with communities. Five years after the disaster, CARE has wound down its tsunami response program, having helped people in Sri Lanka, India, Thailand and Indonesia with the immediate needs of shelter, water and food, and then worked with communities to ensure that their long-term needs were met in shelter construction, water sources, improving maternal and child nutrition and livelihood recovery.

In 2008, Cyclone Nargis devastated Myanmar, killing 130,000 people and affecting 2.4 million more. The recovery of lives and livelihoods continues as part of a three year project. At the end of June 2009 CARE had provided vital assistance to more than 300,000 people throughout 195 villages.

Overall, CARE International responded to five natural disasters, including floods in Vietnam, wild storms in Sri Lanka, two cyclones in Madagascar and a cyclone in Bangladesh. In addition we provided emergency assistance to conflict-affected people and helped people caught up in eight complex crises including:

- Somali refugees in Kenya
- Internally displaced people in Sudan
- The cholera epidemic in Zimbabwe

More than 31 million people were affected by these events, and 3.6 million people in dire circumstances benefited from CARE's assistance.

### CARE AUSTRALIA'S EMERGENCY RESPONSE

#### Conflict in the Democratic Republic of Congo (DRC)

In August 2008, a dramatic resurgence of hostilities in the DRC displaced an additional 229,000 people raising the overall number of internally displaced people (IDPs) in North Kivu to around 600,000 living amongst host communities or in camps that were already stretched beyond coping capacity.

In October 2008, fighting on the periphery of Goma (Capital of North Kivu Province), including the destruction of existing IDP camps, caused around 70,000 people to flee towards Goma town only to find themselves surrounded by armed forces and on the frontlines of the fighting. As a result, the remaining camps in the area were forced to deal with a huge influx of displaced people. The situation was further worsened by an outbreak of cholera, the result of poor sanitation in both the IDP camps, and in the conflict-ravaged communities.

In addition to the mass movement of people, the killing of civilians and the use of sexual violence are taking a heavy toll on communities affected by the conflict in the DRC, particularly women and children.

CARE's immediate humanitarian response to the escalating violence in North Kivu was to secure vital resources for the continued survival of civilians in spontaneous camps such as schools, mosques and churches. CARE supported these groups throughout the crisis including their return to their homes.

We established facilities to meet the sanitation needs of communities to prevent further spread of cholera and other water-borne diseases, played a key role in raising awareness of sexually violent crimes, and were instrumental in the protection of victims.

Since November 2008, CARE has distributed hygiene and shelter kits to 2,962 households with funding from CARE Australia as part of the larger CARE DRC emergency response. A further 3,000 households returning to their own communities have received agricultural kits with materials to grow their own food and develop a permanent source of sustenance. More than 800 IDPs and over 3,500 school children have benefited from the construction of 19 new latrines and 23 block showers, while families returning to Rutshuru were helped with 52 family block latrines.

CARE has also established seven new fully-equipped health structures devoted to victim support and awareness raising of sexually violent crimes, while providing comprehensive staff training for the clinical and psychological treatment of rape.

#### Conflict in Gaza

On 27 December 2008, bombs began to fall on the Gaza Strip, one of the most densely populated areas in the world. According to the UN nearly 1,500 people were killed and 5,400 injured. Approximately 29,000 homes were damaged or destroyed, and a further 60,000 people fled to UN shelters. This is in an area where 80 per cent of the population – 1.4 million people – were already dependent on some form of food assistance.

CARE has worked in the West Bank and Gaza since 1948, and has 18 staff members in the Gaza Strip. We initiated the Gaza emergency response, providing urgently-needed food and health supplies within hours of the conflict starting. We reached over 324,000 people, supplying medicine and hospital equipment to 13 hospitals and health clinics, and through our ongoing projects, we provided food, clothing, blankets and hygiene

supplies to people who had lost almost everything through destruction or displacement. We also supplied drinking water and water for domestic use to more than 20,000 people and continue to provide a weekly supply of fresh vegetables to 60,000 people in Gaza.

#### Food crisis in Ethiopia

In July 2008, at least 4.6 million people in Ethiopia were in need of urgent food assistance, as a combination of drought and rapidly-increasing food prices left people across the country without food. For millions of people, food simply wasn't available, but in many cases, even where the food was for sale at local markets, the prices were so exorbitant that most simply couldn't afford basic meal items that had tripled in price.

In response, we have provided supplementary food for 33,060 malnourished children and 17,527 pregnant and lactating women in the badly affected regions of East Hararghe, Borana and Afar.

We have also admitted more than 3,101 children with acute malnutrition to our outpatient therapeutic feeding program and a further 351 complicated cases to our stabilisation centres. CARE also transferred food rations to 204,783 of the most vulnerable people through the Government's productive safety net program.

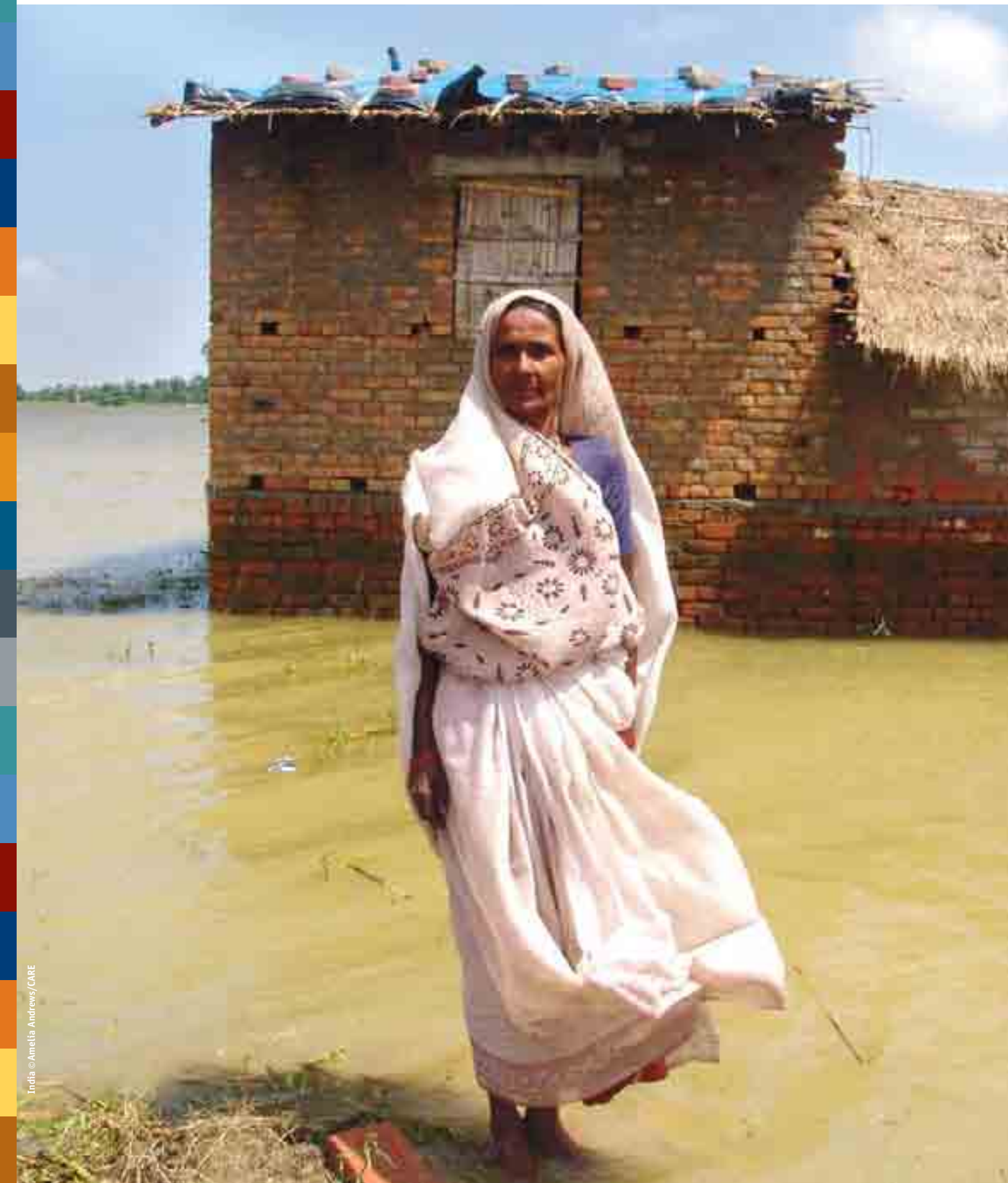
In addition, CARE has been providing supplementary feed for livestock in order to protect the livelihoods of poor pastoralists, ensuring 12,200 cows and 1,710 goats/sheep were fed daily. At the same time, CARE has continued to provide clean drinking water to ensure schools and clinics could remain open.

