

# It starts with equal





#### Our Mission

CARE works around the globe to save lives, defeat poverty and achieve social justice.

### Our Vision

We seek a world of hope, tolerance and social justice, where poverty has been overcome and all people live with dignity and security.

#### Our Focus

We put women and girls in the centre because we know that we cannot overcome poverty until all people have equal rights and opportunities.

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We welcome feedback on this report and in relation to our operations and conduct. Please send any feedback or complaints to Company Secretary, CARE Australia, GPO Box 2014, Canberra 2601 or complaints@care.org.au. Feedback and complaints can also be lodged in each of the countries in which CARE Australia works. Further details can be found in CARE Australia's complaints policy: www.care.org.au/complaintpolicy

Complaints relating to a breach of the ACFID Code of Conduct by an ACFID member can be made to the ACFID Code of Conduct Committee via www.acfid.asn.au/code-of-conduct/complaints-and-compliance-monitoring. For donor support please call 1800 020 046.

Cover photo: Chamunorwa and his wife Agnes live in southern Zimbabwe and are supported by CARE to improve their food security. © Alana Holmberg/CARE. Opposite page: Nang Kam Phone, a midwife, is pictured with the babies she has helped to deliver in Lashio, Myanmar. © Cesar Lopez/CARE. Back page: © Alana Holmberg/CARE.

# Creating a more equal world

We share with our supporters the desire for everyone to have a fair chance in life, an equal opportunity.

For over 70 years, CARE has been providing assistance to those in poverty regardless of race, religion, gender or ethnicity.

We put women and girls at the heart of our work. Their access to equal opportunities represents a powerful and effective approach to ending extreme poverty.

We have learnt from our work across 93 countries that when inequality is tackled, long-term lasting change is possible.

Agnes and her husband Chamunorwa (pictured right and front cover) are farmers in southern Zimbabwe. Traditional gender roles have resulted in women like Agnes having less access to and control over land, livestock and money.

Chamunorwa is part of a men's group, supported by CARE, that encourages participants to share workloads between men and women.

By working together, they have improved their agriculture and look forward to greater harvests and profits.



## Our Impact

A summary of our impact figures this year:



We assisted over 2.4 million people across 24 countries



We responded to 9 emergencies across 17 countries



More than 76,000 donors contributed over \$13.5 million



88 cents in every \$1 spent went to our programs



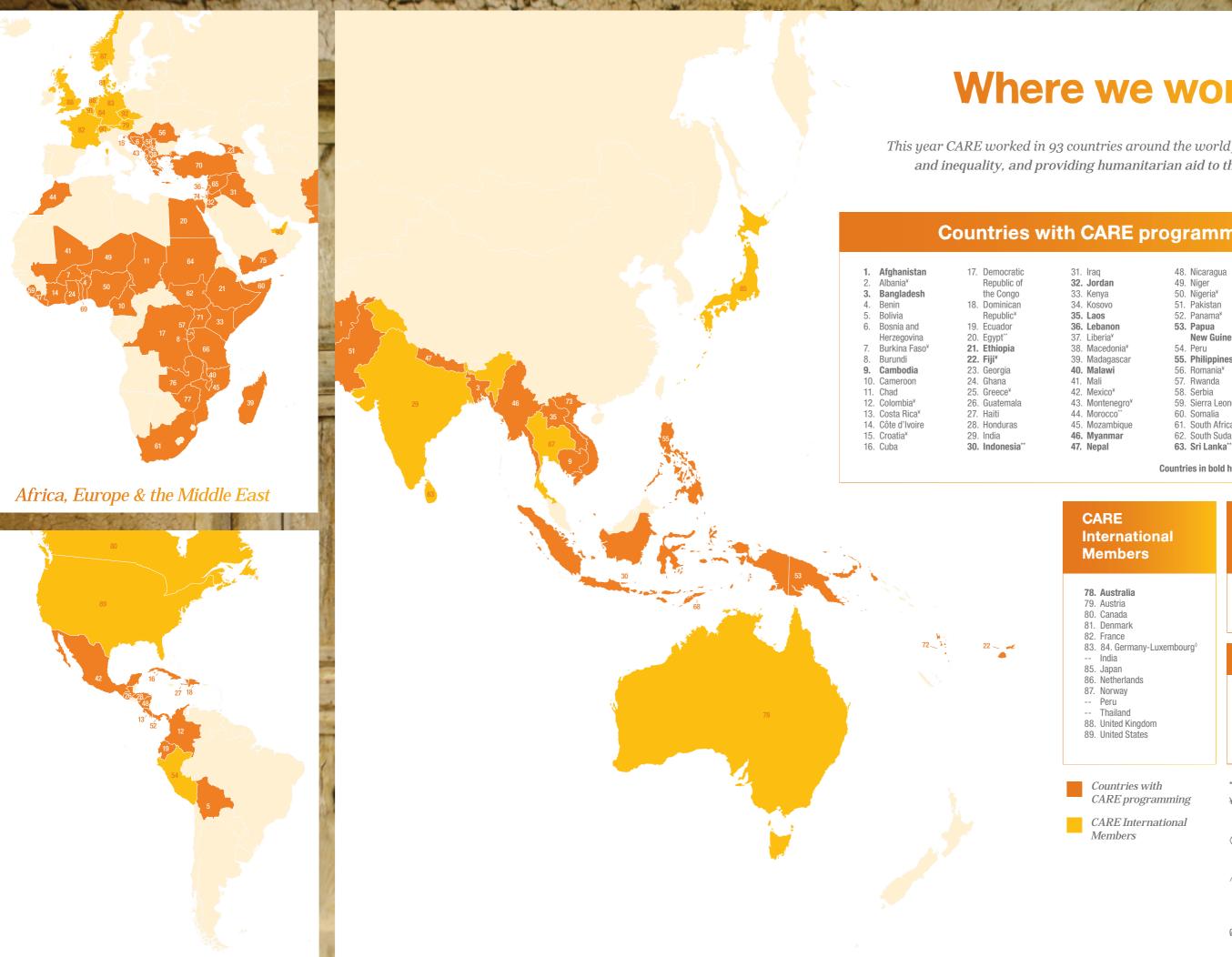
95% of our staff are local to the country they work in



11% increase in social media followers



Throughout this report CARE International or CARE refers to the entire CARE International organisation consisting of a confederation of 14 members working with a global secretariat, and offices in 93 countries where local staff and partners work to deliver programs with poor communities. CARE Australia refers to CARE's operations in Australia and the seven Country Offices we manage, as well as programs and emergency responses supported by Australian funding.



## Where we work

This year CARE worked in 93 countries around the world fighting poverty and inequality, and providing humanitarian aid to those in need.

#### **Countries with CARE programming**

- 48. Nicaragua
  - 66. Tanzania 67. Thailand 68. Timor-Leste

64. Sudan

65. Syria

69. Togo<sup>¥</sup>

70. Turkey

71. Uganda

72. Vanuatu

73. Vietnam

75. Yemen 76. Zambia

74. West Bank

& Gaza

77. Zimbabwe

- 53. Papua **New Guinea**
- 54. Peru 55. Philippines
- 57. Rwanda
- 59. Sierra Leone 60. Somalia
- 61. South Africa 62. South Sudan

Countries in bold have CARE Australia programming.

#### CARE International Secretariat

- 90. Geneva, Switzerland<sup>^</sup>
- 91. Brussels, Belgium<sup>^</sup>
- New York, United States'

#### **Sub-offices**

- -- Belgium<sup>0</sup> (of CARE France)
- 92. Czech Republic<sup>®</sup>
- (of CARE Austria)
- 93. United Arab Emirates® (of CARE USA)
- \*\* CARE International Affiliates.
- ¥ Limited or temporary CARE presence, or working through strategic partnerships.
- ♦ CARE Germany-Luxemburg has offices in both Germany and Luxemburg.
- ^ CI Secretariat offices in Switzerland, Belgium and the United States are part of CARE's international advocacy and humanitarian work.
- Ø Sub-offices have a strong focus on fundraising.

Asia and Oceania

Americas

ANNUAL REPORT 2016/17 THANK YOU



#### I am so excited about what lies ahead for CARE Australia.

In my first year as Chief Executive of CARE Australia, I have been amazed by the energy and passion of the staff, donors and communities I have met.

I'm grateful to my predecessor, Julia Newton-Howes, for handing over a team that is so well placed and regarded. I expected to come here as a gender specialist and find some areas for improvement, but we are already doing exceptionally well at identifying inequalities and working to address them.

When I visited the highlands of Papua New Guinea this year, a couple told me that many people had come to do development work with them, but the support CARE Australia provided to improve their coffee plantations really changed their lives. What was different about CARE Australia's approach was that we didn't simply provide advice about planting. We started by helping families explore how traditional gender roles may be holding them back. The couple were holding hands and told me CARE Australia has changed their lives and their community.

Families now recognise that if they make decisions together, they benefit the whole family. They are seeing themselves as partners for the first time. It really does start with equal.

