

# 2012 Annual Report



### **About us**

Save the Children is Australia's leading independent humanitarian relief and development organisation for children. We protect and support children in need. We save lives in emergencies. We stand up for children's rights.

Globally, Save the Children works in 120 countries. In Australia, we work in every state and territory with programs in more than 100 locations.

We work to ensure that:

- · children no longer die of preventable causes
- · every child has the opportunity to learn through access to quality
- children are safe and

Photos: Elissa Bogos/Save the Children

· when disaster strikes, we're at the frontline doing whatever it takes to save children's lives.

#### **Our Vision**

Our vision is a world in which every child attains the right to survival, protection, development and participation.

#### **Our Purpose**

Our purpose is to inspire breakthroughs in the way the world treats children and to achieve immediate and lasting change in their lives.

#### **Our Values**

- Accountability
- Ambition
- Collaboration
- Creativity
- Integrity

Save the Children Australia acknowledges the traditional owners of country throughout Australia and their continuing connection to land and community. We pay our respect to them and their cultures, and to elders past and present.



### Our work

Together with our supporters, Save the Children Australia reached more than 8.4 million people through our programs in 2012. This includes:

- 1,570,600 people reached through our health programs
- 317,000 people reached through our HIV and AIDS programs
- 138,200 people reached through our nutrition programs
- 3,834,200 people reached through our education programs
- 7,154,600 people reached through our humanitarian programs
- 856,700 people reached through our child protection programs
- 522,000 people reached through our child rights governance programs
- 307,800 people reached through our livelihoods programs.

That's more than 8.4 million lives that have changed, thanks to the support of our donors and partners. Thank you.

Figures as at 5 April 2013. Figures have been rounded. Thematic totals do not add up to Save the Children Australia's total reach as thematic totals may be counted in more than one theme.

Reach figures used throughout this report are estimates compiled during the 2012 calendar year. counting people reached directly and indirectly. Direct reach is girls, boys. women and men who have participated in Save the Children activities: indirect reach is the estimated number of family and/or community members of those who have participated in Save the Children activities and through mass media. information, education, communication and awareness raising activity.



Save the Children Australia is a member of the Australian Council for International Development (ACFID) and a signatory to its Code of Conduct. The Code requires members to meet high standards of corporate governance, public accountability and financial management.



Save the Children Australia is fully accredited by the Australian Agency for International Development (AusAID), the Government agency responsible for managing Australia's overseas aid program.

We have a process for handling complaints. If you have a complaint, please call our Supporter Relations team on 1800 76 00 11 or email: info@savethechildren.org.au. Complaints relating to the breach of the ACFID Code of Conduct can be made to the ACFID Code of Conduct Committee at acfid.asn.au.

This Annual Report is printed on 100% recycled and Australian-made fibre. Certified Carbon Neutral by the Department of Climate Change and Energy Efficiency under the National Carbon Offset Standard (NCOS). No chlorine bleaching occurs in the recycling process.







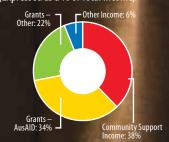






### Where the money comes from Year end 31 December 2012

Year end 31 December 2012 (Expressed as a % of Total Income)

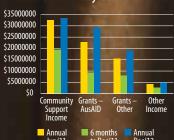


#### Where the money goes

(Expressed as a % of Total Expenditure)



#### Where the money comes from



#### Program expenditure Year ended 31 December 2012



# **Funding**

For every dollar we spend:

- 78 cents goes to our health, education, child protection and humanitarian response programs, and to educate the Australian community on development and humanitarian issues.
- 14 cents goes to fundraising and commercial activities to raise the next dollar.
- 8 cents goes to accountability and administration to manage and run our programs effectively.\*

This year, the majority of our program expenditure was in Asia, followed by Australia, the Pacific and Africa.

The majority of our funding comes from the Australian public, businesses and trusts and foundations. We also receive significant funding from AusAID, as well as other Australian Government departments and international governments and organisations.

We thank all our supporters for their continued and valued support.

<sup>\*</sup> Figures have been rounded





# **CEO** Report

The past year has been one of inspiring achievement and tough changes for Save the Children Australia. It has, however, positioned us to move forward with greater confidence and effectiveness.

In 2012, our three-year strategic plan came to a conclusion. Under this plan, we set ourselves four challenging objectives:

- to double our reach and impact for children;
- to increase our income by 60 percent;
- to define and promote our brand and profile; and
- to achieve excellence in all our programs and operations.

At the start of the strategy period, our reach was 1.7 million people. Today, that figure stands at 8.4 million, meaning that an additional 6.7 million vulnerable children and families now benefit from our services.

This increase in reach would not have been possible without growth in income to fund our expanded activities. When I started with the organisation in 2009, our annual income for the previous financial year was \$48.6 million. In 2012, we will exceed our target to post revenue of \$86.1 million.

As our reach and financial strength has increased, so too has our brand profile.

We are now in the top three children's charities in terms of brand recognition. Most importantly, this profile has led to more people connecting with our organisation and our cause. We have seen substantial growth in our membership and volunteer numbers, which gives us a foundation to sustain our activities and fundraising.

Our fourth strategic objective, excellence in operations and programs, encompasses more than only technical expertise. It is about professionalism, accountability and the ability to drive results on the ground. Our people make many sacrifices to respond to the needs of children and families. Whether it be their willingness to work in high-risk environments or spending time away from

their own families as they help those in need, our people give up much for Save the Children Australia.

This has been particularly evident in the past year, as we have transformed the efficiency and productivity of the organisation. This hard journey has been undertaken to maximise the funding available for our programs. The response of our people has been extraordinary and needs to be acknowledged. Thanks to them, and all who support us, we now stand as a lean, effective and focussed organisation ready and able to protect vulnerable children and families

**Suzanne Dvorak**Chief Executive Officer

# **Chair Report**

Over recent years, Save the Children Australia has forged an impressive reputation. Whether it be the ability to deliver on the ground or to manage the complexity that comes from having people spread over many countries, what Save the Children Australia achieves is inspirational. So, it was both humbling and exciting to be invited to join the team as Chair in 2012.

In the second half of 2012, we completed our new strategic plan for the next three years. This plan provides us clarity on our role and our priorities. It will see Save the Children Australia focus on activities in

Australia, the Pacific and Asia, as we play our part in Save the Children International's global strategy.

