



SAVE THE CHILDREN AUSTRALIA
ANNUAL REPORT 2009



Thank you

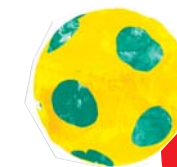
Thank you to our generous donors, members, corporate partners, volunteers and staff who supported Save the Children Australia in our 90th year.

Your commitment has helped millions of children around the world, particularly in Australia and the Asia-Pacific region.

Cover Image: Children play at a Save the Children pre-school in Laos.
Photos: Tom Greenwood
Photos throughout: Tom Greenwood, Sumon Y, Gazi Nafis Ahmed
Save the Children staff.



Save the Children Australia



Save the Children has been fighting for children's rights since 1919.

Save the Children is the world's largest independent child rights development organisation, making a difference to children's lives in more than 100 countries. From emergency relief to long-term development, Save the Children secures a child's right to health, education and protection.

Save the Children Australia manages and implements programs in Australia, Bangladesh, Cambodia, Laos, Papua New Guinea, Solomon Islands and Vanuatu. We also support development programs through our global network in selected countries in Asia, Africa and Latin America.

Our Vision

Save the Children works for a world:

- which respects and values each child
- which listens to children and learns
- where all children have hope and opportunity.

Our Mission

Save the Children fights for children's rights. We deliver immediate and lasting improvements to children's lives worldwide.

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A year of achievement

In May this year Save the Children Australia celebrated its 90th anniversary. A remarkable achievement when you think about it.

Ninety years ago World War I had just ended. Our founder, Eglantyne Jebb, was so concerned that blockades to enemy countries were cutting off food supplies that she and her sister Dorothy formed a group called Save the Children. That same year, Save the Children Australia was founded. From small things big things grow, and ninety years on Save the Children Australia continues to fight for children's rights in Australia and overseas.

I joined Save the Children Australia in February 2009, and am delighted to be on board. This year we achieved wonderful things for children in need and have developed some exciting plans for the future.

This year we supported 17,000 orphaned and vulnerable children in Cambodia affected by HIV and AIDS, including 1038 new children and families, by providing food parcels, transport for medical care, access to education and individual counselling and advice. These services were delivered via Buddhist pagodas, whose monks are highly respected in society and well placed to provide support and breakdown the social stigma associated with HIV and AIDS.

Our Youth Outreach project in the Solomon Islands benefited over 19,000 people across six provinces. Using the peer-to-peer education approach, the project trains young people on topics such as substance abuse, child abuse, youth crime, and income generation initiatives. These young people then share the information with their friends and community, increasing the knowledge of young people in a country where many children do not attend school or leave school early.

Congratulations goes to our Australia Programs team, which saw our successful Mobile Playbus program win a Victorian Government award and expand into new suburbs in Victoria, Queensland and South Australia. Our East Kimberley Early Learning Centres also won two awards and continue to provide early learning activities and development to young Indigenous children in Western Australia.

This year we also assumed responsibility for all programs in Papua New Guinea, which was previously managed by Save the Children New Zealand. As well as the extensive work we are doing with people affected by HIV and AIDS, we are also developing a program to address issues impacting the most vulnerable children in Papua New Guinea.

Exciting news for Save the Children Australia is that, following research into the needs of children in our neighboring countries, we have decided to focus our efforts on a new country: Timor Leste (formally known as East Timor). Forty percent of East Timorese people are living below the poverty line¹ and the country has an infant mortality rate of 80 per 1,000 live births², compared to 4.2 per 1000 live births in Australia³. We are in the process of developing a strategy for this new country program, and I look forward to bringing you more news about this next year.

My six months here has also been a time of change and growth. State offices have been strengthened, particularly the role of State Manager, and will continue to maximise opportunities and grow the Australian programs in the year ahead. Two new departments have also been established to support our programs; a Policy Research and Advocacy department to strengthen our research capacity and lobby at the highest levels, and a Strategic Projects department to focus on special tasks such as our move into Timor Leste.

While it has been a successful and rewarding year for Save the Children Australia, we recognise that there is still so much to do. We are now developing the organisation's next three year business plan which will focus our efforts on helping even more children in need.

Part of this is our new five year global campaign focusing on the needs of newborns and children under five, called Survive to Five. Presently 8.8 million children die every year before they reach their fifth birthday⁴, and we at Save the Children think this is far too many. There are many ways you can get involved in this campaign, so keep an eye on our website.

It is an exciting time to be part of such a dynamic organisation, and I look forward to working with you to achieve even more for children and families in Australia and overseas.

Thank you for your continued support of Save the Children Australia.



Suzanne Dvorak
Chief Executive
Save the Children Australia

¹ United Nations Poverty-Environment Initiative 2009
² World Bank, 2006 data

³ ABS, 2007 data
⁴ Unicef, 2009



A time of growth and change

It's been a year of growth and change at Save the Children Australia. We welcomed five new Board Members to the team, and bid farewell to Brian Hartzer, Chair of Save the Children Australia.

Brian was the Chair from February 2007 until June this year. His leadership, dedication and contribution to Save the Children Australia has had a lasting affect on the organisation. We wish him all the best with his endeavours in his new overseas role.

After many years as CEO of the organisation, Margaret Douglas took the decision to pursue other opportunities during the year. Margaret led the organisation as Chief Executive through a period of significant growth and consolidation. I wish to take this opportunity to thank Margaret for her significant contribution over many years.

I extend a warm welcome to Suzanne Dvorak who joins us as Chief Executive of Save the Children Australia. Suzanne has distinguished herself over the past decade as a driving force behind the development of Marie Stopes International (Australia, South East Asia, and Pacific region), most recently as Group CEO. Suzanne joins us at a time of immense opportunity and I look forward to working with Suzanne to create even more opportunities for children around the world.

I would also like to thank Peter Falvey for acting as Chief Executive for four months before Suzanne's arrival.

Following last year's vote by Members on changes to Save the Children Australia's Constitution, we have broadened the membership of the Board. This year we welcomed five new Directors; Andrew Sisson, Managing Director Balanced Equity Management; Mark Laurie, Partner PricewaterhouseCoopers; Warren Mundine, Chairman Australian Indigenous Chamber of Commerce and Chief Executive Officer and Company Secretary NTSCORP Limited; Peter Watson, previously Managing Director and Chief Executive Officer Transfield Services; and Allan Freeth, Chief Executive Officer of TelstraClear in New Zealand and Chairman of Save the Children New Zealand.

As geographical neighbours, Save the Children Australia and Save the Children New Zealand have taken the opportunity to share knowledge and learnings across the Tasman. This joint approach aims to help us reach even more children in need around the world, particularly in the Asia-Pacific region. We are also working with the International Save the Children Alliance on some significant undertakings that are aimed at improving outcomes for children and provide improved international program delivery.

There have been numerous changes in the management team during the year. I welcome all of the new team members and thank those who have chosen to seek new challenges during the year for their contributions whilst they were part of our team.

The Board looks forward to working together and assisting management with the many opportunities and challenges that face us in the year ahead.

We are also looking at ways to increase support in the community, including promoting membership and making it available to a wider range of supporters. A dedicated position has been created to work on and develop this initiative and to work closely with our State Councils.

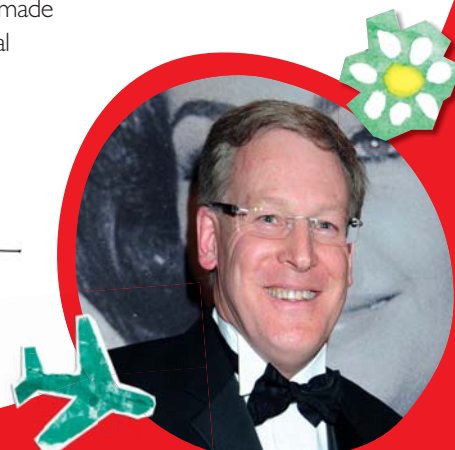
I take this opportunity to thank all our supporters, staff, volunteers, members, branches and State Councils for the valuable time and support they have given Save the Children Australia throughout the year. Without you, we could not do all the wonderful work for children that we do.

I would also like to mention Save the Children's global partnership with renowned brand Bulgari. Bulgari is supporting our global Rewrite the Future campaign which highlights the importance of quality education for children in conflict affected countries. Bulgari has produced a Save the Children ring and pendant, the proceeds of which are donated to Save the Children. Bulgari is also auctioning pieces of jewellery in New York to reach its aim of raising 10 million euros for Save the Children by the end of 2009. These pieces have been travelling the world as features at special Bulgari events, two of which I was delighted to be a part of in Sydney and Melbourne.

On behalf of the Board, I thank each and every one of you for your ongoing support and I look forward to working with you in the year ahead. Together we have made and will continue to make a real difference for children around the world.



Phil Ransom
Chairman
Save the Children Australia



Key Highlights



Our **Mobile Playbus program** in Victoria, New South Wales, South Australia, Queensland and the Northern Territory provided early childhood education to 1432 children every week for isolated and economically disadvantaged families who would otherwise miss out.



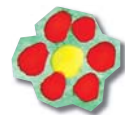
Our new **Homework and Lifeskills program** at the Reiby Juvenile Detention Centre in Campbelltown, New South Wales, provides one-on-one mentoring to young males in custody aged ten to 16. Over 68 boys have accessed the program this year. The program is run in partnership with a local non-government organisation, Eternity Aid.



Our **Nutrition, Health and Wellbeing programs** in South Australia provided 4000 healthy meals every week in 33 schools and communities, and our programs in Victorian schools provided more than 100,000 breakfasts to approximately 500 children throughout the year.



In **Papua New Guinea** we launched an advocacy campaign to ban corporal punishment, and we are working to raise the awareness of positive discipline. We trained 25 teachers, policy makers and child protection officers from government and non-government organisations and 30 teachers from the University of Goroka on positive discipline techniques.



In **Laos**, Save the Children Australia's **Cross Border project** provided training and awareness raising activities on topics including lifeskills, human trafficking, safe migration, HIV and AIDS, drug prevention and gender issues. We reached 10,500 people, in 11 villages.

Save the Children Australia established the **KKS School** in **Bangladesh** with a local partner in 1996 for children of sex workers. Over 500 children received primary education this year, and a total of 4244 students have attended the school since it opened.



Our **Rewrite the Future program** in **Cambodia** extended its work to three more schools, reaching a total of 2477 children, a ten percent increase on last year. Rewrite the Future is Save the Children's first global campaign and is focused on securing quality education for the millions of children out of school due to war and armed conflict.



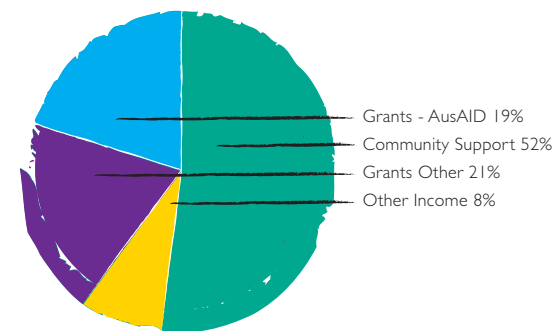
Save the Children Australia's **Health Sector Support program** is working with Ministry of Health staff in Kampong Cham Province, **Cambodia** to strengthen their administration, clinical management and community participation in improving health practices. Through this work we have helped to increase access to public health services, particularly for low-income families, in Memut and Ponhea Krek/Dambe districts by more than 50 percent since 2007.



