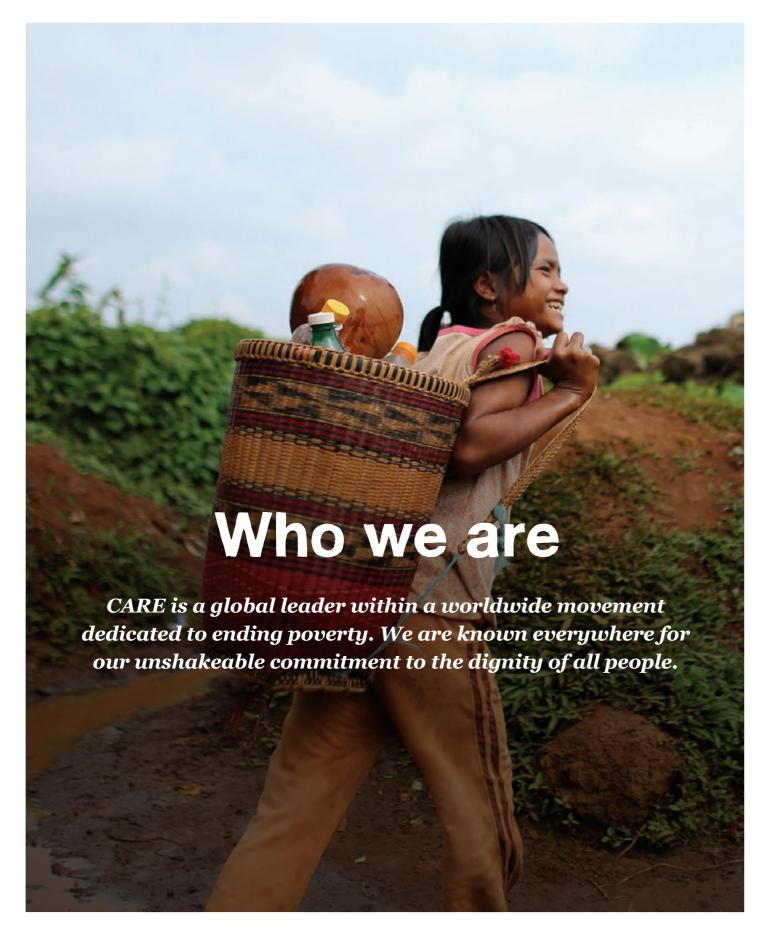


# It starts with equal





## Our Mission

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

# Our Vision

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

### Our Focus

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

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

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

Cover photo: 10-year-old Precious was overjoyed when CARE Australia constructed a clean water pump in her village in southern Zimbabwe. © Timothy Buckley/CARE Opposite: Water, Sanitation and Hygiene (WASH) projects in Cambodia ensure that local water points are safe for families to gather clean water. © Josh Estey/CARE Inner back page: CARE trains women in Ethiopia to grow aloe vera and use it to make soap. © Josh Estey/CARE

Back page: Maryam depends on CARE's weekly deliveries of water to the makeshift camp where her family now lives in Somalia. © John Hewat/CARE

# Our impact

A summary of CARE Australia's impact figures this year:



We assisted over 2.1 million people across 28 countries



We responded to 13 emergencies across 19 countries



More than 51,000 donors contributed over \$14.2 million



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



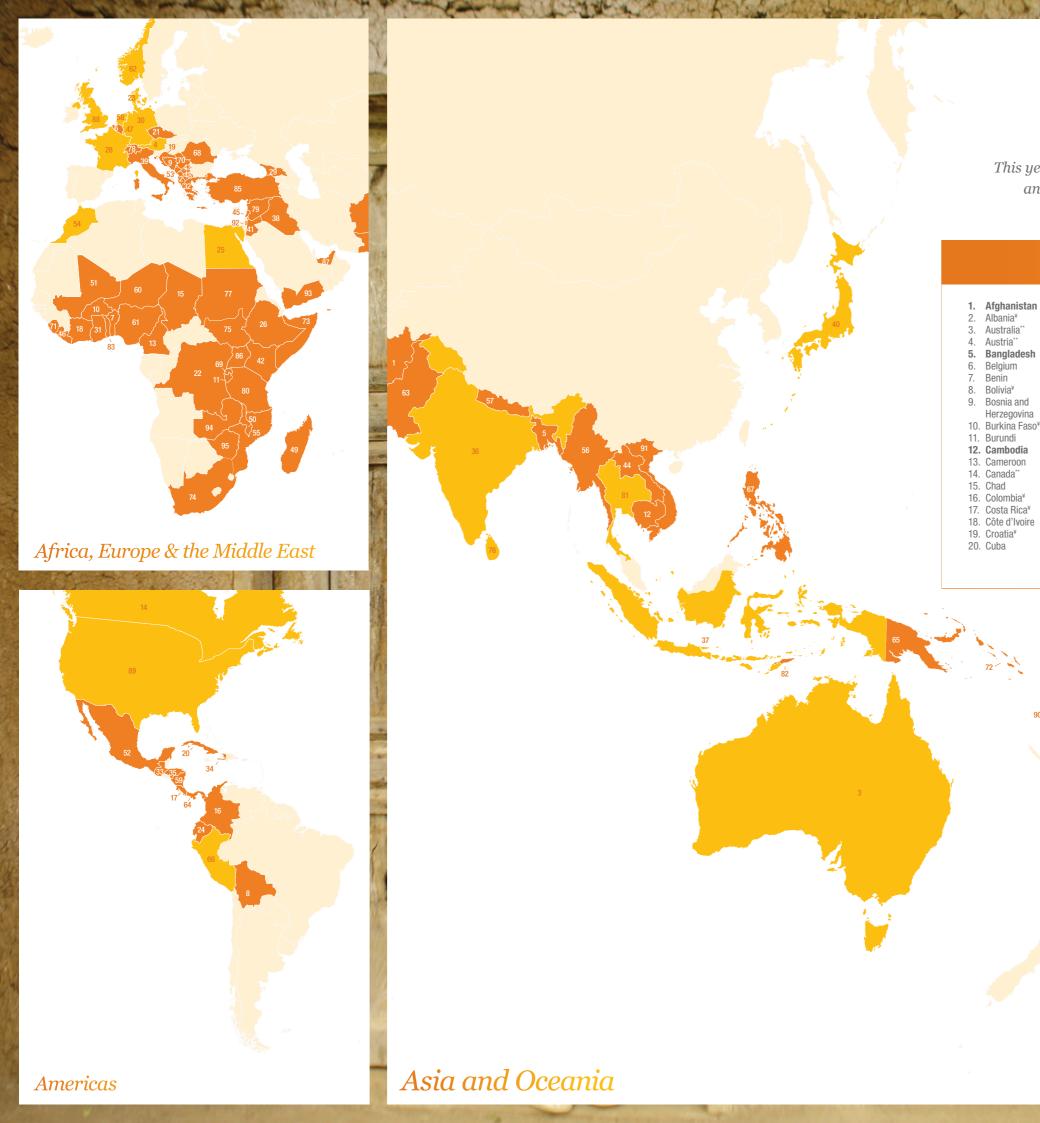
94% of our staff are local to the country they work in



968,000 people received our humanitarian assistance



Throughout this report CARE International or CARE refers to the entire CARE International organisation consisting of a confederation of 14 members working with a global secretariat, and offices in 95 countries where local staff and partners work to deliver programs with poor communities. CARE Australia refers to CARE's operations in Australia and the seven Country Offices we manage, as well as programs and emergency responses.



# Where we work

This year CARE worked in 95 countries around the world fighting poverty and inequality, and providing humanitarian aid to those in need.

## **Countries with CARE presence**

- 21. Czech Republic<sup>∅</sup> Afghanistan Albania<sup>¥</sup> 22. Democratic
- Australia\* Republic of the Congo
  - 23. Denmark\*
  - 24. Ecuador 25. Egypt\*\*
  - 26. Ethiopia 27. Fiji¥
  - 28. France\* 29. Georgia
  - 30. Germany\*\* 31. Ghana
  - 32. Greece
  - 34. Haiti 35. Honduras
  - 37. Indonesia 38. Iraq<sup>¥</sup>

- 40. Japan\* 41. Jordan
- 42. Kenya 43. Kosovo<sup>¥</sup>
- 44. Laos 45. Lebanon
- 46. Liberia<sup>¥</sup> 47. Luxembourg\* 48. Macedonia<sup>¥</sup>
  - 49. Madagascar 50. Malawi

57. Nepal

60. Niger

58. Netherlands

59. Nicaragua

- 51. Mali 52. Mexico<sup>¥</sup> 53. Montenegro
- 54. Morocco\* 33. Guatemala 55. Mozambique 56. Myanmar
- 36. India\*\*
- 39. Italy<sup>¥</sup>

- 62. Norway\*
  - 63. Pakistan 64. Panama<sup>¥</sup> 65. Papua New
- Guinea 66. Peru\*\* 67. Philippines
  - 68. Romania<sup>¥</sup> 69. Rwanda
  - 70. Serbia 71. Sierra Leone 72. Solomon Islands
  - 73. Somalia 74. South Africa 75. South Sudan
    - 76. Sri Lanka\*\* 77. Sudan
    - 78. Switzerland 79. Syria 80. Tanzania

- 81. Thailand\*\* 82. Timor-Leste
- 83. Togo¥ 84. Tonga<sup>¥</sup>
- 85. Turkey 86. Uganda
- 87. United Arab Emirates<sup>0</sup> 88. United Kingdom\*
- 89. United States of America\*\*
- 90. Vanuatu 91. Vietnam 92. West Bank
- & Gaza 93. Yemen
- 94. Zambia 95. Zimbabwe

#### CARE International Secretariat

- 78. Geneva, Switzerland<sup>^</sup>
- 6. Brussels, Belgium<sup>^</sup> 89. New York, United States<sup>^</sup>
- Countries with CARE presence
- CARE International Members, Candidates and Affiliates

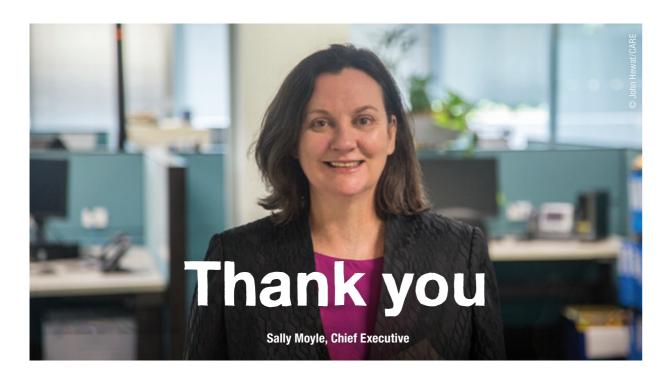
Countries in bold have CARE Australia programming.

