



INTERNATIONAL CARE MINISTRIES

Annual Report 2009-2010



REALITY OF POVERTY	2
GEOGRAPHIC SCOPE OF ICM	4
2008/9 SUMMARY	6
PROGRAMS FOR 2009/10:	
LEADER CARE	8
TRANSFORM PROGRAM	10
VHL CURRICULUM	12
MICROFINANCE INITIATIVE	13
PRESCHOOL+ PROGRAM	14
UPLIFT PROGRAM	16
MERCY PROGRAMS	18
INFRASTRUCTURE	22
FINANCIAL INFORMATION	24

TABLE OF *Contents*



DAVID SUTHERLAND

Chair of ICM Board

Managing Director, Morgan Stanley

“This is a time of **possibilities**. The financial crisis forced ICM to sizably reduce our budget for the upcoming year. But we didn’t retreat. ICM’s newly formulated programs should be even more effective than last year. More than a million desperately poor people live within a stone’s throw of one of ICM’s programs, and we want to rescue as many as possible from poverty. ICM will constantly measure and refocus our programs. Next year will be even better!”



PAKITO YENEZA

Chief Executive Officer, ICM

“This is a time of **excitement**. We are operating transformation programs in nearly 200 communities through VHL education (values, health and livelihood) and by providing feeding and medical care to nearly 25,000 slum dwellers. We are uplifting another 400 communities (30,000 slum dwellers) through shorter, intensive programs. We have monthly training programs in another 900 communities. In all, leaders in 1,500 communities are excited. The ICM staff is excited. Most importantly, the recipients are excited. Hope is in the air.”

INTRODUCTION

from the Board

Financial challenges force ICM into major restructuring -- for the better!

International Care Ministries (ICM) has been serving the poor in the Philippines since 1992. In partnership with a network of over 1,500 pastors in poor churches in slums and rural areas, ICM delivers programs which uplift and transform the lives of the destitute.



HARRY TURNER

Division Director, Macquarie Securities

“This was a year of **challenge**. The world economic downturn provided ICM with the stimulus needed to ask difficult questions about our effectiveness in transforming the lives of the poor. We discovered that some of our programs are more powerful than others and we have refocused on those efforts.”



MALCOLM WOOD

“This was a year of **change**. From the top down, we’ve re-worked the way ICM delivers its programs to the poor. We’ve intensified our commitment to sustainable community transformation. Our livelihood programs have been revolutionized.”



LILY NG

Chief Financial Officer, CPP Asia

“This was a year of **self evaluation**. We looked at every line item in the budget and the effectiveness of each program. We discovered that all of our programs met important needs, but we eliminated those that were less effective. We cut unwarranted expenses.”



JOVI ZALAMEA

Executive Director, Goldman Sachs

“This was a year of **education**. Under the leadership of our new CEO, Pakito Yeneza, ICM staff are learning how to lead more effectively. Virtually all ICM staff took on new responsibilities. We have developed better teaching materials and have implemented new teaching methods. The results are dramatic!”

ICM serves those who live in unspeakable poverty.



The United Nations says any person who lives on less than **USD1.25** (PHP58) per day is poor.

In the Philippines, the poverty level is **USD0.76** (PHP38) per day.

27,616,888 Filipinos (33%) live below the poverty standard.

ICM reaches people who live at or below the Philippine subsistence standard of **USD0.54** (PHP27) per day

“Subsistence” means *only enough* income to pay for food, nothing else.

12,227,312 Filipinos (15%) live below the subsistence standard.

Among the Filipino poor:

- About half are squatters who live in bamboo shanties without access to electricity or toilets
- 88% do not have their own faucet for water; one third have no access to safe drinking
- About half do not graduate from high school and 15% never attend school at all
- Illness and malnutrition are unavoidable parts of everyday life

Sources: National Statistical Coordination Board, Asian Development Bank



EXECUTIVE COMMITTEE



PAKITO YENEZA
Chief Executive Officer



JACKIE BANASING
National Head, Preschool and Scholarship

AREAS SERVED BY ICM

Population: 7,540,746

Population in Poverty: 3,307,163 (44%)

Population at Subsistence: 1,689,231 (22%)

GEOGRAPHIC

Scope

ICM brings help and hope to the poor throughout the Visayas and Mindanao

NEGROS OCCIDENTAL



JOHN ENGUANA
Area Head
Population: 2,665,031
Population in Poverty: 1,120,171 (42%)
Population at Subsistence: 517,016 (19%)