Under this new strategic plan, our highest purpose remains the reduction of infant deaths, as we contribute to the UN's Millennium Development Goals. Everything we do, links back to this purpose, from our Born to Knit. initiative, which aims to raise awareness about the millions of children who die every vear before their fifth birthday, to complex education and health programs that seek to reduce mortality due to malnutrition and preventable illnesses like pneumonia and diarrhoea.

Having a good plan is only one piece of the puzzle. Through the good work of our leadership team and staff, Save the Children Australia has grown into an organisation with the ability to deliver on this plan.

We have developed the strength in our people to create an effective workforce that is professionally led.
We are better protecting our people by improving risk management approaches across the organisation, including at Board-level.

We have become highly efficient and cost effective in our operations. We are also working to further improve our transparency, to stay ahead of our regulatory obligations and allow our supporters to better see

how their contributions aid vulnerable children.

We have also developed sophisticated partnerships, such as with Carnival Australia (P&O), to help us meet our goals. With pressure on the Australian aid budget, competition for government funding will intensify. Corporate partnerships and the support of individuals will become even more critical for the success of our programs.

As a Board, we now feel privileged to oversee a highly-capable organisation that will meet major challenges such as increasing regulatory scrutiny and competition for funding, while still delivering for those in need.

**Peter Hodgson** Chair



#### 2012

# At a glance

It has been a year of significant achievements for Save the Children Australia. We launched new programs for vulnerable children, delivered excellent results with existing programs, and responded quickly to humanitarian crises around the world, saving and protecting children's lives.

These are just a few of our achievements.

#### **Key strategic outcomes**

Our three-year strategic plan concluded at the end of 2012 and we are proud to have achieved and, at times, bettered our key strategic outcomes. We:

- increased our reach from 1.7 million people in 2010 to 8.4 million people through our health, education, protection and humanitarian relief programs in Australia and selected countries in the Pacific, Asia and Africa;
- increased our annual income from \$54.2 million in 2009 to \$86.1 million;
- secured our ranking in the top three children's charities for brand recognition; and
- enhanced our capability across program, evaluation and support roles, while continuing the transition to a global, integrated Save the Children strategy.

### Changing lives through education

In 2012, we:

- continued our Playscheme program in 100 locations across Australia and launched new programs to help disadvantaged children prepare for school;
- operated re-engagement programs to help at-risk young people around Australia to return to education, or positively engage with their communities;
- commenced delivery of education projects through our AusAID-funded Children of Uruzgan program in Afghanistan, with over 3,000 women and children enrolled in classes:
- launched the Literacy
  Boost program in
  Indonesia to support
  2,000 students to increase
  their reading and
  comprehension skills.

### Keeping children and families healthy

In 2012, we:

- provided health services to almost 30,000 people and trained more than 400 health professionals in Uruzgan province, Afghanistan, through our Children of Uruzgan program;
- launched our five-year Integrated Maternal, Newborn and Child Health program in Pakistan, funded by AusAID, to improve accessibility

- and quality of maternal, newborn and child health services for 1.2 million people; and
- continued delivery of our Primary Health Care program in Laos which has made a considerable contribution to the provincial and district health services in achieving Millennium Development Goals Four and Five, reducing infant and maternal mortality rates in Sayaboury province.

#### **Protecting children**

In 2012, we:

- worked with almost 300 participants to improve parenting skills and child safety through our Future Parents program in Queensland and South Australia:
- launched our Prevention of Violence Against Children program in 14 sites across the Solomon Islands, directly reaching 322 children and 92 adults; and
- continued our work to prevent underage sex workers in Bangladesh's largest brothel by training and working directly with 400 children and 3,182 adults, including sex workers.

### Responding to emergencies and reducing risks

In 2012, we:

- responded to and supported over 69
   emergency responses around the world, and deployed our staff to over 30 countries to lead and assist these responses;
- increased the reach of our Disaster Risk Reduction projects to children and communities in disaster-

- prone areas in the Solomon Islands, Vanuatu, Timor Leste, the Philippines, Laos, Cambodia, Myanmar, Kenya and Somalia; and
- responded to floods in Australia with the provision of Child Friendly Spaces at evacuation and recovery centres in Moira Shire in Victoria, Deniliquin and Wagga Wagga in New South Wales and Townsville in Queensland.

#### Reconciliation

Aboriginal and/or Torres Strait Islander people represent 20 percent of our workforce. Under our Reconciliation Action Plan (RAP), some key achievements have been:

- the development and distribution of our Cultural Protocols: Guidelines for Working with Aboriginal and Torres Strait Islander Communities:
- development of partnerships with local and peak Aboriginal and Torres Strait Islander organisations and communities; and
- development of the 2013–2015 RAP.

#### **Funding**

This year we continued to secure significant funding from the Australian Government. We were awarded some of the largest grants in our history, including \$20 million to implement an innovative basic education program in Myanmar and \$13 million to reduce maternal and infant deaths in Pakistan. We are also grateful for the generous financial contributions of our supporters and partners.



### **Education**

Education is a powerful force for lifting children out of poverty, breaking the cycle of disadvantage and changing lives. Yet sadly, 61 million children around the world still miss out. We are working in Australia and overseas to create greater access to quality education and to reconnect children with education.

### Starting the journey in Australia

Research clearly links children's participation in Early Childhood Care and Education (ECCE) programs and improved economic and social behaviours later in life. Children who attend ECCE programs are more likely to complete school on time, have higher household incomes, become productive adults and educate their own children. Additionally, children in ECCE programs are less likely to repeat a grade or drop-out of school, or engage in risky youth behaviour, such as substance use and criminal activity. This is why we have a particular focus on ECCE programs for vulnerable children.

In 2012, Save the Children Australia delivered Playscheme programs in 100 sites across Australia, providing early learning opportunities in remote and disadvantaged communities and preparing children for subsequent schooling. Our Playschemes support the development of young children and forge a

connection with education for them and their families.

We also ran early learning centres in Victoria and Western Australia. Our Mooroopna Kindergarten was a finalist in the 2012 Victorian Early Years Awards run by the Victorian Government to recognise outstanding achievements in improving outcomes for children and families.

Our It Takes a Village multicultural Playschemes were expanded during the year. We now run the program in inner-city Melbourne, Perth and Hobart.