- 6. Belgium<sup>0</sup> (of CARE France)
- 21. Czech Republic (of CARE Austria)
- 87. United Arab Emirates® (of CARE USA)

**Sub-offices** 

- \*\* CARE International Members, Candidates and Affiliates1.
- \* Limited or temporary CARE presence, or working through strategic partnerships.
- ♦ CARE Germany-Luxembourg has offices in both Germany and Luxemburg.
- CI Secretariat offices in Switzerland, Belgium and the United States are part of CARE's international advocacy and humanitarian work.
- Sub-offices have a strong focus on fundraising.

ANNUAL REPORT 2017/18 THANK YOU



#### I look forward to another year of changing lives.

This year will no doubt be remembered as one where women's right to live free from violence and harassment received unprecedented media coverage and vocal support around the world.

CARE Australia tackles workplace sexual harassment in many of our development programs – notably throughout the Mekong region, where nearly one in three female garment factory workers experiences sexual harassment at work. Working with 40 factories in Cambodia, Laos, Myanmar and Vietnam, we are driving industry changes, and working with factory owners, governments and civil society to help create violence-free workplaces.

In conjunction with our work in factories, we are crucially working to change the laws and social norms that allow sexual harassment to continue. This year, CARE helped convince the International Labour Organization (ILO) to increase safety standards for women in countries that have no or inadequate laws against sexual harassment in the workplace. CARE Australia helped set this change in motion with our #ThislsNotWorking campaign, which gathered thousands of signatures on a petition asking that the Australian Government argue for the ILO to increase global standards.

Hundreds of millions of working people around the world stand to benefit from changes this will put in place.

I personally take the prevention of sexual harassment very seriously, and within CARE International I am co-chairing the Prevention of Sexual Harassment, Exploitation and Abuse taskforce, to help ensure CARE is a global leader in combatting sexual misconduct of any kind. I am also on the Australian Council for International Development steering committee overseeing the independent review of the Australian development NGO sector's response to this issue. In CARE Australia, we have strengthened our processes and practices, and we are committed to ensuring that our culture prevents harassment, exploitation and abuse, including child abuse. We cannot help to advance equality and respect without first making sure we live these values in our own workplaces.

In our humanitarian emergency work, our teams have been responding to crises in Bangladesh, Papua New Guinea and Tonga, as well as the ongoing conflict in Syria. I was able to see some of our amazing work to support families affected by the Syrian conflict when I visited Jordan. Australia's Department of Home Affairs is funding a CARE Australia

program providing Syrian refugees with access to healthcare, education, and vocational training to improve their chances of finding employment in Jordan. I'm pleased to report that just before 30 June, the Department of Home Affairs committed a further \$4 million over the next two years to the project.

I witnessed firsthand the effects of the deadly drought in Somalia. In Cox's Bazar in Bangladesh I met some of the 700,000 refugees from Myanmar who had fled horrifying conflict. It is impossible to see the resilience of survivors of such disasters and conflicts without committing to supporting them through it.

I look forward to another year of changing lives as we continue together – our supporters, staff, partners, and especially the communities we work with – to create a more equal world for everyone.

Sally Moyle

**Sally Moyle,**Chief Executive, CARE Australia



**Colin Galbraith, AM** Chair. CARE Australia



In addition to providing long-term positive change to some of the world's most vulnerable people, international development is central to our future stability and prosperity.

As Chair of CARE Australia, I am proud to see how swiftly and positively we can help to alleviate suffering in the face of disaster. More than 700,000 people have fled violence in northern Rakhine in Myanmar over the last year in search of safety in Bangladesh, quickly creating one of the largest refugee camps in the world.

CARE Australia has worked with all communities in northern Rakhine for many years, and we are well placed to provide the support and lifesaving aid to help them recover from their trauma and rebuild their lives. CARE Australia has provided 18,000 people with emergency shelter, medical support, clean water, and nutritious food, as well as ensuring the urgent needs of women and girls are met, establishing 'women friendly spaces', and providing counselling for those affected by gender-based violence.

It is plain to see the importance of aid in an emergency situation like this. Yet all around the world, CARE Australia is working with the same urgency to tackle poverty and injustice that affects millions of people. In Laos and Papua New Guinea, we are helping farmers produce better quality coffee and sell it for a higher price. In Timor-Leste, Cambodia and Papua New Guinea we are supporting children to improve their literacy and school attendance. And in Cambodia, Vietnam, Laos and Myanmar we are supporting vulnerable women to stop workplace sexual harassment. I hope that you enjoy reading about some of these projects in this report.

To enable these long-term gains against poverty to hold ground, it is imperative that we have bipartisan support for aid and development. In addition to providing long-term positive change to some of the world's most vulnerable people, international development is central to our future stability and prosperity. I have no doubt that Australia's development initiatives have helped to suppress transboundary threats such as terrorism, human trafficking, environmental degradation, and the spread of deadly diseases like tuberculosis.

Thank you for working with us to create a safer, more peaceful and equitable world. We have made so much progress by working together, and I know that a world free from poverty is possible if we continue to work side by side.



**Jamila Rizvi** CARE Australia Ambassador

Samila Rizvi

I feel so privileged to have met the CARE staff doing this important work on the ground, and the communities who are benefitting as a result.

Last year I travelled to Bihar, India to visit CARE's work to improve maternal and child health. Locals call Bihar, which is home to more than 100 million people, the 'Forgotten State'. Much of the population lives below the poverty line but life is particularly dire for women and girls.

It was there that I witnessed firsthand the kinds of conditions women and girls in the developing world give birth in. I knew it would be confronting. What I did not realise was how dehumanising and potentially deadly these environments could be.

Thankfully, CARE's work in the region is improving birthing facilities and maternal and child health by educating communities, and working closely with health clinics to improve the chances for every soon-to-be-mother who arrives. I feel so privileged to have met the CARE staff doing this important work on the ground, and the communities who are benefitting as a result.

Sanitation, hygiene, family planning and newborn care are key focuses for CARE Australia, as is making sure that every girl receives an education. Research shows that when you lift a woman out of poverty she brings her family, and indeed her community, with her. I will always advocate for investments that give girls and women better opportunities in life because that will, quite simply, change the world.

ANNUAL REPORT 2017/18 OUR STRATEGY

# Our strategy

CARE Australia's 2015-18 strategy concluded at the end of this financial year, with strong achievements across all goals. The following is an overview of achievements over 2017/18.



*23,167 people* assisted through the STOP project in Cambodia



3,922 people assisted through education projects in Papua New Guinea



assisted through WASH programming in Zimbabwe



3,825 people assisted through farming programs in Tanzania

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

During 2017/18, CARE Australia assisted over 2.1 million people in 28 countries. We maintained our commitment to quality programs, with 97% of our projects assessed as effective. Our Gender Unit developed a comprehensive training package to ensure gender equality is considered in all of our programming.

Our community scorecard approach has improved health services in Vanuatu, adding an innovative digital communications component, which allows communities to express their immediate needs.

Our successes in Papua New Guinea (PNG) were recognised with Australian Government grants totalling \$15 million for our education work, and \$1.5 million to respond to the earthquake emergency.

We responded to humanitarian emergencies in 19 countries, including long-term crises in Bangladesh, Yemen, and Syria (for which we received a \$4 million government grant to support 130,000 refugees living in Jordan). CARE Australia led the response to emergencies in our region, including a devastating earthquake in remote PNG, and Cyclone Gita in Tonga. During the year, CARE Australia also secured one of six Australian Humanitarian Partnership (AHP) contracts with the Australian Department of Foreign Affairs and Trade (DFAT).

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

This year, we were thrilled to see thousands of Australians engaging in CARE Australia's work as donors, advocates, volunteers and participants in events and campaigns.

In March, CARE Australia launched the #ThislsNotWorking advocacy campaign, which called on the Australian Government to support a binding International Labour Organization convention to protect workers against sexual harassment and abuse.



More than 4,400 Australians signed the petition, and helped change the Australian Government's position on sexual harassment in the workplace.

We had the incredible support of CARE Australia Ambassador Jamila Rizvi during the launch of her book, *The Motherhood*. Jamila generously donated her proceeds to CARE Australia and highlighted our work in her opening addresses to hundreds of attendees at launches around the country.