- 1 Children washing their hands with clean water as part of a greater health program in the DRC ©Tim Freccia/CARE
- 2 Boxes of fresh food for delivery in Gaza ©CARE
- 3 Food distribution in Ethiopia ©Amber Mickle/CARE



# Q7

## HOW IS CARE RESPONDING TO CLIMATE CHANGE?



India ©Amelia Andrews/CARE

'Climate change is worsening the plight of those hundreds of millions of men, women and children who already live in extreme poverty - and it threatens to push hundreds of millions more people into similar destitution. A concerted international response to this unprecedented challenge is required if we are to avoid catastrophic human suffering.' - Dr. Robert Glasser, Secretary General, CARE International.

Many of the world's poorest people are living in the harshest and most disaster-prone environments in the world. Changing weather patterns are having a disproportionate impact on these communities and their livelihoods. Prolonged droughts, shorter and more intense rainy seasons and unpredictable cyclones are just some of the negative impacts of climate change. Climate change also poses a global threat to the achievements CARE has made in reducing global poverty.

As an organisation working to improve the health and financial security of the world's poorest and marginalised people, we believe that addressing the underlying vulnerabilities of these communities must be central to our response to climate change.

We are responding comprehensively through our programs, our advocacy efforts and by taking responsibility for our own emissions of greenhouse gases. Our work aims to support the most vulnerable communities to overcome the negative impacts of climate change and to capitalise on new and emerging opportunities in carbon finance and reduced emissions from deforestation and degradation (REDD). In this area we are working to ensure that social and environmental standards and safeguards are in place to protect the rights and interests of indigenous and forest dependent communities.

We are also working with CARE International and partners to advocate for positive outcomes at the United Nations Framework Convention on Climate Change (UNFCCC) and to influence Australian government policies and programs to ensure that the needs of the poorest communities in the world are understood and addressed. This is reflected in two reports CARE has recently released; *In Search of Shelter: Mapping the effects of climate change on human migration and displacement (2009)* and *Humanitarian Implications of Climate Change: Mapping emerging trends and risk hotspots (2008)*.

### IN OUR PROGRAMMING

We are working to build capacity among those most threatened by a changing climate. We support a proactive disaster risk reduction (DRR) approach to development programming as indicated in the United Nations Hyogo Framework for Action 2005. We work with communities to identify their vulnerabilities and build their capacity to respond to disasters and recover more quickly and effectively. Relatively small interventions which help communities prepare for or minimise the impact of disasters are essential to prevent climatic changes from devastating the lives and livelihoods of the poor and marginalised. This work is needed before a disaster strikes.

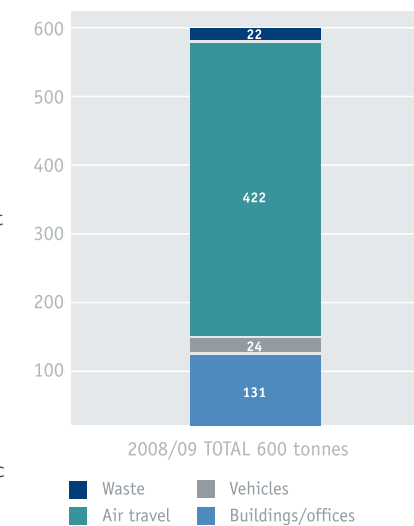
We have worked for many years to improve community resilience, develop local capacity and to empower women and their communities. This gives us a strong foundation on which to build our climate change adaptation programs. Our response to climate change includes screening and evaluating our projects to look for ways to improve our work in terms of resilience to a changing climate, long-term sustainability and capacity building in the communities where we work.

To strengthen our response, we are working with CARE International to integrate climate change adaptation into all our projects and to design interventions that reduce the risks posed by climate change. As part of this initiative, we have contributed to the development of new tools and methods that will allow us to more effectively address these problems. The first of these tools was released in June 2009: *The Climate Vulnerability and Capacity Assessment handbook* is available at [www.careclimatechange.org](http://www.careclimatechange.org)

### IN OUR OPERATIONS

We take responsibility for the emissions of greenhouse gases from our operations and are working to reduce them. Our carbon footprint has been calculated for 2008/09 using the CARE Australia Greenhouse Gas Emissions Calculator which draws on National Greenhouse Accounts Factors 2008 and has been independently checked. Understanding our footprint helps us build an appropriate plan for reducing emissions in the future. This analysis is for our Australian operations only - we will expand to consider our overseas operations in the coming years.

### CARE Australia's carbon footprint 2008/09



Special thanks to Net Energy Pty Ltd for evaluating the accuracy of the emissions analysis

### Our achievements in 2008/09:

- Commenced development of the CARE Australia Climate Change Action Plan and the CARE Australia Climate Change Policy
- Strengthened our Green Team and engaged staff in taking action to reduce our greenhouse gas emissions
- Increased signage in the office encouraging staff to reduce paper waste and water use, and turn electrical appliances and lights off when not in use
- Educated staff about the significance of climate change
- Commenced offsite composting to reduce the organic waste that is going to landfill
- Installed infrastructure to support plastic and paper recycling
- Started the process of purchasing video conference facilities to reduce air travel

### Our priorities for 2009/10:

- Finalise and implement the CARE Australia Climate Change Action Plan and the CARE Australia Climate Change Policy
- Analyse our staff flight patterns to better understand how to reduce our emissions
- Consider purchasing renewable energy and carbon offsets for emissions that cannot be avoided
- Reduce our energy use from lighting and equipment
- Source more recycled paper products

### BEARING THE BRUNT IN VANUATU

Remote islands in Vanuatu already experience ferocious cyclones, flooding and landslides; today these hazards are being compounded by climate change. The remote geographic location of these islands means that supply ships only visit twice a year, and the people are cut off from government services such as health care. They also have unreliable phones and no radio coverage, making it difficult to warn of incoming storms or call for help after such events.

Changing patterns of natural disasters - like those the people of Vanuatu increasingly face - are some of the rapid-onset impacts of climate change. Long-term problems are also emerging in Vanuatu as rising sea levels increase coastal erosion and cause the salinity of water supplies vital for both crops and drinking water.

In response to these problems, we are working on community-based disaster risk management initiatives on remote islands in Vanuatu. In collaboration with the National Disaster Management Office (NDMO) and local NGOs, we are helping communities to prevent and withstand the potential effects of disasters by providing improved infrastructure and building the capacity of local staff.