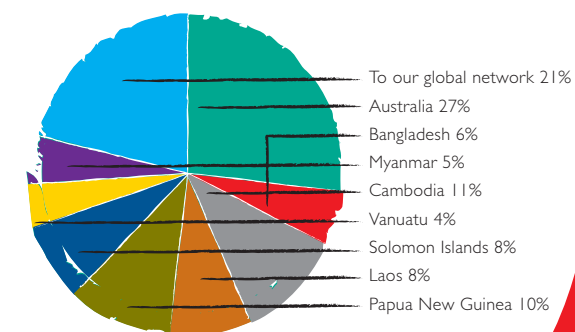
This year, Save the Children Australia launched **emergency fundraising appeals** for the Georgia Conflict, India Floods, Haiti Hurricane, Democratic Republic of Congo Conflict, Zimbabwe Crisis, Gaza Conflict, Victorian Bushfires, Sri Lanka Conflict, Pakistan Conflict and Bangladesh Cyclone.

We applied for and received over \$2 million in **grants from AusAID** to assist with emergency responses.

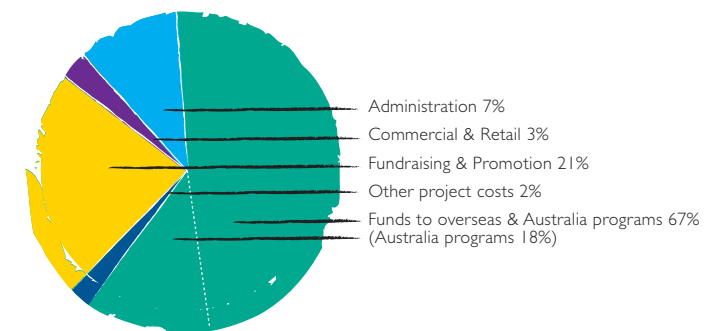
Where the money comes from



Money goes to these countries



Where the money goes





Australia



Save the Children Australia recognises that there are children and families in need in our own backyard. Established in Australia in 1919, we have been running programs in the country since the 1950's.

With offices in all states and one territory, we ran programs in Australia this year with a primary focus on four key areas:

- Early childhood education
- Youth at risk
- Children and family support
- Health and nutrition.

The following are our key initiatives in these areas during the year:

Early childhood education

Research shows that 20 percent of all eligible pre-schoolers in Australia are not enrolled in early childhood education.¹ Save the Children Australia is working to improve this statistic through our **Mobile Playbus program**. This year, we continued to expand our Mobile Playbus program which provides playgroup activities to isolated and economically disadvantaged families who would otherwise miss out. In 2008-09, our Playbuses in Victoria, New South Wales, South Australia, Queensland and the Northern Territory provided early childhood education to 1432 children every week.

We also started new Playbus groups in South Australia, Victoria and Queensland. Our new Queensland service is the first playgroup to operate in the Townsville Women's Correctional Centre. The playgroup allows children to visit their mothers in an environment conducive to parent/child bonding and engagement.

The new Playbus in Victoria was recognised at the Victorian Government's Department of Education and Early Childhood Development 'Early Years Awards' this year. It won a joint award with other Knox City Council supported playgroups in the 'Improvements in parent's capacity, confidence and enjoyment of family' category. The awards recognise the contribution that partnership approaches are

making to improve the health, learning, development and wellbeing of children aged 0-8 years.

We launched a new program in Western Australia this year, the **Multicultural Early Learning program**, to assist newly arrived migrant and refugee families. Save the Children Australia ran three playgroup sessions a week, benefiting 157 parents and children from 15 different cultural backgrounds. See case study on page 9 for details.

Youth at risk

Year 12 retention rates in Australia have not increased since 1992, with only 74 percent of children – and 43 percent of Indigenous children – completing Year 12. Australia is in the bottom 50 percent of Organisation for Economic Co-operation and Development (OECD) countries for percentage of post-school population attaining Year 12 or equivalent.² Australia sits behind countries including the Czech Republic.

The situation is particularly acute in the greater Shepparton region in Victoria. The overall school retention rate of young people in Shepparton is 65 percent – ten percent lower than the state average – and retention rates for young Indigenous students is estimated to be 30 percent. Our **Operation Newstart program** in Shepparton is an intensive, eight-week program that builds young people's self-esteem using activity-based learning techniques. The program helps young people who are at risk of dropping out of the formal education system to re-engage with their schooling and develop a range of practical skills that will equip them to make a positive contribution to their local community. This year 32 young people took part in the program, with 94 percent graduating. Since its launch in 2007, over 85 percent of graduates are either back at school or engaged in other study or work, and 100 percent of graduates felt they were better at dealing with challenging issues.

We also started a new program this year, the **Homework and Lifeskills program** at the Reiby Juvenile Detention Centre in Campbelltown, New South Wales, in partnership with a local non-government organisation named Eternity Aid. We provide one-on-one mentoring in a non-threatening environment to young males aged ten to 16 who are in custody, to encourage positive social interactions. Over 68 boys have accessed the program this year, many saying it was the first time that an adult has given them one on one attention.

Children and family support

In 2006/07, there were more than 850 reports of child abuse made each day in Australia. In addition, Aboriginal and Torres Strait Islander children are more than six times more likely to be the subject of abuse or neglect than non-Indigenous children.³ Save the Children Australia is working to address these issues through a number of prevention and assistance programs.

Our programs include the **Domestic & Family Violence program** in Brisbane which provided safe accommodation and support to 168 women and 288 children this year; and our **Alternative Care program** which provided placement options and outreach for 66 young people in the statutory care of the Department of Child Safety during their transition from care.

Our **Future Parents program** in New South Wales, Victoria, South Australia and Queensland ran courses for 1039 young people on caring for children safely, and to increase their knowledge about child abuse and domestic and family violence. An external evaluation of the program by the School of Human Services and Social Work at Griffith University found that the Future Parents program is effective as a primary child abuse prevention program and participants felt their knowledge and skills in caring for children increased as a result of attending the course.

Our **Deadly Blokes & Kids program** in the East Kimberley region of Western Australia aims to build strong relationships between male parents or caregivers and their children through music, songwriting and performances. The Deadly Blokes and Kids performed regularly in the East Kimberley and Perth this year, reaching over 2000 people, to promote the importance of shared family time. ('Deadly' is local slang for 'cool').

The success of the **Deadly Blokes & Kids program** spawned the new Deadly Littles program

in Western Australia to foster strong relationships between mums and their children. Mums and toddlers come together and bond through song, dance and storytelling. The program was developed following research into other successful music-family strengthening initiatives.

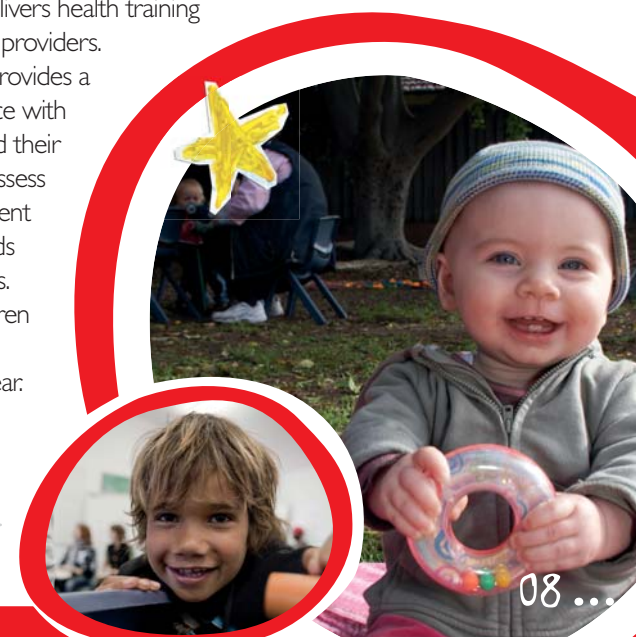
Health and nutrition programs

Only 22 percent of children between four and eight years old eat the recommended daily serves of vegetables, and children nine to 13 years old fare even worse, with only 14 percent eating the recommended serves.⁴ Save the Children Australia is working with communities to highlight the importance of healthy eating, particularly for children.

This year, our **Nutrition, Health and Wellbeing programs** in South Australia provided 4000 healthy meals every week in 33 schools and communities. The program also expanded to three new communities in Port Pirie, which is over 200 kms north of Adelaide. In addition, our Eat & Greet, Cooking & Lifeskills program educated and promoted healthy nutrition in the remote town of Ceduna through hands-on learning and basic cookery. Our 17 Nutrition, Health and Wellbeing programs in metropolitan and regional Victorian schools provided more than 100,000 breakfasts to approximately 500 children throughout the year.

The **Allied Health program** in Bourke, New South Wales, is a new early intervention program that helps communities to deliver appropriate and accessible allied health services for children. In partnership with Eternity Aid and local schools we are working with the community to provide a clinical team of allied health volunteers including occupational therapists, speech therapists, dieticians and clinical psychologists to provide early intervention to children who would otherwise not have access to these services. The team provides in-school assessments and programs for children and delivers health training to local service providers.

The program provides a follow up service with the children and their teachers to reassess their development and future needs after six months. Over 140 children accessed the program this year.



¹ Education Revolution 2008/09 – Statement by Hon. Julia Gillard MP, May 2008
² ABS, 2007

³ Child protection and Aboriginal and Torres Strait Islander Children, Australian Institute of Family Studies
⁴ Australian National Children's Nutrition and Physical Activity Survey 2007

Case Study: Australia



Save the Children Australia's new **Multicultural Early Learning program** is supporting newly arrived migrant and refugee families with young children in Perth's south-east corridor.

Beginning in February 2009, the program engages young children and their parents – mainly mothers – who are experiencing extreme social isolation, lack of familiarity with community services, and who have limited English.

Each week, Save the Children Australia runs three early learning sessions for children, while their mothers have the opportunity to attend conversational English language, parenting and support sessions. Participants are also linked with community services, such as kindergartens, child care and health care.

So far, 114 parents and 143 children have attended the weekly sessions. The families are from 15 different cultural backgrounds and 66 percent are refugees from the war-torn countries of Burundi, Congo, Rwanda, Myanmar, Somalia, Iraq, Afghanistan and Sudan.

The program has been very successful, with mothers and their children enjoying the program, becoming more familiar in their new home of Perth, improving their English skills and gaining

access to community services. The program will continue in the new financial year, and we are looking at running sessions in an additional eight to ten areas in Western Australia.

"Before I came to playgroup, everyday I would sit at home with my child and cry. Now I am so happy. Believe me," said one mother.

"We are so happy at this playgroup. My children ask every Monday morning 'is today playgroup?' I tell them 'no' we have to wait for Thursday. It is such a nice feeling, everyone is together and friendly," said another mother.



Health



Four million newborn babies die within 28 days of birth and 8.8 million children die before their fifth birthday.^{1 2} 148 million children below the age of five in developing countries are underweight for their age.³

Save the Children Australia knows that health is critical to everyone's survival, especially children. We ran health programs throughout the Asia-Pacific this year, with a primary focus on two key areas:

- Millennium Development Goals four, five and six
- Strengthening health systems.

