

Annual report

2016



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CARE INTERNATIONAL SUPPORTED
80 million
POOR PEOPLE IN
95 COUNTRIES
THROUGH 962 PROJECTS



care[®]
THE SOONER THE BETTER

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THE SOONER, THE BETTER

In 2016, CARE International supported more than 80 million people in 95 countries. Internationally, this makes CARE one of the world's largest humanitarian organisations. CARE Denmark focuses on long-term projects in ten countries.

We support poor families in Africa and Asia and help them to provide food and to work their way out of poverty. Poor farmers in developing countries are often the most vulnerable to climate change, and it has become more difficult for farmers to provide enough food for themselves and their families.

Together with local organisations, CARE Denmark supports vulnerable farmers in developing countries. The goal is to empower poor farmers through education and knowledge sharing on how to deal with climatic changes. CARE Denmark sets in before disaster strikes, which both saves lives and money and reduces suffering.

CARE Denmark focuses on helping people to help themselves. Together with poor people, we create solutions that last – today and in the future. This is why CARE Denmark says: The sooner, the better.



BOARD OF DIRECTORS' REPORT 2016

The year 2016 has in many ways, been a transitional year for CARE Denmark. On one hand, 2016 has been severely affected by necessary adjustments as a result of the large cutbacks on Danida's budgets of 2015. On the other hand, 2016 has also been affected by the prospect of having our former agreement with Danida replaced with a new agreement on cooperation and partnership in 2017.

CARE Denmark's work has also been influenced politically by the proposal of a new development policy launched by the then Foreign Minister, Kristian Jensen, at Folkemøde, the People's Political Festival, on Bornholm. Following the cutbacks in 2015, the proposal was greatly anticipated. Here, CARE Denmark was one of the organisations who most clearly announced our take on the new policy – with both favorable and critical comments on three main points in the policy: climate change, business partnerships, and poverty reduction.

In relation to climate change, CARE Denmark proclaimed that the government's ambitions were too low. On the contrary, the ambitions were high when CARE Denmark during spring 2016 began working on a report on the links between migration and climate change. The project was successful: As one of the few organisations in Denmark, we made headlines with a strong political message during the United Nations Climate Change Conference in Morocco.

At the same time, CARE Denmark entered into an exciting partnership with the Augustinus Foundation in the promotion of cleaner energy solutions for households in Tanzania. Another main point in the government's proposal was a more prominent role of businesses in relation to development work. CARE Denmark works specifically with economic inclusion and the creation of workplaces to ensure it. Therefore, it was satisfying to be elected by Danida in two out of five projects focusing on the cooperation between NGOs and businesses in 2016. Together with a

large biotechnology business, Chr. Hansen, CARE Denmark plans to replace the use of dangerous pesticides with natural bacteria in Kenya. In the other project, CARE Denmark will together with the agricultural development organisation, SEGES, and Arla contribute to the development of sustainable dairy production in Nigeria.

CARE Denmark has strengthened the cooperation with businesses in 2016 whilst making clear to Kristian Jensen that partnerships with businesses cannot save the entire world. Many countries are still so fragile and poor that Danish businesses with conservative investment plans cannot create any sustainable development.

This message naturally leads us to the last of CARE Denmark's three inputs to the political development of the future development policy: It is clearly wrong that Denmark will reduce the effort to aid the world's poorest. CARE Denmark is continuing the focus on reaching poor people. As part of the prepa-

PATRON OF CARE DENMARK
HIS ROYAL HIGHNESS
PRINCE JOACHIM



NATIONAL DIRECTOR
NIELS TOFTE



CHAIRMAN
CHRISTIAN S. NISSEN
CONSULTANT
AND LECTURER



VICE-CHAIRMAN
BJARNE H. SØRENSEN
FORMER AMBASSADOR



INGELISE
BOGASON
DIRECTOR



rations to the new negotiations with Danida in 2017, CARE Danmark initiated research in 2016 on the possibility to expand our work in West Africa to one of the world's poorest countries, Mali, and in Asia to Myanmar (Burma). Working in both these countries will emphasize that CARE Danmark's work is targeted at poor countries.