This is the methodology CARE Australia uses no matter what sector or region we are working in. We help families explore their workloads and make their own decisions about what they want to change. The outcomes can be entirely different from Vanuatu to Myanmar because the cultures and contexts are different, but the process to explore equality remains the same.

I am proud to be leading an organisation that supports people to make their own decisions about their future, and provides them with the support they need to make positive changes to their lives, whether that's in education, health, nutrition or getting access to savings.

I am so excited about what lies ahead for CARE Australia. We know we can make lasting improvements to peoples' lives, because we have over 70 years of experience to draw on from around the world. We have the systems and processes in place, we know what works and we can deliver results. And we have wonderfully passionate supporters, who make it all happen.

We have the formidable goals of defeating global poverty, addressing inequality and achieving social justice. Our success is only possible because of the thousands of Australians who are standing by our side. As we enter the next financial year, we are facing famines and conflicts around the world, but our resolve is stronger than ever.

I look forward to working with our supporters, staff and partners in development – particularly the communities we work with – to deliver our vision of creating a more equal world for everyone.

July Moyl

**Sally Moyle,**Chief Executive CARE Australia



Colin Galbraith, AM Chair CARE Australia



## We can all be proud of the positive difference CARE Australia is making in some of the poorest communities around the world.

This year, I was pleased to welcome our new Chief Executive, Sally Moyle, who has already proven her passion, determination, and dedication to CARE's mission and particular focus on women and girls. Too often, the injustices faced by the world's poorest communities affect women and girls disproportionately. Sally's commitment to equality will ensure CARE Australia continues this important focus.

Along with other Board members, I was privileged to visit our projects in Timor-Leste with Sally in March. As part of our visit, we saw teachers using CARE Australia's Lafaek educational magazine to help children learn to read and we visited communities where a key CARE Australia project is aimed at assisting women to experience more healthy pregnancies and childbirth. It is uplifting and humbling to see CARE Australia's people on the ground working collaboratively with local communities to deliver outstanding results. often under very difficult circumstances in remote communities.

Regions of East Africa and Yemen are suffering extremely tough times, with hunger and cholera causing thousands of unnecessary deaths. Conflict in those regions continues to affect the poorest communities, and hinders our ability to deliver aid to those most in need. Despite those challenges, our teams' resolve is unabated, and we are in the field every day delivering lifesaving support to families in need.

Accessing the necessary resources and logistics to provide for the people most in need is presenting extraordinary and increasing challenges. We – the Australian Government, aid agencies and our supporters – must work together to support those who have had their lives torn apart by forces beyond their control. What is at stake is the creation of a safer, more peaceful and more equitable world.

I thank our incredibly generous donors and partners for your compassion. We have been able to do so much to support those in need, and I know we can continue to work together to achieve a world free from poverty.



**Gail Kelly, CARE Australia's** Women's Empowerment Ambassador

Gair Keely

I am honoured to be CARE Australia's Ambassador for Women's Empowerment, and to see the significant contributions CARE is making to the lives of women and girls living in poverty around the world.

CARE Australia's experience, knowledge and skill were particularly highlighted this year in the release of a major study into an understanding of dignified work.

With nearly 20 years of experience working with the garment industry in Cambodia, CARE Australia conducted an industry-wide study into the prevalence and economic cost of sexual harassment in the industry. The study, *I know I cannot quit*, highlights the costs to employers of insufficient protections against sexual harassment, and the need to create a safe and respectful environment for employees.

CARE Australia is using this data to help employers promote harassment-free environments, working with the government to achieve better legal protections against sexual harassment, and investing in support programs.

The result will be safer workplaces for women, where they can continue to expand their earning potential and control their own lives with dignity. That's something I am very proud to support.

ANNUAL REPORT 2016/17 OUR STRATEGY

## Our strategy

At the heart of CARE Australia's Strategy is our focus on supporting communities to overcome poverty. During the middle year of the 2015-18 Strategy, CARE Australia has achieved significant progress towards our goals.



2.4 million people assisted across 24 countries



Responded to 9 emergencies



*\$13.5 million*donated by the Australian public



95%

of our staff are local to the country they work in

## Goal 1: Ensure excellence in programs and operations so resources create lasting impact for poor communities

During 2016/17, CARE Australia assisted over 2.4 million people across 24 countries. For example, through our long-term programs we helped 6,500 indigenous and ethnic minority children go to school in Cambodia, 35,000 people recover from the impacts of El Nino in Papua New Guinea, and thousands of people to have clean water in Zimbabwe. Read more about the impact of our work on pages 14-21.

We responded to nine humanitarian emergencies in 17 countries, including long-term, complex crises in Yemen, East Africa and Syria (read more on pages 22-23). We secured a new Australian Humanitarian Partnership with the Australian Government, which will enable us to maintain a strong humanitarian response program.

We shared our knowledge and experience on effective approaches to saving and borrowing money in remote communities in the Mekong and disaster preparedness in Vanuatu.

With nearly 20 years of experience working to improve conditions in the garment industry in Cambodia, we conducted an industry-wide study into the prevalence and economic cost of sexual harassment in the industry.

The study, *I know I cannot quit*, highlights the costs to employers of insufficient protections against sexual harassment, and the need to create a safe and respectful environment for employees.



#### Goal 2: Engage Australians in CARE's work and be recognised as a leading trusted agency tackling global poverty, gender inequality and humanitarian response

We had another incredible year of support from the Australian public, with more than 76,000 supporters contributing over \$13.5 million to tackle poverty, a 7% increase on last year (excluding emergency appeal income).

More than 2,400 Australians joined our Walk in Her Shoes challenge, while 16,500 CAREgifts were sold at Christmas time.

More than 80 companies contributed to our work through staff fundraising, direct project support and pro bono services. On International Women's Day, we joined millions of people around the world by taking to the streets of Melbourne under our #March4Women banners, and hosted two events celebrating our donors. We reached an audience of 23.9 million in broadcast and online media with hard-hitting stories of our work. In response, thousands of Australians helped us achieve a record-breaking Hunger Appeal to assist families facing starvation around the world.

This was a stand-out year for launching new ideas. *Lead with CARE* – our new donor membership program – received a fantastic reception from our major donors and foundations. Our pilot crowdfunding campaign supported menstrual health management in Vanuatu. We were also proud of our online *Disaster Response Depot* which highlights the impact of preparing before a disaster strikes. Thank you to our launch partners, AGL Energy, for helping it win CARE International's 'Best Innovation of the Year' award.

## Goal 3: Develop an agile organisation that fosters excellence and innovation

We know that change is most sustainable when it is led by local communities. That's why 95% of CARE Australia's staff are local to the country they work in.

We are committed to increasing the number of local leaders in our Country Offices, with the ambition of 25% of senior positions to be held by local staff by 2018. We are on track to meet this target, with a current figure of 22%. Across all locations, 49% of CARE Australia staff identify as female. We are working to improve the number of women working in field roles, as this is the area with the greatest gender disparity (40% female).

The safety of our staff is paramount, and CARE Australia contributed to a new safety and security architecture within CARE International. We have also improved our efficiency by standardising procurement and finance policies across the CARE confederation.

We are committed to improving connections between staff, and have adopted the social media platform Yammer to share ideas and knowledge. We have also tested and embedded new agile techniques for idea generation and project management, and updated key IT systems to support effective working. We are exploring how we can create a more nimble culture through face-to-face and online discussions across our offices, so all our staff are working collaboratively to overcome poverty.

CARE TO

## **Empower** women and girls

Women and girls bear the brunt of poverty due to damaging gender roles and discrimination.

Too often, girls miss out on school, women are not given opportunities to have secure,
paid employment and women die needlessly during pregnancy and childbirth.

Poverty cannot be overcome until everyone has equal rights and opportunities. That's why our programs focus on supporting women and girls, as well as men and boys.

## CARE is building a more equal world for everyone by providing:

- education for girls as well as boys
- training for women and men in vocational and life skills such as literacy and financial management
- access to health services and understanding of reproductive health, HIV prevention and maternal care
- discussions with men and women around their roles in the community
- access to assets like agricultural equipment, livestock and credit so women can earn a living
- education for women about their legal rights and working with employers to ensure women's rights are respected.

#### Case Study: 25 years of financial freedom for women

In 1991, CARE launched a transformative program that would change the world. We built on traditional practices of group savings in an innovative model now known as Village Savings and Loan Associations, or VSLAs.

The groups offer poor families a safe way to save money and access small loans. Each week, the group members (usually women) come together to pool their savings. They then lend portions of the total to members who would like to start or expand businesses. CARE provides a safe box with three padlocks, three keys and financial literacy training.

Fast forward 25 years and today there are more than 200,000 VSLA groups and 5 million members around the world.

VSLAs have been so successful because they avoid most of the infrastructure, transport and communications costs incurred by big banks. Members make their own rules and decisions are made through consensus with minimal paperwork.

Because the money saved and the interest paid on loans remains within the group, there is a strong sense of ownership and responsibility between members. In fact, of all the VSLA groups that have been established around the globe so far, 99% of all loans have been repaid.

After evaluating the model's success in Africa, CARE Australia introduced VSLAs in South East Asia, where they are not just helping women save money, but also increase their self-confidence.