In July 2012, we were successful in securing funds to deliver our Positive Start to School playgroup as part of the Department of Families. Housing. Community Services and Indigenous Affairs (FaHCSIA) Communities for Children program in Bankstown, New South Wales. Positive Start to School helps young children, and their parents, prepare for the first year of school. Delivered in partnership with local schools, the program has developed a committed group of families, with the children now looking forward to the start of their education journey.

In 2012, our preparatory Transition 2 School program in Townsville, Queensland, was further expanded thanks to the support of the Danks Trust and Communities for Children. Forty-four children from disadvantaged families benefited from the program in the past year.

In Western Australia, construction commenced on the new \$4.1 million Bardi Jawi Family and Children's Centre. The centre, built by the Australian Army and funded by FaHCSIA, will provide access to early learning programs for children in the remote Dampier Peninsula and complement our child care centre in Djarindjin.

### Maintaining the connection

Education can be a difficult pathway for some children. At Save the Children Australia, we recognise that some children and families need extra help to remain connected to school.

now achieving average attendance rates of over 80 percent across the school year, compared to a benchmark of approximately 63 percent before the program started. In South Australia, the program centres on the Ceduna and Yalata communities, where our participants have achieved better than 90 percent attendance.

#### **Turning lives around**

Every year in Australia around 50,000 young people aged 15-19 years drop out of education and training, particularly in Aboriginal and Torres Strait Islander communities. The noncompletion of Year 10 has been identified as a major indicator for unemployment, criminal behaviour, poor health and substance abuse

Achieving average attendance rates of over 80% across the school year, compared to a benchmark of approximately 63%.

Our School Attendance program has been running in Australia since 2008. The program works in partnership with schools to support children at risk of prolonged absence through mentoring, development of life and social skills, and the provision of basics, such as nutritious breakfasts. school bags and uniforms. In the Northern Territory. the program operates in four communities, with the children we support in two of these communities

among young people. We are working with young people who find themselves 'outside the system' to turn their lives around through education.

The Wilcannia Central School in remote western New South Wales has the lowest rate of school attendance in the state. In 2012, we worked in partnership with the school to establish a Re-engagement Centre for

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# Education Education

disengaged Aboriginal young people. The Centre has had great success in increasing attendance, with most participants attending school twice as much as before and teachers noting a significant improvement in classroom behaviour.

In Western Australia, we have taken over operation of the HYPE program for the Broome Shire. HYPE offers support to children at risk of offending, creating weekend activities as an alternative to street presence. In addition to this, we have been awarded \$208,000 from FaHCSIA for a Perth-based homelessness prevention program targeted at Aboriginal and/

young people. In its first quarter of operation, M.Y.van reached 179 young people and engaged them with education on health and Aboriginal and/or Torres Strait Islander language preservation, while allowing them to express themselves through digital media, music and sports.

We continue to work with young people in the juvenile justice system. In addition to programs with juvenile offenders in Reiby and Emu Plains, New South Wales, we operate two re-engagement programs for young people in Tasmania: Supporting Young People on Bail and Transition from Ashley Youth Detention Centre. In 2012, the program

In the last year alone, this project has constructed six new schools and established community-based education classes, which reach the most difficult to access children.

or Torres Strait Islander young people. Commencing in January 2013, we will deliver educational support, life skills development and diversionary activities.

The past year also saw the launch of the Mobile Youth Service, M.Y.van, in New South Wales. M.Y.van supports 200 small towns across the state where there are inadequate services for helped 31 young people on bail return to education, work experience or employment, and supported a further 29 participants from Ashley Youth Detention Centre in returning to education. These are 60 young lives that are now heading in a different and more positive direction.



### Our education work around the world

In Uruzgan province, Afghanistan, eight out of ten children do not go to school and just 0.3 percent of women can read and write. Our AusAID-funded Children of Uruzgan program aims to change this by improving access to and quality of basic education for children, particularly girls. Approximately 1,000 young children, including 318 girls, are now accessing early childhood education, while 500 women attended courses on basic numeracy and literacy.

In the last year alone, this project has constructed six new schools and established community-based education classes, which reach the most difficult to access children. These classes have given more than 1,400 children, including 304 girls,

the opportunity of basic education.

In the Khyber Paktunkhwa province of Pakistan we have established 80 ECCE centres in communities, funded by AusAID. Once children have graduated from the ECCE centres, we assist their transition to primary school. We have supported 400 primary schools by undertaking refurbishments and providing teachers with training and learning materials.

We were also engaged in delivering a range of programs to Australia's neighbours in the Asia-Pacific region, where many young people do not receive any early childhood education, particularly those in rural or impoverished areas. In addition, many teachers across the region have little training in early childhood education and there is limited

access to resources and very few purpose-built learning facilities.

In Vanuatu, we have commenced an extensive program to provide children with quality pre-school learning and improve school readiness. The first, completed, phase of the program involved the assessment of 2.325 students across every single kindergarten in the country, including hundreds not even on the government register. We have also started production of a National Kindergarten Magazine, which provides a learning resource for

parents and teachers, and the construction of the first model kindergarten building. In 2013 we will release our report on the student assessments and begin training for teachers and school boards.

In Indonesia research has found that around one-third of 15-vear-old students are functionally illiterate. In response to this, we have launched a new project in rural Indonesia, Literacy Boost. This innovative project aims to address the literacy gap for approximately 2,000 early primary students in the impoverished Belu district. It combines student support

**66** This innovative project aims to address the literacy gap for approximately 2,000 early primary students.

and teacher training with communication activities to mobilise the community in promoting reading outside the classroom and creating an environment supportive of literacy improvement. The results of this project will be used to advocate for additional support for literacy programs across Indonesia.

Our Education in Emergencies work has continued with capacity building for governments and non-governmental organisations (NGOs) across nine countries in the Asia-Pacific to help ensure that children can return to school as soon as possible after a disaster strikes

# Life-changing

Like many young people in the juvenile justice system, 17-year-old Tim\* had a very unsettled childhood with absent parents and older siblings who had been in and out of prison. Tim himself had been sentenced to detention on five different occasions over a two-year period.

Tim attended his first year of high school but did not return to school after that. Tim learnt to read and write at the Ashley Youth Detention School and by

in my whole life.

text messaging. It was in the Ashley Youth Detention Centre that Tim starting working with our Transition from Ashley Youth Worker, Julz. Over a three month period, Julz helped Tim to prepare for his release and develop goals around education, work and life.