Our Christmas Clean Water campaign followed the story of Precious in Zimbabwe and, in seeing the world through her eyes, thousands of Australians helped us exceed all our fundraising targets. Our investment in our digital strategy saw an increase in website visits, number of donations and revenue, and our social media audience grew by 15%.

We thank our corporate partners for their continued support, including King & Wood Mallesons, whose contributions over the life of our partnership have reached more than \$1 million. Virgin Australia staff raised more than \$22,000 to support our Disaster Response Depot, helping to stock CARE Australia's warehouse in Brisbane (provided by DFAT) with emergency supplies. We were also thrilled to sign a new partnership agreement with Cummins, as their Asia-Pacific partner in the Cummins Powers Women Program by supporting girls to receive an education in rural Cambodia.

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

We progressed work on a new gender strategy to address gender-based barriers, and our recruitment processes support people living with disability to apply for roles. We are progressing a Reconciliation Action Plan encompassing procurement from Aboriginal and Torres Strait Islander organisations, and support for Aboriginal and Torres Strait Islander employment. Crossdepartment discussion sessions and working groups are open to all Australian staff in areas including women in leadership, mental health, gender equality, disability, gender, reconciliation and prevention of sexual harassment.

CARE Australia is committed to being a safe workplace. The CARE Line reporting mechanism was introduced internationally to allow staff, communities and stakeholders to report misconduct. Amendments were made to our Recruitment and Selection Policy, the Staff Code of Conduct, and the orientation process to ensure safeguards against misconduct are in place.

We are proud of developing new leaders in the countries we work in. Our National Staff Leadership Development program has led to 32% of senior positions in Country Offices being held by local citizens, surpassing our target of 25%.

We have invested in automating IT management and support functions so IT staff have more time to focus on value-add tasks. We have also implemented consistent policies and procedures on administration and logistics in Country Offices.

#### 2015-18 Strategy outcomes

The achievements of the CARE Australia 2015-18 strategy have established a sound foundation for the 2019+ strategy, particularly with respect to gender transformative projects, stronger humanitarian emergency capacity, significant increase in national leadership, clear brand definition, and enhanced staff engagement.

#### Highlights from the communities we worked in

- Six times as many students attending multilingual classes in Cambodia
- Seven times as many students attending community-based classes in Afghanistan
- 50% increase in access to safe water and 22% decrease in diarrhoea cases in Zimbabwe
- 100% increase in women accessing postnatal care in Timor-Leste
- 968,000 people directly benefited from our humanitarian assistance.

#### Highlights from the organisation

- An average of \$30.4 million per year in Australian Government contracts
- An average of \$13.7 million per year in public donations
- · Majority of all new projects assessed as gender transformative or gender responsive
- Majority of all projects assessed as effective
- · Secured one of six AHP contracts with DFAT.

*31,975* people

# 2019+ strategy

# Our priorities:



#### Our people

We create a positive, respectful and flexible working environment that draws energy from diversity and ensures our culture is consistent with our values.



#### **Development outcomes**

We think in new ways and nurture partnerships to multiply high quality gender equality and development outcomes.



#### Income

**888** 

Through collaboration on all of our commitments we secure the funding to support our work.



#### **Working smart**

We understand, grow and retain our valuable supporter base of loyal donors and relationships.



## **Emergency & crisis**

We mobilise fast to respond to emergencies across the globe, recognised as the lead INGO gender in emergencies first responder working with local partners.



#### **Country presence**

**CARE International Country** Offices managed by CARE Australia are efficient, respected and innovative development partners for CARE International Members, donors, governments, private sector, local civil society and the communities where we work.

#### **Public engagement**



We engage more of our target audiences with CARE's work and issues of global poverty and equality.

#### **Standards**



We are a smart, safe and trusted partner with rigorous governance standards.

assistance

# + Our values:

#### Courage:

We are clear-eyed about the challenges and opportunities facing humanity; we make difficult decisions and take calculated risks to respond to these knowing we have a healthy and productive workforce in a safe and fun work environment.

#### Ambition:

We are all leaders, thinking big and taking urgent action to improve the world; we challenge each other, have the confidence to try new things, and we move fast.

#### Respect:

We know we must be the change we want to see, so we treat colleagues, partners and the public with respect, valuing and promoting different opinions and perspectives based on our diverse life experiences, working together so we all feel safe and powerful.

### Equality:

We know humanity's best chance for overcoming poverty and creating a world of hope, tolerance and social justice lies in equality; we advance equality in all our work and in our dealings with all people, especially gender equality. It starts with equal.

## **Intermediate** outcomes:

## ✓ *Multiply:*

Our impact is multiplied by scaling up our development and humanitarian programming, modestly increasing our revenue and communicating effectively with our supporters.

### Connect:

Australians, civil society and social movements are connected with our programs and the people with whom we work. We have increased partnership with local civil society organisations and social movements, working effectively as a member of the CARE International confederation, having drawn on all our skills and experience by working across disciplines, departments and offices.

## ✓ Influence:

We are a recognised influencer, standing up for development and humanitarian action, sharing our learnings about development, gender equality and social justice and telling powerful stories about the important role of development in our region.

## ✓ Lead:

We are a leading efficient, effective, sustainable development and humanitarian organisation.

# Who we're helping:

## 20 m

people receiving quality, lifesaving humanitarian

## 30 m

women receiving greater access to economic resources



## 100 m

people receiving sexual, reproductive and maternal health services



## 50 m

people increasing their food and nutrition security

ANNUAL REPORT 2017/18 EMPOWER WOMEN AND GIRLS

CARE TO

# **Empower** women and girls

CARE puts women and girls at the centre of our work, because they bear the brunt of poverty.

Too often, girls miss out on school, women do not have secure, paid employment,

and women die needlessly during pregnancy and childbirth.

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

#### Case Study: STOP sexual harassment in the Mekong

Sexual harassment is a global issue. It is a form of genderbased violence, and one of the most serious violations of workers' rights experienced by women across the Mekong region.

It is a deeply sensitive issue. Rooted in unequal power and gender relations it disproportionately affects women and girls. Existing sexual harassment legislation is weak or non-existent and poorly implemented across the region. In Cambodia, research by CARE Australia in 2016 found nearly one in three female garment factory workers had experienced sexual harassment in the workplace in the previous year.

CARE Australia's *Enhancing Women's Voice to STOP Sexual Harassment* (STOP) project supported by the Australian Government is working in four countries in the Mekong region to address sexual harassment in the garment industry. The project aims to improve the workplace for women and men by introducing sexual harassment prevention policies, supporting factories in implementation, and providing training to staff to help them prevent and report sexual harassment. This project is educating employers in the ways to effectively intervene and tackle workplace harassment.

In Phnom Penh, Cambodia, 18-year-old Bopha is one woman who has already benefited from the training.

She was subjected to verbal and physical harassment at the factory she works in.

"[A colleague] said to me, 'Why do you dress like this?' I don't like being questioned like this. He said, 'You are already ugly. Trying to be pretty is futile... Nobody will love you.' I was very upset by that comment."

Bopha didn't say anything, because she was uncertain of what support existed in the factory for women who were being harassed.

"I didn't know about sexual harassment, and I was new to the workplace. I didn't know there could be sexual harassment in the factory."

"I joined training from CARE about sexual harassment. They came to the factory and asked me to join. I learned that there are many forms of sexual harassment. It includes touching, talking, and other actions."

Thanks to the training, the women in Bopha's factory now know who to talk to and what will happen when they report harassment and abuse.

CARE Australia is not just working within factories, but also at government level and with civil society, to inform advocacy efforts and influence reforms and regulations to create change at a national level.

"I joined training from CARE about sexual harassment. They came to the factory and asked me to join. I learned that there are many forms of sexual harassment." - Bopha, Cambodia.





Less than 20% of the world's landholders are women



90% of countries have at least one law that discriminates against women



1 in 3 women in Cambodia garment factories experienced sexual harassment last year

A LIFETIME OF LEARNING ANNUAL REPORT 2017/18

"I would like to be a teacher when I grow up. To do that I will need to get educated and do well in school." - Pamela, Papua New Guinea.





3,922 people reached through CARE Australia's education projects in Papua New Guinea



774 million adults worldwide are illiterate and two thirds are women



380 teachers supported to upgrade their teaching qualifications in Papua New Guinea

CARE FOR

# A lifetime of learning

Poverty is a significant barrier to education. Challenges like remoteness, the expense of school fees and inadequate services force millions of children to miss out on an education. In isolated communities, children face the additional barrier of not having any trained teachers in their region.

Education is the key to overcoming poverty, and we are committed to helping girls go to school alongside boys, rather than being kept at home to assist with household chores, or forced into an early marriage. We also train teachers to improve the delivery of literacy and numeracy lessons, and we provide follow-up support through teacher supervision and assessment.

#### Case Study: A lifetime of learning in Papua New Guinea

Many teachers in the remote highlands of Papua New Guinea lack any formal qualifications, and some are not even paid – they volunteer simply because they are passionate about educating the next generation. Their communities are so isolated that there are no courses or institutions available to provide them with teaching skills, train them in the national curriculum, or develop their teaching methods and practices. Literacy rates for women in those areas are as low as 21 per cent – significantly below the national average of 48 per cent – and schools are drastically under-funded.

Many schools have no tables or chairs, children have no books, and in some schools teachers have not been paid in four years. One headmaster, John, says "We have such low funds... we are currently considering selling the roofing iron from the roof of the classrooms just to make money to buy supplies."