# Q8

## WHAT ARE CARE'S PLANS FOR THE FUTURE?

'I have a new found confidence. For the first time I know I am important for my family and my community.' – Zahara Fathi, CARE project participant, Afghanistan.

As the world around us changes rapidly, key external challenges are affecting our work with vulnerable communities. Many countries and communities are facing increasing food shortages; the global financial crisis continues to have far-reaching effects; and the impact of climate change on the world's poor and vulnerable is increasing by the day. At CARE Australia, we are working to ensure that our organisation is best equipped to meet the needs of the world's most vulnerable communities now and in the future.

### IN THE NEXT YEAR

Over the past three years, CARE has carried out a strategic impact inquiry on women's empowerment. This extensive global study challenges our understanding of how to bring about sustained change in women's lives. The study found that empowerment is more than women doing or having more, being smarter or stronger. It requires change in the structures (environment) and relationships that shape the choices and results to which women can aspire. Following on from this key finding we have further committed ourselves to ensure women's empowerment is embedded in all of our work, and that we provide women and girls with opportunities to live, learn, earn and lead so they can help their communities overcome poverty.

In addition to our ongoing gender focus, we will be implementing the first three of our Women's Empowerment Signature Program projects in Kenya, Cambodia and Timor-Leste. Over the next twelve months, we will develop and monitor these projects to ensure they achieve their goals of improving the human condition of women and girls through improved access to health, education and economic opportunities, as well as improving the social position of women and supporting a positive policy environment that increases women's opportunities.

Climate change is another key strategic priority. Our approach to this complex and potentially catastrophic development challenge is constantly evolving as we further integrate climate change issues and practices into our programs and operations. In the next year, this will include monitoring and reducing our own emissions as well as analysing our programs and developing tools to improve our work with communities. As we identify vulnerabilities in communities we create powerful partnerships to build their capacity to cope with disasters, adapt to climate change and recover

more quickly and effectively from the challenges posed by our changing environment.

We will also continue to develop our presence in Australia, inviting our supporters to engage with our work through key events and our *I am powerful* campaign. In early 2010, we plan to embark on a donor acquisition strategy which will introduce sustainable development to a new audience through face-to-face fundraising nationally.

Lastly, we will be working to ensure our organisational health. Within our own operations, we will progress improvements to our internal systems, including our financial and information management systems. We will continue to build an inclusive organisational culture that recognises our staff in Australia and in the developing countries in which we work as our greatest asset.

Our team throughout the world are already working hard to implement these plans for the future to ensure we learn from our work and continue to meet the needs of our partner communities.

### IN THE NEXT FIVE YEARS

In the next five years, we will work to consolidate our reputation for demonstrating significant, positive impact on poverty and social injustice through the empowerment of women and their communities. We will achieve this goal through the continual delivery of innovative and quality programs, as well as greater resources, effective leadership, efficient and reliable systems and highly motivated, diverse and professional staff.

Our strategic vision for 2010-2015 has been in development throughout 2009. This process has included extensive consultation and meetings with all staff to envision and map the next steps for CARE Australia and the people we work with. The resulting strategy will encompass all aspects of our work to overcome poverty and defend dignity.

Our focus on women's empowerment will continue to provide a strong platform for our programming, operations and advocacy. This will be backed by strengthened and enhanced systems in the field and Australia that will facilitate more effective and efficient management. We plan to increase our reach, assisting a greater number of people. To do this will require increased fundraising revenue.



Bangladesh © Josh Estey/CARE



Vietnam © Jason Sangster/CARE



Ethiopia © Phil Borges/CARE

### CARE INTERNATIONAL

CARE Australia is a member of the CARE International confederation. Over the next five years, the confederation will continue to improve program efficiency and effectiveness, and improve responses to humanitarian emergencies.

CARE Australia's efforts are aligned with the CARE International strategic plan, which sets out an agenda for action for the entire confederation. The plan is the result of an in-depth review of our past accomplishments and extensive consultations with staff, partners and donors. CARE International has identified six strategic directions which will be the reference point for all CARE International members including CARE Australia and our country offices. The directions include:

- Building our capacity to respond to disasters
- Advocating for the rights of the poorest
- Diversifying and strengthening CARE International's membership
- Expanding our information and knowledge management
- Building shared expertise in key program areas
- Reforming our internal governance structure

We believe the implementation of these strategic directions will strengthen our collective impact by harnessing our global scope, making the most of our field-based learning and creating the organisation we need to achieve our overarching goal to overcome poverty.



# Q9

## HOW DID YOU MAKE A DIFFERENCE?

Getting involved with CARE is easy; just ask the 30,656 donors who helped us fight poverty and defend dignity throughout the 2008/09 financial year.

### OVERVIEW

Amidst the global financial crisis we were moved by the generosity of our supporters. In the past financial year, at a time where the global economy was at its weakest, we witnessed an 11 per cent increase in fundraising from our core donors. More than 550 of our regular givers elected to upgrade their donations and many of our core donors joined our regular giving programs. However, in other areas of fundraising, such as major gifts, we felt the impact of the economic downturn with supporter numbers remaining steady, but donation size decreasing.

In May 2009 we launched the *I am powerful* campaign, as well as our new website. The campaign, generously supported by Mitchells Communications Group, highlights CARE's focus on working with women and their communities to overcome poverty and defend dignity.



### LOOKING BACK

#### 21st Anniversary Gala Dinner

In September 2008, we celebrated our 21st anniversary with a gala dinner in Melbourne's Docklands. With over 700 attendees, including founding Chairman, The Right Honourable Malcolm Fraser AC CH and his wife Mrs Tamie Fraser AO, the then leader of the opposition, Brendan Nelson, Labor MP, Simon Crean and entrepreneur, Dick Smith, the event was a fantastic success.

The attendees celebrated CARE Australia's success in providing practical solutions to poverty in some of the world's poorest communities since 1987, and helped to raise close to half a million dollars with proceeds being used to support CARE's long-term development projects and emergency relief work.

Our Master of Ceremonies, Eddie McGuire, led an unforgettable evening of entertainment provided by The National Boys Choir, David Campbell and Rachael Beck, as well as international speakers including Timor-Leste's First Lady, Kirsty Sword Gusmao, and CARE Myanmar's Country Director, Brian Agland.

#### Cycle Challenges

In October 2008, Network Ten challenged their staff to participate in a CARE Cycle Challenge. Budding with enthusiasm, an intrepid group embarked on a 500km adventure that took them along the banks of the mighty Mekong River into the highlands of northern Laos. In doing so, they raised more than \$37,000 and witnessed firsthand how their hard-earned fundraising dollars can assist families to overcome poverty. The participants were thrilled when they arrived at CARE's water and sanitation project in Phongsaly Province and saw the benefits of accessing clean water, health services and even livestock banks.

#### One Just World

One Just World is a national series of free speakers' forums funded by AusAID aimed at involving the

Australian community in conversation and debate on key international development issues facing Australia, the Asia Pacific and beyond.

Our Chief Executive, Julia Newton-Howes, gave a moving speech on International Women's Day at the World of Music Arts and Dance Festival (WOMAD) in Adelaide as part of the series. She spoke about the plight of women living in poverty and the need for gender equality to help create lasting change in poor communities.

#### Conference on extreme poverty in Papua New Guinea

In May 2009, CARE Australia joined with The Lowy Institute for International Policy and the Australian National University in a conference to discuss the situation of extreme poverty in Papua New Guinea (PNG). With approximately one million rural villagers struggling to survive on very low incomes, food shortages and limited access to basic services, Australia's closest neighbour faces poverty comparable to South East Asia and Africa.