In the 12 months following Tim's release from Ashley Detention Centre, Julz worked intensively with him,

readying Tim for finding employment by teaching him

**66** This is the most support I have ever had from anyone

how to develop a resume and organise identification. Julz also provided critical drug and alcohol support and helped Tim develop a new lifestyle based around healthy and constructive activities.

During Tim's time in the program, he stopped a drug habit and had the strength to say no to repeated invitations from his previous co-offenders to commit more crimes.

When asked about the Transition from Ashley program, Tim said, "This is the most support I have ever had from anyone in my whole life. Julz helps me with anything that he can and it's really made a difference to my life. The program is wicked and I really, really appreciate it."

With Julz's support, Tim was able to secure part-time employment in the hospitality industry. However, Tim decided he wanted a more

fulfilling career and he would need to go back to school to do this. Tim returned to formal education for the first time in many years to complete Years 11 and 12. We supported his return by purchasing the uniform, books and stationery he needed.

Tim now has a job interstate. As he left Tasmania to pursue his new opportunity and his new life, Tim's sister said to Julz, "Thanks for your help with Tim. Without your help, he would not have got to where he is now."

\*Name has been changed.





# Health and hygiene

In 2011, 6.9 million children under the age of five died from preventable and treatable illnesses. It is a tragic statistic, particularly as there are simple, low-cost solutions that can make a difference. Save the Children has made this issue a priority, with a global Save the Children EVERYONE initiative to reduce mother and child deaths, working to ensure communities have the knowledge, skills and resources to prevent this unnecessary loss of life.

#### **Health workers save lives**

In Afghanistan, 275 children still die every day. Our AusAID-funded Children of Uruzgan program aims to change this in one of the poorest and most insecure provinces of Afghanistan. In 2012, the program provided health services to children and their families in Uruzgan province, where health standards are among the worst in the world. We have established five new health clinics, deployed two mobile health teams and trained 131 new community health workers - half of whom are female - which has led to the establishment of 65 new health posts.

As well as achieving a dramatic increase in access to health care for the people of Uruzgan, this project lays the foundations for lasting change in health services in the province. In the past year alone, we have overseen the training of more than 400 health professionals,

ranging from community health workers to doctors. We currently have 24 community midwives in training and continue to build the skills of the health workers. These professionals will give the people of Uruzgan province a higher level of health care capability and expertise for years to come.

In recent years, Laos has made significant improvements in socioeconomic development. While infant mortality has fallen, over a quarter of the population still lives below the poverty line and the country's health status remains one of the lowest in the World Health Organisation Western Pacific region. Our Primary Health Care program continues to deliver improved health outcomes for the people in Laos' villages and poorer districts. In 2012, four village clinics were constructed, including the Phonesaat Village Clinic which was funded through 1\$Day contributions. Our mobile clinics have reached hundreds of villages and remote communities, further enhancing health care access across the country.

We have trained health workers and improved access to health services for communities in Papua New Guinea, Timor Leste and Vanuatu. In Vanuatu, we have built local Aid Posts and trained village health workers to provide basic health services to their communities. Without these services, children and

families would be forced to travel by boat or plane, which is too expensive for most. In 2012, ten new Aid Posts were opened and a further 21 village health workers were introduced, bringing the total number of health workers trained by Save the Children Australia in the island nation to 43.

and latrine systems in 47 villages across Laos. Many thousands of people now have reliable access to clean water and improved sanitation, some for the first time.

In Cambodia, there has been significant progress in improving the prevention and control of disease. While

We have established five new health clinics, deployed two mobile health teams and trained 131 new community health workers.

In Timor Leste, children and families are now serviced by over 250 health workers and volunteers, trained by Save the Children Australia, and are supported by 228 mobile health clinics. We have also engaged 180 female community volunteers to support pregnant and breastfeeding mothers by providing education on safe delivery, birth preparedness and infant feeding. In building the capacity of these health workers and volunteers. we have established a legacy of improved health outcomes for these communities.

### Providing safe and clean water

In Laos, improvements in critical infrastructure have also been a priority with the construction of clean water

immunisation rates are high and the prevalence of HIV has fallen significantly, communicable diseases remain a substantial threat to health. The past year saw the conclusion of the Holistic Housing Solutions program for orphans and vulnerable children in Cambodia. Over its life. Holistic Housing Solutions delivered 68 new houses, with extensive repairs to a further 30, housing 219 orphans and vulnerable children.

As well as providing shelter, the Holistic Housing Solutions program provided 98 families with water filters and toilets, helping to protect against infectious diseases and the risks associated with toileting in the bush or paddy fields. Through the combination

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# Health and hygiene

of shelter, clean water and sanitation, the program has led to significantly improved living standards of the children involved and the communities in which they live.

### Ending preventable mother and child deaths

Pakistan remains one of the poorest performing countries in South Asia on a range of maternal, newborn and child health indicators. The statistics are stark: 276 mothers die for every 100,000 live births and 78 infants die for every 1,000 live births. Shockingly, the statistics are even worse in rural and poor areas of the country, such as Balochistan province where the maternal mortality rate is nearly three times the national average.

change. The project aims to reach more than 1.2 million people in three districts.

In Laos, attention has also been given to building knowledge and capacity in local communities to enable them to sustain improved health practices. Training has been provided to many traditional birth attendants and village health volunteers. Due to concerted efforts over many years, we are seeing marked behavioural change and better health outcomes on the ground. In both Nan District and Sayaboury province, well over 50 percent of all deliveries are now conducted by trained birth attendants, compared to the national average of around 20 percent.

In East Sepik, Papua New Guinea, we have trained 800 village health volunteers over the last 15 years, and more than 120,000 people now have access to village-based malaria diagnosis and treatment services. We have also strengthened mother and child health services which are accessed by 18,000 people.

#### **Halting the HIV epidemic**

Despite reported figures stating there are approximately 30,000 people living with HIV in the Pacific region, UNAIDS estimates the true figure to be in excess of 50,000. In a regional population of around 8.5 million people,

this prevalence of HIV causes devastating impacts on individuals, families, communities and economies. The transmission of the disease to newborns and the infection of young people are significant ongoing problems.

In Papua New Guinea, in 2012 alone, our HIV and AIDS program has provided education and counselling to 40,000 people and distributed around three million condoms as part of our HIV prevention strategy. Comprehensive prevention services were also provided to over 16,000 high-risk and vulnerable individuals, including female sex workers many of whom were under the age of 18.