In 2016, CARE Australia commissioned a study into the savings approaches used in Vietnam, Laos, Cambodia and Myanmar. We found that VSLAs had helped women develop savings in environments where very few banks or financial institutions were accessible to low income households. These savings led to an increased investment in assets like livestock and reduced women's dependence on working in seasonal labour.

Overwhelmingly, women also reported increased selfconfidence. The savings groups offered an opportunity to meet, learn and solve problems together.

Vibol (pictured to the right) wanted to increase her income, because her husband's salary alone did not allow them to save any money. Since joining a VSLA, she has taken out a loan to set up a small grocery stall beside the local school. She recently used her earnings to build a bathroom for their home.

"I want my daughter to go to school so she can aim higher than me," Vibol, Cambodia.





Women and girls bear the brunt of poverty



200,000 village savings and loans groups have been established around the world

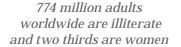


Women are emerging as local leaders

""When I finish school, I want to get a good job and become a teacher. I want to teach multilingual education at primary school to children just like me," Nang, Cambodia.









Girls' enrolment in multilingual education in Cambodia has increased by 654% since 2008



6,500 children were able to learn in a language they understood through CARE Australia's multilingual education program

CARE FOR

## A lifetime of learning

Poverty is a significant barrier to education. Challenges like remoteness, the expense of school fees and inadequate services force millions of children to miss out on an education. In indigenous communities, children face the additional barrier of not understanding the language taught in class.

We know that education is the key to overcoming poverty, and we are committed to helping children have an equal opportunity to go to school regardless of their race, gender or ethnicity. CARE is a global leader in delivering multilingual education so that children from indigenous and ethnic minority communities get the same chance to learn as others in their country. We help girls go to school alongside their brothers, rather than being kept at home to assist with household chores, or forced into an early marriage. We also help adults to learn literacy, numeracy and other life skills they may have missed out on at a younger age.

## CARE strives to ensure education and lifelong opportunities for all by:

- · removing barriers that keep girls out of school
- producing educational materials
- training and supporting local teachers
- providing community-based education for marginalised children, youth and adults with no access to formal schools
- providing multilingual education to help children from remote ethnic groups go to school
- providing training in literacy, numeracy, life skills and vocations for adults.

#### Case Study: A lifetime of learning in Cambodia

Communities in Cambodia's northeast provinces of Ratanak Kiri and Mondul Kiri face deep poverty and geographic isolation. Many of the indigenous populations in the region have little or no command of the national language, Khmer, and are therefore unable to participate in the state school system.

As a result, school enrolments in the northeast have been significantly lower than the national average, with high levels of drop-outs leading to an adult population with limited job opportunities.

CARE Australia's multilingual education program, with support from the Australian Government, is making it possible for ethnic minority children to learn in their own language for the first time. For the past 15 years, CARE Australia has been supporting teachers with education resources like lesson guides and training to help them teach indigenous students in their own language before gradually introducing them to Khmer. This enables indigenous students to learn the national curriculum and have access to the same opportunities as their peers.

Nang\* and Mok\* are from the Tumpoon ethnic minority in Cambodia's northeast. They both love coming to school every day and are keen to keep learning.

"I want to study and come to school every day, because then I can learn and gain more knowledge," says Nang, who wants to be a teacher when she grows up. "When I finish school, I want to get a good job and become a teacher. I want to teach multilingual education at primary school to children just like me."

Nang's mother Nyen says: "It makes me happy to see my children reading and writing."

So far, CARE Australia's multilingual education program has given 6,500 children the opportunity to learn in a language they can understand. As a result, the education standards and opportunities of ethnic minority children have vastly improved. As a testament to its success, the Cambodian Ministry of Education, Youth and Sport is replicating the multilingual model across Cambodia.

\*Names changed to protect children.

ANNUAL REPORT 2016/17 HEALTHY LIVES

CARE FOR

## **Healthy lives**

Poor and rural communities may experience health problems due to a lack of clean water, nutritious food, sanitation, health services and knowledge of hygiene. For those without access to clean water, every drink can lead to life-threatening disease, and remote communities often live so far away from health clinics that many die from preventable illnesses.

Around the world 844 million people, or one in ten, do not have safe drinking water. Contaminated water can cause many diseases, including diarrhoea, which kills more than 800 children every day. Without clean water, good hygiene and adequate toilets, diseases like cholera, typhoid and diarrhoea can quickly spread. Families in rural areas often have limited access to healthcare, meaning that if they get sick, even treatable illnesses can result in death.

We know that access to clean water and effective hygiene and sanitation is vital for communities to improve their health and wellbeing and help them overcome poverty.

### CARE is working to help families improve their health through programs that:

- increase access to healthcare services, particularly for women and girls
- protect and construct water sources and toilets in schools and communities
- form health clubs in schools and communities, which improve the environment and share hygiene information
- train health workers to provide women with better antenatal and postnatal care
- support immunisation programs that help prevent life-threatening diseases like measles.

#### Case Study: Clean water flows in Zimbabwe

In the Chivi District of southern Zimbabwe, many families have no taps, no toilets, and no clean water. In this environment, disease can be deadly.

To help families protect their health, CARE Australia is bringing clean water, toilets and hygiene education

to more than 50,000 people. This work is generously supported by the Australian Government, Thankyou Group and the Australian public.

Before CARE Australia came to their community, Ndakaitei's family were forced to drink water from a river bed that was shared with livestock. She hated knowing that her children were likely to get sick from the water she collected. But with five thirsty children and no clean water in her village, she had no choice.

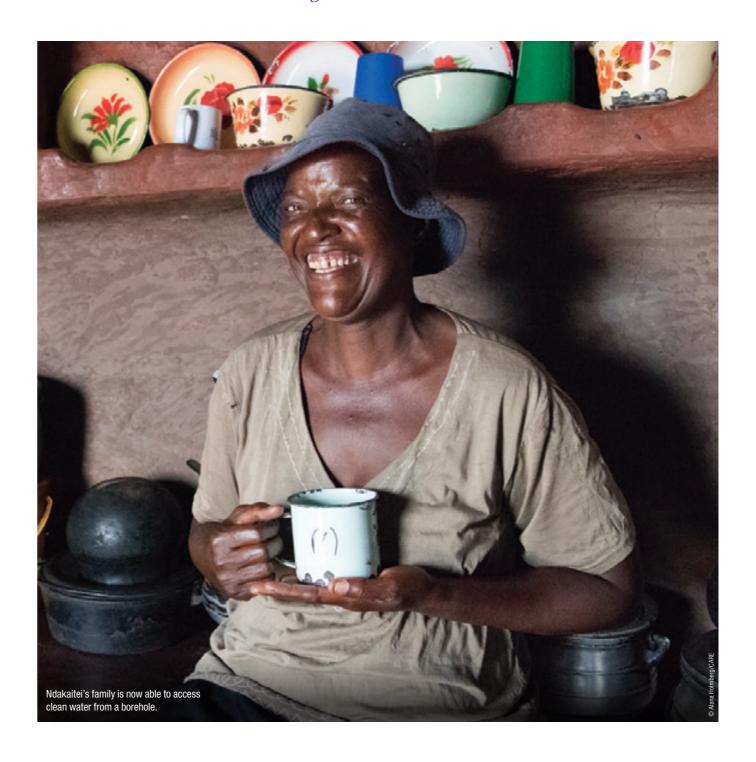
"You could see little worms always in the water at the bottom of the bucket," Ndakaitei said. "There were cholera outbreaks which hit communities and some members died."

When CARE Australia started working with Ndakaitei's village, the whole community's health dramatically improved. Children are now being educated in their classrooms about simple techniques like ensuring their hands are washed with soap, and clean water is stored safely. Communities are also taught how to construct their own pit toilets to help limit the spread of diseases caused by defecating in the open. "CARE helped us a lot in terms of the health of the village," Ndakaitei said. "Now our hygiene has greatly improved. Diarrhoea is no longer a problem here, but before it was a huge problem."

The best addition to their community has been a new borehole. "This was number one!" Ndakaitei exclaimed. "It meant we had clean water that was accessible to us."

Over the last four years, CARE Australia's project in Chivi north provided over 50,000 people like Ndakaitei with better water, hygiene and sanitation. CARE will undertake a similar project to support nearly 80,000 people in Chivi south from 2017 to 2021.

"CARE helped us a lot in terms of the health of the village," Ndakaitei, Zimbabwe.





Globally, 884 million people lack access to safe drinking water



50,000 people in Zimbabwe now have access to water, sanitation and improved hygiene



Diarrhoea cases dropped on average by 22% in project target areas

END HUNGER — ANNUAL REPORT 2016/17

"We don't have food to eat, we struggle to find water to drink and to wash with. All the food in our garden is dry," Grace, Papua New Guinea.





795 million, or one in nine, people around the world suffer from chronic undernourishment



El Nino caused 1.3 million people to go hungry in PNG



35,000 people were supported by CARE Australia to improve their health and nutrition in PNG

CARE TO

## **End hunger**

One in nine people around the world are experiencing chronic undernourishment because they do not have enough food, and three million children die each year from malnutrition. Inefficient farming practices and a changing climate mean food supplies are irregular and poor families often lack the variety of nutrients required for healthy development.