The conference brought together key people from PNG, Australia and other areas in an effort to raise awareness of critical issues and develop strategies to tackle them. To address these challenges, the conference focused on the role of women as a central theme and placed importance on using local ideas, local supplies and local leadership to address issues.

CARE is currently supporting remote and disadvantaged communities in PNG with improved agricultural practices, water supply, education, HIV prevention and care, disaster risk management and capacity building. We are also working to address gender-based violence and provide women with increased opportunities to generate income. The conference provided a chance to explore further opportunities for Australia and PNG to work together to bring about lasting change.

### COMMUNICATING WITH OUR SUPPORTERS

Communicating with our supporters remains a priority for the CARE Australia team. Our new website, launched in May 2009, provides our latest news, emergency updates, stories from the field and the opportunity for supporters to sign up for regular e-updates. We have also introduced social media tools such as Twitter, Facebook and our own blog to increase engagement opportunities with CARE Australia. These engagement tools have proved very successful with overall website access growing in the past financial year.

Towards the end of the 2008/09 period we developed a supporter survey to help us understand the needs of our donors and identify the best way to communicate with them. This survey was sent to over 35,000 supporters in July 2009. The results will be used to ensure our communication remains relevant, engaging and cost-effective.

### LOOKING AHEAD

We are always finding new ways to engage the public and existing supporters in our work. In 2009/10 look out for: the launch of CARE's film *A powerful noise*, our public lectures about the need for gender equality in development, and a documentary focusing on our work in Timor-Leste on the Ten Network. Also, for the first time donors will be able to securely log-in to our website and view their giving history and update their personal information and preferences.

CARE will also be implementing face-to-face fundraising, introducing more Cycle Challenges as well as supporting more engagement opportunities for corporate partners and major donors.

For a detailed list of supporters please refer to page 26.

- 1 21st Anniversary Gala Dinner © Brad Hicks/CARE
- 2 Soaking up the scenery on the Network Ten Cycle Challenge in Laos © Jess Perrin/CARE
- 3 Smiling children in Sri Lanka © Josh Estey/CARE



# Q10

## WHO ARE CARE'S SUPPORTERS AND PARTNERS?

Your compassion, confidence and generosity enable us to make a difference to people's lives everyday – thank you.



Timor-Leste © Jane Dempster/CARE

We would like to thank the following organisations, trusts, foundations and individuals who provided us with substantial financial or in-kind support during 2008/09. Your generosity ensures we can continue to strive for a world without poverty, where women and girls can bring lasting change to their communities. From the team at CARE Australia, thank you.

**MAJOR DONORS** Mrs Claire Bamford Mr Jamie Christie Mr and Mrs John Creaser Mr M P de Jong Ms Claire Dwyer Mrs Neilma Gantner Dr Geoff Handbury AO Mr Andrew and Mrs Stephanie Harrison Mr Barrie and Mrs Judie Hibbert Mr Peter and Mrs Barbara Hoadley Mr David Hodgson Dr and Mrs William Howard Dr John Hunter Mr Rob Koczkar and Ms Heather Doig Mr Mark and Ms Alison Leemen The Honourable Ian Macphee AO Mr Baillieu Myer AC Dr Graeme Robson Mr Dick and Mrs Philippa Smith Mr Brett Thompson Mrs Angela Walsh Mr Derek Weeks Mr TC Wollaston Cally and Justin Wood

**TRUSTS AND FOUNDATIONS** Ake Ake Funds ANZ Charitable Trust - Will and Dorothy Bailey Foundation Davies Family Foundation Jewish Aid Australia John Murphy Charitable Trust Kel and Rosie Day Foundation Dubai Cares Leech Family Trust Moray and Agnew Mundango Abroad P and S Bassat Family Charitable Foundation Paul Ainsworth Charitable Foundation Ravine Foundation The Charitable Foundation The George Lewin Foundation The Robert Christie Foundation Victorian Community Foundation Wood Family Foundation

**BEQUESTS** Ms Pam Aldridge Ms Marie J Brown Mr Colin G Campbell Mr Donald W Grant Ms Hedy Holt-Prochazka Ms Joan L Kerr John Murphy Charitable Trust Mrs Sybil M O'Brien Mr BR Plante Ms Olive F Saunders Mrs Heather G Shakespeare Mr Wesley Stephenson Miss Robyn Trinder Mrs Winifred West Mrs Dorothy L Wetzler

**CORPORATE PARTNERS** AAMI Australia Abundant Byron Pty Limited ACCOR AGL Employees Community Fund Air Communications Alinta Finance Pty Ltd Allens Arthur Robinson Amcor Australasia AMP Foundation ANU Students Association Arthur J Gallagher Australasia Holdings Pty Ltd Arup ASX Limited Attorney General's Department Australia and New Zealand Banking Group Limited Australian Agricultural Chemicals Pty Ltd Australian Communication and Media Authority Australian Competition and Consumer Commission Australian Defense Organisation Australian Government Solicitor Australian Paralympic Committee Australian Wealth Management Aviva Australia Bayer CropScience Australia BHP Billiton Blake Dawson BlueScope Steel Limited CAF Caladh Investment Pty Ltd Caltex Australia Castelain Pty Limited Centrelink CITEC CDS Clayton UTZ Clemenger BBDO Colonial First State Commonwealth Bank Computershare Ltd Cover-More Insurance Services Cygnet Capital Pty Ltd David Harvey and Celia Waters P/L Deloitte Department of Family and Community Service Department of Finance and Administration Department of Health and Human Services Department of Justice and Industrial Relations Department of Planning and Community Development Department of Prime Minister and Cabinet Department of the House of Representatives Deutsche Bank Drew Robinson Pty Ltd EDS Sydney Social Club Education - QLD EMP Workplace Giving Envirocare Systems Ernst and Young Footprints Fundraising Freehills FTSSC Ltd Qld GKN Aerospace Social Club Goldman Sachs JBWere Gowrie Victoria Guest Properties Guests Furniture Hire Hutchison Telecommunications (Australia) Limited IBTF Independent Pricing and Regulatory Tribunal of NSW Infrastructure Jetmaster (VIC) P/L Jewish Aid Australia Kangan Batman TAFE Broadmeadows Campus Karma Currency Kay and Burton KBR Holdings Pty Ltd Kimberley-Clark Australia KPMG - Victoria Land Services Group Leighton Holdings Limited Macquarie Bank Mallesons Stephen Jaques Maple-Brown Abbott Ltd Mazon Australia Medicare Melbourne Water Members Equity Bank Mitchell and Partners Qld Pty Ltd Mitchell Communication Group Mundango Abroad National Australia Bank Limited National Credit National Wealth Management Services National Australia Bank Network Ten Nine Network - Melbourne Northern Territory of Australia OneSteel Limited Partners In Performance International Peter Lee Associates Philrene (West) Pty Ltd Port Phillip City Council Portfolio Partners Precision Plating Charitable Trust PricewaterhouseCoopers Prime Practice Property 4 Retail Qantas Airways Ltd Quest - Southbank Rabobank Australia Limited Ravine Foundation Rusher Rogers Recruiting Pty Ltd Salmat Limited Samuelson Talbot and Partners Silvant Nominees Simonds Homes Skyreach South Pacific Tyres Spotless Group Sussan Corporation Pty Ltd Swire Shipping Sydney Water Corporation The Boston Consulting Group The Treasury The University of Melbourne Thomas Hare Investments Ltd Thomson Playford Toshiba (Australia) Pty Limited UBS Holdings Pty Ltd United Way Sydney Uniting Church in Australia Victorian Community Foundation Vinta Group Pty Ltd Walker Refrigeration Cabinets Westpac Banking Corporation Wollongong Public School Women and Children's Health Services Woodside Energy