Well over 50% of all deliveries are conducted by trained birth attendants, compared to the national average of around 20%.

In the second half of 2012 we launched our Integrated Maternal, Newborn and Child Health program in Balochistan province. This five-year program, funded by AusAID, will improve the coverage and quality of maternal, newborn and child health services, and improve behaviours and practices in communities to deliver lasting

In Papua New Guinea, malnutrition and preventable diseases, such as tuberculosis and malaria, are rife. Add to this the 3,700 women who die from complications in childbirth and the nearly 30,000 children under five years old who die every year, and it's clear why our nearest neighbour is one of our priorities.



# In Papua New Guinea, in 2012 alone, our HIV and AIDS program has provided education and counselling to 40,000 people.

In the Solomon Islands, where there are low levels of understanding about sexually transmitted infections and high levels of risky behaviour among young people and children, our HIV

education is delivered by 'child peer' educators. This approach has involved 131 child peer educators, who receive ongoing training and support from Save the Children Australia.

in leading outreach activities, including health talks, video shows and sports activities, all aimed at disseminating messages on reproductive health and HIV. The program has seen many young



people turn away from risky behaviour, such as drug and alcohol consumption, which increase the likelihood of contracting HIV or other sexually transmitted diseases.

#### CASE STUDY

## **Healthy families**

The yard of Zabiullah's health centre is always full. Men sit in the garden with their kids, waiting for the doctor. Women in green and blue burkhas wait in another corner, keeping an eye on the room where the midwife treats the female patients.

Set in a remote corner of Uruzgan province, one of the poorest and least developed provinces in Afghanistan, Zabiullah's health centre now serves 5,500 people from three villages, giving them easy access to essential health care they would otherwise have had to walk for hours to receive.

Zabiullah's health centre is part of our AusAID-funded Children of Uruzgan program, which aims to improve access to health care for children and families in this remote and isolated part of Afghanistan.

Zabiullah's centre and others like it around the province have been warmly welcomed by the community. Local leaders take their own children to be seen by Zabiullah, a nurse originally from Uruzgan himself. "Being one of them makes it easier to be heard when I talk about new ideas like hygiene practices or getting children vaccinated," Zabiullah says.

of Ramadan, people fear that the injection breaks their fast. Others think that vaccinations cause fever and they refuse to send their children."

But Zabiullah is rising to the challenge and is quickly gaining trust. He points to the garden where Khodai, the religious leader of a neighbouring village, sits

Zabiullah's health centre now serves 5,500 people from three villages.

Currently, only about 35 percent of children in Uruzgan are immunised against common childhood diseases. "There are superstitions to overcome," says Zabiullah. "In the month

with his little daughter. "It is good when the important people come," Zabiullah says. "It means people trust us."

Today, most of Zabiullah's patients are children. The nurse works quickly and



efficiently. He diagnoses two cases of common cold and four cases of diarrhoea, and speaks to parents about hygiene practices.

Half an hour later, Zabiullah stands in the window of his one-room practice and hands out medicine to the families lined up outside. Zabiullah doesn't take any money. The treatment is free. "The people around here are too poor to afford medical help. They sometimes don't have cash for weeks," he says. "People will come from far away for our treatment."

Tomorrow, and for many days and months to come, Zabiullah will repeat this story and, in doing so, bring health and hope to all the people he helps.



# **Child protection**

Children are the most vulnerable members of our communities and the foundation of our futures, vet too often they are the victims of injustice, fear and violence. Children in every country face various forms of abuse, neglect and exploitation. Sadly, this also happens in our own backyard. We have been working in Australia and around the world to create safer environments for children, to protect them from harm and to rebuild their lives

### Protecting Australia's children

The past year saw the continuation of our Future Parents Program (FPP) across Queensland and South Australia. The FPP aims to improve parenting knowledge and skills by providing education on children's rights, child health and safety, child development, and the effects of family violence and parenting practices. Nearly 30 FPP courses were run across the two states.

In 2012, we opened Children and Family Centres in Doomadgee and Mornington Island. Funded by the Queensland Government, these centres are hubs for child, maternal and family services in these communities. These centres also aid the FaHCSIA-funded Indigenous Parenting Support Services which we deliver in these communities, reaching more than 230 families.

In the Northern Territory, our Intensive Family Support program received a significant increase in referrals this year having expanded to include the suburbs of Darwin. The program provides intensive support and education on child safety and parenting skills to families involved with the Department of Children and Families.

Across Australia, other parenting support programs include our Deadly Blokes and Kids program in Far North Queensland ('deadly' is an endearing term used in Aboriginal and/or Torres Strait Islander communities) way mothers responded to their children

### Protecting children around the world

Our child protection work continues in our neighbouring Pacific countries, including Vanuatu. While many children in Vanuatu are well-loved and cared for, there is strong data showing that child abuse is widespread and traditional family and support systems are being eroded as the country grapples with economic challenges.

Save the Children Australia has made a significant investment in our 'Yumi

In 2012, we opened Children and Family Centres in Doomadgee and Mornington Island.

and the provision of Family Support Workers through our early childhood programs nationally.

In Queensland, our Jebb and Gareema Women and Children's Refuges accommodated 70 women and 121 children in 2012 who were escaping family violence.

During the year, the first Positive Discipline courses were delivered at our Gareema Women's Refuge, with staff observing behavioural change in the

Evriwan i Protektem ol Pikinini' (Vanuatu Child Protection Governance program) in the past 12 months. The program has been designed in collaboration with the Ministry of Justice and Community Services and moves from purely awareness-raising toward a more practical approach. We have already seen impacts on the ground in villages like Blacksands, where the community now has a child safety plan and has started to organise a roster of parents to supervise and regularly

feed young children. A new kindergarten has also been established, with volunteer teachers.

In the Solomon Islands. increased public and political awareness of child protection issues has mobilised support for the establishment of our Prevention of Violence Against Children program at 14 sites across the country. With the support of local nurses and teachers, we are delivering training on child rights, protection, development and health to caregivers, teachers and community leaders. A total of 278 participants have graduated from the program and have set up Caregivers' Support Groups in their communities. At one site. this training led to a meeting of the whole community to apologise to their children for how they had been treated in the past.