Women are particularly vulnerable to hunger. They have less influence on household decisions and lack the resources and training to combat a lack of food. When food shortages occur, gender and cultural norms often mean women go hungry first.

## CARE is working to overcome hunger and improve nutrition for all by:

- improving crop yields through farmer training and the provision of seeds and tools
- strengthening the capacity of communities to be resilient and adapt to climate change
- creating links to markets so men and women can earn an income and increase their access to food
- providing emergency food for families at risk of malnutrition, particularly women and children.

## Case Study: Recovering from the "big sun" in Papua New Guinea

In 2016, the world's biggest weather phenomenon – El Nino – affected more than 60 million people across the globe.

In Papua New Guinea (PNG), El Nino – known by locals as 'big sun' – dried up food and water sources in a country where 80% of the population depend on farming and nearly half of all children are stunted from poor nutrition. As a result, more than 1.3 million people went hungry.

Mothers like Grace struggled to provide their children with basics such as food and water.

"The big sun has made everything dry," she said. "We don't have food to eat, we struggle to find water to drink and to wash with. All the food in our garden is dry." Like many in her community, Grace was forced to survive on 'bush food' like nuts and leaves that are only eaten in times of emergency.

Since 2015, CARE Australia has been responding to the El Nino emergency in PNG with the provision of food, water and medical aid to more than 328,000 people. In 2016, we continued our response in partnership with Oxfam and with support from the Australian Government's Humanitarian Partnerships Agreement. This 12-month project helped more than 35,000 people like Grace to improve their health and nutrition by providing immunisations and health information, clean water, food and agricultural training, tools and seeds.

We included female staff in every assessment, distribution and field team and encouraged women to attend distributions and activities with their families. CARE Australia knows that the traditional approach of distributing relief items to men as the heads of households would miss many co-wives in polygamous households, widows, and female-headed households. Instead, we ensured vulnerable groups were included in distributions.

We also delivered agricultural training to men and women, which included an exploration of their division of work. For many women, it was the first time they had the opportunity to talk openly about their heavy workloads and feeling undervalued. Many women indicated that their husbands now support them more with their workloads, and 92% of men said they now try to be more respectful and supportive of their wives. This is a significant achievement during an emergency response and in a context with such deeply entrenched gender norms.

These communities are still at severe risk of malnutrition, especially if another climate shock occurs, and we are continuing our work to make sure families are more resilient to disasters in PNG. We are training government representatives and community members on how to identify risks, prepare for the next disaster and manage resources when an emergency hits.

CARE FOR

## Families in emergencies and crises

CARE is one of the world's leading humanitarian agencies. When disaster strikes, we are amongst the first to arrive and the last to leave. We provide food, shelter, clean water, toilets and medical care to those who need it most and continue to help people recover for the months and years that follow.

In addition to emergency response, we also focus on disaster risk reduction: working with communities to help them prepare and plan for emergencies; and work specifically with women, who are disproportionately affected by emergencies.

Last year, CARE Australia responded to nine emergencies across 17 countries, including the impact of El Nino in Africa, Asia and the Pacific, an earthquake in Indonesia, a cyclone in Vanuatu, locusts in Laos and the impacts of conflict in Yemen, Iraq, Syria and Myanmar.

#### Syrian Refugee Crisis

Six years of conflict in Syria has taken the lives of over 400,000 people. The survivors are desperately in need: more than 5 million refugees have fled the country and a further 6.5 million people remain displaced within Syria.

Through our local partners, CARE is delivering aid to families like Souad's who are displaced within Syria. Three years ago, Souad fled her village in eastern Aleppo to a town near the Syrian-Turkish border, after militant forces took control of her village. When her husband and son were killed in an airstrike, she had to raise her two remaining sons and daughter alone.

"Before the conflict, we lived in dignity," Souad says.

"We had farmlands with olive trees and I worked as a tailor, earning a lot of money."

Now, Souad's family is living in a camp without basic services. They gratefully received food baskets through a project partly funded by CARE Australia. Each food basket contains items such as rice, sugar, oil and pasta and were delivered to more than 7,000 Syrians displaced by the ongoing violence.

"The basket has important items that we are in need of," Souad said. "Despite the camp conditions and the need for more support, we feel safe here. We hope the war will end, that we can return to our home."

CARE has assisted more than 2.2 million people in Syria and nearly one million Syrians and host communities in Croatia, Egypt, Greece, Jordan, Lebanon, Serbia and Turkey. CARE has provided families with food, water, shelter, and essential items such as mattresses, blankets, kitchen sets, baby items and hygiene kits.

#### **East Africa Hunger Crisis**

A catastrophic food crisis is crippling East Africa, with more than 16 million people in urgent need of assistance. In February 2017, famine was declared in parts of South Sudan. Somalia is on the brink of famine, with tens of thousands of children at risk of starvation across most of the country. Kenya and Ethiopia are also affected.

When nine-month-old Chiang arrived at CARE's nutrition centre in Bentiu, South Sudan, he was severely malnourished. His mother, Roda, had been struggling to feed her four children after fleeing fighting in her village.

"When Chiang fell sick, a CARE worker told me to come to this nutrition centre. Since then, my child's condition is improving and he is gaining weight. I am so grateful that my boy is getting better," Roda says.

CARE has set up supplementary feeding programs in the camp where Chiang and Roda live and Chiang was given a highly nutritious peanut paste to help him recover and grow.



We have provided emergency help to more than 2.4 million people facing the risk of starvation in Ethiopia, Kenya, South Sudan and Somalia. CARE's teams are providing medicine and healthcare to children suffering from malnutrition, diarrhoea and cholera; food aid and cash vouchers to parents so they can feed their children; seeds so families can replant devastated crops; and clean drinking water.

#### Yemen crisis and cholera outbreak

The people of Yemen have suffered two years of brutal conflict, which has left nearly 19 million people in urgent need of aid. In May, poor living conditions caused the worst cholera outbreak in the world, with more than 400,000 people infected.

Ten-year-old Mustafa was admitted to the cholera isolation centre at the Aljomhuri Hospital in Hajja, Yemen in a critical condition. His weak body had been attacked by an acute cholera infection.

Mustafa suffered through four days of severe diarrhoea that left him desperately dehydrated, unable to move. His father explained how lucky they were to afford to bring him to hospital, where he stayed until he passed the hazardous stages of dehydration.

"There are a lot of sick people I know in this city who are unable to afford even the transport expenses necessary to reach the hospital."

CARE is one of the few international aid agencies already on the ground, delivering aid in spite of the conflict.

We have already reached 1.6 million people with lifesaving water and food. Working with local partner organisations, we are repairing water systems, constructing toilets and distributing hygiene kits and relief supplies.

To limit the spread of cholera, CARE is providing safe water to public facilities like hospitals and schools and supporting solid waste disposal through clean up campaigns in public spaces. We are also distributing food and cash, often in hard-to-reach areas.



CARE Australia responded to 9 emergencies in 17 countries



CARE has supported more than 2.2 million people in Syria



CARE has supported 2.4 million people facing starvation in East Africa

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ANNUAL REPORT 2016/17 AUSTRALIANS IN ACTION

## **Australians** in action

Every year, thousands of compassionate Australians get involved in CARE Australia's campaigns and events to help fight poverty and create a more equal world. Thank you for your support, we couldn't do our work without you!

#### International Women's Day

This year we marked International Women's Day by marching alongside thousands of people in Melbourne's #March4Women. Thank you to everyone who joined us, or watched the event via our livestream on Facebook.

We followed up our celebrations with an event for our supporters in Sydney, made possible by our long-term corporate partner EY. Over 70 quests enjoyed speeches from Shadow Minister for International Development and the Pacific, Senator Claire Moore, author and journalist, Jane Caro, and Chief Executive of CARE Australia, Sally Moyle.

Guests also experienced CARE's first virtual reality film about how CARE's savings groups have changed the lives of generations of women in Niger over 25 years.

#### Walk in Her Shoes

Our flagship fundraising challenge, Walk in Her Shoes, moved from March to October in 2016. Despite running twice in the year to accommodate the change, we were thrilled that more than 2,400 Australians walked, ran and raised over \$369,000 for families living in poverty overseas. We are looking forward to running Walk in Her Shoes as an annual corporate challenge from October 2017.

#### **Volunteers**

We are fortunate to have enthusiastic and skilled volunteers contributing their time to support our work. This year, we benefitted from 17 volunteers performing 299 days of work in our Australian offices, representing a contribution of \$70,000. They supported work in research, fundraising, digital, gender, advocacy, post-emergency preparedness planning and program quality.

Seven volunteers were stationed in our Country Offices through our partnership with the Australian Government's Australian Volunteers for International Development (AVID) program.

#### Pads for Vanuatu – crowdfunding campaign

This year, we trialled a new approach to fundraising through crowdfunding. The No girl should miss school. Period! campaign raised \$20,800. Money raised will help 285 girls in Vanuatu, providing them with reusable sanitary pads and menstrual hygiene education.