**21ST ANNIVERSARY GALA SUPPORTERS** Abercrombie and Kent Aust P/L Adairs Allens Arthur Robinson AusAID Austraining International Australia and New Zealand Banking Group Limited Australian Football League Aviva Australia Birch Communications Pty Ltd Blake Dawson BlueScope Steel Limited Cardno Acil Pty Limited Chase Properties Clayton UTZ Clemenger BBDO Colonial First State Commonwealth Bank Cygnet Capital Pty Ltd Deloitte Drew Robinson Pty Ltd Foster's Group Gallagher Broking Services Goldman Sachs JBWere Foundation Gresham Partners Guest Properties Guests Furniture Hire Harvey Norman Honda Australia Pty Ltd Insurance Advisor Kay and Burton KPMG - Victoria Linfox Australia Pty Ltd Linfox L'Oreal Mallesons Stephen Jaques Marmalade Marshall White and Co Melbourne Cricket Club Mitchell Communication Group National Australia Bank Limited National Australia Bank One Stop Capital OneSteel Limited Opera Australia Oppeus Partners in Performance International Paspaley Pearling Company Pty Ltd Perri Cutten Australia Philrene (West) Pty Ltd PricewaterhouseCoopers Property 4 Retail Qantas Airways Ltd Rivers Australia Pty Ltd

Robejohn Associates Samuelson Talbot and Partners Simonds Homes Spotless Group Storm Sustainability Pty Ltd Suite Deals Tommy Hilfiger Toshiba UBS Holdings Pty Ltd Westpac Zagame Automotive Group

**FUNDRAISING COMMITTEE** Jane Baillieu Celia Burrell Cara Cunningham Chloe Fitzwilliams Hyde Jeanine Froomes Sarah Kirby Serena Mitchell Jocelyn Mitchell Robbie Parkes Caroline Pescott Arabella Tremlett Sarah Manifold Kate Veall

**CARE YOUNG EXECUTIVE COMMITTEE** Abi Cleland Troy Hey Kerrie Lavey Andrew Lazarus Timothy Toner

Our global partnerships allow us to deliver more effective assistance to people in need. Many of our programs throughout the world are delivered in collaboration with other organisations including bilateral partners, multilateral partners, community-based organisations and other non-government organisations. In particular, we are grateful for our partnership with the Australian Government through AusAID. Together we are working in 17 countries with funding from the AusAID NGO Cooperation Program, Cooperation Agreements and humanitarian and emergency response programs.

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

**MULTILATERAL** Asian Development Bank (ADB) European Commission Humanitarian Aid Office (ECHO) European Union (EU) Joint United Nations Programme on HIV/AIDS (UNAIDS) The Global Fund to Fight AIDS, Tuberculosis and Malaria (The Global Fund) The World Bank United Nations Children's Fund (UNICEF) United Nations Development Programme (UNDP) United Nations High Commissioner for Refugees (UNHCR) United Nations Office on Drugs and Crime (UNODC) United Nations Population Fund (UNFPA) United Nations World Food Programme (WFP)



Indonesia © Jane Dempster/CARE



# Q11

## WHO WORKS FOR CARE?

The success of our fight against global poverty depends on the commitment and dedication of our staff. Their professionalism, knowledge, and experience ensures that we lead the fight against global suffering, while helping women and girls create lasting change in their communities. We are committed to our staff's ongoing learning and development and proud that they are considered experts in their field.

### STAFF PROFILE

CARE Australia employs 1,689 staff; 61 are based in Australia and 1,628 are based in our offices in developing countries. In the past financial year, recruitment in our country offices has grown by more than 20 per cent. This growth can be attributed to CARE's proactive response to Cyclone Nargis in Myanmar and the continued expansion of programs in developing countries. In contrast, there has been minimal growth in recruitment for our head office due to a restructure aimed at ensuring more efficient delivery of services.

Over 92 per cent of all staff employed by CARE Australia are nationals of the country they work in.

#### Staff by location<sup>1</sup>

Location	Expatriate staff	Local Staff	Total Staff
Australia	n/a	n/a	61
Cambodia	10	185	195
Jordan	1	83	84
Laos	8	87	95
Myanmar/Burma	14	793	807
Papua New Guinea	2	32	34
Regional (Mekong)	2	0	2
Timor-Leste	18	211	229
Vanuatu	1	3	4
Vietnam	6	116	122
Yemen	3	53	56
Total staff	65	1563	1689

#### Staff growth

Staff growth	30-Jun-08	30-Jun-09	% growth
Australian-based	60	61	1%
Overseas-based	52	65	25%
Total CARE Australia contracted staff	112	126	12%
National staff	1291	1563	21%
Overall	1403	1689	20%

### VOLUNTEERS

We are a partner organisation of the Australian Youth Ambassadors for Development (AYAD) program as well as the Volunteering for International Development from Australia (VIDA) program. Both programs are Australian government initiatives that support skilled Australians to volunteer in developing countries. In 2008/2009 CARE supported 18 volunteers in our field offices through AYAD and VIDA.

### EQUITY AND DIVERSITY

We continue to encourage workplace equity and diversity through equal opportunity and anti-discrimination policies. Our staff originate from over 20 different countries and from continents including Africa, South America, Europe and Asia.

At the end of June 2009, 60 per cent of our senior management team and 46 per cent of our managers were female. Following a comprehensive gender, equity and diversity gap analysis conducted in 2007/08, CARE has continued its commitment to gender, equity and diversity by instituting a program that endeavours to create an inclusive organisational culture through building Communication, Respect, Empowerment, Accountability, Trust and Equity (the CREATE program).

### DEVELOPING CARE STAFF

We remain committed to responding to the needs of staff and providing professional development opportunities. In 2008/09 we conducted three orientation sessions for over 35 new staff members from Australia and overseas. These sessions introduce staff to the history, mission, values, codes and principles that govern our organisation, and help to overcome geographical barriers and foster organisational unity and cooperation between staff.

In the past year, over 90 per cent of Australian-based staff participated in formal professional development training. The majority of new managers and supervisors attended people management training in 2008/09.



Timor-Leste © Jane Dempster/CARE

In January 2009, staff in the International Programs department embarked on an ambitious year-long professional training program to improve their technical skills and ensure best-practice program management. In addition, 35 national and expatriate staff in Timor-Leste, Papua New Guinea and Vietnam received HR training.

In recognition of the need to further develop the skills and expertise of our national staff, the role of HR Coordinator was created and filled in May 2009. This senior HR role is solely dedicated to supporting and improving the skills and knowledge of national staff in our overseas offices.

### RECRUITMENT AND RETENTION

CARE maintains transparent and efficient recruitment practices to guarantee we select the best applicant, while ensuring fairness and equality. The majority of vacancies are advertised externally and all are advertised internally to ensure all suitable existing staff have the opportunity to apply. We provide competitive remuneration and benefits, and all staff in permanent roles received a cost of living pay adjustment in July 2008. A similar review has been put on hold in 2009 due to the global economic downturn.

Our staff turnover rates remain consistent and within industry standards, with 18 per cent of staff resigning from permanent positions or during their contract period in 2008/09 (this figure does not include end-of-contract separations).

Staff retention strategies over the past year have included working to provide a more flexible and family-friendly work environment, providing better career development advice to staff and increasing learning and development opportunities.