The following are our key initiatives in these two areas during the year:

Millennium Development Goals four, five and six

The Millennium Development Goals are eight international development goals committed to by world leaders that, when achieved, will end extreme poverty worldwide by 2015. Save the Children Australia is working toward three of these goals in our programs.

Goal Four: Reduce child mortality, and Millennium Development Goal Five: Improve maternal health

In partnership with the Sayaboury and Luang Prabang provincial and district health authorities, our **Primary Health Care project in Laos** has supported the province to achieve these two Millennium Development Goals. The most dramatic progress has been the reduction of infant mortality in Sayaboury, which is now 19 per 1000 down from 47 per 1000 in 1999, the lowest infant mortality rate in the country. This has been achieved through low cost interventions including mobile clinics, regular immunisation campaigns, and the promotion of breastfeeding.

Maternal health has also improved with comprehensive health services for women and girls contributing to this. For example, 78.6 percent of pregnant women received antenatal care in 2009 compared with 18.3 percent in 1999. Eighty-nine

percent of women received a tetanus immunisation during their pregnancy in 2009 compared with 52.2 percent in 1999, and 43.7 percent of deliveries are now being conducted by skilled birth attendants, increasing from 7.5 percent in 1999.

The project has also contributed to greater access to health services, particularly for people in remote villages. Save the Children Australia constructed three village clinics in four northern districts this year, which helped to increase the number of households within 5km or 60 minute walk to a health facility to 83.3 percent in 2009, up from 25.5 percent in 1999. We also provided training to health personnel at all levels on topics including Dispensary Management, Health Survey Techniques and Infectious Diseases. Medical equipment was supplied and village health volunteers and birth attendants trained in all villages. Each district conducts mobile clinics to remote villages at least twice per year, conducting clinical services and providing health education messages.

Millennium Development Goal Six: Combat HIV/AIDS, malaria and other diseases

Another Millennium Development Goal Save the Children Australia is working toward in our programs is on HIV and AIDS. More than 33 million people are living with HIV around the world.⁴

Save the Children Australia's **Poro Sapot project in Papua New Guinea** promotes HIV prevention, care, support and treatment services for female sex workers and men who have sex with men. Working with these highly vulnerable groups, the project manages a peer education program, annually recruiting, training and supporting 140 peer educators. This year, the project provided peer-based education to 52,993 people, conducted sexual health outreach to 17,583 people,

¹ Unicef, 2009

² Unicef, 2007

³ Unicef, 2008

⁴ World Health Organisation, December 2007



distributed 1,853,692 male and 151,223 female condoms and provided information and education materials to communities.

In addition, Save the Children Australia runs the Boroko Clinic in Port Moresby, Papua New Guinea, the first clinic of its kind specifically for sex workers and men who have sex with men. The clinic treated 2050 people for sexually transmitted infections this year and provided counselling and testing services to 1713 people. We also opened two more sexually transmitted disease clinics this year under the **Papua New Guinea / Australia Sexual Health Improvement program**. Each clinic treated ten to 12 clients a day, and the Goroka Clinic was accredited as a Voluntary Counselling and Testing Centre this year.

In the **Solomon Islands**, our **HIV and AIDS Prevention project** directly benefited more than 3650 people through the strengthening of clinical services at Voluntary Confidential Counselling and Testing sites in Honiara, and outreach through peer education to high risk groups such as sex workers, men who have sex with men and youth at risk. The project also targeted high risk areas, such as nightclubs and hotels, by distributing HIV and AIDS information and condoms. In addition, Save the Children Australia held a six-week training course for nurses from Voluntary Confidential Counselling and Testing sites on the management of sexually transmitted diseases and HIV for 24 provincial based nurses from all nine provinces of the Solomon Islands.

Strengthening health systems

Save the Children Australia works closely with governments and local staff to transfer knowledge and skills, and to ensure that the programs we implement are sustainable in the long-term.

Save the Children Australia's **Health Sector Support program** is working with Ministry of Health staff in Kampong Cham Province, **Cambodia** to strengthen their administration, clinical management and community participation in improving health practices. Through this work



we have helped to increase access to public health services, particularly for low-income families, in Memut and Ponhea Krek/Dambe districts by more than 50 percent since 2007. In addition, deliveries by skilled birth attendants have increased from 40 percent to 57 percent in Ponhea Krek/Dambe district, and the number of infants exclusively breastfed in their first six months increased from 20 percent to 71 percent in Memut district, and from 20 percent to 78 percent in Ponhea Krek/Dambe district since 2007.

We also provided refresher training to 482 community tuberculosis treatment volunteers and 76 health centre staff in three districts of Kampong Cham province, Cambodia, to help reduce the prevalence of tuberculosis and to improve the quality of wider health services. The project expanded into two more districts in Kampong Cham province this year.

Vanuatu is made up of 65 inhabited islands, making access to services difficult – it is estimated that 20 percent of the population is without access to health services. Save the Children Australia's **Village Health Worker program** in **Vanuatu** trains local health workers so that they can provide basic health services to rural and remote communities. There are now 220 Village Health Workers at 214 Aid Posts around the country.

With progress in the Millennium Development Goals Four and Five in Laos, and the recognition that survival for newborns and children to the age of five is of primary importance, Save the Children Australia will be joining forces with our Save the Children global network to embark on a Newborn and Child Survival campaign, named 'Survive to 5'. Our goal is that Millennium Development Goal Four is achieved, which means that child mortality is reduced by two thirds by 2015, saving the lives of almost six million children each year, and that public attitudes will not tolerate a return to high levels of child deaths.



Case Study: Laos

Mrs Khamphanh is a traditional birth attendant in Laos who received training as part of Save the Children Australia's **Primary Health Care project**. Back at her village, Mrs Khamphanh delivered a baby who had the umbilical cord tied around its neck twice, and was not breathing. Mrs Khamphanh was able to revive the baby using mouth-to-mouth resuscitation which she learnt during her training. The baby boy, now eight months old, is doing well.



Case Study: Vanuatu

"The Torres Islands in Torba province is the most remote part of Vanuatu. No communications, no radio signal and we have one flight per week. A boat calls every three months. The lives of the people on the four islands in Torres rest in the hands of us, three Village Health Workers. Last month a mother was struggling to deliver her baby. I stayed with her the whole night and the baby was delivered the next morning. Both the mother and baby are well. The training I received from Save the Children Australia's **Village Health Worker program** gave me the confidence to take care of my community in this very remote place".

- Village Health Worker, Vanuatu



Education



75 million children of primary school age around the world are currently out of school, 60 percent of whom are girls.¹ And it's not just children who are affected – there are 774 million adults around the world who cannot read or write.²

Save the Children Australia is working to provide children, young people and adults with the access to education and learning opportunities that they so rightly deserve. We ran education programs throughout the Asia-Pacific this year, with a primary focus on three key areas:

- Early childhood and primary education
- Rewrite the Future – our global education campaign
- Peer to peer education.

The following are our key initiatives in these areas during the year:

Early childhood and primary education

It is widely recognised that a good start to life includes early learning and development opportunities. Our programs include nine **Early Childhood Development Centres** in **Bangladesh**, which provide education to 180 children under the age of five who would otherwise miss out. Previously, many young children were left in the Daulatdia Brothel at Goalundo unsupervised while their mothers worked long hours to provide for their families. As a result, many were unable to cope with the education system and dropped out of school. Our early childhood development centres are addressing this issue, and are helping to give children a better start to life.

In addition, the KKS School in **Bangladesh** provided primary education to 510 children this year. Save the Children Australia established the **KKS School** with a local partner in 1996 for children of sex workers. Previously, children from

the brothel were unable to attend school due to social stigma. Now, children from the brothel and children from the local community attend school together. Since it opened, 4244 students have attended the school.

Around the world there are 250 million children who have to work to help their families³. In **Bangladesh**, Save the Children Australia's **Drop-in Centres** are places where children who have to work to support their families can still access education. The children receive literacy and numeracy education and take part in cultural activities including drama, storytelling, and drawing. This year, 200 working children continued their basic education through two Drop-in Centres at Cox's Bazar, Bangladesh.

Rewrite the Future – our global education campaign

Rewrite the Future is Save the Children's first global campaign and is focused on securing quality education for the millions of children out of school due to war and armed conflict. In conflict-affected countries, one in three children is out of school, a total of 37 million children worldwide⁴. Without education they are being denied both their childhood and hope for the future.

This year, our Rewrite the Future program in **Cambodia** extended its work to three more schools, reaching a total of 2477 children, a ten percent increase on last year. We now reach eight schools through this program. See case study on page 15 for more details.

In addition, in rural **Cambodia** many children miss classes at school because they have to help

their families with duties such as farming or looking after younger siblings. This year, Save the Children Australia helped school teachers and volunteers to conduct remedial classes for 350 students who had fallen behind in their education. By the end of the school year, 89 percent had been promoted to the next grade.

We also provided school uniforms, study materials and bicycles to 355 primary school students and 58 lower secondary school students from poor families in **Cambodia**. By providing these materials, children who would otherwise miss out were able to attend school.

Save the Children Australia also supported the training of 47 teachers in class planning and in applying student-centred methodologies in **Cambodia** this year. As a result, one of the schools we trained, the Kok Sralao Primary School, received awards from the Ministry of Education, Youth and Sports for 'Outstanding achievements in school management, administration and community engagement' and 'Outstanding achievements in developing the education sectors.'

Our work in Cambodia contributes to the work of Save the Children's global network which has improved the quality of education for over 10 million children around the world, and helped more than one million children enrol in school through our Rewrite the Future campaign.



Peer to peer education

Sometimes it is not possible for everyone to receive formal education. However that doesn't mean that people cannot still learn through informal means. Save the Children Australia uses the peer to peer approach where people learn about a topic and then teach others about it.

In the **Solomon Islands**, Save the Children Australia's **Youth Outreach project** directly benefited 19,116 people across six of the Solomon Islands' nine provinces. The project uses a peer-to-peer education approach to teach young people lifeskills on topics including HIV and AIDS, sexually transmitted diseases, substance abuse, child rights, family violence, self esteem and sexual health. A highlight for the project this year was the 'New Year Life Skills Education Campaign' which involved sport activities, peer to peer education and health awareness presentations by experienced professionals including police officers and health workers. A total of 8120 young people participated in the campaign across four provinces.

This year, Save the Children Australia received funding under the **Solomon Islands** Non-Government Organisation Partnership Agreement (SINPA) through AusAID. Beginning in August 2009, our **Youth Outreach project** will expand to increase the resilience and self-reliance of young people by creating sustainable livelihoods and promoting healthy lifestyles through non-formal education in the Solomon Islands.

Save the Children Australia's **Youth Outreach project** in **Vanuatu** reached 1048 children and 587 adults this year, and expanded to more communities and the new province of Torba this year, which is the most remote province in country.

Our **Youth Peer Education project** (also known as FLAMES) in **Laos** seeks to support young people to develop and enhance their skills and knowledge to empower them and improve their socio-economic status. The project directly benefited 260 people including 146 females this year. In addition, FLAMES members trained 44 students from secondary schools and 26 university students on gender issues, lifeskills and drug prevention, who were then able to share their knowledge with their communities.



¹ Global Campaign for Education, www.campaignforeducation.org
² Global Campaign for Education, www.campaignforeducation.org

³ Global Campaign for Education, www.campaignforeducation.org
⁴ Rewrite the Future Two Years On Report, Save the Children

Case Study: Cambodia

Sopheak, 13, is studying in Grade Five at a school in Dambe district, Kampong Cham province, Cambodia. She is the second child in a family of four children, two of whom are female. Their parents are farmers.