#### **Fundraisers**

This year 57 amazing fundraisers held their own events or challenged themselves with fun runs, walks and swims to support CARE Australia's work, raising over \$70,785 along the way!

Alida Gyory used cycling to help break the cycle of poverty, riding her bike through nine countries in two months across more than 3,400km of challenging terrain.

One of the main motivations for her trip was to discover how Europe was dealing with the refugee crisis: "I want to encourage a level of compassion for those in need and emphasise that we in developed and stable nations are very lucky," Alida said.

Incredible fundraisers like Alida help CARE Australia continue our work supporting families who have had to uproot their lives because of conflict and leave everything behind.

Steve Burnel and his seven-year-old son Will walked the coastline of northern New South Wales in a huge 100km walk over three days.

Will is passionate about CARE Australia's programs that provide families with better quality and quantity of food.

The pair raised almost \$6,000 for CARE, and hope to do a similar trek later this year.

#### Partnering around a common cause

With a shared passion for supporting female workers, CARE Australia and Target partnered together in 2014 to improve the maternal health of women and their families in Gazipur, Bangladesh.

Many of these women work in garment factories like those producing items for Target, and struggle to access healthcare for themselves and their children. Over 61,000 women have received antenatal care through the project and almost 29,000 babies have received essential newborn care.

By training health workers and supporting clinics, CARE Australia and Target have provided women and their families with better health services so children can have a better start in life.









Steve and Will Burnel walked 100km

## **Our staff**

Our staff are one of our greatest strengths, bringing commitment and skill to CARE's work.

CARE Australia employs 902 staff and 95% are local to the country they work in.

49% of CARE's staff identify as female, 51% as male.

#### NUMBER OF STAFF BY LOCATION

Location	Local staff‡	Expatriate staff <sup>†</sup>	Total staff	% of local to total staff
Country Offices				
Cambodia	87	5	92	95%
Laos	113	6	119	95%
Myanmar	321	13	334	96%
Papua New Guinea	61	5	66	92%
Timor-Leste	107	5	112	96%
Vanuatu	57	5	62	92%
Vietnam	35	1	36	97%
Regional (WASH & Fiji staff)	n/a	4	4	
SUB TOTAL	781	44	825	95%
Australian Offices	n/a	n/a	77	
TOTAL STAFF	858	44	902	95%

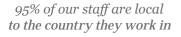
Note: Staff numbers include part-time, short-term and contract staff. † Expatriate staff are international employees posted to a CARE Australia-managed Country Office and staff undertaking emergency Water, Sanitation and Hygiene (WASH) field-related activities. ‡ Local staff are locals to the country they work in.

#### STAFFING LEVELS OVER TIME

Staff numbers	30 June 2012	30 June 2013	30 June 2014	30 June 2015	30 June 2016	30 June 2017	% change 30 June 16 – 30 June 17
Australian-based	75	79	79	78	80	77	-3.8%
Expatriate	45	51	47	54	54	44	-18.5%
Local staff	878	890	831	790	812	781	-3.8%
TOTAL STAFF	998	1,020	957	922	946	902	-4.7%

Staff levels in Australia decreased due to a reduction in roles in Corporate Services and Fundraising, Digital and Campaigns. The decrease in expatriate staff was due to the end of some projects in Papua New Guinea and a scale down of operations in Fiji following the completion of an emergency response. Staff turnover was 15.6%, a decrease from 27.3% last year.







7 Country Offices are managed by CARE Australia



902 staff employed by CARE Australia

#### Supporting our staff

We implemented a People Strategy and associated Action Plan throughout CARE Australia and the Country Offices we manage. The strategy articulates our focus to create a flexible work environment that fosters excellence and innovation, where there is mutual trust and staff are recognised for their valuable contributions. Linked to this, we implemented a Purchased Leave scheme and a Domestic Violence policy, as well as tools for succession planning and leadership development. All Country Offices have also included the Prevention of Sexual Exploitation and Abuse within their staff codes of conduct.

Each Country Office has now completed a review of pay and benefits to ensure positions are transparent and equitable.

Surveys regarding Performance Management systems and Workplace Wellbeing were undertaken by Australia-based staff to provide valuable insights into the working conditions of staff. The survey results led to system improvements, including the creation of a CARE Wellbeing Framework.

#### Learning and development

During the year, 120 Australian and overseas-based staff were provided subscriptions to an online learning provider so they could conveniently access affordable learning and development resources. These subscriptions complement existing learning and development resources already available for staff including CARE Academy, Study Support for formal qualifications and on-the-job learning.

#### Leadership

CARE Australia is committed to increasing the number of local leaders in our Country Offices, with the ambition of 25% of senior positions to be held by local staff by 2018. We are on track to meet this target, with a current figure of 22%.

A National Staff Leadership Development program began in April, with each Country Office developing a plan linked to solid performance management, effective workforce and succession planning and talent management. The process will be reviewed over the 12 months of implementation to enable a thorough assessment.

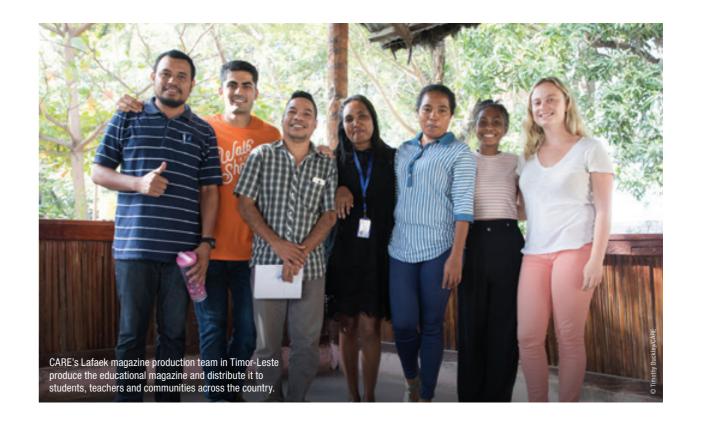
#### Gender and diversity

CARE Australia is committed to providing a supportive and inclusive environment for all staff. This year, our Gender Equality Unit undertook a major organisation-wide gender and diversity self-assessment.

The results of the survey will inform the Gender and Diversity Strategy in 2018.

#### **Environmental sustainability**

Having achieved our target of reducing emissions by 40% from 2010-2015, we are continuing to minimise our carbon footprint by separating general waste, recycling and green waste. We also buy green energy, offset our flights and keep flying to a minimum by using video conference and Skype facilities. Australian offices discourage the use of disposable coffee cups.





## Our supporters

Thank you to our 76,000 donors!

Through CARE Australia's Lead with CARE program, supporters are welcomed into one of four tiers, with specific benefits for each level. We are pleased to publicly thank the top three tiers of our Lead with CARE program in the Annual Report.

For more information, please visit care.org.au/leadwithcare

#### Lead with CARE Leaders

ACME Foundation
Paul Ainsworth Foundation
Valerie and John Braithwaite
Heather Doig and Robert Koczkar
Geoff & Helen Handbury Foundation
Patricia McAlary
Dr Graeme and Mrs Dawn Robson
World Nomads customers through
the Footprints Network

#### **Lead with CARE Champions**

John Borghetti
Count Charitable Foundation
The Goldsmith Family Foundation
Gresham Partners Limited
Thomas Hare Investments Pty Ltd
J Holden Family Foundation
The George Lewin Foundation
Tara and Nathan Osborn
Jason Squire
Wood Family Foundation

#### Lead with CARE Changemakers

Phil and Alison Anthony Claire M Bamford **Davies Family Foundation Brad Fenby** Brian Fry Mike and Stephanie Hutchinson Alec MacGill and Agnes Tay Dr Stuart Marshall Annie & John Paterson Foundation Ltd Rosemary Rajola Ravine Foundation Annabel Ritchie Savannah Foundation Dr William Sievert and Dr Jennifer Hoy The Dick and Pip Smith Foundation Dick Smith Foods Foundation StandUp Peter Turner Stephen Walker and Sue Adams Richard Willis and Janet Abernethy Women's Plans Foundation

#### **Corporate Supporters**

AGL Energy
Deloitte
Deutsche Bank
EY
Hartmann Group
Informed
Ingenuity Electronics Design
King & Wood Mallesons
Macquarie Group Foundation
Maple-Brown Abbott
NAB
Norman Disney & Young
Nutrition Republic Café
oobe

Peter Schreurs & Sons Vegetable Farm Simson Greeting Cards Six O'Clock Advisory Target Australia Telstra Thankyou Group UBS Virgin Australia

Western Union Business Solutions Westpac Group

#### Gifts in Wills

Estate of the late John Robson Clarke
Estate of the late Margaret Ruth Dixon
Estate of the late Michael Krowicky
Estate of the late Alfred Rowe
Estate of the late Betty Margaret Smythe
Estate of the late John Thirsk
Estate of the late Patricia Aimee Woollam

#### Multilateral

European Commission Humanitarian Office (ECHO)

European Union (EU)

The Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM)

United National Children's Fund (UNICEF)
United Nations Office for Project Services

United Nations Population Fund (UNFPA)
United Nations Women (formerly UNIFEM)
United Nations World Food Programme (WFP)
World Bank

#### Bilateral

Government of Australia
Government of Denmark
Government of Ireland
Government of Japan
Government of Luxembourg
Government of New Zealand
Government of Norway
Government of Switzerland
Government of United States of America

#### Ambassadors

Gail Kelly, CARE Australia's Ambassador for Women's Empowerment Jamila Rizvi, CARE Australia Ambassador Chrissie Swan, CARE Australia's CAREgifts Ambassador Miguel Maestre, CARE Australia's CAREgifts Ambassador Deruka Dekuek, CARE Australia's

Walk in Her Shoes Ambassador

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ANNUAL REPORT 2016/17 OUR GOVERNANCE

# Our board and governance

The Board of Directors is responsible for directing CARE Australia's activities towards achieving our vision and fulfilling our mission while living the core values. The independent, non-executive members serve on a voluntary basis without remuneration. The Board is responsible for driving CARE Australia's strategic direction, monitoring its progress and fulfilling stakeholders' expectations. It is accountable for CARE Australia's overall performance, compliance with relevant laws, codes of conduct and ethical standards and for the oversight of its risk management.