In addition to the many activities related to the domestic political agenda, CARE Danmark had four Danish high-profile chefs visiting Tanzania during the spring. The trip was financed by Retnemt.dk, a Danish online company selling food baskets, who in return was given exciting recipes. The outcome has been high exposure in the media, a profit for Retnemt.dk for each meal sold, and new supporters and members for CARE Danmark. The cooperation resulted in CARE Danmark becoming a part of Copenhagen Cooking & Food Festival's official program in August, and CARE Danmark was rewarded the profits from this year's Top Dog Charity hot dog competition.

In terms of fundraising, CARE Danmark has strengthened the effort to recruit new members and hold on to existing members. It is done primarily through digital platforms but also analogously. CARE's storytellers have been trained in recruiting new members and fundraising during events. However, it is difficult to sustain the current level in a competitive environment.

In the program department, we reached a milestone together with Arla during autumn in the form of a roundtable discussion on the cooperation between local dairy farmers and dairy producers in Nigeria. With funding from the EU Commission, new projects have been established in Mozambique and Ghana in 2016. Finally, CARE Danmark has also taken first steps towards applying for the EU humanitarian grant, ECHO.

In 2016, as part of the international cooperation within CARE it was decided to shut down the climate network PECCN, which has been coordinated from CARE Danmark. In replacement, the CARE offices are working towards

a less formal cooperation. CARE International decided to initiate working on making CARE in Egypt, Morocco, Indonesia, and Sri Lanka members of CARE International.

Even though 2016 has been a transitional year, CARE Danmark has also achieved great results. Both in relation to fundraising and in the establishment of new and thrilling partnerships with large businesses and foundations. Finally, CARE Danmark has sharpened our strategy and adjusted the organizational structure in reference to the negotiations of the new partnership agreement with Danida in 2017 and fundraising in the future.

The year 2016 reached a turnover of 110 million kroner in key numbers. The financial result of 2016 shows a positive result of 5.9 million kroner and a net capital of 14.5 million kroner. The financial result is affected by a writing down of the net capital and of revenues from legacies.

ANETTE
FØLSGAARD
BOARD MEMBER

SØREN
ENGBERG JENSEN
HIGH SCHOOL TEACHER

PETER
KRAGELUND
CHIEF OF DEPARTMENT

CHARLOTTE
MUNTER
DIRECTOR

ORLA GRØN
PEDERSEN
BOARD CHAIRMAN

ULLA
RÖTTGER
DIRECTOR



FINANCIAL REVIEW 2016

CARE Danmark had a turnover of 110 million Danish kroner. Of this, 48 million kroner came from CARE Danmark's framework agreement with Danida, project support from the EU, and from the governments in Great Britain and Austria. Last, but not least, CARE Danmark received significant contributions from individuals, companies, and foundations.

FUNDRAISING ACTIVITIES

In 2016, CARE Danmark raised a total of 31.4 million kroner, which amounts to 28 per cent of the total revenue. The revenue is above the 2015-level, primarily because CARE Danmark charged to revenue an outstanding legacy. The biggest share of the year's private donations came from contributors and members who support on a monthly basis and accounts for 15.6 million kroner in 2016.

In 2016, CARE Danmark received a revenue of 2.7 million kroner from foundations and businesses. This year, CARE Danmark also took part in the Danish National Telethon and received 3.1 million kroner earmarked for a project in Laos that focuses on ethnic minorities' fight against climate change and hunger.

The number of support members in CARE Danmark increased in 2015 to 15,737 members but decreased in 2016 to 12,698 members. The number of contributors decreased from 23,858 in 2015 to 21,182 in 2016. This is primarily because it has become more difficult to recruit and hold on to new members.

