OUR MISSION

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

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

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

OUR 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 CORE VALUES

We respect and value diversity.

We respect, value and seek to enhance local capacities.

We value and support the central role of women in development.

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

We value CARE’s dynamism, adaptability and resilience.

We value the support of our donors and program partners.

We value the operational freedom that stems from being a not-for-profit Australian agency which is independent of any religious or political affiliation and which does not discriminate on the basis of race, gender, ethnicity, age, religion or politics.
CARE is a non-religious and non-political organisation, CARE works with communities to help overcome poverty by supporting development and providing emergency relief where it is needed most. CARE is a confederation composed of 12 national members – Australia, Austria, Canada, Denmark, France, Germany-Luxembourg, Japan, Netherlands, Norway, Thailand, the UK and the USA – forming one of the world’s largest independent, international emergency relief and development assistance organisations. India is an affiliate member of the confederation and Peru is in the process of becoming an affiliate member.

The national agencies operate independently but cooperate closely in the field and work together under the CARE International Board and Secretariat, based in Geneva. In 2010/11 CARE Australia played a major role in the revision of the CARE International Code, particularly the establishment of agreed functions and standards of performance for all Country Offices.

Accountability and accreditation

To ensure accountability and transparency, CARE Australia retains management and contractual control of all projects we undertake. We are an active member of the Australian Council for International Development (ACFID) and uphold the highest standards of practice. This is demonstrated by our commitment to:

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

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.

Revenue by source

<table>
<thead>
<tr>
<th>Source</th>
<th>Total $49,422,394</th>
</tr>
</thead>
<tbody>
<tr>
<td>CARE International members</td>
<td>37%</td>
</tr>
<tr>
<td>Donations, legacies and bequests from the Australian public</td>
<td>26%</td>
</tr>
<tr>
<td>Foreign governments and agencies</td>
<td>6%</td>
</tr>
<tr>
<td>Multilaterals</td>
<td>3%</td>
</tr>
<tr>
<td>Other</td>
<td>5%</td>
</tr>
</tbody>
</table>

Expenditure

<table>
<thead>
<tr>
<th>Geographical Region</th>
<th>Total $51,972,793</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overseas projects (program expenditure)</td>
<td>87%</td>
</tr>
<tr>
<td>Fundraising</td>
<td>6%</td>
</tr>
<tr>
<td>Administration</td>
<td>6%</td>
</tr>
<tr>
<td>Community education</td>
<td>1%</td>
</tr>
</tbody>
</table>

Funding

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

Expenses by sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>Total $45,199,063</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health, water, sanitation and hygiene</td>
<td>26%</td>
</tr>
<tr>
<td>Civil society strengthening</td>
<td>23%</td>
</tr>
<tr>
<td>Agriculture/natural resources</td>
<td>21%</td>
</tr>
<tr>
<td>Emergency response</td>
<td>13%</td>
</tr>
<tr>
<td>Education</td>
<td>8%</td>
</tr>
<tr>
<td>HIV/AIDS</td>
<td>8%</td>
</tr>
<tr>
<td>Infrastructure and other</td>
<td>1%</td>
</tr>
</tbody>
</table>

Overseas projects by geographical region

<table>
<thead>
<tr>
<th>Region</th>
<th>Total $45,199,063</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>6%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>85%</td>
</tr>
<tr>
<td>Other</td>
<td>9%</td>
</tr>
</tbody>
</table>
I am proud to be Chairman of CARE Australia's Board and part of CARE International, which in 2010 helped 82 million people across 87 countries. Global poverty is our responsibility, and I believe we can each contribute to making the world a better place for everyone.

Almost all of Australia’s neighbours are developing countries and two-thirds of the world’s poorest people live in the Asia-Pacific region. While some of their economies are growing rapidly, it will be many years, for example, before Indonesia’s or Timor-Leste’s GDP per person reaches the levels we enjoy here in Australia. In the meantime, we will continue to work alongside poor communities in these countries to find sustainable solutions to overcoming poverty.

On a recent trip to Cambodia with CARE, I visited Ratanakiri Province, the population of which is largely made up of ethnic minorities. Until nine years ago, they were largely cut off from going to school and taking part in the world outside their villages because Cambodian state schools taught only in the national language, Khmer, not in their native languages such as Kreung and Tampun.

Since then, CARE has helped these communities to build schools, create school boards with local members and train local teachers to reach over 2,300 children in their native languages. We have also developed a wide range of school books in these languages and specifically focused on understanding and addressing the reasons why girls are more likely to drop out of school.

It was wonderful to see the enthusiasm of the boys and girls in their schools with teachers from their own communities. Overcoming barriers to education, particularly for girls, goes a long way towards reducing poverty. Educated girls become educated mothers who are more likely to send their children to school, have healthier families and earn a greater income.

I’m pleased to report that the project in Ratanakiri has been so successful that the Cambodian Government’s education policy now includes support for bilingual education for ethnic minority groups. There is still work to be done, though – the project will now be scaled up to reach more indigenous people in other provinces in the country.

Many generous Australians have helped CARE Australia achieve successes such as these. It is with great sadness that I farewell two valued supporters of CARE Australia and members of our Advisory Council, Sir Leslie Friggatt and Mr Alf Paton, who both passed away during the year.

Under the chairmanship of the Rt Hon. Malcolm Fraser, Sir Leslie Friggatt played a critical role in the founding of CARE Australia. He was our Director from June 1989 until June 2004 and served as Vice Chairman from 1995 to 2001. Sir Leslie brought great wisdom to CARE Australia’s Board, was held in the highest regard by his CARE International colleagues and provided welcome advice and guidance to our senior management team. CARE’s ongoing work helping poor communities lift themselves out of poverty reflects Sir Leslie’s deep commitment to creating a just world.

Mr Alf Paton was a CARE stalwart for almost two decades, joining the Board and Program Committee in 1994.

He was deeply committed to our work, providing substantial support, advice and guidance to our staff and Board. Alf was a strong advocate of CARE’s work in Papua New Guinea in particular and he provided significant support to the development of our presence there. CARE Australia is indebted to Alf, and today we are stronger for his commitment and contribution.

Sir Leslie and Alf both helped to make CARE Australia what we are today, a leading humanitarian organisation dedicated to fighting global poverty.

The funds so generously donated by the Australian public change the lives of millions. I look forward to working together in the coming year to build on our successes and continue creating lasting change for the world’s most vulnerable people.

Harold Mitchell
Chair, CARE Australia Board

I am pleased to report that CARE continues to deliver quality programs that demonstrate a real impact in reducing poverty.

In 2010/11 we reached more than 9.6 million people, 58 per cent more than we forecast last year. It is heartening to me to hear their stories of hope and courage.

Agustina Soares and her mother Fidelia are part of CARE’s Young Women Young Nation program in Timor-Leste. Fidelia’s husband is ill and her family relies on her to make ends meet. While many children, particularly girls, drop out of school in circumstances like these, CARE’s work inspired and motivated Agustina to stay on and study, and her mother supports her decision. This will have a significant impact not just on her future, but that of her entire community.

I visited the Young Women Young Nation schools in Timor-Leste this year and was impressed with the activities, which encourage girls to learn new skills and take leadership roles in areas such as drama, maths and sport. There are also books and posters that tell the stories of Timorese women who have succeeded in their communities as teachers, businesswomen or leaders. Parents such as Fidelia become champions of girls’ education in their communities, and radio programs highlight its value.

According to data from the first two years of this program, schools with CARE’s Young Women Young Nation program have a lower dropout rate for girls than other similar schools in the area. The dropout rates for boys have also decreased. This program is funded by your donations to CARE Australia – thank you.

Julia Newton-Howes
Chief Executive, CARE Australia

When a girl completes primary school, she is more likely to grow up to have a healthier family and earn a greater income; the benefits are passed on through future generations. Our experience shows that working with women and girls provides the single biggest return on investment in development.

Our commitment to permanently reducing poverty through the empowerment of women and their communities is a key part of CARE Australia’s strategy. An important milestone in the global commitment to supporting women and girls to reach their full potential occurred with the establishment of UN Women in July 2010.

The first Progress of the World’s Women Report, released by UN Women this year, reminded us of the remarkable advances made over the past century. However, it also highlighted the reality that for millions of women – generally the poorest and most vulnerable – justice remains out of reach.

CARE is part of the GEAR Coalition, which lobbied the UN to establish UN Women, bringing together four previously separate organisations. This single organisation will be better able to pursue the global commitments to create a more equal world for women and men, boys and girls.

While there is a lot of progress we can celebrate, the year was again marked by the large number of international emergencies. When disaster strikes, families and their communities are often pushed deeper into poverty.

CARE is committed to not only responding with essential aid, but helping communities improve their resilience to disasters before they happen. Sometimes this is through better building practices that are more drought resistant, sometimes through training communities to prepare for cyclones or floods.

This year by we see that, even in disaster-prone areas, these programs are helping people to cope better. You will find more details of our humanitarian and emergency response work within this report.

The past year has also been an important time to strengthen and improve the efficiency of our management systems, to ensure the donations you entrust us with are managed carefully. As part of the CARE International network, CARE Australia is actively undertaking ongoing reforms so that we are better able to address the issues of today and tomorrow. We have strengthened coordination around our responses to emergency, and continued to build our knowledge and understanding of the most effective ways to tackle poverty and provide equal opportunities for women and men, boys and girls.

Thank you for your support during the year. Together we have helped millions of poor women, girls and their communities to overcome poverty.

Julia Newton-Howes
Chief Executive, CARE Australia

ANNUAL REPORT 2010/11 page 6
1 We will have effective leadership and management systems.

During 2010/11 we began work with CARE International on a new global CARE finance system and implemented a new Country Office Finance Manual, which was supported by training in Vietnam, Papua New Guinea, Cambodia, Laos and Timor-Leste. Country Offices also updated their safety and security management plans.

A revised staff performance-management system was introduced and new Training and Development Strategy and Leadership Development and Mentoring Programs approved. A new online medical and accident claims system and a new payroll system were also implemented across CARE Australia, increasing efficiency in the management of these functions.