The Board appoints Committees to assist in the discharge of its obligations, consider issues referred and delegated by the Board and make recommendations. The Board also appoints the Chief Executive and delegates the operational management of CARE Australia to them with the powers, authorities and delegations determined by the Board.

For more information about the Board's functions and the role of Committees, please visit care.org.au/who-we-are/staff-board

#### Risk Management, Fraud and Corruption Control

CARE Australia's Board is responsible for the oversight of material business risk and is assisted in this role by the Finance and Audit Committee and the International Programs and Operations Committee. Management has implemented a risk management framework which underpins CARE Australia's Risk Management Policy, whereby risks are regularly assessed, monitored and managed. The Organisational Risk Management Committee is a standing management committee with members appointed by the Chief Executive and comprising both CARE Australia and CARE International Country Office senior management representation. The Committee supports Board sub-committees by continuously assessing the risks we face and risk management strategies to ensure they remain current with regulatory, operational and legal changes as well as business objectives.

Our Fraud and Corruption Control Plan is accompanied by a Policy Statement issued by the Chief Executive that clearly sets out CARE Australia's zero-tolerance approach to fraud and corruption. We are committed to maintaining a culture of honesty and opposition to fraud.

The plan sets out the steps taken to ensure that we understand, prevent, detect, investigate and respond to fraud and corruption.

#### **Reserves Policy**

Our Reserves Policy specifies that reserves need to be retained to safeguard CARE Australia's operations and allow for strategic investment or coverage of expenses not met by approved budgets. This policy balances the need to protect our financial security while simultaneously ensuring flexibility in meeting the development and humanitarian challenges of operating in a dynamic global environment.

#### **Treasury Policy**

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

#### **Investment Performance**

CARE Australia takes a conservative approach regarding banking and the investment of our reserves. Myer Family Company manages our investment portfolio in line with the approved investment strategy under the oversight of the Board's Finance and Audit Committee. During the year we reviewed our Investment Policy to ensure it remained relevant, given the current and forecasted Australian and global economic conditions. The Investment Policy requires that the portfolio be invested predominantly with fund managers which are signatories to the UN Principles of Responsible Investment and/or employ ethical limitations against: the manufacture of tobacco products: the sale of adult entertainment; the intentional use of exploitative child labour or forced labour in production or sourcing processes; and the manufacture or sale of armaments.

Our investment objectives are: to provide a capital reserve for CARE Australia to cover any unforeseen operational shortfalls or major humanitarian project(s) as it strives to achieve its mission — to save lives, defeat poverty and achieve social justice; and to preserve capital in real terms into perpetuity.

#### **Investment Performance Against Objectives**

The return target of CPI plus 3% over a rolling 5 year period was met in 2016-17. Since inception, the CPI plus 3% objective was not met due to the exposure to equities during the global financial crisis.

#### **BOARD MEMBERS**

#### CHAIR

#### Colin Galbraith, AM | Director since 2004

Special Adviser, Gresham Partners Limited; Director, LatAm Autos; Director, Colonial Foundation; Trustee, Royal Melbourne Hospital Neuroscience Foundation. Formerly – Director, Australian Institute of Company

Directors; Director, Commonwealth Bank of Australia; Chair, BHP Billiton Community Trust.

Colin is the representative of CARE Australia on the Council of CARE International.

#### VICE CHAIR

#### Christine O'Reilly | Director since 2007

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

Formerly – Global Co-Head of Unlisted Infrastructure Investment, Colonial First State Global Asset Management; Chief Executive Officer and Director, GasNet Australia Group; Director, CARE International.

Christine resigned from the CARE Australia Board in November 2016.

#### VICE CHAIR

#### Peter Debnam | Director since 2013

Chair, NSW Kids in Need Foundation Limited; Chair, The Muscular Dystrophy Association of NSW; Chair, Advisory Board, Our Big Kitchen Ltd; Chair, Muscular Dystrophy Foundation Australia; Director, The Paraplegic and Quadriplegic Association of NSW.

Formerly – Member of NSW Parliament, Shadow Minister and Leader of the Opposition; Director, Paddle NSW Inc; Director, Disability Sports Australia; Director, Soils for Life Pty Limited.

#### **TREASURER**

#### **Bronwyn Morris | Director since 2007**

Director, Watpac Ltd; Director, Collins Foods Ltd; Director, RACQ Ltd; Director, RACQ Insurance Ltd; Director, Gold Coast 2018 Commonwealth Games Corporation; Councillor, Queensland Division of the Australian Institute of Company Directors.

Formerly – Chair, LGlAsuper; Director, Fyfe Group Holdings Pty Ltd; Deputy Chair, Children's Health Foundation Queensland; Director, Spotless Group Ltd; Director, Queensland Investment Corporation Ltd; President, The Brisbane Club; Director, Brisbane Marketing; Director, Bond University; Chair, Queensland Rail; Director, Colorado Group Ltd; Director, Queensland Office of Financial Supervision; Member, Australian Advisory Committee of Parsons Brinckerhoff; Partner, KPMG.

Bronwyn was the Chair of the CARE Australia Finance and Audit Committee until her resignation.

Bronwyn resigned from the CARE Australia Board in July 2017.

#### Dr Megan Clark, AC | Director since 2015

Non-executive director, Rio Tinto and CSL Limited; member of Australian Advisory Council to the Bank of America Merrill Lynch; Fellow, the Australian Academy of Technological Sciences and Engineering; Fellow of the Australian Institute of Company Directors.

Formerly – Chief Executive, CSIRO; Vice President, Technology, BHP Billiton; Director, NM Rothschild and Sons; member of Australian Prime Minister's Science, Engineering and Innovation Council; member of the International Commission on Sustainable Agriculture and Climate Change.

Dr Clark was awarded a Companion of the Order of Australia in 2014.

#### David Feetham | Director since 2013

Deputy Chairman, Gresham Partners Limited.
Formerly – Macquarie Bank in Sydney;
Baker & McKenzie.

#### Robert (Bob) Glindemann, OAM | Director since 2008

Deputy Chair and Non-Executive Director, Navy Health Limited; Director, SecondBite; Director, East Timor Roofing Holdings Pty Ltd; Director, East Timor Roofing and Training UNIP LDA.

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

#### Allan Griffiths | Director since 2008

Non-Executive Director, IOOF Holdings Pty Ltd; Chairman, Westpac Life Insurance Services, St George Life, Westpac General Insurance Ltd, Westpac Lenders Mortgage Insurance Services.

Formerly – Chief Executive Officer, Aviva Australia; Managing Director South East Asia, Aviva Asia Pte Ltd based in Singapore.

#### William (Bill) Guest | Director since 2000

Director, Guest Group, Guests Display Homes, Guests Property Styling, Property 4 Retail and Guest Nominees; Director, Board and Patron of Australian Prostate Cancer Research; Director, Ballpark Entertainment.

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

Bill was the Chair of the CARE Australia Fundraising and Communications Committee until his resignation.

Bill resigned from the CARE Australia Board in July 2017.

#### Professor Stephen Howes | Director since 2012

Professor of Economics, Director, Development Policy Centre, Crawford School of Public Policy, Australian National University; Chair, Femili PNG.

Formerly – Chief Economist, Australian Agency for International Development: Lead Economist.

World Bank in India; Director, Pacific Institute of Public Policy; Advisory Board Member, Asian Development Bank Institute

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

#### Danielle Keighery | Director since 2015

Group Executive of Public Affairs, Virgin Australia; Member, Virgin Unite Board – the not-for profit foundation of the Virgin Group.

Formerly – Corporate Affairs, Virgin Management, Asia Pacific; Senior Corporate Communication roles at Nokia; Global Director of Corporate Communications, Nokia London.

#### Larke Riemer | Director since 2015

Formerly – Director, Women's Markets, Westpac Banking Corporation; Chair and Global Ambassador, Global Banking Alliance for Women in Banking; Diversity Advisory Board, Allen Linklaters and NBCF.