Sopheak is studying very hard to pursue her ambition of becoming a nurse. She always comes to school and does all the tasks that her teacher assigns to her. She spends her free time explaining lessons to her classmates and reading books at the school's library or at home during the evening after finishing household chores.

Sopheak likes her teacher because he comes to teach regularly, never uses corporal punishment and puts all his effort into helping students learn better. This includes producing new teaching materials, assigning specific tasks for students and motivating students to actively participate in group discussions and encouraging them to ask if they have any questions.

"My classmates and I enjoy going to school because my classroom environment is good. Before, our teacher only used textbooks to teach us. Now he uses different methodologies and teaching materials to make lessons interactive and to help students understand their lessons better. My study has improved a lot. I gain good grades which are better than in previous years. I found myself and other students are more confident to speak up in class," Sopheak says.

Save the Children Australia's **Rewrite the Future program** is helping schools in Cambodia by supporting teacher training and providing teachers with better teaching methodologies. We are also providing teaching and learning materials, conducting school mapping exercises to identify children who have dropped out of school and providing scholarships for students from the poorest families.

The project has helped 2477 students at eight public schools and 25 literacy class students this year.



Case Study: Salmat, corporate partner

Salmat (through its Salesforce arm of operations) has been an invaluable corporate partner of Save the Children Australia since 2003.

With their support, two Children and Young People Development Centres have been constructed in the Khop and Xienghone Districts of Sayaboury Province in Laos, providing training and support for local children and youth. These centres offer a range of after-school activities such as sports, drawing, handicrafts, dancing, singing, English and drama.

Salmat is continuing to direct its support towards children's education in Sayaboury Province by rebuilding two schools which are in poor condition. The schools are affected by termites and vulnerable to strong winds, making them unsafe for pupils. One school is situated along a riverbank and soil erosion has destroyed the school playground. With Salmat's support, children in

these two schools will be able to continue their education. Essential toilets and clean water facilities will also be provided as part of the project.

"To see the knowledge of the village encouraged and nurtured so it could be a source of income was amazing. Empowering the people most affected by poverty allows for the most powerful changes, and educating the children will only strengthen this process as it's passed down to each generation. The work being conducted by Save the Children Australia was so incredible to see first hand."

- Jody Gleeson, Contact Centre Manager, Salmat Salesforce



Salmat staff at the official opening of the Xienghone Children and Young People Development Centre



One of the schools that will be rebuilt



Child protection and Child Rights

Only 2.4 percent of the world's children are legally protected from corporal punishment.¹ Eighty to 90 percent of children suffer physical punishment in their homes, with a third or more experiencing severe physical punishment resulting from the use of implements.²

Save the Children Australia works to protect children from abuse, exploitation and neglect, so every child has the chance to live a happy and secure life. This year we ran programs throughout the Asia-Pacific, with a primary focus on two key areas:

- Protecting children
- Raising the awareness and understanding of children's rights.

The following are our key initiatives in these areas during the year:

Protecting children

We understand that working with governments is integral to protecting children. In **Cambodia**, our **Child Safe program** supports key community members to establish local groups known as Child Protection Networks, and develops their capacity to prevent, monitor, report and respond to cases of child abuse. This year, the Child Protection Network increased from 30 to 40 networks involving 232 key community members such as Buddhist monks, police, schools and health centres. At national level, the Child Safe program helps to develop child protection policies for the internal regulation of government and non-government organisations.

In **Papua New Guinea** we launched an advocacy campaign to ban corporal punishment. An inter-departmental government working group has been formed, as well as a Coalition Against Violence Against Children consisting of international organisations and local non-governmental organisations. In addition, Save the Children Australia is working to raise the awareness of positive discipline. We trained twenty-five teachers, policy makers and child protection officers from

government and non-government organisations and 30 teachers from the University of Goroka on positive discipline techniques.

Our **Children's Justice project** in **Laos** is training the community and government on the law and the protection of children's rights. Ten thousand people, including 400 children, attended training in Luang Prabang and Xieng Ngeun districts this year. In addition, 20 Village Mediation Unit members were trained, focusing on using the Principles of the Best Interests of the Child in the mediation process as an alternative to police custody.

Also in **Laos**, Save the Children Australia's **Cross Border project** provided training and awareness raising activities on topics including lifeskills, human trafficking, safe migration, HIV and AIDS, drug prevention and gender issues to 11 villages, reaching 10,500 people this year. One hundred and twenty eight peer educators and 149 members of community Child Protection Units were also trained. In Luangnamtha and Sayaboury provinces, the project received a Certificate of Appreciation from the Governor's of each province and the Lao Youth Union for its contribution to child protection. Child Protection Units are groups consisting of village leaders, government staff, teachers, parents, local police and young village peer educators who disseminate information and mediate issues within their village.

Our **HIV and Orphan and Vulnerable Children program** in **Cambodia** increased the number of pagodas we work in from 58 to 64 in Kampong Cham province. Pagodas are usually situated in or near temples and are a regular part of Cambodian life. The program works in

six provinces and supports 17,000 orphaned and vulnerable children, including 1,038 new children and their families that joined the program this year. In the same period, 148 orphan and vulnerable children households improved their living situation to the extent they can now support themselves.

In the **Solomon Islands**, our **Children and Youth in Conflict with the Law project** is helping to protect children at risk through the establishment of Crime Prevention Committees. Forty Crime Prevention Committees have been established in partnership with the Royal Solomon Islands Police force in high risk communities in six provinces, reaching 2486 people. We have also trained 20 police officers this year on working with children and young people. As part of the project, we are also counselling juvenile prisoners in Honiara prison, in partnership with the Social Welfare Department. We also working with the Law Reform Commission and National Advisory Council on Children to amend the local laws in consideration of the United Nations Convention on the Rights of the Child.

Raising the awareness and understanding of children's rights

All children have the right to feel safe. In many countries, children do not have rights or a voice to create change. Save the Children Australia is working to increase the awareness of child rights and communities' knowledge of the United Nations Convention on the Rights of the Child, which sets out the civil, political, economic, social and cultural rights of children.

In **Bangladesh**, 113,807 people observed 113 dramas on the violation of children's rights. Participants in Save the Children Australia's Child Councils expressed their views on various issues including the negative consequences of drug abuse, early marriage and physical punishment. Watched by the general public and duty-bearers, drama is a common way to impart community messages in Bangladesh. We also conducted focus group discussions with children in 22 districts to understand the issues facing children in Bangladesh. Issues raised by children included child labour, child trafficking and early marriage. These concerns and recommendations were raised with local duty bearers, and a six month plan has been put in place to address the issues.

In Chittagong, **Bangladesh**, Save the Children Australia organised a conference on positive discipline for 250 teachers, education officials and children to try to change the common practice of physical and emotional punishment as a means of discipline in schools. Eighteen schools participated and 48 teachers received preliminary training. One school, the Hamidia Model High School, has since declared itself as a corporal punishment free school.

Our **Child Advocacy project** directly benefited 8,528 people including 5,596 children in the **Solomon Islands** this year. The project aims to raise the awareness of child rights and address the violation of these rights. As part of the project, 60 Child Clubs have been established where children in each community meet and have fun together, while learning about their rights. Nine hundred Child Club children and 1000 community members received child rights training this year, and following the training each village reviewed and put in place actions to address barriers to education.



¹ Global Initiative to End all Corporal Punishment of Children 2006
² United Nations Study on Violence Against Children, 2006

Case Study: Solomon Islands

"I liked going around the community to different houses. This gave me an opportunity to know everyone. When we told them that we were collecting data on education they were very helpful and answered all our questions," said Paulie, a Child Club member.

A new Child Club was established in a remote area of Honiara this year as part of Save the Children Australia's **Child Advocacy project** in the Solomon Islands.

Child Clubs aim to raise awareness of child rights and address the violation of the rights of children. Child Clubs also empower children to become active members of their community. Through games and educational activities, children learn about their basic rights as set out under the United Nations Convention on the Rights of the Child.

One of the first things that the children in Paulie's Child Club did was collect data on the education situation in their community. The children mapped their community by drawing all of the houses and numbering them. Then, in teams of six, Child Club members visited each household asking them

questions like 'How old are the children who live here?', 'Do they go to school?' and 'If they don't go to school, why not?' Once the data was collected the children analysed it to discover how many children were not attending school.

In the Solomon Islands, school is free until Year Nine, however the cost of textbooks, uniforms and bus fares to school means education is out of reach for many. Children surveyed also said that they do not attend school because they have to do housework or look after their siblings. In many cases, it is girls who miss out on an education.

Save the Children Australia is raising awareness about the importance of education through Child Club activities. Issues uncovered during data collection are raised with decision makers in the community. Data has also been used to develop a new Save the Children Australia program addressing barriers to education for children in the Solomon Islands.

Emergencies

Every year millions of children's and families' lives are disrupted due to natural or man-made disasters. Education stops, health care services are overwhelmed and children are particularly at risk of exploitation.

Save the Children Australia works with communities and governments to improve their preparedness for and resilience to disasters. In the event of a disaster Save the Children's global network is on the ground quickly, helping vulnerable children and communities survive and rebuild their lives.

This year, our emergency program focused on three key areas:

- Disaster Risk Reduction
- Emergency response
- Supporting Save the Children's global network.

The following are our key initiatives in these areas during the year:

Disaster Risk Reduction

Increasing community resilience and preparedness is one of most proactive approaches to reducing the impact of a disaster when it does strike. Save the Children Australia works with local communities and governments to implement disaster risk reduction programs. For example, our **Sayaboury Integrated Hazard Mitigation project** in **Laos** reached 1486 students and 69 teachers at four schools in Laos with disaster risk reduction training this year. The provincial Department of Education, district education and Department of Labour and Social Welfare representatives also received training, particularly on how to work with children on disaster risk reduction activities. Save the Children Australia also facilitated the establishment of Children's Disaster Risk Management Clubs at a number of schools.

Emergency response

When a disaster strikes, Save the Children's global network responds by delivering life saving assistance to the most vulnerable, as well as remaining in the affected area to help communities recover.

For example, in August 2008, floods affected the Daulatdia area of **Bangladesh**, affecting approximately 10,000 families. Save the Children Australia responded immediately, assisting children and families by providing food, non-food items and education materials. See the case study on page 22 for more details.

In December 2008 the East Sepik region of **Papua New Guinea** was affected by a tidal surge, destroying homes and livelihoods. Save the Children Australia provided shelter and household kits to help children and their families recover.

In Australia, we deployed our Mobile Playbuses to areas affected by the **Victorian Bushfires** in February 2009. Our Mobile Playbuses visited Acheron, Alexandra, Buxton, Chum Creek, Flowerdale and Wandong in the weeks and months after the bushfires to provide children with an area to play and be children again. These types of activities assist with the recovery process and allow children to regain a sense of security and normality. We are now also partnering with Playgroup Victoria to allow our Mobile Playbuses to continue servicing bushfire affected areas. In addition, our Emergency Program Coordinator and Victorian State Manager were invited to the Whittlesea Shire to brief health professionals and case workers, and to provide tips from Save the Children global network's overseas emergency recovery experiences.