NEGROS ORIENTAL



SAM TEMPLADO
Area Head
Population: 1,301,486
Population in Poverty: 602,964 (46%)
Population at Subsistence: 342,759 (26%)





BOHOL



PRIMO SISTUAL

Area Head

Population: 1,135,328

Population in Poverty: 532,711 (42%)

Population at Subsistence: 325,839 (29%)

KORONADAL



JUANITO POLICIOS

Area Head

Population: 1,285,253

Population in Poverty: 544,746 (42%)

Population at Subsistence: 260,495 (20%)

GENERAL SANTOS



JONATHAN SANCHEZ

Area Head

Population: 1,153,648

Population in Poverty: 506,572 (44%)

Population at Subsistence: 243,122 (21%)

2008-2009

Summary

ICM impacted more than 100,000 destitute lives in 2008/9

FEEDing Program (Fostering Education, Encouragement, and Diet)

182 communities received weekly classes in values and health care

3,146 families received 4 kilos of rice each week for six months

278,727 kilos of rice distributed

Medical Program

2,783 medical clinics served 106,867 patients and
administered 2,600,854 doses of free medicine

1,850 people received medical procedures through the Special Medical Case Funds

78 patients treated at residential tuberculosis Care Recovery Shelter





Preschools

38 preschools operated, each running for ten-month school year
900 students graduated ready for first grade in public school
200,000+ meals prepared and served (plus snack each day)

Church Empowerment

532 new churches certified for ICM programs
86 Pastor Accountability Meetings each month with
120 pastors attending each meeting
482 new teachers trained in Children's Christian Education
More than **100,000** children attend CCE classes

These great results were achieved despite the fact that severe financial difficulties forced ICM to impose 20% across the board reductions in expenses for the last two months of the fiscal year.

LEADER *Care*

Unique approach leverages on existing network of thousands of slum pastors

The backbone of ICM's approach is Leader Care. All of ICM's programs are delivered through partnerships with churches found in the neighborhoods where the impoverished live. The pastors of these churches are heroes who pour out their lives to help the poor. The goal of Leader Care is to encourage and strengthen these pastors to better serve their communities. ICM tells them in tangible ways that they are not alone.

Entry Program

- Required for participation in any of ICM's programs
- 2-3 days of teaching plus one day of written exams and a second day of oral exams before certification
- Pastors and church members are trained in a Basics in Christian Living Course (BCL) designed to build up the spiritual and emotional readiness of the local church to better serve their communities

Network

- ICM partners with an extensive network of 1500+ pastors
 - 600 pastors in an active ICM program
 - 900+ pastors who are being trained each month but are waiting for or have received an ICM program in the past
- This network allows ICM to impact thousands of poor areas without hiring social workers in every location

“The barangay captain was so excited that our small church and ICM could help the people in his area. He lets us meet in the community health center. ICM was an answer to my prayers.”

- Pastor Leonilo



Thrive Program

- Monthly fellowship and training meetings for all pastors in the ICM Network
- Those currently receiving a program are held accountable for their responsibilities under ICM’s programs
- Creates unity among churches in the same areas

ICM Academy

- Quarterly 2-3 day seminars for pastors receiving an ICM Program
- Curriculum and instruction provided by other non-profit organizations expert in their fields (government social service agencies, business leaders, family counselors, church health professionals)

Annual Cost:

PHP1.5M | HKD260K | USD33K

TRANSFORM *Program*

One-year program helps 20,000 people in 150 slums transform lives and communities

The goal of the Transform program is to bring permanent change to the lives of those living in poverty. Such a change is only possible if the needs of the whole person are addressed -- physical, emotional, spiritual and economic. For one year, ICM comes alongside 25 of most vulnerable families in 150 communities to make a real difference in individual lives. Surrounded by a new community of support, these families participate in classes to improve values, hygiene and health awareness, money management and livelihood opportunities. Participants receive weekly food supplements. The entire community receives medical care throughout the year.



Annual Cost: PHP21.4M | HKD3.5M | USD446K
Cost per Community: PHP120,000 | HKD20,000 | USD2,500*

* excluding microfinance

In 2009/10, the Transform Program is offered to 150 partnering churches and their communities. The benefits below are extended to the 25 most vulnerable families in each slum.