CARE Danmark maintains an overall high level of fundraising in spite of a decrease in both contributors and revenue. Fundraising continues to be of high priority, and the continued strong support from private individuals is crucial for CARE Danmark's work and future.

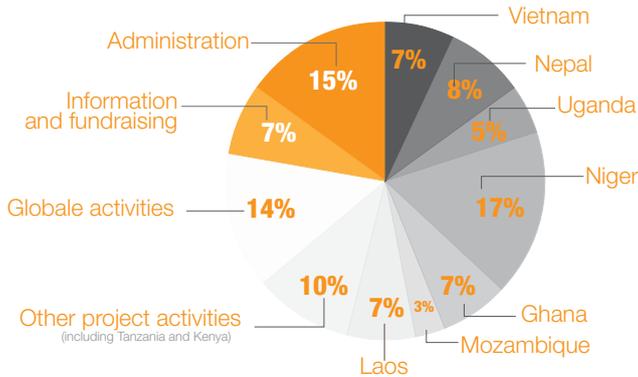
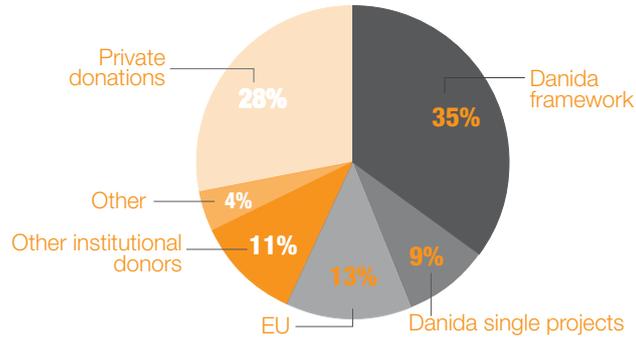
ANNUAL RESULT AND 2016 FORECAST

The final financial account shows a surplus of 5.9 million kroner primarily due to revenue from a legacy. The net capital of December 31st 2016 amounts to 7 million kroner. The net capital of January 1st 2016 and 2015 is adjusted due to an exclusion of self-finance in connection to the use of the framework grant and a changed managing procedure in relation to the inclusion of administrative contribution.

The administrative expense ratio in relation to total revenue has increased from 11 per cent in 2015 to 15 per cent in 2016. This is due to a decrease in revenue from public institutions.

In 2017, CARE Danmark expects a negative result of 500,000 kroner. In the expected result for 2017, additional costs in relation to the appointment of a new CEO of CARE Danmark has not been budgeted for.

The framework agreement from Danida in 2017 is 38.6 million kroner. Our well-established collaboration with the EU and other foreign institutional donors is expected to continue in 2017.



➤ Read the entire financial review at www.care.dk/finance

→ OPERATING STATEMENT

for the period January 1st - December 31st, 2016

Revenues

Restricted revenues
Other revenues

	2016 (DKK 1,000s)	2015 (DKK 1,000s)
Restricted revenues	75,308	100,546
Other revenues	34,505	26,733
Total revenues	109,813	127,279

Accrual of restricted revenues

267 -16,588

Total revenues

110,080 110,691

Expenses

Use of restricted funds
Use of unrestricted funds

73,881 82,850
30,274 29,049

Total expenses

104,155 111,899

Result of the year

The result of the year has been allocated as follows:

Transferred to unrestricted reserves
Adjustment of restricted reserves

5,925 -1,208
4,231 -2,316
1,694 1,108

→ BALANCE SHEET

as of December 31st, 2016

Assets

Fixed assets
Current assets

1,473 2,081
58,290 53,080

Total assets

59,763 55,161

Liabilities

Reserves
Restricted reserves
Unrestricted reserves

200 200
14,532 8,607

Total reserves

14,732 8,807

Total debt

45,031 46,354

Total liabilities

59,763 55,161

Adjusted

Adjusted

ABOUT CARE

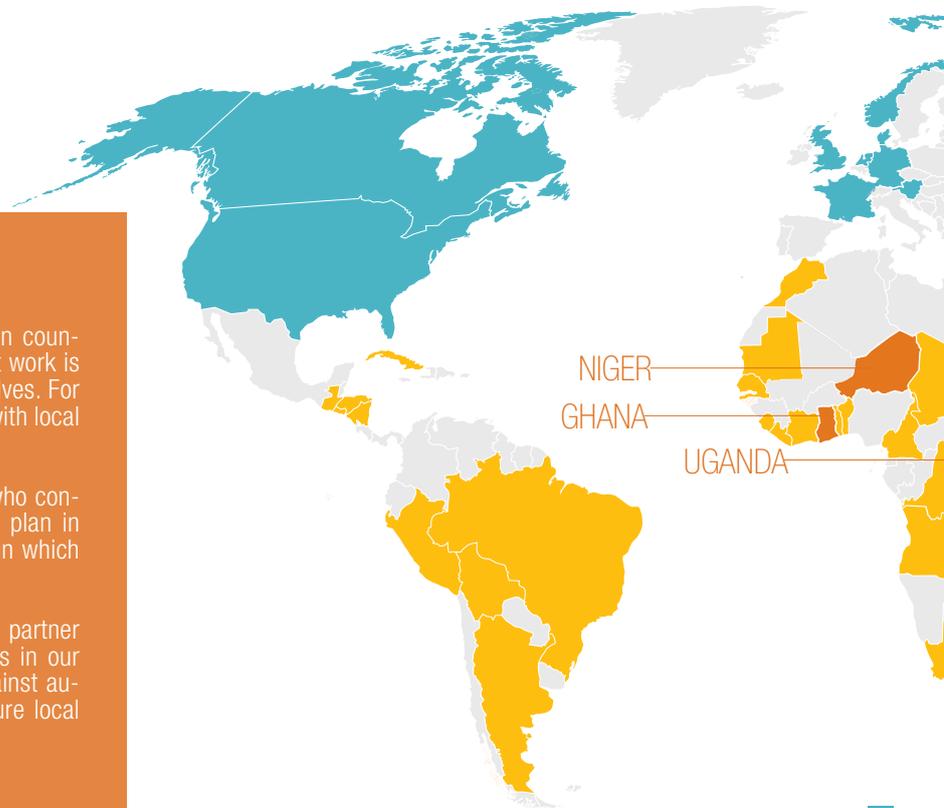
CARE DANMARK

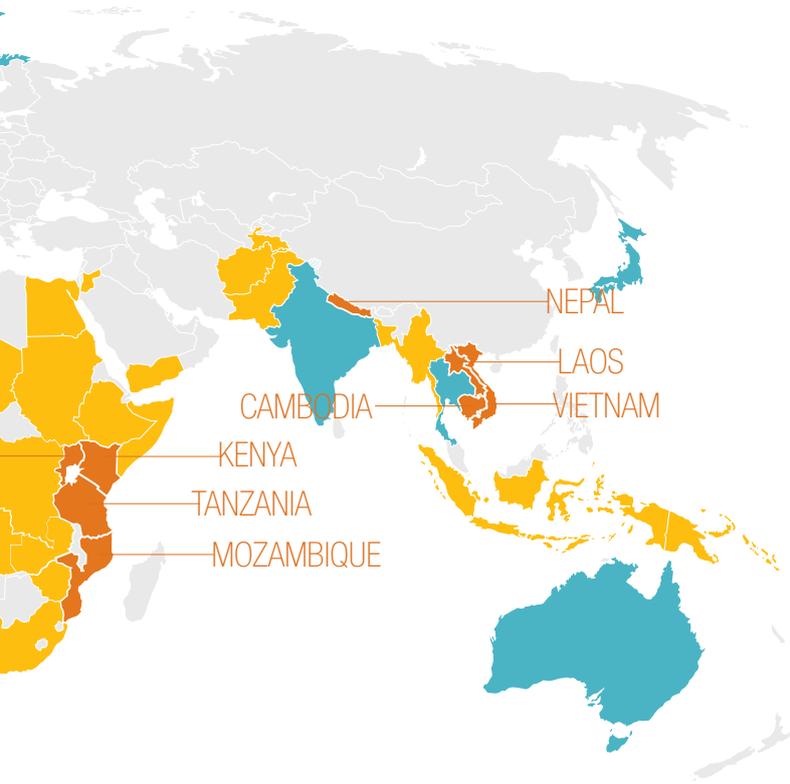
CARE Denmark focuses on long-term development in ten countries in Africa and Asia. The approach to our development work is based on the principles of helping people to help themselves. For that reason, CARE Denmark works in close collaboration with local communities.