In 2009 we participated in the Hewitt Employee Opinion Survey. The results showed an increase in job satisfaction from our 2007 survey. Areas identified as key drivers for staff are career opportunities, people and HR practices. Strategies are currently being developed to address the issues identified.

### HEALTH, SAFETY AND WELLBEING

The health and safety of our employees will always be a priority. In response to feedback from staff and amendments to the legislation affecting cover for expatriate employees, CARE developed a new medical insurance policy for expatriate staff. This policy was implemented on 1 July 2009.

We are committed to work-life balance and are mindful of the mental health needs of all staff. All staff have access to 24-hour psychological support through our employee assistance program. Before travelling overseas, all staff are trained in safety, security and health. The Australian offices continue to be monitored by our health and safety representatives.

Our staff have the opportunity to raise HR policy and practice issues with their HR Consultative Committee representative, their local staff liaison officer or directly with their manager.

<sup>1</sup>Staff numbers are current as at 30 June 2009. Expatriate staff are international employees posted to a CARE Australia managed country office. Local staff are locally employed national staff.



Malawi © Tim Freccia/CARE



## OUR BOARD

### Chairman

**Peter Smedley** Director since 2000

Chairman, OneSteel Ltd; Chairman, Spotless Group; Deputy Chairman, Colonial Foundation; Director, The Australian Ballet; Director, The Haven Foundation; Director, CARE International Board.

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

### Vice Chairman

**Philip Flood AO** Director since 2003

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

### Vice Chairman

**Harold Mitchell AO** Director since 2004

Executive Chairman, Mitchell Communication Group; Chairman, Melbourne Symphony Orchestra; Director, Tennis Australia; Chairman, ThoroughVision; Director, Art Exhibitions Australia; Director, Television Sydney; Director, Deakin Foundation.

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

### Treasurer

**Bronwyn Morris** Director since 2007

Director, Spotless Group Ltd; Director, Queensland Investment Corporation; Director, Brisbane Marketing Pty Ltd; Director, RACQ Ltd; Councillor, Bond University.

Formerly- Chairman, Queensland Rail; Director, Colorado Group Ltd; Director, Queensland Office of Financial Supervision.

**Karyn Baylis** Director since 2004

Chief Executive, Indigenous Enterprise Partnerships.

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

**John Borghetti** Director since 2005

Formerly- Executive General Manager, Qantas; Chairman, Asia-based Qantas subsidiaries – Holiday Tours and Travel Singapore, Tour East Singapore and Jetabout Holidays; Chairman, Tour East Australia; Director, Sydney Football Club; Director, Jetset Travelworld; Executive Committee Member, Australia-Japan Business Co-operation Committee.

**Colin Galbraith AM** Director since 2004

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

**Robert (Bob) Glindemann** Director since 2008

Deputy Chairman and Non Executive Director, Navy Health Limited; Vice President and Director, Confederation of Australian Motor Sport; Director, Australian Institute of Motor Sport Safety; Director, Secondbite; Director, The Australian Embassy for Timor-Leste Fund; Deputy Chair, Very Special Kids Foundation.

Formerly- Chair, RMS Logistics Pty Ltd; Principal, PRO:NED Vic Pty Ltd.

**Allan Griffiths** Director since 2008

CEO, Aviva Australia; Director, CIMB Aviva Takaful Berhad; Director, CIMB Aviva Assurance Berhad; Director, Investment and Financial Services Association; Chairman, Aviva Investors.

Formerly- Director, Banner Financial Planning Ltd; Director, Colonial Financial Services Ltd; Director, Colonial Financial Planning Ltd; Director, Financial Wisdom Ltd; Director, First-Aviva.

**William Guest** Director since 2000

Director, Guests Furniture Hire; Director, Threeways; Director, Property 4 Retail. Formerly- Director, Freedom Furniture Ltd.

**The Hon. Barry Jones AO** Director since 1992

Director, Burnet Institute; Chairman, Port Arthur Historic Site Management Authority; Director, Centre for Eye Research, Australia; Chairman, Vision 2020 Australia; Director, Victorian Opera Company Ltd.

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

**Christine O'Reilly** Director since 2007

Global Head of Infrastructure Investments, Colonial First State; Director, Anglian Water Group, Electricity North West; Member, Chief Executive Women.

Formerly- Chief Executive Officer and Director, GasNet Australia Group.

**Dr Peta Seaton** Director since 2008

Principal, Strategic Consulting; Director, Bradman Foundation Inc; Member, UNSW Faculty of Science Advisory Council, Hon Research Fellow University of NSW Sydney Business School; former Member of NSW Parliament.

**Kay Veitch** Director since 2009

Executive Manager, Qantas Airline; Certified Professional Member, Australian Human Resources Institute (CAHRI); Member, Australian Institute of Management; board member, Bestest for Kids Foundation.

**Louise Watson** Director since 2008

Managing Director and Principal, Symbol Strategic Communications; Communications Adviser to the Chairmen and the Chief Executive Officers, Commonwealth Bank, Origin Energy, BankWest, Foodland Associated, Coates Hire, BT Investment Management, ABN Amro Australia and New Zealand.

Formerly- Chairman, Corporate and Finance, Edelman Public Relations in Australia; Non-executive director, Odyssey House 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 KLJ** Director, 1992-2008

Director, Blashki Holdings; Director, Geelong Community Foundation Inc; Deputy Chair, Geelong Gallery Foundation.

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

**Sir William Deane AC KBE** Director, 2001-2004; Chairman, 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** Chairman, 2004-2006; CARE International Board 2001-2007; Vice Chairman 2002-2004; Director 1996-2007; Secretary-General, CARE International 1991-1995.

Foreign Affairs Editorial Advisory Board; Chair, Centre for Democratic Institutions.

Formerly- Australian Advisory Council; Chief Executive, National Council for Centenary of Federation; Federal Director, Liberal Party of Australia.

**Jocelyn Mitchell** Director, 1993-2006

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

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

**Alf Paton** Director, 1994-2004

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

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

Formerly- Chairman and CEO, Shell Australia Ltd; Chairman, Pacific Dunlop Ltd; Chairman, Ashton Mining Ltd; Chairman, BRL Hardy Ltd.

## FOUNDING CHAIRMAN

**Rt Hon. Malcolm Fraser AC CH**

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

## FINANCIAL REPORT

### Independent Audit Report to the Members of CARE Australia

The accompanying concise financial report of CARE Australia comprises the balance sheet as at 30 June 2009, the income statement, and statement of changes in equity and cash flow statement for the year then ended and related notes, derived from the audited financial report of CARE Australia for the year ended 30 June 2009. The concise financial report also includes discussion and analysis and the directors' declaration. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

#### **Directors' Responsibility for the Concise Financial Report**

The Directors are responsible for the preparation and presentation of the concise financial report in accordance with Australian Accounting Standard AASB 1039 Concise Financial Reports, and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation of the concise financial report; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of CARE Australia for the year ended 30 June 2009. Our audit report on the financial report for the year was signed on 20 October 2009 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039 Concise Financial Reports and whether the financial report for the year is free from material misstatement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Independence**

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

#### **Auditor's Opinion**

In our opinion, the concise financial report, including the discussion and analysis and the directors' declaration of CARE Australia for the year ended 30 June 2009 complies with Accounting Standard AASB 1039 Concise Financial Reports.

**Ernst & Young**

**James Palmer**

Partner

Canberra, 20 October 2009

### 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 the accompanying concise financial report for the year ended 30 June 2009:

- has been derived from or is consistent with the full financial report for the financial year; and
- complies with accounting standard AASB 1039 Concise Financial Reports.