- 6 months of weekly VHL classes (see page 14) and follow-up
- 6 months of weekly food supplements
- Bi-monthly (for one year) medical clinics open to the entire community
- Livelihood follow-up continues for six months after completion of VHL
- Birth and marriage certificate assistance - documents needed to enroll children in schools and to participate in government assistance programs.



VHL Curriculum

Training curriculum emphasizes values, health care, and livelihood education

ICM is excited to introduce our Values, Health and Livelihood (VHL) course. Those in ICM's one-year Transform and 10-month Preschool+ programs participate in this new curriculum. Recipients of the 6-week Uplift program learn a condensed version of the same material.

VHL Course

- Values Education
 - Emphasizes the importance of strong values for personal growth and provides opportunity for people to consider how Biblical principles relate to their personal lives
- Health Education
 - This UN-approved curriculum covers such topics as the importance of immunizations and breast feeding, hygiene practices, disease recognition/prevention, nutrition, and childhood development
- Livelihood Training
 - 6-month hands-on course – students produce organic soil, grow personal vegetable gardens, learn viable livelihood options, small business basics, family financial basics



“The recipients really enjoyed the sessions about First Aid. They said that it was one of the most valuable lessons they learned... how to take care of their family when they are hurt.”

- ICM Health Teacher



Microfinance

1,000 families to join new business development program for ultra-poor in 2009/10

Historically, microfinance programs fail for those without an already-existing small business. In partnership with the Center for Community Transformation (CCT), ICM has piloted a new program to help the ultra-poor develop successful business initiatives. We are excited to report a 99% success rate in five communities.

In 2009/10, ICM will extend this new program to recipients of all 30 Transform and 10 Preschool+ partnerships in our Negros Occidental region. That's over 1,000 potential livelihoods.

ICM plans to continue its expansion of this program and next year hopes to offer a livelihood to more than 5,000 families!

Program highlights:

- Participation in a Transform or Preschool+ VHL curriculum
- Livelihood focus on money management and how to run a small business
- 8-week PHP2,000 interest-free loans are extended to start new businesses after 6 months in program
 - With successful repayment, new 10-week, PHP3,000 low-interest loan is extended
 - After successful repayment, the borrower is invited to enter into CCT's normal microfinance program for small business entrepreneurs



“With the help of ICM, I’ve become a micro entrepreneur! Now I can send my children to school and see them finish a degree and improve their futures.”

- Carisa Lyson, new small business owner

PRESCHOOL+

Program

47 preschools help 1,200 poor children avoid a lifetime of illiteracy

15% of poor Filipino children never attend school. These kids need encouragement to get an education that will help them avoid the cycle of poverty. ICM's Preschool+ program identifies children who might miss the benefits of school and shows them the joy of learning. The Preschool+ program also surrounds the preschoolers' family with a network of support – not only providing education for the children, but parent education in values, health care, and livelihood courses.

25 at-risk children selected from each poor community receive:

- A 10-month, 5-day-per-week education program designed to prepare them for public school (basic literacy is often needed for entry)
- One meal and one snack per day (prepared by moms)
- School uniform, supplies, stationery, desks, chalkboard, chairs
- Medical checks (including de-worming, immunization checks, height/weight monitoring, dental hygiene lessons, personal hygiene instruction)
- Yearend graduation ceremony

The parents of the preschoolers:

- Receive weekly VHL education course, featuring training in values, health care, and livelihood opportunities
- Gain the social capital of the network of preschool moms
- Are invited to improve their own literacy by participating in classroom learning



Elementary Scholarship Program

637	Number of elementary school scholarships ICM extends in 2009/10
PHP1500	Cost of public elementary school fees and supplies (HKD250/USD30)
40	Number of Saturdays they get help with homework and support

“My name is Saturnina, and I am a housewife. My husband is a farmer, but sometimes there are no vegetables to sell. I have three children, and we are terribly poor. We are so privileged to send Jessa to the Christian Heartland Learning Center. Every day we walk up the mountain to the school. She is always excited to see her teacher and classmates. And she is never absent, even when it rains. My life used to be miserably hopeless and boring, but now I get involved in school activities such as cooking, gardening and making decorations for the learning center. This gives me energy and joy. I have a new group of friends with the other parents. The preschool gives hope to our little community here in the mountain.”