CARE Australia's education programs, with support from the Australian Government, are making it possible for children in these remote communities to receive a higher standard of education. CARE Australia is training teachers, providing schools with resources, and working with local governments to improve education policies and practices.

To encourage trained teachers to work in remote communities, CARE Australia is subsidising the \$2,000 per year university fees of teachers willing to teach in these locations, helping them improve their skills and create a more dynamic, engaging classroom for the children.

CARE Australia is also building school libraries to house books and resources, providing students with exercise books

and writing equipment, and making sure teachers have the educational materials they need to tackle low literacy levels.

In working with government bodies and influencing policies, CARE Australia is delivering gender and diversity training to decision makers to ensure resources are allocated more equitably, as well as ensuring more women are working in the education sector.

Pamela (8, pictured) is a Grade 1 student at a remote elementary school in Papua New Guinea's highlands that is benefitting from CARE Australia's support. She loves school, and her teacher has high hopes for her: "Pamela can speak English, and read and write very well. She is great in class."

"I would like to be a teacher when I grow up," says Pamela.

"To do that I will need to get educated and do well in school.

I will have to get good marks on tests, and I will have to go to bigger schools, and then college."

Pamela's future depends on her school and teachers being the best they can be. With CARE Australia's support, Pamela – and every child in her class – will have a much better chance of becoming a successful, educated adult. This is particularly important for girls; if they are uneducated, girls face higher risks of early marriage, larger families and poorer health.

"Girls' education is so important," says Pamela's teacher.

"There are so many jobs that women can do in this country, so girls need to be just as educated as boys."

Since commencing in July 2016, CARE Australia's education programs have given 10 district and local level government officers gender and diversity training, trained 60 teachers in the government's newly-implemented Standards Based Curriculum, and given 11,600 students access to new learning materials such as text books and stationery. With this equipment, better trained teachers and local government advocates, we are successfully addressing critical gaps in education services for some of the most remote and marginalised students in Papua New Guinea.

ANNUAL REPORT 2017/18 HEALTHY LIVES

CARE FOR

# **Healthy lives**

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

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

#### Case Study: Delivering Precious water in Zimbabwe

Our successful Water, Sanitation and Hygiene (WASH) project in Zimbabwe ran from 2013 to 2017 in Chivi North and provided over 50,000 people with access to clean water and improved hygiene and sanitation. To extend the positive impact of this work, a new project began in Chivi South in July 2017, and will support a further 80,000 people by June 2021.

Members of the community help drill the boreholes and are trained to maintain and repair water pumps and build toilets. Health clubs in schools and within the wider community help spread the word to children and their families about the importance of health and hygiene.

Before CARE Australia came to her community, 10-year-old Precious walked a treacherous path twice a day to collect water for herself and her family. It took her hours every day to walk for water, time she couldn't spend at school or doing homework. She was afraid every time she had to collect water because she would often see snakes on the way, and the river she collected the water from was infested with crocodiles. To make matters worse, the river water she worked so hard to collect was filled with bacteria that could cause deadly diseases, putting her and her family at risk.

It's an awful choice that millions of people have to make every day – drink dirty water, or don't drink at all. Precious told us, "I'm afraid of dying. I don't want to die due to a painful disease while others are worrying about me."

Precious desperately needed a borehole drilled in her community so she could drink clean, safe water. With the support of the Australian Government through the Australian NGO Cooperation Program (ANCP) and our generous donors, CARE Australia has provided exactly that, close to Precious's village!

Precious was there when the new borehole was drilled, and she celebrated as clean, fresh water spurted into the air. "I saw so much water gushing from the ground. I am so happy to have seen our water coming out... I threw it up and I washed my face in it!" Precious exclaimed.

The new borehole will help keep Precious and her community safe from diseases caused by dirty water. And it will help keep children like Precious in school, instead of making dangerous journeys to the river.

"I saw so much water gushing from the ground. I am so happy to have seen our water coming out..." - Precious, Zimbabwe.





Around the world 844 million people, or one in nine, do not have safe drinking water



In rural areas of Zimbabwe, only 67% of people have safe drinking water



Only 31% of people in rural Zimbabwe have access to toilets

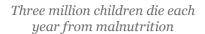
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END HUNGER — ANNUAL REPORT 2017/18

"Normally I eat very little. The little there is, I give to the children."
- Kalista, Tanzania.









Nearly half the population of Tanzania lives below the poverty line



One in 10 people around the world are experiencing chronic undernourishment

CARE TO

# **End hunger**

One in 10 people around the world are experiencing chronic undernourishment because they do not have enough food, and three million children die each year from malnutrition. Inefficient farming practices and a changing climate mean food supplies are irregular and poor families often lack the variety of nutrients required for healthy development.

When food shortages occur, gender and cultural norms often mean women go hungry first. They have less influence over household decisions and often lack the resources and training to combat food insecurity.

#### Case Study: Growing is Learning in Tanzania

In Tanzania, nearly half of the population lives below the poverty line.

Stunting – a sign of chronic malnutrition – affects more than one-third of children under five years of age. Despite growing 70 per cent of the food needed to feed their country, women farmers find it incredibly difficult to provide nutritious food for their families. They work 15-hour days in the field, but lack the income and resources to provide nutritious meals.

Thanks to the support of the Australian Government through the Australian NGO Cooperation Program (ANCP), CARE Australia has established the *Growing is Learning* project which supports women farmers to improve their crop yields, learn how to improve their family's nutrition, and increase their income from new trade networks.

CARE Australia is training women farmers in soy production, providing the initial seeds, connecting farmers with suppliers and helping them access finance through savings groups and banks.

Soy is nutritious, profitable, resilient to climate change, and it only takes 12 weeks to grow, making it a perfect year-round crop to farm.

The program targets chronically food-insecure rural women like Kalista, a mother living in the Iringa District of Tanzania. Like many women in the region, Kalista carries the heavy burden of providing for her family. She works hard to grow as much as she can. But last year, her crops didn't grow. She replanted what she could, but without a harvest to eat or sell, the family's only source of food was ugali – a paste made with water and cornflour.

"Normally I eat very little. The little there is, I give to the children. I don't want to tell them we do not have enough food, and would rather give them my share," Kalista said.

Kalista is now one of nearly one thousand farmers who participate in CARE Australia's *Growing is Learning* project.

"The village office told me about soy. They explained we should use it for porridge so we have a better diet. I am open to trying new projects to feed my children. I want to go to the training and set aside land for soy."

In communities in Ghana where CARE has provided soy, women's consumption of protein-rich food nearly tripled. It is hoped that the project in Tanzania will continue this success by providing education and training in farming techniques, sustainability, gender equality and access to markets, so mothers like Kalista can provide nutritionally balanced food for their families all year round.

CARE FOR

# Families in emergencies and crises

When disaster strikes, CARE is amongst the first to arrive and the last to leave. We provide food, shelter, clean water, toilets and medical care to those who need it most and continue to help people recover for the months and years that follow.

Last year, CARE Australia responded to 13 emergencies across 19 countries, including droughts in East Africa, the refugee crisis in Bangladesh and Myanmar, an earthquake in Papua New Guinea, a cyclone in Tonga, and the impacts of conflict in Yemen, Iraq and Syria.

#### **Syrian Refugee Crisis**

After seven years of war in Syria, more than 470,000 people have died, 5.6 million people have fled the country, and a further 13.1 million remain in need of aid within Syria.

CARE has assisted more than 2.7 million people in Syria and nearly 1 million Syrians and host communities in Croatia, Egypt, Greece, Jordan, Lebanon, Serbia and Turkey. CARE has provided families with food, water, shelter, and essential items such as mattresses, blankets, kitchen sets, baby items, and hygiene kits.

CARE Australia has provided more than 17,000 vulnerable people with emergency relief supplies, including delivering cash and voucher assistance through partners to vulnerable families in Aleppo, to help them meet their basic food, hygiene, and shelter needs.

#### Myanmar-Bangladesh Crisis

Conflict in Myanmar forced more than 700,000 people to flee to Bangladesh, creating the most dense refugee camp in the world. The monsoon season has brought torrential downpours to the camps, causing landslides and floods.

CARE has been working in the camps since the beginning of the crisis and has reached more than 315,000 people with emergency shelter, medical support, clean water, nutritious food, and other relief services.

CARE Australia has reached more than 18,000 people with shelter, clean water, food, and dignity kits for women and girls containing items like sanitary pads and soap. We also provided counselling for women and girls affected by gender-based violence, helped establish 'women friendly spaces' and raised awareness amongst women and men about how to stop gender-based violence.

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

Drought and conflict have left more than 26 million people across Ethiopia, Kenya, South Sudan and Somalia in urgent need of help.

CARE has provided emergency help to more than 2.4 million people across the four countries. Our teams are providing medicine and healthcare to children suffering from malnutrition, diarrhoea and cholera, food aid and cash vouchers to parents so they can feed their children, seeds so families can replant devastated crops, and clean drinking water.

Maryam (pictured) and her family were forced to migrate across Somalia when drought killed their livestock and dried up their water supply. Now they live in a tent in a makeshift camp with thousands of others, and can go up to a week without eating.



CARE supplies the camp with 10,000 litres of water every week. To mothers like Maryam, the aid is lifesaving. "Once we got the water we thanked God and CARE – it is the only source of hope for our survival. We are grateful to CARE and those who donated money for it," Maryam said.

CARE Australia is rebuilding community water infrastructure in Ethiopia, and provides technical assistance to our offices in Ethiopia, Kenya, South Sudan, Sudan, and Uganda in cash distribution, gender and evaluation programming.