Larke is the Chair of the CARE Australia People and Remuneration Committee.

#### Joseph Tesvic | Director since 2016

Senior Partner and Asia Operations Practice Leader, McKinsey & Company.

#### Louise Watson | Director since 2008

Managing Director and Principal, Symbol Strategic Communications; Communications Adviser to many of Australia's leading public companies; Advisory Board Member, The Global Foundation.

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

#### **ADVISORY COUNCIL MEMBERS**

#### Willoughby Bailey, AO, GCLJ

Director, 1992-2008

#### Sir William Deane, AC, KBE

Director, 2001-2004 | Chair, 2002-2004

#### Tony Eggleton, AO, CVO

Director, 1996-2007 | Chair, 2004-2006 Vice Chair, 2002-2004

#### Philip Flood, AO

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

#### The Hon. Dr Barry Jones, AC

Director, 1992-2012

#### Harold Mitchell, AC

Director, 2004-2014 | Chair, 2009-2014 | Vice Chair, 2007-2009

#### Jocelyn Mitchell

Director, 1993-2006

#### Peter Smedley

Director, 2000-2009 | Chair, 2006-2009 Vice Chair, 2004-2006

ANNUAL REPORT 2016/17 OUR FINANCES

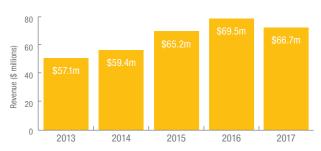
## **Our finances**

#### Year in Review

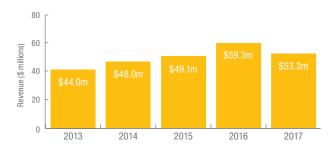
CARE Australia recorded an overall surplus of \$0.5m in 2017, resulting from a foreign exchange gain of \$0.3m and a small operating surplus of \$0.2m generated from investment returns.

This year saw a decrease in overall revenue to \$66.7m (2016: \$69.5m) and in funds spent on international programs to \$53.3m (2016: \$59.3m). This was due to decreased grant funding from the Department of Foreign Affairs and Trade (DFAT) and the Department of Immigration and Border Protection (DIBP) following the completion of some long term projects and a reduction in the number of humanitarian and disaster relief responses in the Asia/Pacific region.

5-year Revenue Trend



Funds to International Programs



#### Revenue

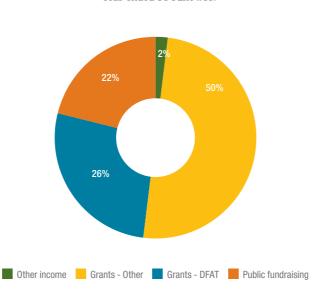
Total revenue decreased by 4% in 2017 to \$66.7m, reflecting reduced grant revenue from Australian donors.

While CARE Australia continues to be successful in securing funding from institutional donors, 2017 has seen a reduction in grant funding from the Australian Government, offset by an increase in funding from other overseas donors such as UNICEF and the World Food Program. DFAT funding decreased by 8% following the completion of long-term projects in Ethiopia, Malawi and Tanzania in 2016 and a reduction in the number of humanitarian and disaster relief responses in the Asia/Pacific region in 2017.

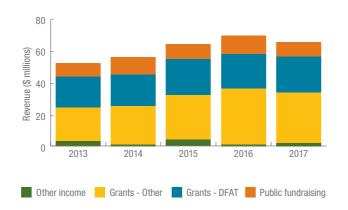
Other Australian government funding also decreased following the completion of a community governance project in PNG and DIBP projects in Afghanistan, Sri Lanka and Jordan.

Public fundraising was relatively stable with a small 1% decrease from last financial year, due to a decrease in bequests offset by increased funding from appeals. Fundraising appeals were launched to support the emergency response to the El Nino drought, the Syrian refugee crisis and the East Africa four-country famine appeal. CARE Australia has also continued to invest to grow our donor base and secure ongoing income from the Australian public.

Where the money comes from - Year ended 30 June 2017



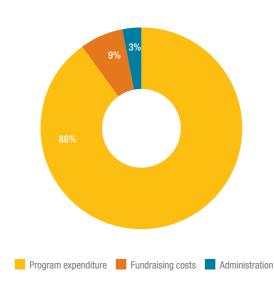
Where the money comes from 5-year trend



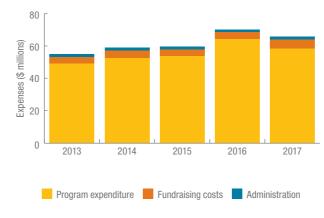
#### Expenditure

Total expenses decreased by 9% to \$66.2m in 2017, following a period of sustained growth in program expenditure over the last four years. Expenditure on overseas programs, including program support costs, was \$56.9m in 2017 and has seen the continuation of aid delivery in South Asia and South East Asia, the Middle East, the Pacific and Africa. Emergency assistance was provided to those affected by natural disasters and conflict in South Asia (Nepal), the Middle East (Jordan, Lebanon, Syria and Turkey), South East Asia (Myanmar and Philippines), Africa (South Sudan) and the Pacific (Fiji, PNG and Timor-Leste). Overseas project expenses have decreased by 11% from last financial year due to the completion of a number of long-term projects in Afghanistan, Africa, Jordan, PNG and Sri Lanka.

Where the money goes
- Year ended 30 June 2017



Where the money goes 5-year trend



Fundraising costs have increased by 9% as CARE Australia has continued to invest in fundraising and donor acquisition as part of the 2015-2018 Strategy to increase donations from the Australian public and diversify revenue streams. Administration costs were also 8% higher than last year due to an upgrade of the finance system and increased office accommodation costs.

#### Accountability measures

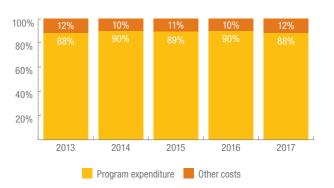
**Program expenditure** is the total amount spent on our overseas programs, including program support costs and community education campaigns, expressed as a percentage of total expenditure.

Other costs are the total amount spent on accountability, administration and fundraising as a percentage of total expenditure.

Analysis – Our program expenditure ratio has remained at a high level, with a five-year average of 89%. This reflects CARE Australia's ongoing investment in programs and program support and our commitment to ensuring that funds are directed to humanitarian and development activities.

Our other costs ratio remains low, with a five-year average of 11%. This reflects CARE Australia's commitment to maintaining control over administrative costs and ongoing investment in donor acquisition.

Program expenditure ratio

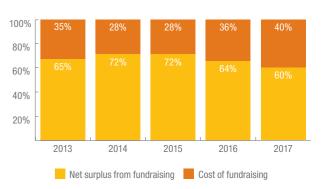


**Cost of fundraising** is the total amount spent on public fundraising expressed as a percentage of total revenue from the Australian public, rather than total revenue. It excludes funding and associated costs related to grant funding from DFAT and other organisations.

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

Analysis – Commencing in 2016 and continuing through to 2018, CARE Australia embarked upon an additional investment in donor acquisition, which will result in higher fundraising ratios over this period. This investment enables CARE Australia to have greater funds available in the future for our international aid and development work and reduces dependence on institutional funding.

Fundraising ratio



ANNUAL REPORT 2016/17 OUR FINANCES

## **Summary financial report**

#### Directors' Declaration

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

In the opinion of the Directors of CARE Australia:

- (a) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- (b) the summary financial report is in accordance with the requirements set out in the ACFID Code of Conduct and has been derived from and is consistent with the full financial statements for the financial year ended 30 June 2017;
- (c) the full financial statements and notes are in accordance with the Australian Charities and Not-for-Profits Commission Act 2013 and:
  - comply with Australian Accounting Standards and the Australian Charities and Not-for-Profits Commission Regulations 2013; and
  - (ii) give a true and fair view of the financial position and performance of the Company for the financial year ended 30 June 2017.

On behalf of the Board.

Colin Galbraith, AM Chair

13 November 2017

Medal

Treasurer
13 November 2017

#### Independent Auditor's Report on the Summary Financial Report

The accompanying summary financial report, which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended and related notes are derived from the audited financial report of CARE Australia for the year ended 30 June 2017. We expressed an unmodified audit opinion on that financial report in our report dated 13 November 2017.

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

#### Directors' responsibility for the Summary Financial Report

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

Ernst + Young

Ernst & Young 121 Marcus Clarke Street Canberra ACT 2601 GPO Box 281 Canberra ACT 2601 13 November 2017

#### Auditor's Responsibility

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

#### Opinion

In our opinion, the summary financial report derived from the audited financial report of CARE Australia for the year ended 30 June 2017 is consistent, in all material respects, with that audited financial report, in accordance with the ACFID Code of Conduct requirements.