We continued work on improving our information management; however, technical difficulties slowed the progress of the system being developed internally. In 2011/12 we will move forward on information management as part of a CARE International initiative to improve our capacity to collect information and report on the impact of our programs.

2 We will achieve significant income growth.

In 2010/11 the number of people who donated to CARE Australia increased by ten per cent from 2009/10, through various fundraising initiatives including the Walk In Her Shoes challenge and our CAREgifts Catalogue. We also continued to expand our effective relationship with AusAID, securing an increase in funding of 12 per cent from 2009/10.

Online donations continued to grow, increasing by 15 per cent from 2009/10, with website users choosing to make a general donation, donate to appeals such as our Pakistan floods appeal or sign up as monthly givers. We also sent direct mail and emails to our donors throughout the year for appeals on emergencies as well as hunger, water and education.

Refer to page 22 for more information about activities undertaken with our supporters during 2010/11.

In 2011/12 we aim to increase our donor base by a further ten per cent so that we can continue to scale up our work with vulnerable communities to tackle global poverty. We will take our important message to more people through opportunities such as Make Poverty History, celebrating International Women’s Day, expanding the Walk In Her Shoes challenge and celebrating CARE Australia’s 25th year.

As charity partner for the City of Sydney’s New Year’s Eve, we will participate in multiple activities in the fight against global poverty.

3 We will foster effective relationships which enhance our reach and impact and position us as a champion for women’s empowerment.

Along with maintaining our strong relationship with AusAID in 2010/11, we have remained active in key networks in the Australian development sector. We are involved in working groups and joint actions on sexual and reproductive health, water and sanitation, and gender and climate change with like-minded agencies. In 2010/11 we worked with these networks to submit recommendations to the independent review of aid effectiveness, as well as sending a submission in our own right.

We are actively engaged in the broader work of CARE International. We participate in the coordination team that steers the development and adoption of program strategies and directions for the confederation, as well as a network that develops and shares tools and resources on gender mainstreaming and women’s empowerment.

Through our Development Education Program, we reached over 10,000 people at schools, universities, businesses and community groups this year, speaking about topics such as women’s empowerment, emergency response and poverty.

In 2011/12, we will continue to build relationships with new and existing partners to facilitate change for the most vulnerable. We will also continue to advocate on behalf of those living in poverty to influence government and civil society organisations. Through our education programs and campaigns we will continue to raise awareness about the important role of women’s empowerment in fighting poverty.

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

To work toward this goal in 2010/11, CARE Australia managed 191 projects in 22 countries, reaching more than 5.4 million people. These projects helped reduce poverty by increasing their income and agricultural production, and improve health, education, water supply and sanitation, and environmental protection.

Promoting gender equality and empowering women and girls is a fundamental part of CARE’s approach to reducing poverty. Beyond providing women with skills and access to resources, our projects aim to support durable social and structural change in women and men’s lives.

In 2010/11, a Gender Advisor was appointed in Canberra and various gender-analysis tools were developed and field-tested. New gender positions were created in Laos, adding to those in Vietnam, Myanmar and Papua New Guinea, and all CARE Australia Country Offices participated in capacity building, strategy development and the inclusion of specific women’s empowerment objectives in programs.
### WHY DOES CARE FOCUS ON WOMEN AND GIRLS?

CARE’s theory suggests that empowerment is the sum of changes needed for a woman to realise her full human rights: the combined effect of changes in her own aspirations and capabilities, the environment that influences or dictates her choices and the interactions she engages in every day.

### CARE AND THE MILLENNIUM DEVELOPMENT GOALS

As part of our commitment to reducing poverty and empowering women, CARE is proud to be making progress towards achieving the Millennium Development Goals by 2015. These case studies illustrate examples of how we are working towards each of the eight goals.

<table>
<thead>
<tr>
<th><strong>Goal 1</strong></th>
<th><strong>Goal 2</strong></th>
<th><strong>Goal 3</strong></th>
<th><strong>Goal 4</strong></th>
<th><strong>Goal 5</strong></th>
<th><strong>Goal 6</strong></th>
<th><strong>Goal 7</strong></th>
<th><strong>Goal 8</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Eradicate extreme poverty and hunger</strong></td>
<td><strong>Achieve universal primary education</strong></td>
<td><strong>Promote gender equality and empower women</strong></td>
<td><strong>Reduce child mortality</strong></td>
<td><strong>Improve maternal health</strong></td>
<td><strong>Combat HIV/AIDS, malaria, and other diseases</strong></td>
<td><strong>Ensure environmental sustainability</strong></td>
<td><strong>Develop a global partnership for development</strong></td>
</tr>
</tbody>
</table>

#### The Situation

- Of the 1.4 billion people living in poverty, over 60 per cent are women and girls.
- 99 per cent of pregnancy-related deaths occur in developing countries and most of these deaths are preventable.
- Two-thirds of illiterate people in the world are women and girls.
- Women produce half the world’s food but own only one per cent of its farmland.

#### The Solution

- When a girl in the developing world receives seven or more years of education, on average she will marry four years later and have 2.2 fewer children.
- Adequate nutrition and care during pregnancy and childbirth could prevent 75 per cent of infant deaths that occur in the first four weeks of life.
- Each extra year of primary education that a girl receives boosts her wages later in life by 10 to 30 per cent. She will also have fewer and healthier children.
- When women earn an income, they reinvest 90 per cent of it into their families.

#### Zimbabwe’s volatile economy has caused immense food shortages, significantly impacting the rural poor. CARE has trained 50,000 low-income farmers in Zimbabwe in agricultural methods that conserve land and fertiliser, and improve their yield.

#### Timor-Leste, CARE’s Young Women Young Nation program is teaching parents about the importance of education and keeping children in school. After two years, schools with the program reported a lower dropout rate than other similar schools in the area.

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#### CARE is working to address social and cultural barriers that limit women’s access to reproductive health care in Papua New Guinea, both directly with women and also with men and community leaders. We also work with health care providers, and train and equip village birth attendants.

### Does CARE work with men and boys?

Men and boys are a critical part of women’s empowerment. From brothers and fathers to teachers and community leaders, breaking down gender stereotypes and challenging social norms requires participation from everyone. This is why our programs focus on women, girls, men and boys, with the understanding that the equality of women and girls benefits everyone in the community.

### What does an empowered woman look like?

CARE’s theory suggests that empowerment is the sum of changes needed for a woman to realise her full human rights: the combined effect of changes in her own aspirations and capabilities, the environment that influences or dictates her choices and the interactions she engages in every day.

- She makes important household decisions
- She controls productive assets
- She makes her decisions about her body and her own sexual and reproductive health
- She participates in her community
- She lives free from gender-based violence
- What does an empowered woman look like?

Does CARE work with men and boys?

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### CARE UNDERSTANDS THAT EMPOWERING WOMEN AND PROMOTING GENDER EQUALITY IS THE MOST EFFECTIVE WAY TO CREATE LASTING CHANGE.

In Cambodia we are working with women on literacy, life skills, small business training, financial planning and goal setting to help them realise their potential.

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

### ANNUAL REPORT 2010/11 page 10
### WHERE CARE WORKS & GLOBAL ACHIEVEMENTS

#### Countries with CARE programming in 2010-11:
- Afghanistan
- Angola
- Armenia
- Azerbaijan
- Bangladesh
- Benin
- Bolivia
- Bosnia and Herzegovina
- Brazil
- Burundi
- Cambodia
- Cameroon
- Chad
- Chile
- Côte d’Ivoire
- Croatia
- Cuba
- Democratic Republic of Congo
- Ecuador
- Egypt
- El Salvador
- Ethiopia
- Guatemala
- Haiti
- Honduras
- India
- Indonesia
- Jordan
- Kenya
- Kosovo
- Laos
- Lesotho
- Libya
- Liberia
- Madagascar
- Malawi
- Mali
- Montenegro
- Morocco
- Mozambique
- Myanmar/Burma
- Nepal
- Nicaragua
- Niger
- Pakistan
- Palestinian Territories
- Papua New Guinea
- Peru
- Philippines
- Romania
- Rwanda
- Serbia
- Sierra Leone
- Somalia
- South Africa
- Sri Lanka
- Sudan
- Tanzania
- Thailand
- Timor-Leste
- Togo
- Uganda
- Vanuatu
- Vietnam
- Yemen
- Zambia
- Zimbabwe

#### CARE International members:
- Austria
- Australia
- Belgium
- Canada
- Denmark
- France
- Germany-Luxembourg
- Japan
- Netherlands
- Norway
- Peru
- Philippines
- Romania
- Rwanda
- Serbia
- Sierra Leone
- Somalia
- South Africa
- Sri Lanka
- Sudan
- Tanzania
- Thailand
- Timor-Leste
- Togo
- Uganda
- Vanuatu
- Vietnam
- Yemen
- Zambia
- Zimbabwe

#### CARE International Affiliate Members:
- India

#### CARE International Secretariat:
- Geneva, Switzerland
- Brussels, Belgium
- New York, United States

#### Sub-offices:
- Czech Republic (of CARE Austria)

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1. Limited presence.
2. CARE India is an Affiliate Member of CARE International and a country with ongoing programs.
3. Myanmar is the same recognised by the United Nations and the country in question. Burma is the same recognised by the Australian Government.
4. CARE Peru is in the process of becoming an Affiliate Member of CARE International.
5. CARE works in the area of Sudan which became South Sudan in July 2011.
6. CARE Thailand is both a member of CARE International and a country with ongoing programs.
7. CARE Germany-Luxembourg has offices in both Germany and Luxembourg.
From our 65 years of experience in delivering practical and evidence-based solutions to poverty, we know that deep, lasting change happens when we work closely with communities at multiple levels to address the underlying causes.

CARE is increasingly designing long-term programs based on a clear vision of the impact we want to achieve over 10–15 years. Focusing on how we can address the multiple causes of poverty helps us support permanent social transformation of poor and vulnerable communities.

In our programs we develop models of working that can be adopted by our partners and networks, and scaled to reach more people.