#### Earthquake in Papua New Guinea

A massive magnitude-7.5 earthquake struck the remote Highlands of Papua New Guinea in February, killing 145 people. More than 270,000 people were affected. CARE Australia deployed a team to lead the response and initiate assessments of damage and community needs in an environment constrained by its extreme remoteness.

So far, CARE Australia has distributed hygiene kits, medical kits, clothes, cooking utensils, mosquito nets and gardening tools to more than 5,000 people.

#### **Cyclone Gita Tonga Emergency**

In February, Cyclone Gita struck southern Tonga, impacting more than 80,000 people. Families found themselves without shelter, food, water or medical supplies.

CARE Australia deployed a team to work with our local partners MORDI Tonga Trust, and Live and Learn Tonga, and has reached more than 6,250 people with shelter and safe water.

#### Conflict and cholera in Yemen

As fighting and airstrikes continue into a fourth year, more than 22 million people – 80 per cent of Yemen's population – are in desperate need of assistance.

CARE has reached more than 2 million people with lifesaving water and food, as well as repairing vital infrastructure like water supplies and toilets. CARE Australia has supported the Country Office with essential support to their ongoing operations.



CARE has supported more than 2.7 million people in Syria



CARE Australia responded to 13 emergencies in 19 countries



CARE has supported more than 315,000 refugees from Myanmar

ANNUAL REPORT 2017/18 — AUSTRALIANS IN ACTION

# Australians in action

Thousands of generous Australians get involved in CARE Australia's campaigns and events every year.

It's thanks to your help that our poverty fighting work is possible. Thank you for all that you do to help create a more equal world.

#### #ThisIsNotWorking Campaign

In March 2018, CARE launched a global campaign — #ThisIsNotWorking — which called on concerned citizens all over the world to sign a petition demanding an international convention to introduce workplace sexual harassment laws in nations where none exist.

Thousands of people stood up to say #ThislsNotWorking, with CARE's petition collecting more than 100,000 signatures worldwide, including those of more than 4,400 Australians. The campaign here helped convince the Australian Government to change its position and encourage the International Labour Organization to create a new binding 'Convention on ending violence and harassment in the world of work'.

CARE's contribution to #ThisIsNotWorking has been heard, and governments, businesses and unions all over the world have agreed the new convention needs to be legally binding, meaning countries will have to adopt national legislation to tackle workplace violence and harassment.

To every one of you who signed our petition, thank you for your fantastic support. Together we have helped make real change for women everywhere.

#### Jamila Rizvi launches The Motherhood

Proud supporter of CARE Australia, author, presenter and commentator Jamila Rizvi released a new book this year, entitled *The Motherhood*. Jamila donated her proceeds from the book to CARE, having recently visited some of our maternal health projects in India.

In the book, Jamila recounts her trip with CARE Australia, where she witnessed firsthand "the kinds of conditions in

which women and girls in the developing world give birth." She met dozens of new mothers and young babies who, thanks to CARE's work, had a much better chance for a healthy future. Jamila champions the work in her book, saying that "investment that gives girls and women better opportunities in life can change and is changing the world".

#### Walkley Award-winning journalism

ABC's coverage of CARE's response to the cholera outbreak in Somalia won a Walkley Award – the highest accolade for excellence in journalism in Australia – for reporter Sally Sara and producer Dingani Masuku.

The heartbreaking story brought the plight of Somali families, enduring the worst recorded drought in history, to the television screens of Australians. It moved the audience so much that within 48 hours of its broadcast, CARE Australia had received an amazing \$335,000 for our East Africa hunger appeal.

#### Stocking the Disaster Response Depot

Virgin Australia has been a valued partner in CARE Australia's work since 2014, particularly supporting our response to humanitarian emergencies.

In February, Virgin Australia staff raised more than \$22,000 to support the Disaster Response Depot, helping to stock CARE Australia's warehouse in Brisbane (provided by DFAT).

The warehouse was stocked with items like emergency shelter kits to help families have a safe place to sleep in the aftermath of a disaster. We were able to send these and other items to help families devastated by Tropical Cyclone Gita in Tonga, and the magnitude-7.5 earthquake in Papua New Guinea.

#### Walk in Her Shoes

Australians from all walks of life participated in our annual Walk in Her Shoes Workplace Challenge in October. The participants, from 39 businesses across the country, raised a total of \$159,440 to help reduce the distance that women and girls walk for water in developing communities. Thank you to all those who undertook the challenge — your steps really do go a long way toward creating lasting change for those in need.

#### **Volunteers**

Our enthusiastic and skilled volunteers contribute their time to support our work. This year, we benefitted from 13 volunteers performing 161 days of work in our Australian offices, representing a contribution of \$35,494. They supported work in our humanitarian and emergency response unit, program quality, fundraising, digital and administration departments. Eight volunteers were stationed in our Country Offices through

our partnership with the Australian Government's Australian Volunteers for International Development (AVID) program.

#### **Fundraisers**

This year, eight amazing fundraisers held their own events or challenged themselves with fun runs, walks, and swims to support CARE Australia's work, raising more than \$45,000 along the way.

When one intrepid fundraiser, James Cook, heard about the earthquake in Papua New Guinea, he knew he had to do something. He organised a crowdfunding campaign to sponsor a 42km marathon. "I will be pushing myself to the limit to try to restore some life to the wonderful and kind people who have suffered the most," James said. "I am raising much needed funds for CARE Australia. Their work is really important, and I want to do what I can to help."

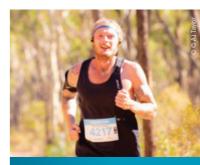
James's efforts managed to attract 54 donors to give more than \$7,300 to CARE Australia's lifesaving work.



CARE's #ThistsNotWorking campaign will help change working conditions for thousands of women in the garment industry in Cambodia.



CARE Ambassador Jamila Rizvi at a maternal health clinic in Bihar, India.



James Cook ran 42km to raise funds to support CARE's work with victims of the earthquake in Papua New Guinea.



Following ABC's report, \$335,000 was raised within 48 hours to support CARE's work in Somalia.

ANNUAL REPORT 2017/18 OUR STAFF

# **Our staff**

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

CARE Australia employs 748 staff and 94% are local to the country in which they work.

53% of CARE's staff identify as female, 47% as male.

#### NUMBER OF STAFF BY LOCATION

Location	Local staff†	Expatriate staff <sup>‡</sup>	Total staff	% of local to total staff
Country Offices				
Cambodia	85	5	90	94%
Laos	78	4	82	95%
Myanmar	186	6	192	97%
Papua New Guinea	95	8	103	92%
Timor-Leste	119	5	124	96%
Vanuatu	38	5	43	88%
Vietnam	33	1	34	97%
Regional (WASH, Fiji and Tonga staff)		4	4	
SUB TOTAL	634	38	672	94%
Australian Offices	76		76	
TOTAL STAFF	710	38	748	

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

#### STAFFING LEVELS OVER TIME

Staff numbers	30 June 2013	30 June 2014	30 June 2015	30 June 2016	30 June 2017	30 June 2018	% change 30 June 17 – 30 June 18
Australian-based	79	79	78	80	77	76	-1.3%
Expatriate	51	47	54	54	44	38	-13.6%
Local staff	890	831	790	812	781	634	-18.8%
TOTAL STAFF	1,020	957	922	946	902	748	-17.1%

The decrease in expatriate and local staff was due to the end of some projects in Laos and Myanmar and a scale down of operations in Vanuatu following the completion of an emergency response. Staff turnover was 25.3%, an increase from 15.6% last year, largely reflecting these changes and the cessation of time-limited contracts.



94% of our staff are nationals of the country they work in



7 Country Offices are managed by CARE Australia



748 staff were employed by CARE Australia and the Country Offices we manage

#### National Staff Integrated Leadership approach

The National Staff Leadership Development program has successfully led to 32% of the most senior positions in Country Offices managed by CARE Australia being held by nationals of the country in which they work, surpassing our strategic target of 25%. The program uses training, performance management, succession planning, and talent management to create a pool of national leaders at all levels.

#### **Domestic Violence policy and Employee Assistance program**

Policies are in place in all offices to support staff experiencing domestic violence. We expanded our employee assistance program services to cover emergency and disaster situations. We are also ensuring culturally and contextually appropriate referral services to these programs and psycho-social and medical support and/or clinics are in place in each of the Country Offices.

# Protection from Sexual Harassment, Exploitation and Abuse (PSHEA) and Child Protection policies

CARE Australia's commitment to a safe workplace in our offices around the world is implemented through both policy and practice. We have engaged with the international CARE Line reporting mechanism which allows staff, communities and other stakeholders to report misconduct — anonymously if they wish.

Amendments were made to our Human Resources policies and practices, with key aspects of the Recruitment and Selection Policy, the Staff Code of Conduct and the orientation and training processes for new staff amended to ensure more robust procedures and safeguards are in place.

#### **Gender and diversity**

CARE Australia values equality across all aspects of our work and wants to establish a diverse workforce that better represents the environment in which we operate.

We recognise that women face additional barriers to employment and advancement in their careers, and this year we commenced work on a new gender strategy to help address gender-based barriers.

We have gender balanced senior leadership; at 30 June 2018, three of five members of CARE Australia's Senior Management Team were women, and four of seven of our Country Directors were women.

An assessment of remuneration based on gender and pay band level at October 2017 confirmed that female CARE Australia employees are on average paid 2.7% higher than their equivalent male colleagues.