On behalf of the Board.

**Bronwyn Morris**

Treasurer

Gold Coast, 20 October 2009

**Colin Galbraith**

Director

Melbourne, 20 October 2009



**INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2009**

		2009	2008
		\$	\$
<b>REVENUE</b>			
Donations and gifts – monetary and non-monetary	Cash	15,775,481	16,402,237
	In kind	78,684	74,973
Legacies and bequests		1,555,461	341,801
<b>Total Revenue from Australian public</b>		<b>17,409,626</b>	<b>16,819,011</b>
<b>Grants and Contracts</b>			
• AusAID	Cash	17,672,744	11,856,253
• other Australian	Cash	964,618	549,859
• other overseas			
Project grants from CARE International members	Cash	31,985,363	18,572,281
Project grants from multi-lateral agencies	Cash In kind	5,790,416	7,296,998 776,976
Project grants from foreign governments and overseas based organisations	Cash	5,286,632	2,318,946
<b>Investment income</b>		<b>2,891,786</b>	<b>2,226,166</b>
<b>Other income</b>		<b>140,981</b>	<b>357,210</b>
<b>TOTAL REVENUE</b>		<b>82,142,166</b>	<b>60,773,700</b>
<b>EXPENSES</b>			
Overseas projects (Program expenditures)			
• Funds to overseas projects		71,537,608	52,089,678
• Cost of raising project funds from government and multilateral agencies		407,615	277,578
• Other project costs		1,563,814	1,503,683
<b>Total overseas projects</b>		<b>73,509,037</b>	<b>53,870,939</b>
Domestic Projects			
Community Education		535,681	562,326
Fundraising costs - Australian Public		3,481,308	2,951,539
Administration		4,048,049	3,919,644
<b>TOTAL EXPENSES</b>		<b>81,574,075</b>	<b>61,304,448</b>
<b>Excess of revenue over expenses (shortfall) from continuing operations</b>		<b>568,091</b>	<b>(530,748)</b>

This condensed financial information has been extracted from the statutory financial statements. It is consistent, in substance, with these statements notwithstanding the less technical language and content. The statutory financial statements have been audited and are available on request or for inspection at the registered office

**BALANCE SHEET AS AT 30 JUNE 2009**

	Notes	2009	2008
		\$	\$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	1	24,110,972	32,594,887
Held to maturity investments		6,001,948	-
Prepayments		1,945,731	1,574,438
Trade and other receivables	2	7,338,344	5,764,374
<b>Non-Current Assets</b>			
Property, plant and equipment	3	1,212,950	1,008,174
Investments at fair value		4,328,483	4,993,338
Other investments	4	1	1
<b>Total Assets</b>		<b>44,938,429</b>	<b>45,935,212</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	5	2,950,985	2,315,244
Provisions	6	2,406,176	1,854,506
Unexpended project funds		26,803,156	29,555,441
Other liabilities		-	-
<b>Non-Current Liabilities</b>			
Provisions	6	-	-
<b>Total Liabilities</b>		<b>32,160,317</b>	<b>33,725,191</b>
<b>Net Assets</b>		<b>12,778,112</b>	<b>12,210,021</b>
<b>EQUITY</b>			
Funds available for future use Reserve		12,778,112	12,210,021
		-	-
<b>Total Equity</b>		<b>12,778,112</b>	<b>12,210,021</b>

**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 30 JUNE 2009**

	Retained Earnings	Reserves	Total
	\$	\$	\$
<b>Balance as 30 June 2008 (commencing balance)</b>	<b>12,210,021</b>	<b>-</b>	<b>12,210,021</b>
Excess of revenue over expenses	568,091	-	568,091
Amount transferred (to) from reserves	-	-	-
<b>Balance at 30 June 2009 (year end balance)</b>	<b>12,778,112</b>	<b>-</b>	<b>12,778,112</b>

This condensed financial information has been extracted from the statutory financial statements. It is consistent, in substance, with these statements notwithstanding the less technical language and content. The statutory financial statements have been audited and are available on request or for inspection at the registered office.



**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
Cash flows from operating activities		
General public donations	17,330,942	16,744,038
Grants and contract income	65,505,269	37,857,320
Interest income	1,253,072	2,226,166
Other income	140,981	357,210
Payments to suppliers and employees	(84,495,997)	(60,840,029)
Goods and services tax paid	(1,236,735)	(699,248)
<b>Net cash flows (used in) operating activities</b>	<b>(1,502,468)</b>	<b>(4,354,543)</b>
Cash flow from investing activities		
Acquisition of property, plant and equipment	(734,538)	(693,829)
Proceeds from sale of equipment	90,387	65,022
Acquisition of investments	(6,337,296)	(417,158)
<b>Net cash flows (used in) investing activities</b>	<b>(6,981,447)</b>	<b>(1,045,965)</b>
Net (decrease) in cash held	(8,483,915)	(5,400,508)
Cash at the beginning of the year	32,594,887	37,995,395
<b>Cash at the end of the year</b>	<b>24,110,972</b>	<b>32,594,887</b>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - 30 JUNE 2009**

	2009	2008
	\$	\$
<b>Note 1 Cash and cash equivalents</b>		
Cash on hand/in transit	339,724	431,035
Cash at bank	18,397,339	16,227,415
Cash on deposit	5,005,953	15,610,718
International revolving fund	367,956	325,719
	<b>24,110,972</b>	<b>32,594,887</b>
<b>Note 2 Held to maturity investments</b>		
Term deposits	6,001,948	-
<b>Note 3 Trade and other receivables</b>		
Debtors	1,392,875	1,720,331
CARE International members	483,527	638,751
Amounts owing by project donors	5,460,734	3,404,084
Wholly owned entity	1,208	1,208
	<b>7,338,344</b>	<b>5,764,374</b>
<b>Note 4 Property, Plant and Equipment</b>		
Total property, plant and equipment – cost	2,943,050	2,796,899
Accumulated depreciation and amortisation	(1,730,100)	(1,788,725)
	<b>1,212,950</b>	<b>1,008,174</b>
<b>Note 5 Other Investments</b>		
Share in subsidiary – at cost	1	1
<b>Note 6 Trade and other payables</b>		
Trade Creditors	1,062,798	982,600
Accruals	108,606	79,457
Other Creditors	180,740	154,925
GST Payable	376,315	326,917
CARE International members	575,063	393,900
Accrued project expenses	421,910	56,244
Accrued salary payments	225,553	321,201
	<b>2,950,985</b>	<b>2,315,244</b>
<b>Note 7 Provisions</b>		
<b>CURRENT</b>		
Employee benefits	2,231,171	1,669,885
Other	175,005	184,621
	<b>2,406,176</b>	<b>1,854,506</b>
<b>NON-CURRENT</b>		
Employee benefits	-	-

**Note 8 Table of Cash Movements for Designated (Restricted) Purposes**

Cash Movements	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
Southern Asia (Tsunami) Appeal	1,878,426	-	1,579,682	298,744
Total for other designated purposes	24,272,931	58,577,598	61,806,851	21,043,678
<b>Total</b>	<b>26,151,357</b>	<b>58,577,598</b>	<b>63,386,533</b>	<b>21,342,422</b>

**Note:** Cash available at the end of the financial year is the amount of unexpended project funds less amounts receivable from project donors.