Meun

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

### **Financial statements**

#### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

Revenue	Notes	2017 (\$)	2016 (\$)
Donations and gifts			
Monetary		13,261,059	13,073,157
Non-monetary		221,364	334,144
Bequests and Legacies		919,717	1,088,148
TOTAL REVENUE FROM AUSTRALIAN PUBLIC		14,402,140	14,495,449
Grants and contracts			
DFAT		17,284,767	18,838,437
Other Australian	2	6,671,802	10,892,906
Other overseas	3	26,604,750	24,061,122
Investment income		453,958	592,302
Other income		1,271,034	609,724
TOTAL REVENUE		66,688,451	69,489,940
Expenditure	Notes	2017 (\$)	2016 (\$)
International Aid and Development Programs expenditure			
Funds to international programs		53,270,659	59,311,540
Program support costs		3,680,386	4,466,585
TOTAL OVERSEAS PROJECTS		56,951,045	63,778,125
Community education		1,114,952	1,370,278
Fundraising costs – Public		5,693,546	5,205,550
Fundraising costs – Government and multilateral agencies		129,814	140,684
Accountability and administration		2,048,099	1,897,285
Non-monetary expenditure		221,364	334,144
TOTAL EXPENDITURE		66,158,820	72,726,066
Surplus/(Deficit)		529,631	(3,236,126)
Other comprehensive income		-	-
			(0.000.400)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		529,631	(3,236,126

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

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

It should be noted that donations made for a specific purpose, such as an emergency appeal, are recognised as revenue in the financial year in which funds are expended. As a result of this accounting treatment, the amount shown as donations from the Australian public will fluctuate from year to year.

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#### STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

Assets	2017 (\$)	2016 (\$)
Current assets		
Cash and cash equivalents	11,184,258	15,934,654
Held to maturity investments	10,727,914	9,636,735
Prepayments	525,247	498,984
Project advances	2,892,778	5,093,732
Trade and other receivables	3,775,481	2,536,412
Non-current assets		
Property, plant and equipment	1,528,445	1,753,287
Investments at fair value	7,203,654	5,833,373
TOTAL ASSETS	37,837,777	41,287,177
Liabilities	2017 (\$)	2016 (\$)
Current liabilities		
Trade and other payables	1,638,396	1,764,662
Provisions	3,680,347	3,751,293
Unexpended project funds	19,341,846	23,129,326
Non-current liabilities		
Provisions	478,274	481,613
TOTAL LIABILITIES	25,147,863	29,126,984
NET ASSETS	12,689,914	12,160,283
Equity	2017 (\$)	2016 (\$)
General reserve	13,207,499	13,021,321
Foreign currency reserve	(517,585)	(861,038)
TOTAL EQUITY	12,689,914	12,160,283

#### STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017

	General Reserves (\$)	Foreign Currency Reserves (\$)	Total (\$)
Balance at 30 June 2016 (commencing balance)	13,021,321	(861,038)	12,160,283
Surplus / (Deficit)	186,178	343,453	529,631
Amount transferred (to) from reserves	-	-	-
Other comprehensive income for the year	-	-	-
Balance at 30 June 2017 (year end balance)	13,207,499	(517,585)	12,689,914

During the financial year, there were no adjustments or changes in equity due to the adoption of new accounting standards. This summary financial information has been extracted from the statutory financial statements. It is consistent, in substance, with these statements notwithstanding the less technical language and content. The statutory financial statements have been audited and are available on CARE Australia's website. www.care.org.au/annualreports

#### CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2017

OUR FINANCES

Cash flow from operating activities	2017 (\$)	2016 (\$)
General public donations	13,507,002	13,102,504
Grants and contract income (inclusive GST)	52,718,593	59,314,627
Interest income	453,958	592,302
Other income	719,836	488,560
Payments to suppliers and employees (inclusive of GST)	(68,885,677)	(80,221,074)
Net cash flows (used in)/from operating activities	(1,486,288)	(6,723,081)
Cash flow from investing activities		
Acquisition of property, plant and equipment	(501,723)	(936,974)
Proceeds from sale of equipment	94,108	215,554
Acquisition of investments	(31,724,452)	(15,995,057)
Redemption of investments	32,420,200	16,431,011
Net cash flows (used in)/from investing activities	(2,711,867)	(285,466)
Net decrease in cash held	(4,198,155)	(7,008,547)
Net foreign exchange differences	(552,241)	281,027
Cash at the beginning of the year	15,934,654	22,662,174
Cash at the end of the year	11,184,258	15,934,654

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

#### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS – 30 JUNE 2017

#### **NOTE 1: ACCOUNTING POLICIES**

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

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

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

	2017 (\$)	2016 (\$)
NOTE 2: PROJECT GRANTS FROM OTHER AUSTRALIAN ORGANISATIONS		
Australian Government departments or accredited Non-Government Organisations (NGOs)	6,325,374	10,714,827
Other Australian organisations	346,428	178,079
	6,671,802	10,892,906
NOTE 3: PROJECT GRANTS FROM OTHER OVERSEAS ORGANISATIONS		
CARE International members	14,708,018	13,087,669
Multilateral institutions	5,072,854	2,745,544
Foreign Governments and other non-Australian institutions	6,823,878	8,227,909
	26,604,750	24,061,122

## About CARE Australia

#### **CARE International**

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

The national agencies operate independently but cooperate closely in the field and work together with the CARE International Board and Secretariat, based in Geneva.

#### **CARE Australia**

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

Today, CARE Australia undertakes activities in 24 countries in the Asia-Pacific, Middle East and Africa, as well as responding to humanitarian emergencies. We manage seven of CARE International's Country Offices — Cambodia, Laos, Myanmar, Papua New Guinea, Timor-Leste, Vanuatu and Vietnam.

#### **Funding**

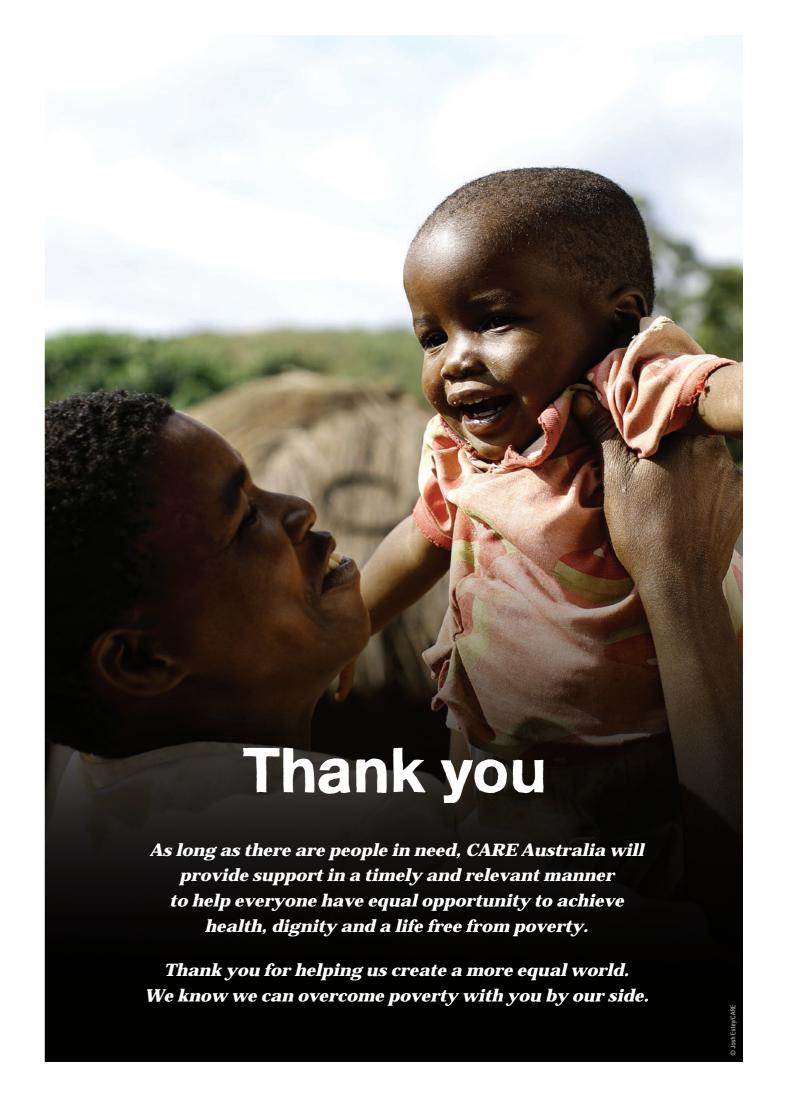
We rely on the generous support of the Australian public to fund our work. We build on this support by attracting additional funds from institutional donors such as the Australian Department of Foreign Affairs and Trade (DFAT) and the United Nations.

#### Accountability and accreditation

To ensure accountability and transparency, CARE Australia retains management and contractual responsibility for the projects we undertake. We are an active member of the Australian Council for International Development (ACFID) and ensure that ACFID Code of Conduct training is offered to all staff. We also ensure internal procedures and reporting guidelines adhere to current regulatory and legislative requirements. We uphold the highest standards of practice, as demonstrated by our commitment to the:

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

CARE Australia holds full accreditation status with the Australian Government. This reflects the Government's confidence in CARE Australia's professionalism, accountability and effectiveness.



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