The Social Analysis and Action tool is used to ensure all staff are aware of and able to challenge their own norms, including those relating to gender, disability and other characteristics.

To support this, staff received training in identifying and managing unconscious bias to support recruitment processes which are designed to be open and equitable in accessibility to all applicants.

We are conscious of the need for CARE Australia to address the challenges and barriers people with disability face in terms of employment. Our recruitment processes invite people to request any additional requirements they may need in order to apply and participate in the interview process.

#### Flexibility

We know that a modern, productive workplace is a flexible workplace and our starting principle is that all jobs should be flexible, subject to the requirements of the job. Staff can access a range of options to support flexible working arrangements in Australia and in the Country Offices we manage, including part time and work-from-home options, the opportunity to purchase additional leave, take time off in lieu, or work non-standard hours.

We also accommodate staff who wish to work from other locations around the world.

At 30 June 2018, 39% of staff had formal arrangements in place for part-time work, purchased leave or working from home.

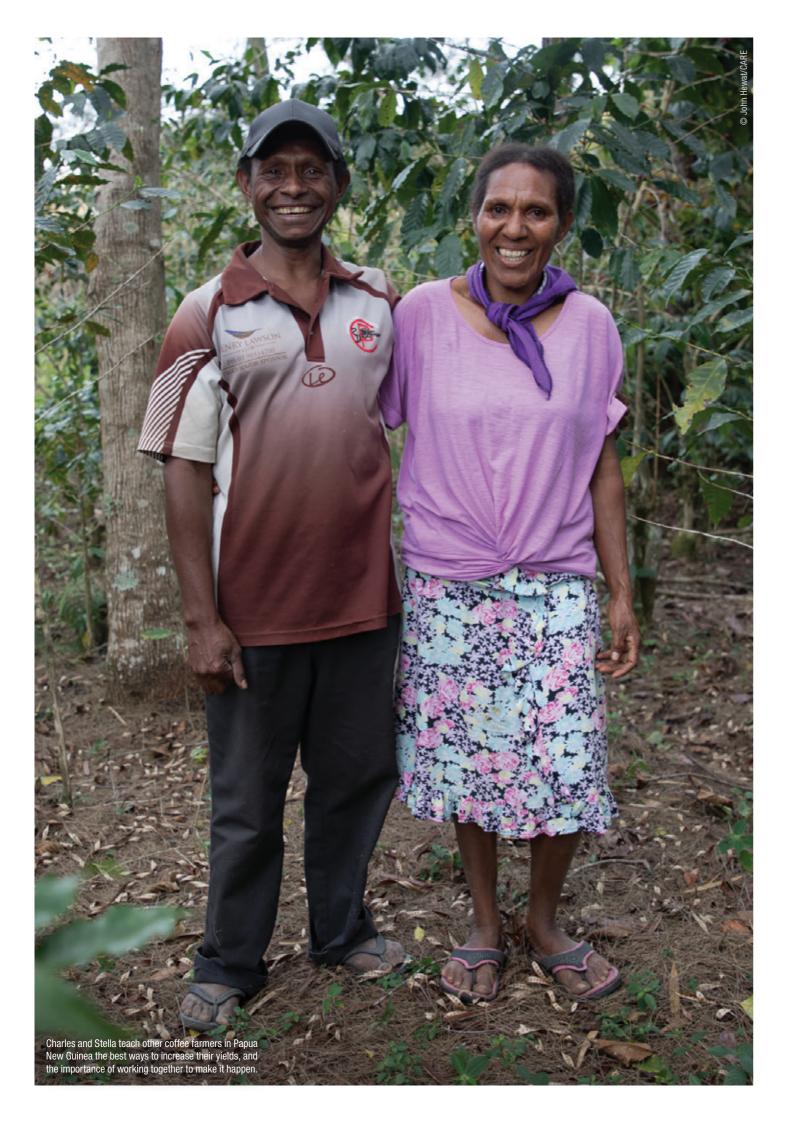
#### Staff Engagement Survey

CARE Australia has been conducting engagement surveys of Australian-contracted staff every two years since 2007. In 2017/18, we had an overall response rate or 83.5%, exceeding past performance.

Overall the results were positive and generally an improvement on last year's results. We recorded improved scores across 19 of the 23 areas of engagement measured.

The survey results are used to inform strategies and particularly priorities for the Human Resources branch over the coming year.





# **Our supporters**

Thank you to our 51,000 donors!

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

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

#### Lead with CARE Leaders

ACME Foundation
BB & A Miller Foundation
Geoff & Helen Handbury Foundation
Heather Doig and Rob Koczkar
Valerie and John Braithwaite
World Nomads through the Footprints Network
Dr Graeme and Mrs Dawn Robson
Tara and Nathan Osborn

#### Lead with CARE Champions

Annie & John Paterson Foundation
Brian M Davis Charitable Foundation
John Borghetti
Count Charitable Foundation
The Dick and Pip Smith Foundation
The George Lewin Foundation
GlobalGiving
The Goldsmith Family
Jason Squire
J Holden Family Foundation
Paul Ainsworth Family Foundation
Peter Turner
Thomas Hare Investments Pty Ltd
Wood Family Foundation

#### Lead with CARE Changemakers

Annabel Ritchie
Bruce McMullin Foundation
Davies Family Foundation
Desmond Prentice Charitable Fund
Gresham Partners Limited
Ha-Ke-Na Foundation
Jeccem Foundation
Dr John Hunter
The NR Peace & Justice Fund
Phil and Alison Anthony
Savannah Foundation
Dr Stuart Marshall
Women's Plans Foundation

#### **Corporate Supporters**

AGL Energy Limited

Cummins Ericsson King & Wood Mallesons Macquarie Group Foundation Maple-Brown Abbott Ltd McKinsey & Company **Newcrest Mining Limited** Norman Disney & Young Nutrition Republic Café Optus Peter Schreurs & Sons Vegetable Farm Shaw and Partners Simson Greeting Cards St Barbara Limited Suncorp Transdev UBS Holdings Pty Ltd Virgin Australia

#### Gifts in Wills

VMware Australia

Words With Heart

Westpac Group

Estate of the late Alwyne Edith Singleton Estate of the late Brian Winnington Wilson Estate of the late Constance Estelle Crerar Estate of the late Doreen Margaret Letcher Estate of the late Dr Graham H Murphy Estate of the late John Allan Nelson Estate of the late June Elizabeth Hadden Estate of the late Mary Wilhelmina Milburn Estate of the late Michael John Forster Estate of the late Susan Elizabeth Hutchinson Estate of the late Nola Phyllis Bennetts Estate of the late Paula N Barry Estate of the late Rina Chow Estate of the late Ronald Leslie Armour Estate of the late Ronald W Grylls Estate of the late Vernon John Williams

#### Multilateral

European Commission Humanitarian
Office (ECHO)
European Union (EU)
Start Network
United Nations Children's Fund (UNICEF)
United Nations Development Programme
(UNDP)
UN Women
United Nations Foundation
United Nations Office for Project Services
(UNOPS)
United Nations Population Fund (UNFPA)
United Nations World Food Programme (WFP)
Pacific Islands Forum

#### Bilateral – governments of

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

#### Ambassadors

Gail Kelly, CARE Australia's Ambassador for Women's Empowerment Jamila Rizvi, CARE Australia Ambassador Miguel Maestre, CARE Australia Ambassador

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# Transparency and accountability

The communities we work with, our staff, donors and other stakeholders can trust us to act ethically and wisely, and maximise funds for our vital programming.

During 2017/18, the international aid sector was rocked by sexual misconduct allegations. While these were not directed at CARE Australia, we took the opportunity to again review the small number of cases that had been reported in the past, evaluate our processes for addressing sexual misconduct, and design tighter standards and monitoring arrangements.

Our priority is on the survivor, with all efforts made to support people who experience misconduct.

# CARE Australia undertakes many processes to prevent sexual misconduct. These include:

- A suite of reporting tools including in-person, online, email and telephone
- Informal group discussions to work through topical issues and understand concepts

- A Gender Equality and Child Protection In Action working group to drive reform within CARE Australia and the Country Offices we manage
- A Protection from Sexual Harassment, Exploitation and Abuse and Child Protection network to guide and assist implementation and compliance with policy and procedure at a local level
- An investigation pathway and data reporting framework
- Promotion of the Australian Human Rights Commission 'Know the Line' tools
- Training and awareness-raising sessions.

We are members of the international task force overseeing CARE's action, and we are active in the Australian Council for International Development (ACFID) sponsored review of sexual misconduct.

#### We present our data for 2017/18 here as part of our commitment to transparency.

There were NO reported incidents of a breach of Child Protection responsibilities in 2017/18.

There were NO reported incidents of sexual abuse or exploitation in 2017/18.

There were 11 allegations of sexual harassment to CARE Australia and our Country Offices in 2017/18, EIGHT of which were substantiated and appropriate action taken. The substantiated cases included:

- One case of program participants reporting concerns to CARE staff regarding the behaviour of a local official (not CARE staff)
- One case of a CARE staff member experiencing harassment or violence by their spouse, who was also a CARE staff member
- One case of a staff member seeking to ingratiate himself inappropriately with female local community members by offering
  gifts and excursions
- Three cases of sexual harassment by a staff member towards another staff member
- One case of a member of the public experiencing sexual harassment by a CARE staff member
- One case of a volunteer experiencing harassment by a CARE staff member.



#### An accredited and registered not-for-profit

CARE Australia is a charity registered with the Australian Charities and Not-For-Profit Commission and is fully accredited by Australia's aid program, through DFAT.