On completion of our programs, our aim is that the communities we have supported are empowered to stay out of poverty. To achieve this, we work in three different spheres simultaneously:

- **Human condition** – meeting people’s basic needs and wellbeing, such as water, nutrition, hygiene and health.
- **Social position** – supporting people’s ability to have control over their lives, such as access to education and active, equal participation in decision making.
- **Enabling environment** – working to build a society which is equitable and responsive to the needs of people, such as through more responsive local and national authorities and legal systems.

**How we work**

Community engagement is a cornerstone of our approach to long-term development. Our programs are a response to the needs identified by communities, and are informed by a clear understanding of what those communities face within their societies. We undertake analysis to identify the needs and aspirations of the most vulnerable community members, such as minority ethnic groups or vulnerable women.

For greater impact, we look for ways to scale up our work to multiply the benefits. We identify and test models that can be adopted more widely. We then work with partners to replicate and sustain these models in other areas, so that the benefits of CARE’s work can flow beyond the immediate communities where we work and bring positive change to other vulnerable people.

In implementing our activities, we engage with community leaders, local decision-making bodies and government authorities, along with groups without such a strong voice, such as women, youth or ethnic minorities. We also work with local organisations with shared values to gain further support for communities. Partners may include local NGOs, civil society organisations, government agencies, community groups, private sector groups or research institutions.

We review our work regularly with stakeholders to test that we are achieving results and to ensure we are accommodating changes that arise in the local context. We seek community contributions to programs where appropriate, such as labour or materials to support program activities; this encourages self-help, and fosters a stronger partnership and local ownership of solutions.

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CARE constantly looks for opportunities to learn from our work and make programs more effective. Information is collected on program activities at regular intervals to measure progress, allowing us to identify what is working well, what may need adjustment and where we can further improve the lives of the people we are working to support. Independent evaluations also provide valuable reporting and feedback.

We strive to improve the quality and efficiency of our processes to ensure value for money, so that each dollar spent creates the maximum benefit for the people we aim to reach. We do this in numerous ways, from attracting and recruiting high-calibre national and international staff, building the capacity of our local implementing partners, and having robust financial and administrative systems.

CARE International members also learn from each other. Information and lessons are shared to help staff learn from the experience of related programs in other countries. We also strive to share lessons and experiences with others in the development sector in Australia, including our peer NGOs and government bodies such as AusAID.

**Monitoring and evaluation**

AusAID works with Australian NGOs through a range of different agreements. AusAID’s country or sector programs partner with NGOs to deliver agreed objectives. They draw on the strengths of NGOs, particularly in relation to long-term experience, capacity and links with partner organisations and communities. In 2010/11 CARE implemented programs under Partnership or Cooperation Agreements in Africa, the Middle East, Cambodia, Myanmar, Vietnam and Laos. We are also a partner, along with five other NGOs, in AusAID’s emergency and disaster risk reduction work through the Humanitarian Partnership Agreement.

**Case Study: Using tools from Malawi in South-East Asia**

In Malawi, CARE developed the Community Scorecard as a tool for improving the delivery of services to remote and poor communities. The scorecard improved the flow of feedback between the service providers and communities, improving the quality, efficiency and accountability of services, and brokering more positive relationships between communities and authorities.

Communities and health workers can rate the quality of health services in a village, for example. Together they identify the strengths and weaknesses of existing services and sign up to an action plan to improve them. Based on the Malawi experience, the tool is now being adapted by CARE in Timor-Leste, Cambodia and Papua New Guinea, and CARE’s experience will be shared with other organisations.

By recognising that programs can be transferable and scalable, CARE is able to build upon previous experience while tailoring programs to best suit the needs of each country and community.

**Creating scalable development models**

**Case Study: Changing Education Approaches in Cambodia**

Over the last nine years, CARE has been working with remote ethnic minorities in Ratanakiri Province, Cambodia, to provide bilingual education, allowing children in these communities to learn in their native languages for the first time. Giving children these skills improves their **human conditions**, along with improving their **social position**, by helping overcome the disadvantages facing ethnic minorities in Cambodian society.

This successful project has also worked to change the **enabling environment**. The Cambodian Government’s education policy now includes support for bilingual education for ethnic minority groups, based on evidence and advocacy drawn from CARE’s experience. Our model is now being adopted on a broader scale to benefit many more ethnic groups in other provinces across the country.
**ACHIEVEMENTS IN THE FIGHT AGAINST POVERTY**

Thanks to the generous support of Australian donors, CARE Australia managed 191 projects in 22 countries in 2010/11, reaching more than 5.4 million people. Of the 191 projects, 112 were completed in 2010/11.

**Improving lives for pastoralists in Kenya**

In Garissa, northern Kenya, pastoralists and those working with livestock have not traditionally had equal access to finance and have been excluded from market opportunities. Strict loan application procedures did not recognise livestock as assets and banking practice was not compliant with Sharia law in a largely Muslim population.

CARE’s Livestock Purchase Fund project improved pastoralists’ ability to earn a sustainable income. In partnerships with the First Community Bank in Kenya, and with funding from AusAID and USAID, CARE developed a credit guarantee scheme that gave access to Sharia-compliant loans for people who would not initially qualify.

CARE provided initial capital of $300,000 to start a credit fund which helped 960 households. Many pastoralists, including women, accessed credit for the first time. They were able to purchase more livestock while awaiting payment and buy vehicles to transport livestock in larger numbers. Improved access to markets saw some pastoralist groups increase their volume of sales fourfold and improved living standards throughout the community.

Beyond access to credit, CARE also supported an animal health program and worked to address HIV/AIDS in the area. Six mobile health centres were established, reaching 8,000 people. Pastoralists gained access to high-quality and affordable livestock medication, in addition to the production of animal feed.

Improving access to finance, quality animal health programs and HIV/AIDS awareness provided a complete package of services to the livestock sector in northern Kenya, helping build their resilience to the impact of drought and improve their overall living conditions.

**Fighting avian influenza in South-East Asia**

Since the first case of avian influenza was reported in 2003, more than 550 people are known to have been infected with the illness, with over a third of the cases and half of the deaths occurring in South-East Asia.

The outbreaks threaten the poorest and most vulnerable, particularly women, as they often care for, sell and profit from small household flocks of poultry. The loss of income if poultry is destroyed also severely impacts healthcare and education for the whole family.

The Community Based Avian Influenza Risk Reduction Program, funded by your donations to CARE and by AusAID, worked from 2007–2011 to help poor communities recognise, control and prevent avian influenza in Cambodia, Vietnam, Laos and Myanmar.

The focus was on developing models proven effective for poor communities in the Mekong region to inform and complement national and international planning and policy for the disease.

Activities to improve both animal and human health were successfully promoted through training and volunteer surveillance teams who made sure improved environmental health practices were maintained.

To educate farmers in the practices that reduce risk of disease transmission, over 200 demonstration farms were established at existing farms. After adopting these practices, the poor communities saw less poultry deaths and an increase in production and family income. Communities outside of the project also independently adopted these safer practices, and the models and guidelines for bio-secure poultry-raising and disease surveillance were adopted by the governments of all four countries.

Safe handling of poultry during slaughter and sale was also promoted. Through ongoing training from CARE, Ma Soe, a chicken seller at a market in Mandalay in Myanmar, has learnt how to recognise symptoms of the deadly illness, methods of prevention and who to tell in the event of a suspected case.

Above all, she’s shared this information with the greater community.

‘Other chicken sellers never gave me respect when I gave health education. But now things are different. Now the sellers ask me what I learnt and to share the information,’ says Ma Soe.

The knowledge Ma Soe has shared is evident; today vendors are wearing aprons, washing their hands, cleaning their work benches regularly and throwing waste away in plastic bags to prevent future outbreaks.

**Mine action in Cambodia**

Pailin Province in Cambodia is still heavily mined after being a Khmer Rouge stronghold during the civil war. The mines littered beneath the fertile soil pose great risk for the many families in the area and exacerbate rural poverty for those who depend on farming to earn an income.

In 2006, while tending to his crops, he stepped on a landmine and lost half of his right leg. In 2006 he stepped on another mine, further exacerbating his disability.

‘Before CARE came I was really scared to walk around here because it was full of landmines,’ he said. After removing the landmines from his plot and the surrounding areas, Nhor was taught how to grow corn, peanuts and mung beans to help him earn a sustainable income.

In 2006 CARE, in partnership with AusAID, commenced the Australia Cambodia Integrated Mine Action project to improve the lives of vulnerable communities in the region and reduce people’s exposure to landmines. Through close consultation with communities and local authorities, the project targeted 28 poor villages and worked directly with 80 per cent of the families living in the area.

**‘Now that CARE has come to clear the landmines I am better, I am not scared anymore. Nowadays I can earn a lot of money, much more than before; three times more for my family,’ he said.**

The five-year project improved the lives of over 12,800 people. A total of 830,000 square metres of land was cleared of mines, resulting in an 84 per cent reduction in mine-related casualties over three years in the target areas.

Along with landmine removal, the project worked to increase the productivity and income of the poor communities. Close to 3,000 households received support for rice and maize production, another 2,000 for vegetable and livestock production. 30 kilometres of road was rebuilt and 357 household ponds were established.

There are now 16 farmer cooperatives, 57 savings groups and five commune council development funds providing loans to thousands of members. The framework and lessons learnt from this project now have the potential to be applied to other mine-affected regions in Cambodia and elsewhere.

Nhor Mao, a farmer from Cambodia, is testament to the success of the project. In 2004, while tending to his crops, he stepped on a landmine and lost half of his right leg. In 2006 he stepped on another mine, further exacerbating his disability.

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opportunities. CARE is also working to identify new programming for teachers.

In Afghanistan, a war-torn country that suffers from one of the highest infant mortality rates in the world, studies estimate that infant mortality rates drop by 5–10 per cent for every extra year that girls are able to stay in school. Time after time, research has shown that when educated, girls are able to stay in school. Time after time, research has shown that when educated, girls are able to stay in school. Time after time, research has shown that when educated, girls are able to stay in school. Time after time, research has shown that when educated, girls are able to stay in school.