Save the Children Australia remains in disaster affected areas for the long term. For example, in April 2007 a tsunami struck the **Solomon Islands** affecting vulnerable populations in the Western and Choiseul provinces. Save the Children Australia responded immediately, providing communities with fresh water as well as programs in child protection and livelihoods restoration. We continue to remain in the affected area assisting with recovery and rebuilding. For example, our **Tsunami and Earthquake Recovery and Reconstruction program** is assisting 6,179 people across 60 villages in Choiseul province through the provision of tools and building materials to enable families to rebuild their homes. To date, 300 tonnes of material has been delivered to families across 150km of remote coastline. Along with the materials, families are receiving individual consultations and information on 'Build Back Better' principles, focusing on rebuilding to withstand future natural disasters and improving the communities' preparation for disasters.

Supporting Save the Children's global network

Our global network is made up of 28 Save the Children national organisations around the world. When major disasters strike, we respond as a global network, from fundraising through to staff deployments to the disaster affected areas.

This year, Save the Children Australia launched **emergency fundraising appeals** for the Georgia Conflict, India Floods, Haiti Hurricane,

Democratic Republic of Congo Conflict, Zimbabwe Crisis, Gaza Conflict, Victorian Bushfires, Sri Lanka Conflict, Pakistan Conflict and Bangladesh Cyclone.

We also applied for and received over \$2 million in **grants from AusAID** to assist with emergency responses. We received \$498,070 for the Sri Lanka Crisis for nutrition, child protection and water and sanitation programs; \$500,000 for the Pakistan Conflict for nutrition programs; \$425,000 for the Gaza Crisis for nutrition and health programs; and \$680,000 for the Cyclone Nargis response in Myanmar (Burma) for nutrition and livelihoods programs.

This year, Save the Children Australia also **trained staff** on emergency response. Staff from Laos, Cambodia and Bangladesh participated in intensive emergency preparedness and response training in Thailand - the practical and theoretical training will prepare these staff for future disaster situations.

Save the Children Australia also **deployed staff** to assist with emergency responses in Myanmar (Burma), Pakistan, and during the Victorian bushfires in Australia. Staff were deployed to assist with communications and program delivery in Myanmar and Pakistan, and with communications and programs support to our Mobile Playbuses in Victoria.

Case Study: Bangladesh



Save the Children Australia has been working in Goalundo, Bangladesh, since 1994, primarily with sex workers and their children at the Daulatdia brothel, to create access to alternative life choices. In August 2008 the Padma River overflowed, flooding areas of Goalundo, which is located a few hours north-west of country's capital, Dhaka.

The flooding impacted on hygiene conditions and access to education, and increased child protection issues. It also damaged housing and impacted on livelihoods.

"I had no alternative but to drink flood water. I could not even arrange safe water for my eight month old baby Rubina. She got diarrhoea at that time. For more than 15 days we had to use contaminated water for daily necessities," said Taslima, a resident of the brothel.

Taslima's home was flooded like many homes at the brothel. While most residents fled the area, Taslima found it difficult to leave because of her baby. Instead, she created a platform above the flood water and stayed on it for four nights.

Not only did the flood water affect daily life, it also kept many of the sex workers' clients away. With no work, Taslima turned to her personal savings fund, which had been set up as part of our Creating

Access to Alternative Life Choices program in conjunction with a local partner Mukti Mahila Shamiti. Without this savings fund, Taslima would have been forced to borrow money from her land lady which would have incurred a very high interest rate, increasing her vulnerability.

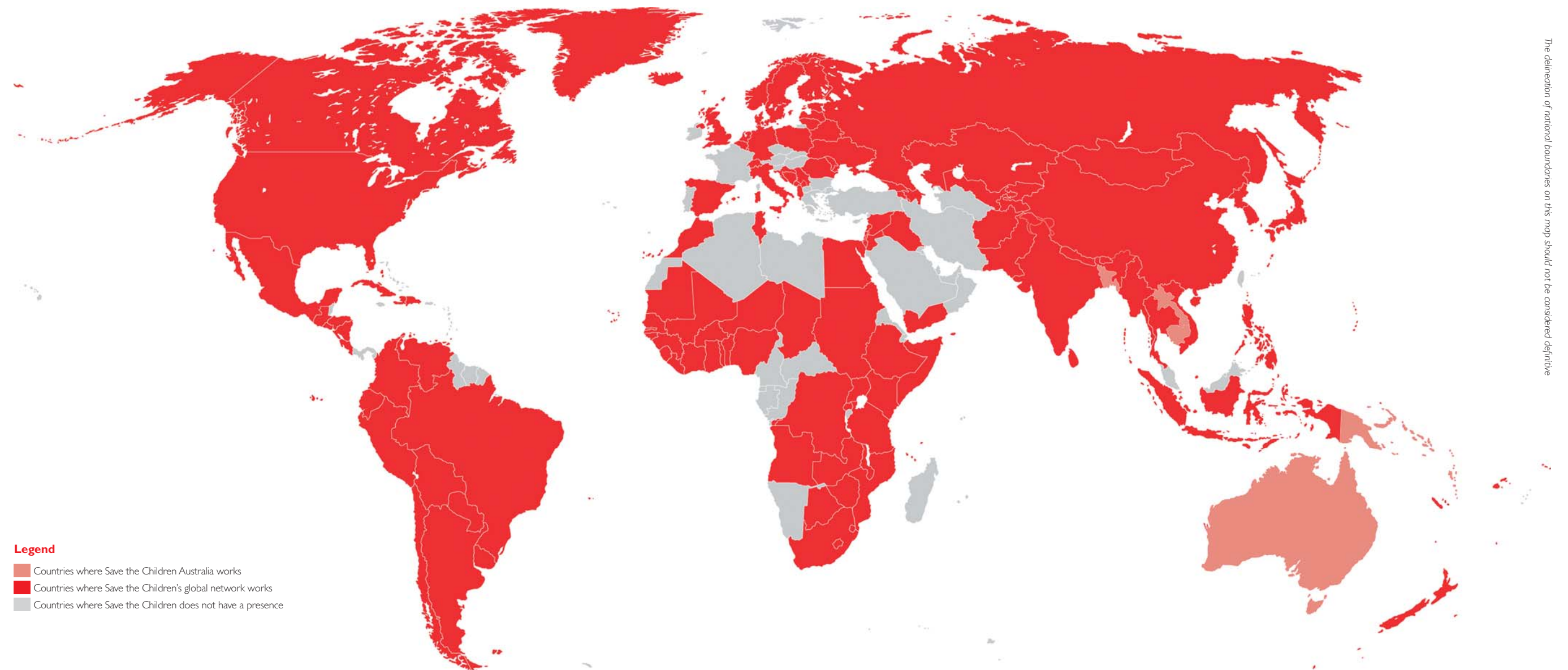
"I withdrew some money to pay for medicine for my little baby. After also getting the support from Save the Children Australia I felt more relaxed. I received food supplies, baby food and other items. I now have safe water as the water pumps have been repaired and cleaned also," said Taslima.

Save the Children Australia's Inclusive Emergency Flood Response assisted 2500 vulnerable families in Goalundo. Our response included the provision of food and non-food items - including nutritious baby foods, health and hygiene supplies - and basic educational materials for school children. We also repaired 301 water pumps so the community could access clean water.

Save the Children Australia also worked with local partners - including children - to develop and produce a child-friendly flood preparedness leaflet and comic book as part of our ongoing commitment to disaster risk reduction.



Where Save the Children works



The delineation of national boundaries on this map should not be considered definitive

- Legend**
- Countries where Save the Children Australia works
 - Countries where Save the Children's global network works
 - Countries where Save the Children does not have a presence

How Save the Children Australia works with other Save the Children offices

The International Save the Children Alliance (our 'global network') is made up of 28 national organisations, working together to improve children's lives in more than 100 countries around the world.

As a global network we respond to the needs of children by sharing expertise, coordinating activities and pooling resources. Every Save the Children organisation contributes to long-term strategies. Save the Children has a Secretariat in London to support and coordinate major joint initiatives and global campaigns, ensuring we achieve the greatest possible impact for children.

All Members of the Alliance are bound by the International Save the Children Alliance Byelaws. Members sign a Licence Agreement which governs use of the Save the Children name and logo.



Where Save the Children Australia works

Save the Children Australia directly run programs in Bangladesh, Cambodia, Laos, Papua New Guinea, Solomon Islands, Vanuatu and Australia. This work is supported by regular giving and fundraising programs, funds from corporate partners, government funding and other income sources.

- 'Imagine' allows regular donors to support our programs in Australia.
- 'Child Guardian - Asia' and 'Child Guardian - Pacific' are fundraising products that support Save the Children Australia's work in Asia and the Pacific. Money raised is spent on programs run by Save the Children Australia.

We also fundraise for other programs which are implemented by our global network. These are:

- 'Child Link' which provides regular donors the opportunity to support Save the Children's work in China, Ethiopia, Haiti, India, Malawi, Mozambique and Nicaragua.
- 'Child Guardian - Africa' and 'Child Guardian - Latin America' allows donors to support Save the Children's work in these regions.
- 'Global Neighbours' informs donors of our work worldwide and generates income to use where the need is greatest.

We also launched emergency appeals to assist children and families affected by natural or man-made disasters. Money raised was provided to our global network which, combined with money raised by other Save the Children organisations, was spent on emergency programs. Please refer to the Emergencies section of this Annual Report for details on this year's emergency fundraising appeals.

Acknowledgments

Business Support

We gratefully acknowledge the support of the following organisations who provided over \$1 000 of support during the year

Allens Arthur Robinson
Alumina Limited
American Express Australia Limited
Argyle Diamonds
Asia Pacific Building Corporation
Aussie Mite
Australia Post
Bakers Delight Subiaco
Beach Petroleum
BHP Billiton Limited
Bossy Hair
Bulgari
CEO Challenge
City Retravisson, Western Australia
Clayton Utz
CMV Group Pty Ltd
Coca-Cola Amatil Limited
Cover-More
Empowered Communications Pty Ltd
ExxonMobil Australia Pty Ltd
Fin Jewellery
Financial Wisdom
Fluor
Footprints Fundraising Inc
GlaxoSmithKline
Hamperesque
Howes Signs Pty Ltd
IKEA
Kosmic Sound
M&C Saatchi
NAB
National Press Gallery
O'Loughlins Lawyers
Palais Theatre
Rural Press Limited
Salmat
School AID
Signs Inc
Staedtler (Pacific) Pty Ltd
STW Group
The Arts Centre
The Body Shop
The Boston Consulting Group
The Decor Corporation Pty Ltd
Total Fire Solutions (Aust) Pty Ltd
Transfield Services
Tusa Pty Ltd
United Way
Westpac Banking Corporation
Worley Parsons Pty
Xstrata

Trusts and Foundations

Adelaide Crows Foundation
AMP Foundation Limited
ANZ Staff Foundation
ANZ Trustees Australia
Besen Family Foundation
Catholic Development Fund
Channel 7 Telethon Trust
Collier Charitable Fund
Equity Trustees Limited
Foundation Early Childhood Studies
Liangrove Foundation Pty Ltd
Lord Mayor's Charitable Foundation
Mars Stride Trust as administered by Equity Trustees Limited
Melbourne Community Foundation
Morialta Trust (SA)
Perpetual Trustees
Planet Wheeler Foundation
PricewaterhouseCoopers Foundation
The Bell Charitable Fund
The Charitable Foundation
The Harcourts Foundation
The Perpetual Foundation
TressCox Lawyers Trust
Trust Co. of Australia
Walter Campbell Memorial Trust
Whitehouse Foundation
William Angliss (Victoria) Charitable Fund
Women's Plans Foundation