## DISCUSSION AND ANALYSIS SECTION FOR THE YEAR ENDED 30 JUNE 2009

### TRENDS IN REVENUES ARISING FROM OPERATING ACTIVITIES

In the 2008/09 financial year our total revenue was \$82,142,166. This figure is a 35 per cent or \$21,368,466 increase from the 2007/08 financial year.

The activities undertaken by CARE Australia during the year were generously supported by \$17,409,626 in donations from the Australian public – a four per cent increase from the previous year.

CARE Australia received \$17,672,744 from the Australian aid program, administered by AusAID. This was an increase of more than 49 per cent compared to the 2007/08 financial year. 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.

By working in collaboration with other CARE International members, multi-lateral agencies, foreign governments and other overseas based organisations, we were able to increase their contribution to our international humanitarian aid work to \$43.062m from \$28.965m received in 2008.

#### Revenue 2005 - 2009



### EFFECTS OF SIGNIFICANT ECONOMIC OR OTHER EVENTS

In early May 2008, a major fundraising appeal was launched for the survivors of Cyclone Nargis, which affected many areas and millions of people in Myanmar. Emergency assistance provided to survivors and support for reconstruction and development during this financial year will continue over the next financial year.

The recent Global Financial Crisis (GFC) has impacted on donation revenue from the Australian public. The fluctuating Australian Dollar in the current financial year has resulted in the recognition of a net foreign exchange gain of \$1,638,714 (2008: net foreign exchange loss of \$572,161).

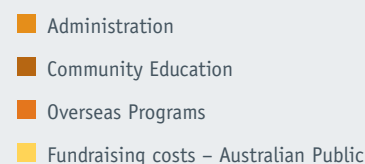
### MAIN INFLUENCES ON COSTS OF OPERATION

CARE expensed \$81,574,075 in the 2008/09 financial year. This was an increase of \$20,269,627 compared to the 2007/08 year. Within these expenses, we're happy to report our funds to overseas programs increased by \$19,638,098 from the 2007/08 financial year to \$73,509,037. This included expenses associated with programs undertaken in the emergency response to Cyclone Nargis, AusAID and other donor programs.

Other expenses include:

- marketing, publicity and fundraising costs of \$3,481,308
- finance, human resources, risk assurance, legal, and information and communications technology infrastructure costs of \$4,048,049 and;
- community education costs of \$535,681.

#### Expenses 2005 - 2009



## BALANCE SHEET

### CHANGES IN THE COMPOSITION OF ASSETS

Total assets decreased by two per cent to \$44,938,429 in 2009 from \$45,935,212 in 2008. This decrease is largely due to a reduction in current assets held, particularly a minor decrease in cash and cash equivalents. In the current financial year, as part of CARE's long-term capital management strategy, \$6,001,948 has been invested in term deposits with maturity greater than 90 days.

### OTHER SIGNIFICANT MOVEMENTS IN THE BALANCE SHEET

Unexpended project funds have decreased by nine per cent to \$26,803,156 in 2009 from \$29,555,441 in 2008. This was largely due to tsunami reconstruction projects being completed during the reporting period with final payments to be made in the early part of the 2010 financial year.

## CASH FLOWS

### CHANGES IN CASH FLOWS FROM OPERATIONS

Net cash flows used in operating activities decreased from \$4,354,543 in 2008 to \$1,502,468 in 2009. The movement is largely due to grant receipts and project expenditure incurred for projects relating to tsunami reconstruction projects and the emergency response to Cyclone Nargis. The main decline in cash however was due to the investment made in term deposits with maturities greater than 90 days.

### CHANGES IN CASH FLOWS FROM INVESTING

Net cash flows used in investing activities increased from \$1,045,965 in 2008 to \$6,981,447 in 2009. The movement is due to CARE investing in term deposits with maturity greater than 90 days as part of CARE's capital management strategy.

### Accountability Measures

Measure	Definition	Ratio		
		2007	2008	2009
Overseas program expenditure	Total amount spent on overseas programs as a percentage of total income	83%	89%	89%
Cost of administration ratio	Total amount spent on administration as a percentage of total income	6%	6%	5%
Cost of fundraising ratio	Total amount spent on fundraising in Australia as a percentage of total revenue from the Australian public	18%	18%	20%

## ANALYSIS OF OPERATIONS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	%	%
Total Cost of Fundraising and Administration/Total Income	9	10
Community Education/Total Income	1	2
Overseas Projects (Program Expenditure)/Total Income	89	89
Increase (decrease) in funds available for future CARE programming/Total Income	1	(1)
<b>TOTAL</b>	<b>100</b>	<b>100</b>

## INFORMATION (CHARITABLE FUNDRAISING ACT 1991 NSW)

### Fundraising activities conducted

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

Comparison by Percentage	2009	2008
	%	%
Total Cost of Services (Overseas Projects plus Community Education)/ Total Expenditure minus Fundraising	95	93
Total Cost of Services (Overseas Projects plus Community Education)/ Total Income minus Fundraising	94	94
Total Cost of Fundraising/Revenue from the Australian Public	20	17
Net surplus from Fundraising/Revenue from the Australian Public	80	83



## FAQS

### Does CARE only work with women and girls?

CARE Australia works with whole communities, including men, women, youth, boys and girls to create lasting change. We focus our work with women and girls because we know it is one of the best investments we can make to help whole communities overcome poverty.

### Does CARE Australia have political or religious affiliations?

CARE Australia is non-religious and non-political, allowing us to deliver humanitarian assistance to those who need it most regardless of race, gender, ethnicity, age, religion or political view.

### How do I know that the money I donate actually reaches those most in need?

CARE Australia has direct operational responsibility for its programs. We have our own staff on the ground in developing countries working with local partners and communities to directly deliver assistance. We plan, design, implement and evaluate projects and retain management and contractual control on all projects. This gives us a high degree of accountability and transparency.

### How are CARE's projects funded?

We are dependent on support from the Australian public to continue our work. We build on that support to attract significant additional funds. For every \$1 we raise from the Australian public, we raise a further \$5 from institutional donors such as the Australian Government, United Nations organisations and the European Union.

### How much of the money CARE raises goes to projects overseas?

You can be confident you are supporting one of the most efficient and accountable organisations of its type in the world. CARE prides itself on maximising the donations that go to our overseas projects. In the 2008/09 financial year, CARE Australia spent 90 per cent of our total revenue on our work in the field. The remaining funding was spent on administration and fundraising that is vital to expand our work and bring our messages to the wider public.

### How do CARE's projects have lasting effects?

Each project is based on the goal of improving the capacities of local people. When CARE completes a project we ensure development will be sustainable and the benefits of the project will continue. To achieve this the needs, preferences and the beliefs of project participants are always central to project design and planned outcomes. Communities are often directly involved in the provision of labour and materials, which not only provides additional skills but also encourages ownership of the subsequent improvements in community services.

### Can I donate clothes, food or other supplies to CARE?

CARE no longer accepts donated goods, as experience has shown that this is usually not cost effective, creates logistical difficulties and often is not the most relevant way to meet local needs. It is a CARE Australia policy that whenever possible we procure items in the country in which we operate, thereby supporting developing economies.

If you would like to help, we ask you to send a cash donation, which can then be used to buy what is most needed in the region concerned. If you wish to give money to a particular emergency, you can select this option when you donate.







CARE Australia ABN 46 003 380 890  
Donations 1800 020 046  
or 1800 DONATE  
Email [info@careaustralia.org.au](mailto:info@careaustralia.org.au)  
Web [www.careaustralia.org.au](http://www.careaustralia.org.au)

**National office**

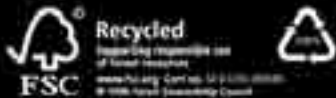
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