Girls’ education in Afghanistan

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Alongside the teaching curriculum, the program promotes girls’ leadership by providing them with more hands-on opportunities to develop their confidence and capabilities. They learn and discuss issues of health and wellbeing, including hygiene, human rights, gender-based violence and decision-making.

Girls are also empowered to act as their own advocates for their right to education and higher learning opportunities through representation in forums such as Village Education Committees. Malalai was initially not allowed to attend the school in her village in rural Afghanistan. After a bomb blast killed her father, she was forced to stay home and support her mother’s small tailoring business. Her mother is uneducated and could not write the size of customers’ clothes, and Malalai could not help her.

CARE opened the first ever girls’ school in the village and Malalai convinced her mother she should attend. She quickly learnt to read, write and solve maths problems. She now helps in her mother’s business, not only by writing down sizes but also doing the family bookkeeping. Malalai learned more and her family earned more.

‘We are seeing definitive results in the communities where we have brought secondary school education for girls. It’s impressive. It’s the most impressive thing I’ve seen for years.’ Jennifer Rowell, CARE Afghanistan.

Urban water supply in Mozambique

The urban slums and informal settlements around Maputo in Mozambique are often left out of council sanitation plans. Broken water pipes deliver dirty water, sometimes contaminated by diseases such as cholera. CARE is working to improve the health and living standards for these communities by providing sustainable access to fresh water and improving sanitation. The program is part of WSUP (Water and Sanitation for Urban Poor), of which CARE International is a founding member. The joint venture brings together organisations from the private and educational sectors, and is active across Africa and South-East Asia.

The program will benefit over 8,000 people, with construction of 100 shared latrines and 13 sanitation blocks.

In one neighbourhood, it was found that over 200 people from 40 households were sharing one toilet. In response, CARE worked with the local council to identify and install several toilet blocks.

The blocks are simple concrete structures with toilets, a water pipe and a place for families to do their laundry. Following consultation with the community, separate blocks for men and women were constructed and wheelchair entry ramps were built.

Women were encouraged to participate in the toilet block management committees and now make up at least half of the committee members. Each committee elects a water operator, usually a woman with little or no income, who maintains the blocks and sells the water at a modest price – enough to pay the water bills and earn a small income.

Community ownership is a vital part of the project’s success; each household in the area makes a monthly contribution for the operation of the facilities. In one community, the amount collected, along with the income from the sale of soap and cleansing products, was enough to fund an electricity connection to the block.

Nutrition enhancement in Timor-Leste

Nearly one in ten children die before the age of five in Timor-Leste, where 43 per cent of the population live below the poverty line on less than $1.25 a day. Although poverty is widespread throughout Timor-Leste, the Western Highlands are among the most food-insecure regions of the country and suffer from one of the highest malnutrition rates in the small island nation.

Thanks to Australian donations, and in partnership with the Government of Timor-Leste and AusAID, CARE’s Nutrition Enhancement Project is providing health information, advice for pregnant women, supplementary feeding and growth monitoring for children under five in the Western Highlands.

This year, 550 community health days were held where activities such as growth monitoring, health advice and medical consultations for pregnant women took place, benefitting over 30,000 community members. Two CARE field officers in each district supported local volunteers to run community health education sessions in 540 locations for almost 9,500 people.

Every month, Juwita attends a community health day with her husband and two sons: Antonio*, three and Julio*, seven months. Here the boys are measured, weighed and their growth is plotted against their records from the past three years.

In 2011, Antonio tipped the scales at 13 kilograms, while little Julio was a healthy eight kilograms. ‘I have learnt to use a mosquito net, drink clean, boiled water and to wash our hands,’ Juwita says.

‘I feel better now,’ explains Juwita. ‘I can bring my children to get a check up and get medication if they need it. The children are healthier than before.’

Conservation agriculture in Zimbabwe

The high volatility of Zimbabwe’s economy has a significant impact on the rural poor, causing immense food shortages.

With funds generously donated by the Australian public, CARE has been training low-income farmers in conservation agriculture methods in seven districts of Zimbabwe. Simple techniques such as time management, crop rotation, mulching and minimising the movement of nutritious topsoil have increased yields and productivity.

Of the 50,000 farmers who received the training, many were provided with additional seeds and taught the techniques on demonstration plots within their community. These community gardens are a testament to the success of the program, with many producing substantial excess vegetables that are then sold at the market.

Elinah Ulionso is a mother of six and a farmer in Zimbabwe’s drought-affected south. She has been a member of CARE’s Conservation Farming Group since 2004 and is now leading her community out of uncertainty and into productivity.

She is producing more food, while using less fertiliser and less land, after learning to make better use of the rains and plant the crops more closely together.

‘I have earned more respect from the community; they come and ask me for assistance. I feel greatly honoured and am willing to give advice,’ says Elinah.

‘Conservation agriculture has been the single most important factor that has helped me improve my health and the health of my children,’ she says.

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After learning one agricultural method, Elinah, Zimbabwe, grows a variety of crops and sells her surplus at the market.

Conservation agriculture in Timor-Leste

CARE is committed to being a child-safe organisation. Names of children have been changed.
CARE’s response to emergencies

The world’s poorest people are the most vulnerable to natural disasters, war, famine and outbreaks of disease. CARE responds to humanitarian emergencies by meeting the immediate needs of those affected and providing effective emergency assistance. In the initial emergency response phase, just after the emergency has occurred, we provide food, shelter, clean water, sanitation facilities, medical care, tools and seeds to those who need it most. After this initial survival phase, we continue to help people rebuild their lives and restore their livelihoods in the years following the event.

In addition to emergency response, we also work with communities to help them prepare and plan for emergencies. For example, in the low-lying islands of Lomotuo we are helping communities develop evacuation plans in the event of a tsunami or cyclone. This helps ensure communities are equipped to respond to, and survive, emergencies in the future.

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Pakistani floods

In July 2010, Pakistan experienced catastrophic flooding resulting in one-fifth of the country’s land mass being inundated with water. More than 20 million people (equivalent to almost the entire population of Australia) were affected by the floods, causing approximately $10 billion worth of damages.

CARE launched an immediate response, assisting more than one million people by providing:

- non-food items, such as kitchen sets, mosquito nets, blankets and hygiene kits
- temporary shelter: tents, plastic sheeting and floor mats
- healthcare services and essential medicine
- water purification, sanitation and hygiene
- rehabilitation of community infrastructure.

In early 2011, CARE’s focus shifted to recovery with key projects in the most affected regions of South Punjab and Khyber Pakhtunkhwa. CARE has also commenced a review analysing the impact of the floods on women and developing better-targeted measures for future disaster-risk reduction.

Haiti earthquake and cholera outbreak

CARE’s ongoing response to the earthquake in Haiti on 12 January 2010 continued in the 2010/11 year, as teams work closely with local communities to help rebuild affected areas. With the generous support of Australian donors, CARE has:

- completed construction of over 2,500 transitional shelters
- provided over 1,100 latrines to populations living in spontaneous settlement sites
- chlorinated a total of 600,000 m³ of water, reaching an estimated 500,000 beneficiaries per day in the Port-au-Prince metropolitan area
- employed more than 12,000 people through cash-for-work activities
- distributed close to 19,500 school kits to earthquake-affected students.

Following the earthquake, Haiti experienced its first outbreak of cholera for decades. A lack of awareness about the disease and poor access to water and sanitation meant it quickly spread to affect over 200,000 people. CARE made immediate efforts to respond to the outbreaks with increased distribution of water and hygiene kits to 126,000 people and information about symptoms and treatment to close to 1.8 million people.

Laos drought

Severe drought in southern Laos seriously affected the 2010/11 harvest and created extreme food shortages across the country. Estimates indicate that some 200,000 people were impacted by the drought, with a significant increase in acute malnutrition.

In response, CARE has supported over 17,500 people with emergency provision of rice and vegetable seeds, fishing nets and hygiene kits. As part of the longer-term response, CARE has installed irrigation waterwheels and provided training on their use to local farmers.

Japan earthquake

A massive 9.0-magnitude earthquake hit Japan on 11 March 2011, unleashing a tsunami that caused major damage to coastal communities. Around 15,400 people have been confirmed dead and more than 400,000 people have lost their homes.

In response, CARE has supported over 17,500 survivors with food and blankets along with psychological support services.

Côte d’Ivoire unrest

Côte d’Ivoire has been in the grip of a political crisis since a disputed election in 2010. With increasing civil unrest and conflict, around 200,000 Ivorians fled across the border to Liberia in April 2011.

In response to the growing humanitarian need, CARE has provided food, water, sanitation services and psycho-social support through listening centres to more than 12,000 internally displaced people in Côte d’Ivoire.

In Liberia, CARE has distributed items including blankets, sleeping mats and mosquito nets to over 9,000 refugees, built latrines and rehabilitated hand pumps. CARE staff are working with the refugee community to raise awareness of gender-based violence, and safe water and hygiene practices.

East Africa drought

Severe drought caused a devastating food crisis across East Africa in 2011. By the end of June 2011, over 10 million people had been affected, and with generous support from Australians, CARE had provided emergency assistance to over 900,000 people in Ethiopia, Kenya and Somalia. We will dramatically scale up efforts in the second half of 2011 as part of our five-year response program.

In Ethiopia, CARE provided the most vulnerable, such as pregnant or lactating women and malnourished children under five years old, with rapid-response nutrition and health interventions.

In Somalia, our focus was on rehabilitating water systems, implementing cash-for-work programs and providing cash relief to the most affected, particularly female-headed households.

In Kenya, CARE was the main distributor of food and water for the 370,000 refugees residing in Dadaab refugee camp. To help accommodate the growing influx of arrivals, CARE also provided newly arrived refugees with urgent basic services, especially water and sanitation, until they could be integrated into the larger refugee camp population.

All survivors have been through an extremely emotional experience with aftershocks and the lingering threat of nuclear disaster. Three months after the disaster, more than 100,000 people are still living in evacuation centres.

CARE responded by providing nearly 32,000 survivors with food and blankets along with psychological support services.