Government and Community Organisations

Australian Government Department of Education, Employment and Workplace Relations
Australian Government Department of Families, Housing Community Services and Indigenous Affairs (FaHCSIA)
Australian Red Cross (Darwin)
Brisbane City Council
Ceduna/Koonibba Aboriginal Health Services
Curtin University (and Professor Sherry Saggers)
Domestic Violence Crisis Service Inc.
Government of South Australia Environmental Health Service
New South Wales Government Families NSW
Family Planning Western Australia (FPWA)
Foodbank
Julalikari Council
New South Wales Government Department of Community Services (DoCS)
Office for Youth - National Youth Week
Port Pirie Regional Health Service
Queensland Government Department of Child Safety (Area Offices of Redlands and Wynnum)
Queensland Government Department of Communities
Queensland Government Department of Corrective Services

Queensland Government Department of Education, Training and the Arts
Queensland Government Department of Housing
Queensland Government Gambling Community Benefit Fund
Rotary Club Toowoomba East
Shire of Wyndham, East Kimberley
Stonnington City Council
Tangentyere Council
United Care Wesley
Variety, The Children's Charity, South Australia
Victorian Government Department of Education and Early Childhood Development
Government of Western Australia Department of Health
Government of Western Australia Department for Communities
Wynnum & Manly District Senior Citizens Club Inc
Zonta

Bequests

Clara Broadhurst Memorial Fund
EDCADUN Pty Ltd
Estate of Bruce Cook
Estate of Doris Payne
Estate of Helen Fleurette Finnie
Estate of Jessie Roberta Sedunary
Estate of John W H
Estate of the Late Doris Payne
Estate of the Late Mr H A D Dean
Estate of Lindsay James Baldy
Estate of Melville Withers
Estate of Mrs Dorothy Florence White
Estate of Mrs Gloria Yates
Estate of Robert Louis Angus
Estate of S G Lane
Estate of Will De Jong
Hilton White Bequest
M L Merrifield Memorial Trust
McMurchie & Company Trust
The Hackett Foundation (Late Miss Doreen Hackett)

Overseas support

Asian Development Bank
AusAID
Australian Federation of AIDS Organisations
Base Hospitals in Goroka, Lae and Port Moresby
Bethany Centre
Burnet Institute
Cambodia Ministry of Health
Canada Fund
Constitutional Law Reform Commission Papua New Guinea
Department for Community Development at National and Provision levels, Papua New Guinea
Department for Education, Papua New Guinea
Department for International Development (DFID), UK
Eastern Highlands Family Voice, Papua New Guinea



Elton John AIDS Foundation
Honiara City Council
Institute of Medical Research, Papua New Guinea
Kainantu District Hospital, Eastern Highlands
Korea International Cooperation Agency (KOICA)
Lao Youth Union at Central and District Levels
Law & Justice Sector Program, Papua New Guinea
Madang Provincial Youth Council, Papua New Guinea
Michael Alper's Clinic, Goroka
Ministry of Education and Human Resource Development, Solomon Islands
Ministry of Education, Laos*
Ministry of Foreign Affairs, Laos*
Ministry of Health and Medical Services, Solomon Islands
Ministry of Health, Laos*
Ministry of Health, Vanuatu
Ministry of Home Affairs, Solomon Islands
Ministry of Justice, Laos*
Ministry of Labour and Social Welfare, Laos*
Ministry of Women, Youth and Children Affairs, Solomon Islands
National AIDS Council
National Department of Education, Papua New Guinea
National Department of Health, Papua New Guinea
National Disability Resource and Advocacy Centre, Papua New Guinea
National Disaster Management Office, Laos
National Education Science Research Institute, Laos
National Youth Commission, Papua New Guinea
North Goroka Urban Clinic
NZAID
Oxfam
Plan
Provincial Administration, Eastern Highlands
Provincial AIDS Committees, Papua New Guinea
Provincial Division of Health, Eastern Highlands, Papua New Guinea
Provincial Governments of the Solomon Islands
Radio Eastern Highlands
Regional Assistance Mission to the Solomon Islands (RAMSI)
Secretariat of the Pacific Community (SPC)
Sustainable Development Program, Papua New Guinea
The Clinton Foundation (Goroka)
The Global Fund to Fight AIDS, Tuberculosis and Malaria
UNAIDS (Port Moresby post)
UNICEF
US State Department
Water and Sanitation Environment Institute, Laos*
World Food Program
World Vision

* at National, Provincial and District Levels





Corporate Governance Statement



1. Introduction

Save the Children Australia is incorporated as a company limited by guarantee. It operates nationally in all States of Australia and in some overseas countries to promote the welfare and rights of children.

Save the Children Australia's corporate governance and performance are the responsibilities of its directors. The board delegates the responsibility for the day-to-day administration of the company to the Chief Executive Officer (CEO) who, together with the Executive Committee, is accountable to the board. The roles of Chairman and CEO are distinctly separate.

There is a maximum of 14 directors. There must be at least one director resident in each State. A director who has served six consecutive years from date of appointment will not be eligible for reappointment or re-election unless a minimum period of one year has lapsed since that person last held the position of Director or the Members in general meeting specifically give their approval.

State Councils operate in all states to execute functions delegated to them by the board. These functions include fundraising, member support and monitoring of budgets and state based programs.

2. Remuneration of directors and State Council members

Directors and State Council members demonstrate their commitment to Save the Children Australia's mission through the contribution of their skills and experience to the collective work of the board or State Council, along with the contribution of their personal time and efforts, together with the appropriate advocacy within their social and business networks of Save the Children Australia's mission and the programs implemented to achieve the mission, and through whatever financial contributions they make personally or persuade others to make. They receive no return in cash or kind. Their sole reward is the satisfaction of seeing

the achievement of the goal of Save the Children to improve the lives of children.

3. Board meetings

The board meets at least six times a year. There are four scheduled face-to-face meetings and two teleconference meetings. Additional meetings are called as required.

4. Board committees

(a) An Audit Committee assists the board to discharge its responsibilities to exercise due care, diligence and skill in relation to Save the Children Australia's reporting of financial information, application of accounting policies, financial management generally, internal control and risk management. Risk management includes the protection of Save the Children Australia's people and assets, and compliance with applicable laws and regulations. The committee approves the scope of the audit and the setting of the audit fee and advises the board in relation to the board's recommendations & members regarding the appointment of the external auditor. Save the Children Australia is conscious of best practice in relation to auditor independence.

Audit Committee members are Mark Laurie (Chair), Anthony Nicholls and Andrew Sisson.

(b) A Program Committee advises the Board on program priorities, strategies and policies related to projects undertaken by Save the Children Australia, both domestically and overseas. The committee also assists program staff with technical expertise on program implementation and operation.

Program Committee members are Jill Cameron (Chair), Lynne Jensen, Peter Watson and Collette Tayler.

(c) The responsibilities of the Remuneration Committee, which reviewed salaries and benefits paid to executive personnel, have been combined with the Nominations Committee,

which identifies gaps in the inventory of skills of board members and seeks new members as appropriate.

The members of this combined committee are Jill Cameron (Chair), Bruce Mansfield, Adrian Morgan and Phil Ransom.

(d) State Councils support fundraising and operations in each State. Chairpersons of these Councils are:

New South Wales – Valerie Moffat
Queensland – Peter Sommer
South Australia – Gary Bettcher
Tasmania – Nicola Hodgman
Victoria – Sarah Hosking
Western Australia – Sue Aldenton
Australian Capital Territory – Lynne Reeder.

5. Committees of management

The leadership team supports the CEO and meets fortnightly to review the operation and management of the company.

6. Executive remuneration

Executive remuneration is based on current market conditions and trends.

7. Internal controls and management of risk

Save the Children Australia has established controls designed to safeguard its assets and interests, and to ensure the integrity of its reporting.

8. Ethics and conduct

Save the Children Australia is committed to ensuring that all its activities are conducted legally, ethically and in accordance with high standards of integrity. To assist employees to meet these standards, Save the Children Australia has developed policies which deal with occupational health and safety, intellectual property, privacy and equal opportunity, child rights and protection, and employee grievances.

9. Member relationships

Save the Children Australia is committed to providing members and donors with relevant and timely information regarding its operations and management through a website, member meetings, and direct communications.

Members are encouraged to attend and vote at annual general meetings.

10. Governance best practice

The International Save the Children Alliance, of which Save the Children Australia is a member, requires that the governance processes of its members ensure that the organisation effectively and efficiently strives to achieve its stated goals, while protecting the public interest and trust.



Concise financial report

For the year ended 30 June 2009

The concise financial report incorporating the financial statements and other specific disclosures required by Accounting Standard AASB 1039 Concise Financial Report is an extract of, and has been derived from Save the Children Australia and its controlled entities' consolidated financial report for the financial year.

The concise financial report does not, and cannot be expected to, provide as full an understanding of the financial performance, financial position, and financing and investing activities of the Group as the full consolidated financial report.

A copy of the full consolidated financial report and independent audit report is available on our website – www.savethechildren.org.au. Alternatively, you can request for a hard copy which will be sent without charge upon request. All such requests should be made to the Registered Office at Level 6, 250 Victoria Parade, East Melbourne, VIC 3002 or phone 03 9938 2000.

Company Secretary: Philip Thomas

Registered Office:
Level 6, 250 Victoria Parade, East Melbourne, Vic 3002
Phone: 03 9938 2000
Fax: 03 9938 2099

Directors' report to members

The directors present their report together with the Financial Report of Save the Children Australia ("the company") and controlled entities for the year ended 30 June 2009, and the auditor's report thereon.

1. Directors

The directors of the company during the financial year and the period to the date of this report are:

Directors for the full financial year were:

Phillip Ransom
Jill Cameron
Anthony Nicholls
Lynne Jensen
Bruce Mansfield
Simon O'Loughlin (resigned 11 August 2009)
Jenny-Ellen Kennedy
Adrian Morgan

Directors for part of the financial year were:

Warren Mundine (appointed 30 March 2009)
Peter Watson (appointed 30 March 2009)
Allan Freeth (appointed 16 June 2009)
Andrew Sisson (appointed 16 June 2009)
Mark Laurie (appointed 25 June 2009)
Cliff Caldwell (retired 22 November 2008)
Brian Hartzler (resigned 16 June 2009)
Peter Falvey (resigned 14 October 2008)

2. Directors' meetings

The number of directors' meetings and number of meetings attended by each of the directors of the company during the financial year were:

	Directors' Meetings	
	Number of meetings attended	Number of meetings eligible to attend (*)
Phillip Ransom	6	7
Jill Cameron	6	7
Anthony Nicholls	7	7
Lynne Jensen	7	7
Bruce Mansfield	6	7
Simon O'Loughlin	5	7
Jenny-Ellen Kennedy	7	7
Adrian Morgan	6	7
Warren Mundine	0	1
Peter Watson	1	1
Allan Freeth	1	1
Andrew Sisson	1	1
Mark Laurie	0	0
Cliff Caldwell	4	4
Brian Hartzler	7	7
Peter Falvey	1	2

(*) Reflects the number of meetings held during the time the director held office in the year.