Annual Cost: PHP12.4M | HKD2.0M | USD259K
Cost per Community: PHP250,000 | HKD40,000 | USD5,000*

* excluding microfinance

Two of the most important documents in the Philippines are birth and marriage certificates. These documents are needed to participate in government programs (such as health insurance and public school). ICM is starting a new effort to help all recipients receive their birth and marriage certificates in order that they may access the government benefits they are due.



UPLIFT Program

Intensive 6-week VHL education uplifts 30,000 destitute people in 400 communities

ICM is working to find even more cost effective ways to address widespread poverty needs in the Philippines. Toward that end, Uplift is a short program that allows ICM to economically deliver the core elements of the Transform program to hundreds of communities, with ongoing follow-up and monitoring. 6,400 households in 400 communities will participate in the Uplift program during 2009/10.

Uplift Program Components

- Intensive 6-week VHL curriculum
 - Values curriculum provided by partnering pastor
 - UN-approved primary health care course taught by ICM staff
 - Livelihood training focusing on each recipient establishing a working container/backyard farming operation and organic soil production (vermiculture) enterprise. Livelihood support continues for at least ten additional weeks.
- 2 kg of rice each week for 15 participating families
- Other community programs, such as open air film showings (promoting good health practices and strong values), children's Christian education training for at-risk kids, and dental clinics.

Annual Cost: PHP10.8M | HKD1.8M | USD225K
Cost per Community: PHP27,000 | HKD5,000 | USD600

MERCY

Programs

ICM provides special assistance to individuals facing medical challenges

Care Clinics

- ICM operates medical clinics at each of its five bases which are open to the poor five days per week
- Health assessments and services are provided by trained medical professionals
- About 3,000 patients are served each year
- Approximately 360,000 doses of medicine are dispensed yearly
- For more serious cases, the clinic provides referrals to local doctors who volunteer services to ICM patients

Special Medical Case (SMC) Program

- Donor funds which cover the costs of serious medical procedures for hundreds of destitute patients
- Conditions include electrical burns, hernias, broken limbs, cancer, complicated pregnancies, etc.
- Nearly 2,000 patients helped last year





“My name is John and I am 10. My father works on a rice farm and my mom sells bananas. We are poor. When my father is waiting for rice harvest, we eat bananas. Sometimes a neighbor gives us some rice or sweet potatoes. I was very hungry and I got weak and sick. When ICM came to our barangay with a medical clinic, I found out I had TB. ICM invited me to come to the CRS. I am so thankful to God that I am cured and my belly is full.”

Tuberculosis Care Recovery Shelter (CRS)

- 70 chronic TB patients are nursed back to full life each year
- Patients receive three nutritious meals per day
- Training is provided in container farming and livelihood opportunities

Clinic Annual Cost:

PHP1.4M

HKD223K

USD29K

SMC Annual Cost:

PHP5.8M

HKD947K

USD121K

CRS Annual Cost:

PHP3.2M

HKD512K

USD66K

MERCY *Programs*

Red Rope Project

- Hand sewing business employing women in Bacolod
- Supported by sales of handiwork in Hong Kong and the Philippines
- Products include handmade cushion covers, quilts, Christmas cards, coasters, and table runners



Children's Shelter

- Provides a home for young children and young adults without family support
- All attend public school
- Yummy meals, numerous hugs, and bedtime stories provided daily

Shelter Annual Cost:

PHP1.6M | HKD260K | USD33K



Slum Reconstruction Project

- ICM is partnering with Gawad Kalinga, a non-profit Catholic organization
- GK and ICM intend to rebuild the entire 800-family Riverside slum in Banago, Bacolod City
- As of July 2009, 50 families have been resettled into brand new homes

“Thanks for the opportunity... to become partners in mission... Your (building teams), so far, have done the most builds here in Bacolod. Thanks to each one of you for your faithfulness and generosity. We’re eagerly looking forward to see you and your wonderful groups again soon.”

- Joe Gatuslao, GK



Annual Cost:

PHP9.2M | HKD1.5M | USD193K

INFRASTRUCTURE

Program

ICM's administrative costs are very modest at only 13% of operating costs

ICM works with very low overhead. Most of our infrastructure costs would be considered operating costs by other charities.