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M any of the world’s poorest people live in the most harsh and disaster-prone environments. Changing weather patterns have seen an increase in extreme weather conditions and natural disasters, which have a disproportionate impact on these people and their livelihoods.

The agricultural livelihoods of poor rural communities are particularly threatened. Vulnerability to climate change is, to a large degree, determined by existing financial, political, social and environmental inequities. These people already marginalised, such as women, ethnic minorities, the disabled and the elderly, are at greatest risk.

The majority of the world’s poorest people are women and girls. Climate change is making it more difficult for them to realise their basic rights and is worsening inequalities. Many women are denied access to education and health services, and are socially excluded. Women, the elderly, are at greatest risk.

In November 2010, the international community met in Cancun, Mexico, to continue climate change negotiations following those made in Copenhagen in 2009. CARE participated in the 16th Conference of Parties (COP) to the UN Framework Convention on Climate Change with a delegation of 20 people comprising experienced staff from CARE International’s Climate Change Advocacy Team, the African Adaptation Learning Program and CARE offices in Latin America. Three CARE International members and nine Country Offices were represented, with staff from the USA, Germany, Denmark, Peru, Guatemala, Ecuador, Kenya, Ghana and Niger taking part in negotiations.

CARE has also engaged directly with the Australian Government to influence its priorities and allocation of the fast-start climate finance. We will also maintain our Reduced Emissions from Deforestation and Degradation (REDD) programming initiatives. We will continue to integrate climate change into our work in the region’s exposure to climate hazards and the population’s existing food and water insecurity issues.

In the lead-up to COP 17 in Durban, CARE will continue to work as part of the Climate Action Network Australia and on our domestic engagement.

We anticipate several key highlights in our climate change programming, including:

• follow-up work in the Palestinian Territories to ensure implementation of climate change recommendations and to provide additional technical support to project staff
• supporting staff in Myanmar to implement the four-year program, Strengthening Partnerships and Resilience in Communities, through a Climate Vulnerability and Capacity Analysis in early 2012.

At our Australian offices, we aim to:

• conduct ongoing investigation into alternative offset options
• integrate greenhouse gas and related data into existing systems, in particular to better manage our emissions from air travel.

Our programs

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Project adjustments were recommended to make activities less vulnerable to climate hazards and to decrease the dependency of communities to climate-sensitive resources. Where possible, suggestions were made to improve the availability, access and control of resources important to climate change adaptation. These included:

• adding rainwater harvesting to all infrastructure built through the project to reduce vulnerability to water insecurity
• installing grey-water systems
• seeking and using improved local seeds that are more tolerant to drought, extreme temperatures, pests and diseases
• increasing engagement with the most vulnerable through reviewed participant selection

Increasing engagement with the most vulnerable through reviewed participant selection

Our advocacy

We are committed to influencing decision makers on issues around climate change in the countries where we work, in Australia and on a global level. We are advocating for a fair, ambitious and binding international agreement that places poor and marginalised people at the very centre of a worldwide response.

In the past year, we have introduced significant technical resources and materials for CARE’s programs. Two comprehensive online toolkits developed by CARE were launched at the Asia Regional Adaptation Conference in 2010: the Community Based Adaptation Toolkit and the Integrating Climate Change into Development Toolkit. These represent a significant contribution to global knowledge and practice in adaptation.

Training, capacity building and direct technical support have been provided in the countries in which we work to assist delivery of these resources. Two regional workshops were held on climate change and disaster risk reduction to develop online training materials, and dedicated in-country support was provided in the Palestinian Territories, Jordan, Vietnam and Indonesia.

In the Palestinian Territories, a climate change adaptation review was conducted in November 2010 to help project staff identify how CARE’s programs (focusing on livelihood security and civil society strengthening) could be modified to address the climate change challenges faced by project participants. The assessment considered how the project might contribute to climate change vulnerabilities, especially given the region’s exposure to climate hazards and the population’s existing food and water insecurity issues.

Our operations

In 2010/11, we continued to work towards our goal of a 40 per cent reduction of emissions from our Australian operations by 2015 through increasing efficiency, using alternative fuel sources and purchasing carbon offsets. The Senior Management Team and the Green Team worked together on a comprehensive action plan endorsed in August 2010, which covered waste, buildings, vehicles, air travel, staff engagement and data management.

Our priorities in 2011/12

We will continue to integrate climate change into our projects and develop community-based adaptation initiatives. We will also maintain our Reduced Emissions from Deforestation and Degradation (REDD) programming and the development of social and environmental safeguards.

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This engagement focused on climate change adaptation in a comprehensive and integrated way.

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Facilitating a cross-visit to CARE in Jordan where some of the key project modifications suggested are already being implemented

Ensuring climate vulnerability and capacity analysis guides any further extensions or expansion.

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The support of our donors, partners and the Australian public is critical in allowing us to fund life-changing projects in poor communities around the world. We greatly value all support received, both financial and in-kind, which enables us to communicate the importance of the fight against poverty and the critical role of women and girls.

**Breathe television commercial**

On a cloudy July day at a suburban Sydney swimming pool, a volunteer film crew filmed CARE’s TV advertisement, Breathe. The 30-second commercial shows how lifting women from poverty has far-reaching effects: if you help 1 woman out of poverty, she’ll bring 4 others with her. CARE would like to thank the passionate team at RAPP for generously donating their time and talent. With support from Mitchells Communications Group, the advertisement launched in September on national television, was screened in cinemas and featured at the 2010 AFL Grand Final. Roy Morgan polling in June showed that over 20 per cent of Australians had seen the advertisement.

**International Women’s Day 2011**

To celebrate the 100th anniversary of International Women’s Day on 8 March, supporters hosted events to screen A Powerful Noise, CARE’s award-winning documentary. This film takes viewers inside the lives of three women – from Mali, Vietnam and Bosnia – who each overcome seemingly insurmountable odds to bring lasting solutions to their communities. From all reports, many inspiring events were held. CARE staff, including our CEO Julia Newton-Howes, were invited to speak at a number of them. CARE supporter Ann Lazzaro said: ‘It was a wonderful opportunity to share and celebrate with some friends, but also to hopefully support other women. The film was both empowering and sobering and we all felt very moved by it.’

Seven fit and brave CARE supporters cycled through Vietnam on a cycle challenge, spending International Women’s Day visiting communities. Seven fit and brave CARE supporters cycled all the way through Vietnam on a cycle challenge, from Hanoi to Ho Chi Minh from 28 February to 3 April and 30 May – 5 June.

People took part in the event all around Australia, as well as in Canada, China, Thailand and Italy! We also had the support of many of our corporate partners, including Qantas, Ernst & Young, National Australia Bank, Salient Ltd and Guests Furniture, along with schools such as Presentation College and Sherwood Girls’ Grammar in Victoria.

*I have been walking for basic exercise but now every time I walk anywhere I always think of the women and children who miss out on all the comforts that I get to have without having to do much at all.* – Quentin Ngawaka Stirling

‘Everyone should have the right to an education and if the money I raise can help just a little bit to make this happen then I’ll be happy.’ – Ellen Rose

**Walk In Her Shoes**

CARE’s Walk In Her Shoes challenge took place in March 2011 – challenging people to walk 10,000 steps per day for a week, while raising money to help empower women and girls to lift themselves out of poverty. Over 850 participants raised $160,000 across two weeks: 28 March – 3 April and 30 May – 5 June.

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Events and education

Over the past 12 months, through our events and Development Education Program, Australians heard more about CARE’s work and helped spread the message of women’s empowerment as the way to bring about sustainable, positive change in poor communities.

During the year, we spoke to 10,000 people in schools, universities and community groups about topics such as global poverty, women’s empowerment, emergency response and climate change.

This year CARE also developed the Global Poverty: Teacher’s Toolkit, a 60-page resource to assist with teaching students about global poverty, the issues faced in developing countries and CARE’s work supporting women, girls and whole communities to overcome poverty. The toolkit contains stories, fast facts and activities appropriate for high school students at varying year levels. By teaching students about the challenges in poor communities, we are exposing them to issues affecting more than one billion people around the world and inspiring them to join the fight to overcome global poverty.

In March, we were the charity partner at Goleman Griege’s Women in Business Lunch in Sydney, which was attended by 220 businesswomen. CARE’s CEO Julia Newton-Howes and CARE Ambassador Janine Allis gave inspiring speeches about CARE programs around the world that empower women in developing countries to lift themselves – and their entire communities – out of poverty.

**Thank you to our supporters**

THANK YOU TO OUR SUPPORTERS

Walk In Her Shoes

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**CARE’s professional speaking program is part of our Development Education Program, which is partly funded by the Australian Government and aims to educate the Australian public about poverty, international development and foreign aid. To organise a CARE speaker please contact us: info@care.org.au.**

**Media**

During the year CARE’s staff liaised with Australian and international media around issues regarding the aid sector and CARE’s work. For example, our CEO Julia Newton-Howes appeared numerous times on ABC television news, articles were published in national media about our Roy Morgan research outlining the Australian public’s attitudes towards aid. The Circle television program helped us promote Walk In Her Shoes and a segment aired on the television program 6.30 with George Negus about our girls’ education project in Afghanistan.

**Ambassadors**

We were pleased to announce in April that Gail Kelly, Westpac Chief Executive Officer and Managing Director, is our inaugural Women’s Empowerment Ambassador. More than 875 million women and girls are illiterate, more than 60 per cent of the world’s 1.4 billion people living in extreme poverty are women and girls – these things we must change,’ said Mrs Kelly. We are looking forward to working in partnership to raise awareness about the single highest return on investment in development: women.

**Donations**

The number of people who donated to CARE Australia increased by ten per cent from last year. Online donations increased by 15 per cent, with website users choosing to make a general donation, donate to appeals such as our Pakistan Floods Emergency Appeal or sign up as regular monthly givers. Thank you to all our generous supporters who donate with a regular gift. Your monthly payments are a vital source of income for CARE and help us plan ahead with confidence.