3. Information on Directors

(a) Phillip Ransom – Chairman

Phillip Ransom B.Ec, FCA, is a chartered accountant and Audit Partner with RSM Bird Cameron, a national accounting firm.

He has 30 years experience in the accounting profession, during which time he has been providing advice to boards and various organisations on a broad range of financial, risk management, governance and other matters. Phillip is a member of the RSM Bird Cameron National Executive, currently represents the Melbourne Office of RSM Bird Cameron on its National Audit Committee and is the Partner responsible for independence and ethics for the firm nationally.

Phillip joined the Save the Children Australia Board of Directors in November 2004.

(b) Jill Cameron – Deputy Chair

Jill Cameron, BA, B.Ed., has extensive experience in the areas of children's services, education, health and community services. Jill held senior management positions in government and non-government organisations before establishing her own consultancy business in 1994.

Jill has undertaken research and evaluation, community consultation, planning and capacity building projects throughout Australia for clients in the private sector, Australian and State Government Departments, Local Government and Non-Government Organisations.

Jill joined the Western Australian State Management Committee Save the Children Australia in 1999 and became a member of its Program Advisory Committee in 2001. Jill was elected to the Save the Children Australia Board of Directors in 2003 and is currently Deputy Chair and chairs the Program Committee and Nomination Committee.

(c) Anthony Nicholls - Treasurer

Anthony Nicholls, Dip.FM (Hons), B.Comm., is the Managing Director of the Carlingford Fleet Group which has interests in Motor Vehicle Leasing, Car Rental and Fleet Management.

Anthony has been a director of Save the Children Victoria since 2002 and served as President in 2003/4. Anthony joined Save the Children Australia Board of Directors in November 2005. Anthony is

currently Treasurer of Save the Children Australia and serves on the Board Audit Committee and the Board Membership & Fundraising Committee.

(d) Lynne Jensen

Lynne Jensen, BA, LL.B (Hons), is a partner of the national law firm Allens Arthur Robinson. Lynne is based in Melbourne and practises in corporate, securities and financial services law, with a particular emphasis on mergers and acquisitions, funds management and private equity.

Lynne worked in the London office of leading international law firm, Linklaters, from 1995 to 1999, including a six-month secondment to the corporate advisory division of merchant bank, Dresdner Kleinwort Benson. From January 2002 to March 2004, Lynne was based in Allens Arthur Robinson's Perth office.

Lynne is a member of the Allens Arthur Robinson Charity Committee.

Lynne joined Save the Children Australia Board of Directors in November 2006.

(e) Bruce Mansfield

Bruce Mansfield, B. Comm., has been with Visa International for 18 years. In 2008 he took up his current role of Regional Head, Commercial Products, which has overall responsibility for Visa's commercial card products across Asia Pacific.

Prior to this Bruce headed up Visa's overall business operations in Australia, New Zealand and the Pacific Islands. Before that, Bruce was located in Singapore looking after Visa Asia Pacific's Emerging Products and Technology Group. Before moving to Singapore, Bruce was responsible for Visa's Australian business, the Sydney 2000 Olympic Games sponsorship and a number of technology roles for Visa. Prior to joining Visa, Bruce undertook a number of roles in the data processing industry, primarily selling solutions and services to retail and commercial banks in Australia and New Zealand.

Bruce joined the Save the Children Australia Board of Directors in February 2007.

(f) Jenny-Ellen Kennedy

Jenny-Ellen Kennedy, BA, LL.B, has been a practising solicitor since 1998 and is currently a corporate and commercial lawyer with James Groom & Co. in Hobart. Jenny-Ellen previously worked at law firm

Browne & Co in Melbourne, specialising in sports and media law.

In addition, Jenny-Ellen supports One In Five, a mental health awareness organisation involved with fund raising for the Mental Health Research Institute. Jenny-Ellen is also a member of the Tasmanian State Council and is a member of the events committee for the Save the Children Chocolate Ball.

A mother of four, Jenny-Ellen joined the Save the Children Australia Board of Directors in November 2007.

(g) Adrian Morgan

Adrian Morgan, BA, is currently a senior executive with a not-for-profit organisation providing aged care, youth and disability services to almost 2,000 people in Queensland. He has responsibility for communications, government relations, fund raising and human resources.

Adrian previously worked as a management consultant for PricewaterhouseCoopers as well as for a boutique organisational consultancy, People & Strategy. His consulting work included several significant projects relating to the provision of services to vulnerable children living in families affected by domestic violence.

(h) Warren Mundine

Warren is a Bundjalung man from the north coast of NSW and is the current Chairman of the Australian Indigenous Chamber of Commerce. He is on the Steering Committee of the Australian Employment covenant as well as Chief Executive Officer of NTSCORP Ltd.

Born in Grafton, NSW, Warren is the ninth child in a family of eleven children. He was brought up in a strong Aboriginal family with Catholic and Indigenous beliefs.

Warren is one of Australia's most influential and respected community, political and business leaders with over 26 years experience working in the public, private and community sectors at management level.

He is a Doctor of the University (honoris causa) Southern Cross University.

His passion is his family, football (soccer) and the Performing and Fine Arts.

(i) Peter Watson

From 2002 to 2009, Peter was Managing Director and Chief Executive Officer of Transfield Services. He played an integral role in the successful development of Transfield Services since its inception in 1993 and led the organisation through its public listing in 2001. During this time, he grew the business into a global services company with revenue approaching \$4 billion per annum and employing over 28,000 people.

He is an alumnus of The Wharton School of Executive Education and has a Diploma of Engineering (Civil). Peter is a member of the Institution of Engineers Australia and the Australian Institute of Company Directors.

Peter is a founding sponsor of the Australian Sustainable Industry Research Centre, a fellow of the Australian Academy of Technological Sciences and Engineering.

(j) Andrew Sisson

Since 1988, Andrew has been Managing Director, Balanced Equity Management Pty. Limited ('BEM'), a specialist manager of Australian equities for wholesale clients, consisting of government, industry and corporate superannuation funds as well as Australian and overseas implemented consulting pooled funds. BEM currently has \$8,700 million under management, concentrated on the companies in the S&P/ASX index of the 50 largest companies.

He has a Bachelor of Science, graduating in mathematics and statistics from The University of Melbourne. Andrew is a member of the Takeovers Panel and a member of the ASX Listing Appeals committee and the National Gallery of Victoria Investments Committee.

(k) Allan Freeth

From 2005, Allan has been CEO of TelstraClear Limited, New Zealand. He is responsible for the management, performance and strategic direction of TelstraClear, comprising the businesses in Enterprise, SME, Consumer and Wholesale generating around \$700 million in revenue.

As CEO and Managing Director of Wrightson Limited from 1996 to 2004, he initiated significant financial turnaround and increased shareholder value. Wrightson was a group of businesses serving New Zealand agriculture with a turnover of about \$1.5 billion.



Prior to 1996, he was employed by the Trust Bank New Zealand in various management roles, responsible for restructuring, analysis and strategic development and key projects.

Allan has a Bachelor of Science with Honours from University of Canterbury (NZ), Doctor of Philosophy from ANU and MBA with Distinction from University of Canterbury (NZ).

He is currently Chairman of Save the Children New Zealand Limited.

(l) Mark Laurie

Currently a partner with PricewaterhouseCoopers, Mark has over 28 years' experience. His clients include domestic and foreign banks, investment managers and life and general insurers. He has extensive experience in managing teams and assignments relating to due diligence/mergers and acquisitions and structuring work. He has performed a number of reviews of the strategic direction of client organisations, including the board of a large not-for-profit financial services group to review its strategic direction and capital structure.

Mark has a Bachelor of Economics (La Trobe University) and an MBA (Melbourne Business School).

4. Directors and officers

(a) Company Secretary

The Company Secretary is Philip W. Thomas BBus, MCommLaw, Grad DipCSP, FCIS, FFin, ASA, AICD.

Philip has extensive private and public company experience in similar roles at a senior level in the areas of finance, administration and company secretarial practice.

(b) Indemnification of Officers and Auditors

The company has in place insurance arrangements with respect to directors' and officers' liability, and legal expenses for both current and former directors and officers.

The insurance premiums cover these persons for costs and expenses incurred in defending proceedings (whether civil or criminal, and whatever their outcome) relating to their Save the Children Australia engagement, and other liabilities that may arise from their position, except in relation to wilful breach of duty or improper use of information or position to gain a personal advantage.

The insurance policy outlined above prohibits disclosure of the premiums paid in respect of individual officers of the company.

(c) Indemnities

Under the terms of individual contracts with each director, the company agrees to indemnify current and past directors of the company against all liabilities to another person (other than to the company or a related body corporate) that may arise from their position as directors of the company, except where the liability did not arise out of conduct in good faith or is a pecuniary penalty or compensation order under the *Corporations Act 2001*.

The company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or any of its controlled entities against a liability incurred as such an officer or auditor.

5. Principal activities

The principal activities of the consolidated entity are concerned with the welfare and rights of children as stated in the UN Declaration on the Rights of Child.

There were no significant changes in the nature of the activities of the consolidated entity during the year.

6. Review and results of operations

(a) Activities of the entity

The consolidated entity continues to pursue its goals in the interests of children in Australia, Bangladesh, Cambodia, Lao PDR, Papua New Guinea, Solomon Islands, Vanuatu and Vietnam.

(b) Continuity of activities

Generosity of all donors and volunteers is essential to the continuation of these activities. The board notes particularly the contributions of its State divisions and the major grants from AusAID, Asia Development Bank and Australian Government Department of Families, Housing, Community Services and Indigenous Affairs.

(c) Tsunami

On 26 December 2004, a severe geophysical disturbance in the seabed off Indonesia generated a tsunami that caused the deaths of many thousands of people in Indonesia, Sri Lanka, India and Thailand, and major devastation to the lives and property of survivors. Australians, collectively through the

Australian Government, and individually, donated funds, resources and personal time generously to the work of relief and recovery that will take some years to complete. Save the Children Australia received a total of \$5.34 million, of which \$0.02 million has been expended on collection and administration. An amount of \$5.00 million has been spent to date on work undertaken in the affected areas by Save the Children Alliance members. The balance of \$0.32 million is expected to be spent in Banda Aceh (Indonesia) during the next year. The interest earned for the year ended 30 June 2009 is included in the balance of \$0.32 million. Interest earned on accumulated funds will be allocated to programs to support victims of the Tsunami.

(d) Revenue and results

Revenue for the year to 30 June 2009 of \$54.1 million was \$5.5 million greater than revenue for 2008. There were a number of factors contributing to the increase. Firstly, there was a \$1.9 million increase in donations largely attributable to an increase in the number of committed-giving donors and higher average gift amount. Secondly, there was a \$3.8 million increase in grants from government instrumentalities and institutions.

Expenditure on overseas projects was \$5.6 million higher than the prior year, while expenditure on Australian projects increased slightly by \$0.8 million. Public fundraising costs were \$2.7 million greater than year 2008.

Net operating surplus for the year was \$0.6 million compared to \$4.2 million in 2008. This decrease in net operating surplus from the previous financial year is largely attributable to an overall increase in program expenditure in financial year 2009.

7. Significant changes in the state of affairs of the consolidated entity

No significant changes in the state of affairs of the Consolidated Entity occurred during the financial year.