In Laos, a five-year Strengthening Child Protection Systems to Keep Children Safe program is being implemented across six districts in partnership with the Laos Ministry of Labour and Social Welfare. Community child protection networks are being established in villages to ensure children who are at risk of abuse receive the help they need. We provide ongoing support and training to government officials and community leaders to strengthen their child protection responses and maintain safe communities and families in which children can grow and thrive.

In Bangladesh, our Comprehensive Child Protection for Children

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#### CONTINUED

## **Child protection**

of Sex Workers project, funded by AusAID, aims to improve the quality and consistency of care and protection for children whose mothers are involved in sex work, and for children who are affected by HIV and AIDS.

#### **Rebuilding lives**

Nepal has been devastated by conflict for many years, with many children the victims of violence or being forced into becoming child soldiers. Maoists targeted schools for attacks and abduction and recruitment of tens of thousands of students and teachers.

Since 2006, we have supported more than 24.300 children affected by armed conflict across the country. In 2012, through our AusAID-funded Nepal Children Associated with Armed Forces and Armed Groups project, we provided educational support to 3,000 children, income generation support to 1,500 children and psychosocial support to 4,000 children. We also helped to re-integrate these children back into their families and communities.

Ethiopia is one of the poorest countries in the world – 81 percent of the population live on less than \$2 per day. The legal age for marriage is 18 years, but this is widely ignored and child marriage presents a serious challenge to the health and well-being of young girls. Nineteen percent of girls in Ethiopia are married by the age of 15.

In some regions, this figure is closer to 50 percent.

Child marriage is closely linked with fistula and other serious medical conditions which develop when young girls become engaged in sexual activity. Child marriage is also strongly associated with increased school drop-out rates and higher rates of maternal and child mortality.

Returning children to school or helping them earn an income are important preventative measures to child marriage. Through our Ethiopia Child Marriage project, the marriages of 548 young girls were cancelled and the girls were supported to re-enter primary education. A further 1,300 girls were supported to return to school and 80 older girls were provided income generation support.

In addition to our work helping young girls rebuild their lives, we also conducted behaviour change activities through a weekly radio program for 1,700 community members to provide education on the issue of child marriage and help prevent the practice.

### Strengthening children's rights

In Papua New Guinea and Timor Leste, we achieved a number of important outcomes in the promotion of children's rights and participation. Key among them was an Election Dialogue event in Papua New Guinea. Save the Children Australia and Kafe Women's Association organised the event and worked with children to identify their key messages. The dialogue between children and political candidates reminded candidates of the issues that concern children and allowed the children to

directly express their views and ask questions relating to their education, health and protection.

In Timor Leste, the visibility of child rights and needs was enhanced with the establishment of a Children's Voice column in the national paper. The column presents children's ideas and thoughts

We have supported more than 24,300 children affected by armed conflict across the country.



about various issues, including access to health care, education, safety and disaster risk reduction.

In Australia, the Global Peace Schools program, which encourages schools to recognise and foster child rights, peace-building, global awareness and social inclusion, continued to develop and expand in 2012. Across Australia, there are now around 7,000 students involved in the program, an increase of over 1,700 students from the previous year. This growth was achieved with

the accreditation of two schools in South Australia and our first school to join the program in Queensland, St Patrick's College in Shorncliffe.



The dialogue between children and political candidates reminded candidates of the issues that concern children.

#### CASE STUDY

# **Rebuilding lives**

Aditya, 24, lives in Nepal. She still recalls the day when a group of strangers came to her village. "They talked about a cultural program. I was brainwashed completely by the speech of Maoist leaders about fighting for freedom. I decided to follow the path of freedom and served for three years as a militia of the Party," she says.

Aditya's story tells the plight of many Nepalese children drawn into the country's militia. "All my 'friends' changed into 'comrades'. I was given a different name and I travelled to other districts to finish the enemies.

"My major responsibilities were washing, cleaning, carrying messages and spying. There was one more responsibility which I didn't like at all and I don't want

to remember. I was raped every night by different commanders. I still remember the first time it happened. I was raped three times that night. I started feeling that all the things being said about freedom were fake. I wanted to escape, but didn't get the chance.

"We used to stay in the jungle and block the highway, plant bombs and ambush. One day, we were obstructing a highway and planting an ambush. Suddenly, we were fired upon. I didn't have any weapon and I was shot in my left arm and stomach. I cried a lot after hearing that three friends were dead.

"We ran away from there. We moved to another district and I received treatment. After three months, my health improved a bit. I asked for home leave and never went back to the militia.

"It was difficult at home. My family was not supportive. I was not accepted by society and my friends didn't want to be with me. I had nightmares of the rapes. I screamed in my sleep, I wet my bed and I was scared of strangers."

Through our program, Aditya was provided with support to overcome the physical and psychological effects of her experiences and assistance with re-integration into her community. We also work to educate communities and encourage acceptance of



young people, like Aditya, back into society.

Aditya has now opened a tailor shop with her friend and is earning an income for herself.

"I am well accepted by my family and friends. The support from Save the Children has given me inspiration to live. Now, I want to get married and live a happy family life," said Aditya.

The support from Save the Children has given me inspiration to live.



# **Humanitarian response**

In any disaster - like floods, droughts, storms and war - children are always the most vulnerable. What they have always known is no longer as food, water, shelter, health and education services are turned upside down. We work in disasterprone areas of Australia and around the world to help children and communities to recover, while also building knowledge, skills and resources in these communities to reduce the impacts of future disasters.

Responding in Australia

In March 2012, northern Victoria and parts of the Riverina region in New South Wales, encompassing the towns of Wagga Wagga and Deniliquin, were inundated by floods. Our Early Childhood Education teams rapidly established Child Friendly Spaces to ensure that children affected by the floods had a safe place to play and escape the stress of having to leave their homes and normal routine behind. These Child Friendly Spaces also bring comfort to parents in knowing their children are safe and cared for as they focus on rebuilding their lives.

#### **Responding in Asia**

Across Asia, we responded to 42 emergencies in 2012, including extreme cold weather, floods and earthquakes. We supported many of these emergency responses by releasing immediate funding from our Children's Emergency

Fund, leveraging further funding from the Australian Government and deploying skilled emergency responders. In August 2012, floods swept through the Philippines capital, Manila, affecting over two million people and

skilled emergency responders. two million people and

We rapidly established
Child Friendly Spaces to
ensure that children affected

place to play.

by the floods had a safe

In July 2012, tens of thousands of people were forced to flee their homes due to violence in western Myanmar. Save the Children responded by distributing food and essential items and increasing access to clean water and sanitation. We also ensured pregnant and lactating women and their young children had nutrition and health support, as well as providing Child Friendly Spaces. By the end of 2012, we had reached over 20,000 people affected by this violence.