Thank you also to our supporters who bought a ‘gift that keeps on giving’ from the CAREGifts Catalogue, including a pair of goats for a poor family and a new water system to reduce the time spent walking for water in a village. More than 3,000 chickens and 3,000 school books were purchased this year, and an increased number of CAREGift purchasers chose to become monthly givers to CARE.

We are also grateful to everyone who responded to our mail and email appeals about issues including hunger, water, education and emergencies.

Thank you for helping us make a positive change in poor communities. Next year we look forward to connecting with new and existing supporters through exciting activities such as Walk In Her Shoes 2012. We are also the charity partner for City of Sydney New Year’s Eve and will be celebrating CARE Australia’s 25th year.
OUR VALUED SUPPORTERS

Major donors
Mr Phil Anthony
Mr Jeff and Mrs Marilyn Biddstrup
Mr Jamie Christie
Mr Stephen Harris
Mr Barrie Hibbert
Mr Peter and Mrs Barbara Headley
Dr John Hunter
Dr Christopher Holmes
Dr David James
Mr Rob Koczkar and Ms Heather Doig
Mr Chris and Mrs Gill Lee
Ms Maria Manning
Mr Baillieu Myer AC
Ms Annabell Ritchie
Dr Graeme and Mrs Dawn Robson
Mr Bruce Spleeters
Ms Dorothy Stringer
Mr A. Tan
Mr Raj and Mrs Jyoti Thethy
62 anonymous donors

Trusts and Foundations
Ake Ake Fund
Amie and John Paterson Foundation
ACME Foundation
Catherine Gray Trust
Charles and Patricia Thomson Trust
Count Charitable Foundation
Desmond Prentice Charitable Trust
Geoff and Helen Handbury Foundation
George Lewin Foundation
Greenlight Foundation
Ha-Ke-Na Foundation
Harold Mitchell Foundation
J Holden Family Foundation
Mundanga Abroad
Paul Ainsworth Family Foundation
Ravine Foundation
SMFC Foundation
The Charitable Foundation
Thomas Hare Family Trust
Victorian Community Foundation - Bird Family Trust
Wood Family Foundation

Bequests
Estate of the Late Patrick Charles Hogan
Estate of the Late Jill Jordan
Estate of the Late Condon Cyril Krahe
Estate of the Late Michael McLaughlan
Estates of the Late William McEwen
Newnham and Shirley Thelma Newnham
Estate of the Late Barry Richard Tong

Corporate Partners
AGL Energy Limited
Allens Arthur Robinson
AMF Foundation
BHP Billiton, Matched Giving Program
CIF
Centrelink Employees
Coleman Greig Lawyers
Computershare Ltd
Deutsche Bank
1-Med Network (Ina Garbutt)
Jetmaster (VIC) Pty Ltd
Kangan Batman TAFE Broadmeadows Campus
Macespace Group Foundation
Mallesons Stephen Jaques
Maple-Brown Abbott Ltd
OneSteel Limited
Peter Lee Associates
Qantas Airways Ltd
Quest – Southbank
Rabobank Australia Limited
RPG
Saliant Limited
Southern Cross Community Healthcare
Sussan Corporation Pty Ltd
Vietnamese Buddhist Youth Association of NSW
Westpac Group

Multilateral Donors 2011
Asian Development Bank (ADB)
European Commission Humanitarian Aid Office (ECHO)
European Union (EU)
The Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM)
International Organisation for Migration (IOM)
United Nations Children’s Fund (UNICEF)
United Nations Entity for Gender Equality and the Empowerment of Women (UN Women)
United Nations Development Programme (UNDP)
United Nations Population Fund (UNFPA)
United Nations World Food Programme (WFP)
World Bank

Special Events Committee
Jane Baillieu
Celia Burrell
Cara Cunningham
Chloe Fitzwilliams-Hyde
Jeanine Froomes
Sarah Kirby
Sarah Manifold
Serena Mitchell
Jocelyn Mitchell
Caroline Peascott
Arabella Tremlett

Bilaterial Donors 2011
Government of Austria
Government of Australia
Government of Canada
Government of Denmark
Government of Ireland
Government of Japan
Government of the Netherlands
Government of New Zealand
Government of Norway
Government of Switzerland
Government of the United Kingdom
Government of the United States of America

Yaan Van Tong builds a latrine for his family in Vietnam with materials provided by CARE.
Our staff are committed to the fight against global poverty and are among the top in their field, bringing compassion and experience to CARE’s work in developing countries.

Staff profile
CARE Australia employs 1037 staff in Australia and 669 in our offices in developing countries. Total staff decreased by 34 per cent from last year due to changes in our country programs.

In Myanmar, major relief and reconstruction programs.

In Cambodia, two of our four field offices were closed following the completion of several projects. Due to these changes, the percentage of staff who are local citizens of the countries we work in decreased from 92 per cent to 89 per cent.

Location
Australia 916
Timor-Leste 11
PNG 6
Lao 8
Cambodia 6
Vietnam 6
Myanmar 1
Vanuatu 1
Regional 4
TOTAL STAFF 49 920
% growth 30 June 10/30 June 11
Australia-based 81 65 68 5
Overseas-based 15 15 15 15 (5)
National staff 1563 1280 920 (28)
Total CA contracted and national staff 1689 1395 1037 (26)

Volunteers
This year 28 people generously volunteered for us in our Australia-based offices, 14 in Canberra and 14 in Melbourne. We also supported 12 volunteers in our Country offices through our continued participation in Australian Youth Ambassadors for Development (AYAD) and Volunteering for International Development for Australia (VIDA).

In 2010/11 we developed a Volunteer Policy for CARE Australia’s offices. It outlines that volunteers are covered by our health and safety policy and, where no other organisation’s insurance policy applies, they are covered by CARE Australia’s personal accident insurance policy for volunteers.

Recruitment and retention
Staff turnover rates decreased from 36 to 26 per cent in 2010/11. An analysis of exit questionnaires completed by departing staff indicated a variety of reasons for resigning, including pursuing other career opportunities, family and other personal reasons.

A Recruitment and Selection Toolkit is being developed that will help managers select the right person for the right job while ensuring a fair and equitable process.

In CARE Australia-managed County Offices there are recruitment and selection frameworks for national staff that integrate and reflect the unique cultural, economic and employment climates.

Remuneration
Following a remuneration review to ensure CARE Australia’s salary rates are fair and competitive within our sector, pay rates for Australia-based staff were increased by four per cent and all Australia-based staff received additional leave to cover the non-public holidays between Christmas and New Year.

The pay rates for Australian-contracted overseas staff in designated permanent positions were increased by five per cent and the Hardship Allowance for Australian-contracted overseas staff was increased in January 2011, on top of a three per cent cost of living adjustment made on 1 July 2010.

CARE Australia designed new job evaluation guidelines for Country Offices to review national staff positions and determine their value within the organisation’s structure. These have been implemented in two countries and will be rolled out to other Country Offices as required.

Performance management
After feedback from staff, a review of the performance management framework was completed in May 2011 to make the process more simple and logical. A four-point rating scale was introduced, along with pay progression linked to the performance cycle and pay-point progression for effective performance. Critical elements such as aligning the individual’s work plan with the organisation’s strategic goals and operating plans remained unchanged.

In three Country Offices, new performance management frameworks for national staff have been developed and implemented and are currently being evaluated. The new framework varies slightly in each of the Country Offices to accommodate the unique cultural and operational environment.

Staff development
During the year, a strategy was developed to align training and development activities to organization goals, enabling staff to contribute more effectively to these goals. This resulted in a training-needs analysis during the planning and performance appraisal process, a training and development calendar and a training program to support emerging leaders in the organisation.

For national staff, the focus of training and development is threefold:

• developing the capacity of national staff with a view to nationalising senior positions
• supporting new program direction through building core capacity of staff members
• providing opportunities for staff members to develop skills that improve their performance.

Leadership training has been identified as a high-priority activity for national staff, with providers identified and sourced in each country to ensure training is delivered in a culturally appropriate context.

Equity and diversity
As of 30 June 2011, females account for 20 per cent of the Senior Management Team, 58 per cent of Australia-based managers and 40 per cent of overseas managers.

During the year, a Diversity Policy and a Gender Equity and Diversity Strategy were drafted and the CARE International Gender Policy was reviewed.

New employee orientation programs now incorporate an overview of the CARE Australia Gender Equity and Diversity Policy, the CARE International Gender Policy and the Women’s Empowerment Framework. In Country Offices, training on gender concepts has taken place and Gender Focal Points were set up.

The Communication, Respect, Empowerment, Accountability, Trust, Equity (CREATE) action plan was finalised, which ensures that gender equity and diversity principles are embedded in the policies and practices that affect our staff and day-to-day business operations.

Health, safety and wellbeing
Australia-based staff can raise health and safety issues with their managers, health and safety representatives or members of the CARE Australia Health and Safety Committee.

In 2009/10 the first stage of a review of the health and safety management at Australian offices took place, including a review of Fire Wardens, First Aid Officers and Safety Representatives.

This year, the second and final stage includes hazard identification and the reduction and elimination of risks, along with processes to ensure health and safety is safeguarded at work and a continuous review process is created.

Dropping safety and security mechanisms are in place for all CARE staff working in countries with CARE programs. The safety and security aspects of the environment for Country Office staff are regularly monitored and procedures are updated accordingly to best mitigate risks. The CARE Australia Board receives monthly safety and security reports.

Staff snapshots:

Sarah Gowty, CARE Afghanistan
Program Quality Coordinator

Sarah has worked for CARE for over six years, most recently in the Africa and Middle East Team at CARE Australia. Sarah started at CARE Afghanistan in July 2011 as their Program Quality Coordinator.

‘My time at CARE I have seen firsthand how access to safe water, basic education, and economic opportunities can make significant and lasting change to the lives of individuals, families and communities. It is a privilege to be part of this process and I hope together we can continue to overcome the challenges faced by the communities with whom CARE works.’

Bharath Mohan, CARE Australia, Senior Program Officer Asia/Pacific

Bharath joined CARE in 2009 and works in the Asia-Pacific teams focusing on CARE’s Cambodia, Indonesia and Timor-Leste programs.