8. Events subsequent to balance date

The Papua New Guinea program, which has been managed by Save the Children New Zealand previously, has officially been handed over by Save the Children New Zealand on 1 July 2009 to be under the overall management of Save the Children Australia.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

9. Proceedings on behalf of the company

As required by section 237 of the *Corporations Act 2001* the directors confirm that no person has applied for leave of Court to bring proceedings on behalf of the company or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of these proceedings.

10. Environmental issues

The consolidated entity's operations are not subject to any significant environmental regulations.

11. Auditor's independence declaration under section 307C of the Corporations Act 2001

The Auditor's Independence Declaration is set out on page 35 and forms part of the Directors' Report for the financial year ended 30 June 2009.

Signed in accordance with a resolution of the directors.

Phillip Ransom
Chairman

Melbourne
24 September 2009



Auditor's independence declaration



BDO Kendalls

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www.bdo.com.au

ABN 17 114 673 540

DECLARATION OF INDEPENDENCE BY NICHOLAS E BURNE TO THE DIRECTORS OF SAVE THE CHILDREN AUSTRALIA

As lead auditor of Save the Children Australia for the year ended 30 June 2009, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Save the Children Australia and the entities it controlled during the period.

BDO Kendalls Audit & Assurance (NSW-VIC) Pty Ltd

Nicholas E. Burne
Director

Melbourne
24 September 2009

BDO Kendalls is a national association of separate partnerships and entities. Liability limited by a scheme approved under Professional Standards Legislation.

Financials

Income statement for the year ended 30 June 2009

	Consolidated Entity	
	2009 \$	2008 \$
Revenue		
Donations and gifts	27,993,663	26,116,224
Legacies and bequests	543,688	421,915
Grants		
- AusAID	10,285,203	4,934,659
- other Australian	7,106,704	7,869,052
- other overseas	4,064,249	4,845,909
Revenues from commercial activities	3,349,636	3,164,004
Interest income	754,563	1,102,891
Other income	59,402	191,201
Total revenue and other income	54,157,108	48,645,855
Expenses		
Funds to overseas projects	26,017,369	20,377,338
Domestic projects	9,694,900	8,882,131
Other project costs	892,308	1,214,328
Fundraising costs – public	11,310,619	8,646,420
Commercial activities	1,716,763	1,916,673
Administration	3,978,895	3,387,397
Total expenses	53,610,854	44,424,287
Net surplus	546,254	4,221,568





Balance sheet as at 30 June 2009

	Consolidated Entity	
	2009 \$	2008 \$
Assets		
Current assets		
Cash and cash equivalents	21,728,832	24,907,037
Trade and other receivables	2,172,205	1,575,736
Inventories	191,072	134,120
Total current assets	24,092,109	26,616,893
Non-current assets		
Other financial assets	109,958	114,006
Property, plant and equipment	2,687,147	2,484,033
Total non-current assets	2,797,105	2,598,039
Total assets	26,889,214	29,214,932
Liabilities		
Current liabilities		
Trade and other payables	3,460,935	3,801,579
Short term borrowings	28,284	8,594
Provisions	337,459	325,144
Deferred income	7,948,745	11,006,732
Total current liabilities	11,775,423	15,142,049
Non-current liabilities		
Long term borrowings	-	28,284
Provisions	232,567	241,336
Total non-current liabilities	232,567	269,620
Total Liabilities	12,007,990	15,411,669
Net assets	14,881,224	13,803,263
Equity		
Foreign Currency Translation Reserve	445,541	(86,166)
Accumulated funds	14,435,683	13,889,429
Total equity	14,881,224	13,803,263

Statement of changes in equity for the year ended 30 June 2009

	Consolidated Entity	
	2009 \$	2008 \$
Balance of total equity at 1 July	13,803,263	9,669,207
Changes in fair value of available-for-sale financial assets	-	(1,346)
Movement in foreign currency translation reserve	531,707	(86,166)
Total income and expense for the year recognised directly in equity	531,707	(87,512)
Surplus for the year	546,254	4,221,568
Total income and expense for the year	1,077,961	4,134,056
Balance of total equity at 30 June	14,881,224	13,803,263

Cash flow statement for the year ended 30 June 2009

	Consolidated Entity	
	2009 \$	2008 \$
Cash flows from operating activities		
Cash received in the course of operations	52,806,076	47,991,920
Cash paid in the course of operations	(56,055,553)	(42,084,672)
Interest received	754,563	1,102,891
Net cash (used) / provided by operating activities	(2,494,914)	7,010,139
Cash flows from investing activities		
Proceeds from sale of non-current assets	-	32,222
Payments for plant and equipment	(674,697)	(763,632)
Net cash (used) in investing activities	(674,697)	(731,410)
Cash flows from financing activities		
Finance lease repayments	(8,594)	(6,720)
Net cash (used) in financing activities	(8,594)	(6,720)
Net (decrease) / increase in cash held	(3,178,205)	6,272,009
Cash at the beginning of the financial year	24,907,037	18,635,028
Cash at the end of the financial year	21,728,832	24,907,037

Notes to the financial statements

For the year ended 30 June 2009

1. Basis of preparation of the concise financial report

The concise financial report has been prepared in accordance with the *Corporations Act 2001* and Accounting Standard AASB 1039 *Concise Financial Reports* (AASB 1039). The financial statements and specific disclosures required by AASB 1039 have been derived from Save the Children Australia and Controlled Entities full financial report for the financial year. Other information and disclosures included in the concise financial report are consistent with the full financial report of Save the Children Australia and Controlled Entities.

The concise financial report does not, and cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of Save the Children Australia and Controlled Entities as the full financial report.

The concise financial report is presented in the Australian currency.

The address of the registered office and principal place of business is Level 6, 250 Victoria Parade, East Melbourne, VIC 3002.

Early adoption of standards

Save the Children Australia elected to apply the following pronouncement to the annual reporting period beginning 1 July 2007:

- AASB 8 *Operating Segments* and AASB 2007-3 *Amendments to Australian Accounting Standards arising from AASB 8*.

Commencing in 2007 report, the entity elected to adopt the accounting standard AASB 8 and AASB 2007-3 for the annual financial period commencing 1 July 2006. The new standard and its consequential amendments are mandatory for annual reporting periods commencing on or after



1 January 2009. The impact of early adoption of AASB 8 has been to remove all disclosures previously presented under AASB 114 Segment Reporting as the standard only applies to listed and similar types of entities. AASB 2007-3 makes minor consequential amendments to other accounting standards arising from the adoption of AASB 8 that have no effect on the entity.

A full description of the accounting policies adopted by Save the Children Australia and Controlled Entities may be found in the full financial report.

2. Tsunami funds

On 26 December 2004, a severe geophysical disturbance in the seabed off Indonesia generated a tsunami that caused the deaths of many thousands of people in Indonesia, Sri Lanka, India and Thailand, and major devastation to the lives and property of survivors. Australians, collectively through the Australian Government, and individually, donated funds, resources and personal time generously to the work of relief and recovery that will take some years to complete. Save the Children Australia received a total of \$5.34 million, of which \$0.02 million has been expended on collection and administration. An amount of \$5.00 million has been spent to date on work undertaken in the affected areas by Save the Children Alliance members. The balance of \$0.32 million (including interest) is expected to be spent in Banda Aceh (Indonesia) during the next year. The interest earned for the year ended 30 June 2009 is included in the balance of \$0.32 million. Interest earned on accumulated funds will be allocated to programs to support victims of the Tsunami.

3. Contingent liabilities

The company has provided an indemnity to Andrew Love, Liquidator of Save the Children Australia (NSW). The company has agreed to indemnify the Liquidator, his servants and agents, up to a limit of \$450,000 for a period of seven years from April 2002, against actions, suits, demands, claims, costs and expenses brought against them by any former employee or creditor of the company. To date, the company has not received any such claims, and does not expect to receive any with the indemnity having expired in April 2009.

4. Ratios

A useful measure of the consolidated entity's administrative efficiency is its administration cost ratio, which we aim to keep below 10%. The ratio expresses administration costs (including depreciation) as a percentage of total revenue. For 2008/2009, the ratio was 7.3% (2007/2008, 7%). This increase reflects investment made in developing the organisation's capabilities for future growth.

Another ratio often given attention is the fundraising cost ratio, which expresses fundraising costs as a percentage of the funds raised. The ratio in relation to all funds raised in 2008/2009 was 40.4% (2007/2008, 33.1%). However, the meaningfulness of this ratio is affected by the range of fundraising activities. In Save the Children Australia's case this range, and the associated cost rates, varies markedly between recruitment of donors into the Committed Giving program and special events. Fundraising activities are worth pursuing provided they generate a worthwhile surplus that can be devoted to achieving Save the Children Australia's goal of improving the lives of children. It is therefore necessary to be cautious when comparing the ratio with the corresponding ratio of other charities that may have quite different ways of funding their activities and reporting their results.



Director's declaration

The directors of the company declare that:

- (a) the concise financial report comprising the income statement, balance sheet, cash flow statement, statement of changes in equity and related notes of Save the Children Australia and Controlled Entities, as set out on pages 36 to 39, are in accordance with the *Corporations Act 2001* and:
 - (i) complies with Accounting Standard AASB 1039 Concise Financial Reports; and
 - (ii) is an extract from the full financial report for the year ended 30 June 2009 and has been derived from and is consistent with the full financial report of Save the Children Australia and Controlled Entities.
- (b) in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

Phillip Ransom
Chairman

Melbourne
24 September 2009

Appendix to the concise financial report

For the year ended 30 June 2009

Table of cash movements for designated purposes

\$A000's	Cash available at beginning of year	Cash raised during the financial year	Cash disbursed during the financial year	Cash available at end of year
Overseas program appeals	8,727	21,764	23,528	6,963
Australian program appeals	475	2,441	1,799	1,117
Emergency Appeal - Tsunami	1,600	43	1,327	316
Emergency Appeal - Other	14	1,497	1,267	244
Grants for overseas programs - ASIA	2,105	8,343	7,268	3,180
Grants for overseas programs - PACIFIC	1,745	5,903	6,484	1,164
Grants for Australian programs	1,480	7,933	8,259	1,154
Total for other purposes	8,761	6,325	7,495	7,591
TOTAL	24,907	54,249	57,427	21,729



Independent auditor's report



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ABN 17 114 673 540

INDEPENDENT AUDITOR'S REPORT

To the members of Save the Children Australia

The accompanying concise financial report of Save the Children Australia comprises the balance sheet as at 30 June 2009, the income statement, statement of changes in equity and cash flow statement for the year then ended and related notes, derived from the audited financial report of Save the Children Australia for the year ended 30 June 2009. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Directors' Responsibility for the Concise Financial Report

The Directors are responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039 *Concise Financial Reports*, and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Save the Children Australia for the year ended 30 June 2009. Our audit report on the financial report for the year was signed on 24 September 2009 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039 *Concise Financial Reports*.

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



Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001* would be in the same terms if it had been given to the directors at the time that this auditor's report was made.

Auditor's Opinion

In our opinion, the concise financial report of Save the Children Australia for the year ended 30 June 2009 complies with Accounting Standard AASB 1039 *Concise Financial Reports*.

BDO Kendalls

BDO Kendalls Audit & Assurance (NSW-VIC) Pty Ltd

Nicholas E. Burne

Nicholas E. Burne
Director

Melbourne
24 September 2009



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Save the Children

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