By mid-2012, North Korea had already been hit by multiple typhoons causing loss of life and widespread destruction of infrastructure and livelihoods. Supported by Save the Children Australia, the North Korean country team responded by mobilising prepositioned emergency items such as blankets, tarpaulins and other essential items. made available through our Children's Emergency Fund, providing immediate lifesaving support to affected families.

causing more than 600,000 to flee to over 700 evacuation centres. We deployed a Humanitarian Adviser to support the emergency response which reached over 62,000 people, including 57.000 children.

Less than six months later. Typhoon Bopha hit the southern Philippines island of Mindanao, causing over 1.000 casualties and leaving 900,000 people with severely damaged homes. We immediately deployed a Humanitarian Adviser to support the Save the Children country emergency response team, distributing lifesaving items to severely affected families. We also provided temporary shelters and tools to 6.500 families and set up ten Child Friendly Spaces. By the end of 2012, Save the Children had reached over 13,000 people, including over 7,000 children, with shelter, water, hygiene and sanitation, child protection, education and health services.

Throughout 2012 we also provided support to

emergency responses in Cambodia, China, Indonesia, Laos, Thailand, Pakistan, and Afghanistan.

### Responding in the Middle East

This year also saw the large-scale deterioration of the conflict in Svria and dramatic influx of refugees into neighbouring countries. By the end of 2012, there were more than four million people trapped inside Syria in desperate need of humanitarian assistance, and well over 500.000 refugees living in refugee camps or makeshift shelters in Jordan, Lebanon, Iraq and Turkey. Save the Children scaled up its humanitarian response efforts in Jordan, Lebanon and Iraq, reaching close to 85,000 people by the end of 2012 through emergency shelter, food security, livelihoods, education, child protection, health, nutrition and water and sanitation interventions. Inside Syria. Save the Children and our partners have been working across the country to reach children and their families with water, medicine and clothing. Save the Children Australia supported the global response by sending two humanitarian response experts - one to lead our efforts in Iraq, and the other to support our work in Lebanon. We also released essential funds from our Children's Emergency Fund, and raised additional funds from our supporters across Australia.

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# **Humanitarian response**

Outside of the Syrian conflict and refugee crisis, Save the Children also responded to the ongoing displacement and food crisis in Yemen. where close to 12 million people do not have access to enough food and over 500,000 people have been forced from their homes By the end of 2012 we had reached over 450,000 people including 160,000 children, and had deployed one of our Australian aid workers to support the response.

#### **Responding in Africa**

This year also saw the continuation of two major food crises in Africa: the East Africa Food Crisis in Somalia, Ethiopia and Kenya which affected the lives of 12 million people, and a food crisis in West Africa, which threatened the lives of 18.4 million people across the Sahel region.

Save the Children was active on the ground in East and West Africa helping to respond to both these emergencies, supported by funds from the Australian Government and public appeals and donations totalling more than \$3.5 million.

The work in East Africa became the largest humanitarian response in the 93-year history of Save the Children. In Somalia, we provided programs in nutrition, food security and livelihoods, and water, sanitation and hygiene, benefitting over 90,000 people through hygiene

programs alone. In Ethiopia, our programs delivered improved access to safe through our Second Chance program. In Zimbabwe, children in 3.000 households Vietnam is highly vulnerable to the impacts of climate change, particularly among

# The work in East Africa became the largest humanitarian response in the 93-year history of Save the Children.

water, and sanitation and hygiene education for 30,000 people. In Kenya, where around 465,000 refugees live in the Dadaab camp, we have been acting as the lead child protection agency. Here, we have also ensured that 9,000 children aged six to 12 months have regular access to fresh food, and we have delivered nutrition education to over 27,000 children.

In West Africa, we released additional money from our Children's Emergency Fund which, coupled with funding from AusAID and public appeals, allowed us to implement nutrition programs that reached well over 100,000 people.

These activities were not our only emergency interventions in Africa. In the Democratic Republic of Congo, the world's poorest country where years of conflict have left five million dead and nearly two million people displaced, we have reached nearly 170,000 people with health services for women and children

In South Sudan, over 30,000 children have benefitted from increased access to education opportunities

now have increased access to food and improved health care practices through our Binga Integrated Food Security and Water project.

### Disaster risk reduction and climate change adaptation

By helping to improve preparedness and the ability to recover from disaster, we give communities the tools to better protect their own health, well-being and economies.

its poor communities living in coastal and mountainous areas. Children and young people in these communities are especially susceptible to the impacts of climatic events – making up a disproportionate number of those killed and injured by extreme weather events. However, there is generally a low-level of understanding of climate change and how local communities can adapt to its effects.



In response we have established the Vietnam Child-Centred Climate Resilience program to increase the ability of children and their communities to directly plan for and manage the negative impacts of climate change.

The \$2.9 million program focuses on seven disaster-

prone districts. Over twoand-a-half years it is expected to reach in excess of 100,000 people and engage government officials at local, provincial and national levels.

In the face of recurrent drought and food crises in East Africa, we have partnered with the government of Somaliland

Children are taught about the environment and droughts and how they can protect themselves.

on an innovative \$1 million community-based disaster risk reduction and climate change adaptation project.

Though the introduction of a new primary school curriculum, children are taught about the environment and droughts and how they can protect themselves and their families from these recurrent events. With communities, we support a variety of activities from land and water management to diversification of livelihoods. Throughout all the activities. the needs and desires of children are prioritised to create safer environments

for them. For example, we have installed metal railings at underground water reservoirs to help children pull heavy water containers from the reservoirs, as well as preventing them falling in while fetching water for their families.

In Vanuatu, we have been working with the Ministry of Education to integrate training on risk awareness and reduction in formal education programs. In the Solomon Islands, we work with communities on community-based risk assessments and risk reduction action planning.

#### CASE STUDY

# **Being prepared**

Michael, 20, lives in Guadalcanal province, Solomon Islands, an area prone to frequent flooding, which destroys food crops, damages infrastructure, and ruins homes and livelihoods. Contaminated water from floods also leads to increased spread of disease and illness, such as diarrhoea and malaria.