‘I am always amazed by the focus and dedication of my colleagues who work tirelessly to overcome poverty and bring dignity to the lives of communities we work with. It is a privilege to work for an organisation that you truly believe in, and where everyone is dedicated to a common goal – not many people get that chance.’

Angela Dos Santos, CARE Timor-Leste, Administration Supervisor

‘I have been working with CARE Timor-Leste for the last ten years. I have travelled to every district of my country where CARE provides essential services such as maternal and child health, agriculture, education, water and sanitation and road infrastructure. I am responsible for ensuring that our project staff receive all the support they need for their work in the field. My work has included everything from facilitating meetings with village chiefs, to towing vehicles stuck in the mud after heavy rains and arranging emergency helicopter flights.

‘Being a part of a CARE team is like being a part of a family. I would not want to work anywhere else.’
CARE Australia’s Governance

CARE’s Board

The Board of Directors is responsible for directing CARE Australia’s activities towards the achievement of its vision and fulfilment of its mission while living its core values as set out on page two of this report.

It is responsible for approving strategic direction, monitoring its implementation and fulfilling stakeholders’ expectations. It is responsible for CARE Australia’s overall performance, compliance with relevant laws, codes of conduct and ethical standards and for the oversight of its risk management.

The Board endeavours to ensure that CARE Australia, its Directors and employees conduct themselves in accordance with the highest ethical standards and consistently with its core values. It is comprised of 14 independent, non-executive directors who serve on a voluntary basis and do not receive remuneration, with the exception of reimbursement of reasonable expenses incurred in undertaking Board activities.

They are drawn from a broad cross-section of the Australian community with a diversity of experience and skills. The Board ensures that its performance, experience and skill base are reviewed and renewed appropriately.

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

Board Subcommittees

The Board appoints Committees, which regularly report to the Board, to assist in the discharge of its obligations, consider issues referred and delegated by the Board and to make recommendations to the Board. Further information about the Executive Committee, Finance and Audit Committee, People Committee, Fundraising and Communications Committee, International Program and Operations Committee, Governance and Nominations Committee and the CARE Australia Advisory Council is provided on CARE Australia’s website, www.care.org.au/board.

Risk management and fraud control

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

We are committed to maintaining a culture of honesty and opposition to fraud and our Fraud Control Plan sets out the steps to help ensure this culture is maintained. This plan assists us to understand, prevent, detect, investigate and respond to fraud.

A cornerstone of our risk management framework is our whistleblowers policy, ‘Tell Us’. This protects employees, volunteers and contractors who lodge a complaint or grievance. One of the main purposes of this policy is to provide employees with a supportive work environment in which they feel able to raise issues of legitimate concern to them and to CARE Australia.

Reserves Policy

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

Treasury Policy

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

CARE Australia takes a conservative approach regarding banking and the investment of our reserves. Myer Family Company manages our investment portfolio in line with the approved investment strategy under the oversight of the Board’s Finance and Audit Committee.

CARE Australia Board

Chairman Paul Mitchell, AC
Vice-Chairman Phil Bird, AO
Secretary Steven Woods
Karen Bate
John Brophy
Cate Cheeseman, AH
Robert Bol (わかる) OAM
Alli Garfield
Willie Sit Gast
The Hon. Brian Howe, AO
Cherrie Caicco
Dr Tim Foster
Kay Nolde
Laura Wilson

Advisory Council

Willy Chalker, AO, KCL
Chris Chapple, WA, FL
Tim Eggers, QLD, CVO
Tricia Farnell
Nancy Mitchell
AD Yabs
Pam Scowley

CARE Australia’s Operational Structure

International Operations
Principal Executive: Robert Whelan

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

International Programs
Principal Executive: Andrew Bunawan

- Quality and Impact
- Emergency
- Country Programs
- Program Compliance and Information Management

Marketing and Communications
Principal Executive: Andrew Bunawan

- Partnerships
- Branding
- Media

Corporate Services
Principal Executive: Kim Brand

- Finance
- Human Resources
- Information Technology
- Business Support
- Company Secretary and Corporate Governance

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

In the opinion of the Directors of CARE Australia:

(a) the financial statements and notes of the Company have been prepared in accordance with AASB 1039 Concise Financial Reports; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as they become due and payable.

Harold Mitchell, AC
Chair
Canberra, 21 October 2011

Bromyn Morris
Treasurer
Canberra, 21 October 2011

Audiator’s Independence Declaration to the Directors of CARE Australia

In relation to our audit of the concise financial report of CARE Australia for the financial year ended 30 June 2011, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of any applicable code of professional conduct.

Auditor’s Responsibility

We have audited the accompanying concise financial report of CARE Australia which comprises the balance sheet at 30 June 2011, the income statement, 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 2011. 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.

The Directors are responsible for the preparation of the concise financial report in accordance with Accounting Standard AASB 1039 Concise Financial Reports, and for such internal controls as the directors determine are necessary to enable the preparation of the concise financial report.

Auditor’s Responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures which were conducted in accordance with ASA 100 Auditing Standards to Report on Summary Financial Statements. 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 2011. We expressed an unmodified audit opinion on the financial report in our report dated 21 October 2011. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain audit assurance whether the financial report for the year is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity’s preparation of the concise financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal controls. Our procedures 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 audit evidence supporting the amounts and disclosures 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 AASB 1039 Concise Financial Reports and whether the discussion and analysis complies with the requirements laid down in AASB 1019 Concise Financial Reports.

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

In conducting our audit, we have met the independence requirements of the Australian professional accounting bodies.

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 2011 complies with Accounting Standard AASB 1039 Concise Financial Reports.

Ernst & Young
Partner
Canberra, 21 October 2011

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### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2011

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donations and gifts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Monetary</td>
<td>10,296,726</td>
<td>13,826,719</td>
</tr>
<tr>
<td>• Non-monetary</td>
<td>57,008</td>
<td>81,363</td>
</tr>
<tr>
<td>Bequests and Legacies</td>
<td>784,237</td>
<td>752,477</td>
</tr>
<tr>
<td><strong>Total Revenue from Australian public</strong></td>
<td><strong>11,136,971</strong></td>
<td><strong>14,662,559</strong></td>
</tr>
<tr>
<td>Grants and Contracts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• AusAID</td>
<td>18,204,532</td>
<td>16,272,947</td>
</tr>
<tr>
<td>• Other Australian</td>
<td>998,831</td>
<td>3,020,223</td>
</tr>
<tr>
<td>• Other overseas</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project grants from CARE International members</td>
<td>11,135,818</td>
<td>22,195,398</td>
</tr>
<tr>
<td>Project grants from multilateral agencies</td>
<td>1,537,502</td>
<td>2,488,769</td>
</tr>
<tr>
<td>Project grants from foreign governments and overseas based organisations</td>
<td>2,870,747</td>
<td>4,701,173</td>
</tr>
<tr>
<td>Donated goods from overseas-based organisations</td>
<td>469,083</td>
<td>127,770</td>
</tr>
<tr>
<td><strong>Investment income</strong></td>
<td>769,324</td>
<td>1,151,537</td>
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<tr>
<td><strong>Other income</strong></td>
<td>319,586</td>
<td>125,918</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td><strong>49,422,394</strong></td>
<td><strong>64,746,294</strong></td>
</tr>
<tr>
<td><strong>EXPENDITURE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>International Aid and Development Programs Expenditure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Funds to international programs</td>
<td>42,475,292</td>
<td>56,876,141</td>
</tr>
<tr>
<td>• Cost of raising program funds from government and multilateral agencies</td>
<td>391,409</td>
<td>372,515</td>
</tr>
<tr>
<td>• Non-monetary expenditure – overseas projects</td>
<td>469,083</td>
<td>127,770</td>
</tr>
<tr>
<td>• Other program costs</td>
<td>1,863,279</td>
<td>1,955,629</td>
</tr>
<tr>
<td><strong>Total overseas projects</strong></td>
<td><strong>45,199,063</strong></td>
<td><strong>59,332,055</strong></td>
</tr>
<tr>
<td>Community education</td>
<td>398,245</td>
<td>396,868</td>
</tr>
<tr>
<td>Fundraising costs – Public</td>
<td>3,541,650</td>
<td>3,431,202</td>
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<tr>
<td>Accountability and administration</td>
<td>2,776,828</td>
<td>2,196,331</td>
</tr>
<tr>
<td>Non-monetary expenditure</td>
<td>57,007</td>
<td>81,363</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td><strong>51,972,793</strong></td>
<td><strong>65,437,719</strong></td>
</tr>
<tr>
<td>Excess/(Shortfall) of revenue over expenses</td>
<td><strong>(2,550,399)</strong></td>
<td><strong>(691,425)</strong></td>
</tr>
<tr>
<td><strong>Other comprehensive income</strong></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the period</strong></td>
<td><strong>(2,550,399)</strong></td>
<td><strong>(691,425)</strong></td>
</tr>
</tbody>
</table>

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

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 CARE Australia’s website.