- Compensation expense for our area leaders and administrative departments is about PHP4M/HKD650K/USD85K
- Total occupancy costs (rent, utilities, repairs) for ICM's five 2000+ sq ft regional offices are about PHP3M/HKD500K/USD60K per year. This includes office space used by the various operating departments

In addition to the above, ICM is also supported by small administrative teams in Manila and Hong Kong. The Manila ICM team consists of our Chief Executive Officer, Pakito Yeneza, and our Director of Finance, Cora Alcantara. The Manila ICM team provides overall direction, financial oversight and ministry development. The Hong Kong ICM team of volunteers is overseen by our Hong Kong Executive Director, Julie Turner and our Director of Communications, Merryl Tan. The Hong Kong ICM team provides communication with donors, trip management, oversight of donations of goods and initiation of relationships with other potential partners. All Manila and Hong Kong expenses are funded through separate donations. Unless otherwise specified, 100% of all donations to ICM go directly to support ICM's operations in the Visayas and Mindanao.

ACTUAL EXPENDITURES

For year ended May 31, 2009 (000s)

		Philippine Peso (PHP)	HK Dollars (HKD)	US Dollars (USD)
DONATIONS		80,186	13,030	1,671
TOTAL FEEDING PROGRAM	15%	11,415	1,855	238
TOTAL MEDICAL PROGRAM	26%	20,608	3,349	429
Medical Clinics		11,323	1,840	236
Medical Crisis Cases		4,583	745	95
Tuberculosis Program		4,019	653	84
Other Medical Programs		682	111	14
TOTAL LIVELIHOOD PROGRAMS	4%	3,226	524	67
TOTAL WOMEN AND CHILDREN'S PROGRAM	16%	12,448	2,023	259
Preschools		8,000	1,300	167
Children's Shelter		1,342	218	28
Scholarships		2,162	351	45
Precious Women		943	153	20
TOTAL CHURCH EMPOWERMENT PROGRAM	17%	13,611	2,212	284
Counselor Support and Mentoring		5,055	821	105
Community Feeding Program		1,053	171	22
Celebration Events and Worship Training		4,376	711	91
Christian Children's Education		1,569	255	33
Other Outreach Programs		1,557	253	32
CENTRALIZED EXPENDITURES	22%	17,501	2,844	365
TOTAL EXPENDITURES		78,810	12,807	1,642
EXCESS OF RECEIPTS OVER EXPENDITURES		1,376	224	29

Exchange Rates: 1USD = 7.8HKD = 48PHP. ICM's books are open to our donors. Any questions about our finances? Just ask.

BUDGET

For year ending May 31, 2010 (000s)

		Philippine Peso (PHP)	HK Dollars (HKD)	US Dollars (USD)
TRANSFORM	31%	21,414	3,482	446
Feeding		4,436	721	92
Medical		6,374	1,036	133
Microfinance		3,325	541	69
Community Training		6,067	987	126
Other		1,212	197	25
PRESCHOOL+	18%	12,417	2,019	259
Preschool		9,278	1,509	193
Scholarships		1,578	257	33
Other		1,561	254	33
UPLIFT	16%	10,807	1,757	225
Feeding		2,080	338	43
Film Showing		1,653	269	34
Community Training		2,918	475	61
Other		4,156	676	87
LEADER CARE	4%	2,843	462	59
MERCY	18%	12,791	2,080	266
Care Clinic		1,374	223	29
TB Clinic		3,150	512	66
Special Medical Cases		5,821	947	121
Children's Shelter		1,599	260	33
Other		846	138	18
INFRASTRUCTURE	13%	9,253	1,505	193
TOTAL BUDGET (2009/10)		69,527	11,305	1,448

ICM's financial statements are audited by certified public accountants in the Philippines and available upon request.



ICM is a registered charity in the Philippines, Hong Kong, and the United States.
Audited financial statements and certificates of tax exemption are available upon request.

Website: www.caremin.com

Email: contact@caremin.com

Donations by credit card or bank transfer: Visit www.caremin.com

Donations by check:

In Hong Kong –

For HK tax receipts, make HKD checks payable to: “International Care Ministries Ltd”

For US tax receipts in HK, make USD or HKD checks payable to: “Friends of Hong Kong Charities Inc.”

Mailing Address: ICM, GPO Box 2089, Central, Hong Kong

In the USA –

Make checks payable to: “International Care Ministries, Inc.”

Mailing Address: ICM, 7498 Sheridan Place, La Plata, MD 20646

In the Philippines –

Make payable to: “International Care Ministry Philippines, Inc.”

Mailing address: ICM, PO Box 280, Araneta Center, Cubao, Quezon City, Philippines, 1135