CARE Australia is a signatory to the ACFID Code of Conduct, which sets out standards of management, communications, and spending. CARE Australia is also a signatory to several international codes of conduct (full details at care.org.au/codes-of-conduct).

CARE Australia is externally audited every year by Ernst & Young. CARE is also a member of Accountable Now, a global platform that supports charities to be transparent, responsive to stakeholders and focused on delivering impact.

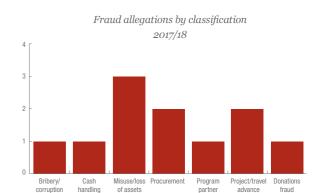
We have endorsement by the Australian Taxation Office as a Deductible Gift Recipient and an income tax exempt charity, and we are a member of the Public Fundraising Regulatory Association and the Fundraising Institute of Australia.

#### No tolerance for fraud and corruption

CARE has a new global policy on fraud and corruption. Any form of fraud or corruption is not acceptable and we will all make every effort to be vigilant in preventing, reporting and responding to any reports or concerns of misconduct.

A single global reporting tool, CARE Line, is available for receiving reports of any misconduct – fraud, misappropriation, discrimination, sexual harassment, exploitation and abuse, and support of terrorism. Any CARE Australia employee or volunteer, partner, vendor, program participant, or other outside party may use this service to report wrongful conduct. Details are available on the CARE Australia website at care.org.au/fraud-and-corruption-policy.

In 2017/18 there were 11 allegations of fraud reported to CARE Australia. In accordance with CARE Australia's zero tolerance policy on fraud, all allegations have been appropriately investigated. The total substantiated fraud amount for the year was \$22,083, the majority of which has been recovered. Four cases remain open awaiting completion of the investigation.



#### A focus on privacy and data security

Cybersecurity is a priority for CARE Australia. We have established a project to review all IT systems and strengthen their stability and security. This includes all aspects of connectivity between our sites in Australia and in the countries where we work. Like most organisations, we have experienced cybersecurity events but our robust and proactive approach meant we have been able to identify and prevent any impact on our business and, importantly, the information we hold.

There have been no breaches of privacy in 2017/18. CARE Australia is committed to protecting the personal information of its donors and beneficiaries, and a Data Management working group supports maintenance of privacy practices in line with CARE Australia's Privacy Policy (care.org.au/privacy-policy).

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ANNUAL REPORT 2017/18 OUR FINANCES

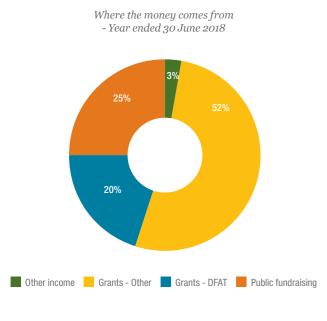
# **Our finances**

CARE Australia recorded an operating surplus of \$1.1m in 2018, related to donations to emergency appeals for crises in Bangladesh, East Africa, Papua New Guinea and Syria. The remaining balance of these funds is held in a specific purpose reserve on the Balance Sheet and will be fully spent on the ongoing emergency responses in these countries in 2019.

There was a significant drop in revenue to \$57.9m (2016: \$66.7m) and in funds spent on international programs to \$44.0m (2016: \$53.3m). This was due to decreased grant funding from the Australian Government following the completion of a number of long-term projects as well as decreased grant revenue recognised in Myanmar due to ongoing unrest impacting on the ability to undertake projects in parts of the country.

#### Where the money comes from

Total revenue decreased by 13% in 2018 to \$57.9m, reflecting reduced grant revenue from Australian and overseas donors.

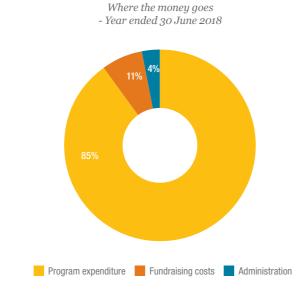




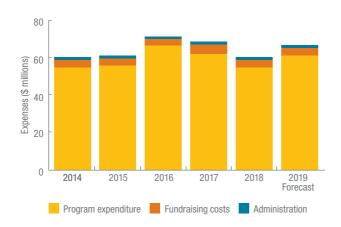
This year has seen a reduction in grant funding from both the Australian Government and other overseas donors such as USAID and the World Food Program. DFAT grant revenue decreased by 33% following the completion of a number of long-term projects and a reduced number of humanitarian and disaster relief responses in the Asia/Pacific region in 2018.

Public fundraising revenue was at similar levels to last financial year, although there was decreased funding from general donations. This was offset by stronger bequests and funds from restricted appeals. Fundraising appeals were run to support emergency responses to Cyclone Gita in Tonga, the Papua New Guinea earthquake, the East Africa hunger appeal and support for refugees in Syria, Yemen and Bangladesh.

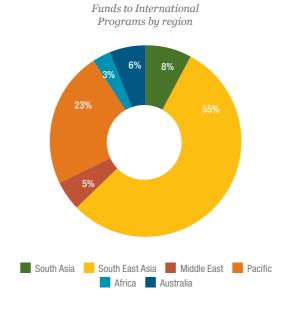
#### Where the money goes



Where the money goes 5-year trend



Total expenses decreased by 14% to \$56.8m in 2018. Expenditure on programs, including program support costs, was \$46.9m in 2018 and has seen the continuation of aid delivery in South East Asia, the Middle East, the Pacific and Africa. Emergency assistance was provided to those affected by natural disasters and conflict in the Middle East (Jordan and Lebanon), South East Asia (Bangladesh, Indonesia, Myanmar and Vietnam), Africa (Ethiopia) and the Pacific (Papua New Guinea, Tonga, Timor-Leste and Vanuatu).



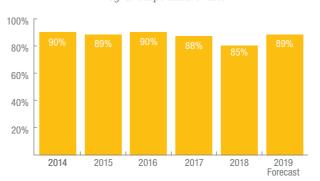
Fundraising costs have increased by 9% due to planned investment in fundraising and donor acquisition as part of the 2015-2018 Strategy to diversify revenue streams, reducing reliance on government funding. Administration costs were also higher than last year due to an upgrade of IT systems to support stable and secure systems and increased salary costs.

#### Accountability measures

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

Analysis – Our program expenditure ratio has remained at a high level, with a five-year average of 88%. This reflects CARE Australia's ongoing investment in programs and program support and our commitment to ensuring that we maximise the funds directed to humanitarian and development activities.

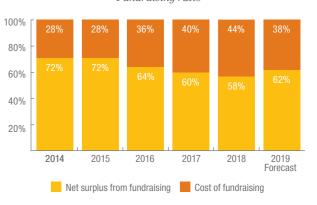
Program expenditure ratio



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

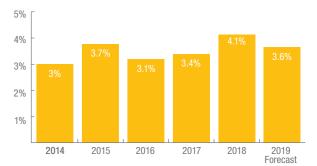
**Net surplus from fundraising** is the balance of revenue from the Australian public after deducting the amount spent on public fundraising expressed as a percentage of this revenue.

#### Fundraising ratio



Analysis – Commencing in 2016 and continuing through to 2018 CARE Australia has invested in public engagement in order to diversify sources of revenue. This investment enables CARE Australia to increase funds to tackle poverty, create a more equal world and reduce our dependency on institutional funding. Coinciding with this was a thankfully quieter period in sudden onset disasters which reduced income from Emergency appeals. Both factors have resulted in a higher fundraising ratio over this period. This is forecast to reduce to 38% next year, with a long-term target ratio of 30%.

#### Administration ratio



Administration ratio is the total amount spent on administration and accountability expressed as a percentage of total expenditure.

Analysis – Our administration costs remain low, with a five-year average of less than 4%. The small increase in the ratio over the last two years is due to staffing costs and CARE Australia's investment in secure and stable IT systems.

Financial Reserves — CARE Australia maintains financial reserves equivalent to eight months of operating costs for the organisation to safeguard CARE Australia's operations and allow for strategic investment or coverage of expenses not met by approved budgets. These reserves balance the need to protect our financial security while simultaneously ensuring flexibility in meeting the development and humanitarian challenges of operating in a dynamic global environment.

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OUR FINANCES OUR FINANCES

# **Summary financial report**

### **Directors' Declaration**

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

In the opinion of the Directors of CARE Australia:

- (a) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- (b) the summary financial report is in accordance with the requirements set out in the ACFID Code of Conduct and has been derived from and is consistent with the full financial statements for the financial year ended 30 June 2018;

On behalf of the Board.

Colin Galbraith, AM Chair 26 October 2018 (c) the full financial statements and notes are in accordance with the Australian Charities and Not-for-Profits Commission

- comply with Australian Accounting Standards and the Australian Charities and Not-for-Profits Commission Regulations 2013; and
- (ii) give a true and fair view of the financial position and performance of the Company for the financial year ended 30 June 2018.

Marcus Laithwaite
Treasurer

26 October 2018

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

The accompanying summary financial report, which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended and related notes are derived from the audited financial report of CARE Australia for the year ended 30 June 2018. We expressed an unmodified audit opinion on that financial report in our report dated 26 October 2018.

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

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

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

Ernst + Young

Ernst & Young 121 Marcus Clarke Street Canberra ACT 2601 GPO Box 281 Canberra ACT 2601 27 October 2018

#### Auditor's Responsibility

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

#### Opinion

In our opinion, the summary financial report derived from the audited financial report of CARE Australia for the year ended 30 June 2018 is consistent, in all material respects, with that audited financial report, in accordance with the ACFID Code of Conduct requirements.