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### BALANCE SHEET AS AT 30 JUNE 2011

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2</td>
<td>23,367,462</td>
</tr>
<tr>
<td>Held to maturity investments</td>
<td>3,371,630</td>
<td>5,970,171</td>
</tr>
<tr>
<td>Prepayments</td>
<td>757,731</td>
<td>1,434,268</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>3</td>
<td>3,691,719</td>
</tr>
<tr>
<td><strong>Non-Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>4</td>
<td>1,047,109</td>
</tr>
<tr>
<td>Investments at fair value</td>
<td>1</td>
<td>4,365,517</td>
</tr>
<tr>
<td>Other investments</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>34,601,159</strong></td>
<td><strong>44,980,614</strong></td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>6</td>
<td>1,689,144</td>
</tr>
<tr>
<td>Provisions</td>
<td>7</td>
<td>1,967,757</td>
</tr>
<tr>
<td>Unexpended project funds</td>
<td>21,407,970</td>
<td>27,089,824</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>25,064,871</strong></td>
<td><strong>32,893,927</strong></td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td><strong>9,536,288</strong></td>
<td><strong>12,086,687</strong></td>
</tr>
<tr>
<td><strong>EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserves</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Retained Earnings</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td><strong>9,536,288</strong></td>
<td><strong>12,086,687</strong></td>
</tr>
</tbody>
</table>

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

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2011

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Retained Earnings</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Accumulated Funds</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance as 30 June 2010</td>
<td>12,086,687</td>
<td>-</td>
</tr>
<tr>
<td>(commencing balance)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Excess of revenue over expenses</td>
<td>(2,550,399)</td>
<td>-</td>
</tr>
<tr>
<td>Amount transferred (to) from reserves</td>
<td>-</td>
<td>(2,550,399)</td>
</tr>
<tr>
<td>Other comprehensive income for the year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at 30 June 2011</td>
<td>9,536,288</td>
<td>-</td>
</tr>
<tr>
<td>(year end balance)</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

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

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 CARE Australia’s website.
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2011

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General public donations</td>
<td>11,079,964</td>
<td>14,578,575</td>
</tr>
<tr>
<td>Grants and contract income</td>
<td>36,894,802</td>
<td>46,898,793</td>
</tr>
<tr>
<td>Goods and services tax received</td>
<td>2,220,373</td>
<td>3,052,299</td>
</tr>
<tr>
<td>Interest income</td>
<td>769,324</td>
<td>813,035</td>
</tr>
<tr>
<td>Other income</td>
<td>193,150</td>
<td>120,797</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(92,215,842)</td>
<td>(60,733,493)</td>
</tr>
<tr>
<td>Goods and services tax paid</td>
<td>(2,063,885)</td>
<td>(2,332,942)</td>
</tr>
<tr>
<td><strong>Net cash flows from/(used in) operating activities</strong></td>
<td>(3,122,114)</td>
<td>2,397,064</td>
</tr>
</tbody>
</table>

| **Cash flow from investing activities** |               |               |
| Acquisition of property, plant and equipment | (576,891)    | (561,651)    |
| Proceeds from sale of equipment             | 165,259       | 42,463       |
| Acquisition of investments                 | (1,029,125)   | (1,209,144)  |
| Redemption of investments                  | 4,941,615     | 2,215,356    |
| **Net cash flows from/(used in) investing activities** | 3,500,858     | 487,024      |

| **Net increase/(decrease) in cash held** | 378,744       | 2,884,088    |
| **Net foreign exchange differences**      | (3,560,413)   | (445,939)    |
| **Cash at the beginning of the year**     | 26,549,121    | 24,110,972   |
| **Cash at the end of the year**           | 23,367,452    | 26,549,121   |

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 CARE Australia’s website.

STATEMENT OF CASH MOVEMENTS FOR DESIGNATED PURPOSES FOR THE YEAR ENDED 30 JUNE 2011

No single appeal, grant or other form of fund raising for a designated purpose generated 10% or more of the international aid and development revenue for the financial year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDING 30 JUNE 2011

Note 1 Accounting Policies

The requirements of AASB 1039 Concise Financial Reports do not have mandatory applicability to CARE Australia. However, the Directors of the Company have prepared the concise financial report in accordance with the presentation and disclosure requirements of AASB 1039 Concise Financial Reports for distribution to the members. 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 format and disclosures in this concise 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 Guidance Document available at www.acfid.asn.au.

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

ANALYSIS OF OPERATIONS FOR THE YEAR ENDED 30 JUNE 2011

<table>
<thead>
<tr>
<th></th>
<th>2011 (%)</th>
<th>2010 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost of Fundraising and Administration / Total Income</td>
<td>13</td>
<td>10</td>
</tr>
<tr>
<td>Community Education / Total Income</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Overseas Projects (Program Expenditure) / Total Income</td>
<td>91</td>
<td>90</td>
</tr>
<tr>
<td>Increase (decrease) in funds available for future CARE programming / Total Income</td>
<td>(5)</td>
<td>(1)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>
EFFECTS OF SIGNIFICANT ECONOMIC OR OTHER EVENTS

As stated previously the continuing economic uncertainty has impacted on the ability of our CARE International Partners to raise funds from their respective government international aid and development funding agencies (eg. European Union, United States Agency for International Development). The fluctuating Australian dollar in the current financial year has resulted in the recognition of a net foreign exchange loss of $2.086m (2010: net foreign exchange loss of $0.841m) that is included in the funds to international programs and is due primarily to the translation of project-related foreign currency denominated bank balances into Australian dollars. It should be noted that almost all of this loss is unrealised due to the accounting treatment for the translation of foreign currency denominated bank accounts to AUD at balance date.

TRENDS IN REVENUES ARISING FROM OPERATING ACTIVITIES

Our total revenue of $49.423m in 2010/11 was 24 per cent lower than in 2009/10. Whilst our income was slightly reduced in 2010/11 due to the continuing economic uncertainty, the major reason for the variance to 2009/10 was the increase in the value of the Australian dollar during the reporting period and the loss of income following the transfer of management for the Jordan and Yemen Country Offices to CARE USA. The transfer of these Country Offices is in line with CARE Australia’s strategic decision to focus its emphasis on programs in Asia and the Pacific. A significant proportion of our revenue is received from our CARE International Partners and overseas agencies in US dollars (or other foreign denominations), thereby resulting in lower Australian dollar revenue on conversion.

Despite the impact of the continuing economic uncertainty the activities undertaken by CARE Australia during the year continued to be generously supported by $11.317m in donations from the Australian public. 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 the 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. CARE Australia received $18.205m from the Australian aid program, administered by AusAID. This was in line with budget expectations, and was an increase of 12 per cent compared to the 2009/10 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.

REVENUE 2007 - 2011

Main influences on costs of operation

CARE expensed $51.973m in the 2010/11 financial year. This was significantly lower than that expended in 2009/10. As with the variation in revenue, this is due to a combination of the volatility of the Australian dollar; the impact of continuing economic uncertainty and the transfer of the management of the Jordan and Yemen Country Offices to CARE USA. During the financial year we expended $45.199m on our overseas programs, which included expenses associated with programs undertaken across Southern Asia and South-East Asia, the Middle East, the Pacific, Papua New Guinea, Caribbean and Africa.

Other expenses include:

- marketing, publicity and fundraising costs of $3.542m
- finance, human resources, risk assurance, legal, and information and communications technology infrastructure costs of $2.777m
- community education costs of $0.398m.

EXPENSES 2007 - 2011

Main influences on costs of operation

CARE expensed $51.973m in the 2010/11 financial year. This was significantly lower than that expended in 2009/10. As with the variation in revenue, this is due to a combination of:

- cash, funds in terms deposits and other investments decreasing by $7.380m
- prepayments decreasing by $0.677m
- trade and other receivables decreasing by $2.375m
- property, plant and equipment decreasing by $0.220m
- investments increasing by $0.273m.

Other significant movements in the balance sheet

The reduction in assets was offset partially by a $7.829m reduction in liabilities, principally relating to the completion of projects and the transfer of the management of the Jordan and Yemen Country Offices. This resulted in a significant reduction in the unexpended project fund balance.

CASH FLOWS

Changes in cash flows from operations

Net cash flows used in operating activities was a net outflow of $3.122m and a decrease of $5.519m on 2009/10. The negative operating cashflow was primarily due to lower public donations and grants when compared with payments to suppliers and employees.

Changes in cash flows from investing

Net cash flows from investing activities in 2010/11 was $3.501m, and primarily represents the redemption of expiring term deposits.

Accountability Measure

The accountability measure compares the change in funds available in the future to undertake our important international aid and development work in addition, this result has been exacerbated due to the decreased revenue associated with emergency activities which is unpredictable.

Discussion and Analysis Section for the year ended 30 June 2011

As stated previously the continuing economic uncertainty has impacted on the ability of our CARE International Partners to raise funds from their respective government international aid and development funding agencies (eg. European Union, United States Agency for International Development). The fluctuating Australian dollar in the current financial year has resulted in the recognition of a net foreign exchange loss of $2.086m (2010: net foreign exchange loss of $0.841m) that is included in the funds to international programs and is due primarily to the translation of project-related foreign currency denominated bank balances into Australian dollars. It should be noted that almost all of this loss is unrealised due to the accounting treatment for the translation of foreign currency denominated bank accounts to AUD at balance date.

Comparison by Percentage

<table>
<thead>
<tr>
<th>Description</th>
<th>2011 (%)</th>
<th>2010 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost of Services (Overseas Projects plus Community Education) /</td>
<td>94</td>
<td>95</td>
</tr>
<tr>
<td>Total Expenditure minus Fundraising</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Cost of Services (Overseas Projects plus Community Education) /</td>
<td>99</td>
<td>96</td>
</tr>
<tr>
<td>Total Income minus Fundraising</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Cost of Fundraising / Revenue from the Australian Public</td>
<td>32*</td>
<td>23</td>
</tr>
<tr>
<td>Net surplus from Fundraising / Revenue from the Australian Public</td>
<td>68</td>
<td>77</td>
</tr>
</tbody>
</table>

*The increase in the cost of fundraising ratio is due to a strategic decision taken in 2010 to invest in donor acquisition to enable CARE Australia to have greater funds available in the future to undertake our important international aid and development work. In addition this result has been exacerbated due to the decreased revenue associated with emergency activities which is unpredictable.

INFORMATION (CHARITABLE FUNDRAISING ACT 1991 NSW)

Fundraising activities conducted

- Direct mail
- Face to face campaigns
- Major gifts program
- Corporate gifts
- Bequest program
- Special events
- Media awareness
- Community service announcements

Translation of project-related foreign currency denominated bank balances into Australian dollars. It should be noted that almost all of this loss is unrealised due to the accounting treatment for the translation of foreign currency denominated bank accounts to AUD at balance date.

Translation of project-related foreign currency denominated bank balances into Australian dollars. It should be noted that almost all of this loss is unrealised due to the accounting treatment for the translation of foreign currency denominated bank accounts to AUD at balance date.

Translation of project-related foreign currency denominated bank balances into Australian dollars. It should be noted that almost all of this loss is unrealised due to the accounting treatment for the translation of foreign currency denominated bank accounts to AUD at balance date.