CARE Denmark's projects are carried out by local staff, who constitute 97 per cent of all employees on an international plan in CARE. This ensures sustainable and efficient operations in which local knowledge and experience is key.

CARE Denmark works in close collaboration with local partner organisations and NGOs. This strengthens the grassroots in our programme countries and helps citizens to speak up against authorities and large corporations. Our efforts help to ensure local people's right to food, water, land, health, and influence.

➤ *Read more about CARE Denmark at*
www.care.dk/caledenmark-eng





CARE INTERNATIONAL MEMBERS
 CARE INTERNATIONAL PROGRAMME COUNTRIES
 CARE DANMARK PROGRAMME COUNTRIES

CARE INTERNATIONAL

Globally, CARE Denmark is one of the world's largest humanitarian organisations with programmes in 95 countries. In 2016, CARE International supported more than 80 million poor people.

CARE International consists of 14 independent organisations located in Australia, Austria, Canada, Denmark, France, Germany, Holland, India, Japan, Norway, Peru, Thailand, United Kingdom, and USA.

Each organisation works independently with their own areas of expertise in development and humanitarian assistance, but in the individual programme countries, CARE members coordinate their activities closely. The core of CARE's development focus is to fight hunger and poverty in supporting the world's vulnerable people, so they are able to improve their living conditions on their own.

➤ *Read more about CARE Denmark's organisation at www.care.dk/organisationen*

CARE DANMARK ORGANISATION

CARE Denmark was established in 1987 as an independent foundation. Consequently, a Board of Directors that is elected by the Committee of Representatives govern CARE Denmark. In addition, CARE Denmark has a Support Association Board that represents all members of CARE Denmark. At the technical and professional level, CARE Denmark's Programme Committee provides counselling and guidance to CARE Denmark's programme section.

His Royal Highness Prince Joachim is patron of CARE Denmark.

CARE Denmark enjoys the support of a number of volunteers. They serve as ambassadors and storytellers, travelling for and with the organisation, giving presentations and representing the organisation in general.

Selected companies cooperating with CARE Denmark in 2016:



The CARE Denmark Award

The CARE Denmark Award is awarded every year to pay something back to the people who provided an extraordinary effort to CARE Denmark's work.

In 2016, Per Vers received the award for his work with the theme song for the children's Christmas calendar 2015 for Danish Broadcasting Corporation (DR). CARE Denmark honor Per Vers for his word play and his ability to put focus on both similarities and differences between being a child in Denmark and on top of the Himalayas in Nepal.

Together with CARE Denmark and DR's children choir, Per Vers made thousands of Danish children sing along to the song 'På Toppen'. The song describes the everyday life of Danish Karl and Nepalese Komal. The song is written to the children's Christmas calendar 2015 where the profits go to the 'Forgotten Children of the Himalayas'. The project will ensure better education and healthier food for children in the remote areas of Nepal.

"It is really fantastic to receive a reward for my collaboration with CARE Denmark. What hit me when I was presented with stories, pictures, and videos from Nepal, was that in Nepal the children struggle to go to school and here in Denmark they struggle to get time off from school," Per Vers says.





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