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

# **Financial statements**

#### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

Revenue	Notes	2018 (\$)	2017 (\$)
Donations and gifts			
Unrestricted cash		9,275,622	11,198,502
Restricted cash		3,089,098	2,062,557
Non-monetary		149,160	221,364
Bequests and legacies		1,761,901	919,717
Grants and contracts			
DFAT		11,625,472	17,284,767
Other Australian	2	6,820,732	6,671,802
Other overseas	3	23,576,542	26,604,750
Investment income		446,479	453,958
Other income		1,187,776	1,271,034
TOTAL REVENUE		57,932,782	66,688,451

Expenditure	Notes	2018 (\$)	2017 (\$)
International Programs			
Funds to international programs		44,036,268	53,270,659
Program support costs		2,933,037	3,680,386
Community education		1,056,947	1,114,952
Fundraising costs – Public		6,232,169	5,693,546
Fundraising costs – Government and multilateral agencies		191,873	129,814
Accountability and administration		2,201,891	2,048,099
Non-monetary expenditure		149,160	221,364
TOTAL EXPENDITURE		56,801,345	66,158,820
Surplus/(Deficit)		1,131,437	(529,631)
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(1,131,437)	(529,631)

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

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

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, and Current and non-current other liabilities categories.

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OUR FINANCES

#### STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

Assets	2018 (\$)	2017 (\$)
Current assets		
Cash and cash equivalents	16,375,908	11,184,258
Held to maturity investments	13,590,922	10,727,914
Prepayments	766,742	525,247
Project advances	5,730,064	2,892,778
Trade and other receivables	1,865,063	3,775,481
Non-current assets		
Held to maturity investments	276,378	-
Property, plant and equipment	1,276,741	1,528,445
Investments at fair value	8,348,583	7,203,654
TOTAL ASSETS	48,230,401	37,837,777
Liabilities	2018 (\$)	2017 (\$)
Current liabilities	Ξ515 (ψ)	_υ(ψ)
Trade and other payables	1,756,557	1,638,396
Provisions	3,708,165	3,680,347
Unexpended project funds	28,570,076	19,341,846
Non-current liabilities		
Provisions	374,252	478,274
TOTAL LIABILITIES	34,409,050	25,147,863
NET ASSETS	13,821,351	12,689,914
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Equity	2018 (\$)	2017 (\$)
General reserve	12,821,706	13,207,499
Specific purpose reserve	1,386,311	_
Foreign currency reserve	(386,666)	(517,585)

Equity	2018 (\$)	2017 (\$)
General reserve	12,821,706	13,207,499
Specific purpose reserve	1,386,311	-
Foreign currency reserve	(386,666)	(517,585)
TOTAL EQUITY	13,821,351	12,689,914

#### STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	General Reserves (\$)	Specific purpose Reserves (\$)	Foreign Currency Reserves (\$)	Total (\$)
Balance at 30 June 2017 (commencing balance)	13,207,499	-	(517,585)	12,689,914
Surplus	1,000,518	-	130,919	1,131,437
Amount transferred (to)/from reserves	(1,386,311)	1,386,311	-	-
Other comprehensive income for the year	-	-	-	-
Balance at 30 June 2018 (year end balance)	12,821,706	1,386,311	(386,666)	13,821,351

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

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

#### CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2018

OUR FINANCES

Cash flow from operating activities	2018 (\$)	2017 (\$)
General public donations	14,126,620	13,507,002
Grants and contract income (inclusive of GST)	46,693,773	52,718,593
Interest income	446,479	453,958
Other income	1,249,863	719,836
Payments to suppliers and employees (inclusive of GST)	(53,657,414)	(68,885,677)
Net cash flows (used in)/from operating activities	8,859,321	(1,486,288)
Cash flow from investing activities		
Acquisition of property, plant and equipment	(366,635)	(501,723)
Proceeds from sale of equipment	4,302	94,108
Acquisition of investments	(49,139,933)	(31,724,452)
Redemption of investments	45,121,981	32,420,200
Net cash flows (used in)/from investing activities	(4,380,285)	(2,711,867)
Net increase/(decrease) in cash held	4,479,036	(4,198,155)
Net foreign exchange differences	712,614	(552,241)
Cash at the beginning of the year	11,184,258	15,934,654
Cash at the end of the year	16,375,908	11,184,258

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

#### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS – 30 JUNE 2018

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

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

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

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

	2018 (\$)	2017 (\$)
NOTE 2: PROJECT GRANTS FROM OTHER AUSTRALIAN ORGANISATIONS		
Australian Government departments or accredited Non-Government Organisations (NGOs)	6,777,902	6,325,374
Other Australian organisations	42,830	346,428
	6,820,732	6,671,802
NOTE 3: PROJECT GRANTS FROM OTHER OVERSEAS ORGANISATIONS		
CARE International members	13,993,708	14,708,018
Multilateral institutions	4,619,592	5,072,854
Foreign governments and other non-Australian institutions	4,963,242	6,823,878
	23,576,542	26,604,750

# Our board members

#### CHAIR

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

Special Adviser, Gresham Partners Limited; Director, LatAm Autos: Director, Colonial Foundation: Trustee. Royal Melbourne Hospital Neuroscience Foundation.

Formerly – Director, Australian Institute of Company Directors; Director, Commonwealth Bank of Australia; Chair, BHP Billiton Community Trust.

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

#### Peter Debnam | Director since 2013

Chair, Northern Sydney Planning Panel; Chair, NSW Kids in Need Foundation Limited; Director, The Paraplegic and Quadriplegic Association of NSW.

Formerly – Member of NSW Parliament, Shadow Minister and Leader of the Opposition; Chairman, Muscular Dystrophy Foundation Australia; Chairman, Muscular Dystrophy Association of NSW; Chairman, Advisory Board of Our Big Kitchen Limited; Director, Paddle NSW Inc; Director, Disability Sports Australia; Director. Soils for Life Ptv Limited.

Peter is the Chair of the CARE Australia Fundraising Committee.

#### **TREASURER**

#### Marcus Laithwaite | Director since 2017

Partner at PwC Australia: Treasurer and Board Member European Australian Business Council (EABC): Director. PwC Foundation

Formerly – PwC Australia Executive Board member; Chair, ChildFund Australia.

Marcus is the Chair of the CARE Australia Finance and Risk Committee.

#### Paula Benson | Director since 2018

Chair and Non-Executive Director, Ovarian Cancer Australia: Director, Victorian Funds Management Corporation: Trustee, Melbourne Convention and Exhibition Trust

Formerly – Executive General Manager Corporate Affairs, National Australia Bank (NAB); General Manager Corporate Responsibility, NAB; General Manager Corporate Affairs, Alcoa Australia; Manager Public Affairs, RMIT University; Producer, 'A Current Affair' Channel 9: Director, Port Melbourne Corporation; Director, Melbourne Royal Women's Hospital Foundation; Director, Regional Arts Victoria.

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

Head of the Australian Space Agency; Non-Executive Director, Rio Tinto and CSL Limited; member of Australian Advisory Council to the Bank of America

Merrill Lynch; Fellow, the Australian Academy of Technological Sciences and Engineering; Fellow of the Australian Institute of Company Directors.

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

#### David Feetham | Director since 2013

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

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

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

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

#### Allan Griffiths | Director since 2008

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

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

#### Professor Stephen Howes | Director since 2012

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

Formerly - Chief Economist, Australian Agency for International Development; Lead Economist, World Bank in India: Director. Pacific Institute of Public Policy: Advisory Board Member, Asian Development Bank

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

#### Danielle Keighery | Director since 2015

Group Executive - Brand, Marketing and Public Affairs, Virgin Australia; Member, Virgin Unite Board - the notfor profit foundation of the Virgin Group.

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

#### Larke Riemer, AO | Director since 2015

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

In 2018, Larke was appointed as an Officer of the Order of Australia in the General Division for distinguished service to business and commerce through leadership in the finance and banking industry, and as an advocate for gender equality and diversity in the sector.

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

#### Joseph Tesvic | Director since 2016

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

#### Louise Watson | Director since 2008

Managing Director and Principal, Symbol Strategic Communications.

Louise is currently a Non-Executive Director of the Board of The Global Foundation.

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

#### **ADVISORY COUNCIL MEMBERS**

#### Willoughby Bailey, AO, GCLJ

Director, 1992-2008

#### Sir William Deane, AC, KBE

Director, 2001-2004 | Chair, 2002-2004

#### Tony Eggleton, AO, CVO

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

#### Philip Flood, AO

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

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

Director, 1992-2012

#### Harold Mitchell, AC

Director, 2004-2014 | Chair, 2009-2014

#### Vice Chair, 2007-2009 Jocelyn Mitchell

Director, 1993-2006

#### Peter Smedley

Director, 2000-2009 | Chair, 2006-2009

Vice Chair. 2004-2006

# **About CARE Australia**

#### **CARE International**

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

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

#### **CARE** Australia

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

Over the past 12 months CARE Australia undertook activities in 28 countries in the Asia-Pacific, Middle East and Africa, including responding to humanitarian emergencies. We manage seven of CARE International's Country Offices - Cambodia, Laos, Myanmar, Papua New Guinea, Timor-Leste, Vanuatu and Vietnam, as well as all CARE-funded activities in Fiji, Solomon Islands and Tonga.

#### **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 DFAT and the United Nations.

#### Accountability and accreditation

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

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

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



### **CARE Australia**

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## **National Office**

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## Melbourne Office