Our AusAID-funded Solomon Islands Community-Based Disaster Risk Reduction project aims to reduce the impacts of such disasters in villages like Michael's by increasing active participation of communities in identifying the risks they face and taking preventative action.

Michael hoped the project would bring the community together in reducing the impacts of flooding. Together they prepared a village disaster risk reduction plan, where they identified the major hazards and came up with a range of risk minimisation strategies.

"As a result of this project there is now a feeling of collective responsibility before and during disasters in my community," says Michael. "I know my role in the event of a disaster and we are aware of how to be prepared and respond. We are now growing our crops on elevated land and we are planting crops that are resilient to floods, like swamp taro and bananas."

Other risk reduction actions implemented by Michael's village included cutting away big tree branches hanging

over houses, conducting flood awareness sessions and building a wooden canoe, which can be used as emergency transport during floods and rescues.

Critically, these initiatives were driven by the Village Disaster Risk Committee, of which Michael is a member. These Committees, with the support of Save the Children Australia, coordinate risk reduction and disaster response activities at a village level. Currently, 40 Village Disaster Risk Committees



have been formed across six provinces and their work will help to ensure this project is sustainable for the long-term. Over the coming years, more Village Disaster Risk Committees will be established to create a network of safer villages with improved health and livelihoods for Solomon Islanders, particularly women and children.

As a result of this project there is now a feeling of collective responsibility.



# **Evaluating our projects**

Save the Children Australia undertakes project evaluations to assess if we are meeting our objectives and to tell us what works well and what can be improved. Evaluations are critical in determining the relevance, efficiency, effectiveness, impact and sustainability of our projects.

In 2012 we reviewed or evaluated a number of projects, as shown in Table 1.

We also commissioned two reviews of the latest evidence to support our Australian programs:

- National Early Childhood Care and Development Programs Desktop Study
- The Efficacy of Juvenile Justice Support programs: a Desktop Review

Three examples of our key evaluations are detailed below

#### Flood Response, Thailand

In late 2011, Thailand experienced its worst flooding in 50 years, affecting around 3.8 million children. We reached approximately 90,000 children and adults by setting up Child Friendly Spaces, distributing food baskets and cash grants, and providing school clean-up kits.

In 2012, we undertook a review of our activities to ensure that what we had learned through the response was captured. In the review process, staff, partners, and community members reported that people's needs were met and that child

#### Table 1: Projects reviewed or evaluated in 2012

Country/Region	Program Name
Asia-Pacific	Education in Emergencies Capacity Building
Australia	Finding My Magic
Australia	Transition from Remand to Detention (Tasmania)
Ethiopia	Change to Prevent Harmful Traditional Practices
Ethiopia	Combating Child Marriage
Myanmar	Mainstreaming Disaster Risk Reduction in Education
Pakistan	Flood Response (Humanitarian Partnership Agreement)
Papua New Guinea	Health and HIV and AIDS program
Papua New Guinea	HIV and AIDS program
Thailand	Flood Response
Timor Leste	Safe Pre-Primary Access project
Vanuatu	Sexual Health Program and the Nabanga Sport for Development

protection measures featured strongly in the overall flood response. The lessons from the review will be used to develop action plans for future emergency responses.

#### Health and HIV and AIDS Programs, Papua New Guinea

This evaluation reviewed the East Sepik Women and Children's Health project and the Youth Outreach project, for the period 2009-2012.

The evaluation concluded that the East Sepik Women and Children's Health project addressed the direct factors that contributed to preventable death and illness in women and children by

making health services more available and accessible. One of the key lessons learned was when the program focused on women's groups in the communities, the village health volunteers were better supported by people in the community and health outcomes improved. These findings will be used to influence future programs working in women's and children's health.

The evaluation of the Youth Outreach project found that the program was innovative and thoughtful in its use of youth to educate their peers on HIV and AIDS prevention. A key lesson learned was having community leaders call the meetings

at which peer outreach volunteers would speak, was a successful initiative to promote community engagement with health prevention messages. As a result, many thousands of young women and men have received health and safe sex messages.

### Combating Child Marriage, Ethiopia

The review found that our Ethiopia Combating Child Marriage project had been very successful in increasing the level of knowledge of the harmful consequences of child marriage in the community. The project's success can partly be attributed to the efforts of strengthening the capacity of community and government child protection systems in the project area.

The review found that poverty was the main driving force for some families to wed their daughters at a younger age, with marriage viewed as the only option for girls' survival. A key lesson learned has been that providing girls with business skills, microcredit and savings services after they leave school has contributed to changes in community attitudes towards young girls having options other than early marriage. Another key learning was the involvement of male community educators in tailoring messages especially for men, which has proved to be highly effective in changing the way the community perceives child marriage.



### **Global reach**

Save the Children International is made up of 30 national organisations, including Save the Children Australia, working together to deliver programs in 120 countries around the world. We work together by sharing expertise, coordinating activities and pooling resources to achieve our vision of a world in which every child attains the right to survival, protection, development and participation.

While each member, including Save the Children Australia, will continue to select and implement its own programs, we will deliver these programs through merged management structures in Asia and Africa. Our country operations in the Pacific region continue to be directly delivered by Save the Children Australia, as do our domestic programs in Australia.

- Countries where Save the Children Australia works
- Countries where Save the Children International works
- Countries where Save the Children did not have a presence in 2012

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





# In the community

#### **Campaigns**

In 2012, our inaugural National Children's Week campaign engaged thousands of Australians in our work for vulnerable children across the country. Members of Parliament across Australia visited Playschemes and witnessed our programs firsthand. Corporate partners and supporters around the country joined us in fundraising activities. We also generated over 80 media stories.

#### Media

Engaging with the media is critical for us to spread our message and influence public opinion and action on issues affecting children. In 2012, we generated nearly 1,000 media stories and opinion pieces on our programs, staff and volunteers and, in doing so, told the story of the work we're doing for the world's most vulnerable children.

We undertook extensive media work on the food crisis in West Africa and facilitated field visits to Niger for some of Australia's most influential journalists. Our coverage on the ABC of the crisis in Somalia reached millions of people.

Save the Children's 'Untold Atrocities' report into the Syrian crisis received national coverage across a range of major electronic and print media. Similar coverage was achieved for a joint Save the Children and Oxfam report, 'Dangerous Delay', on the food crisis in East Africa.

This outcome is the result of 20 years of advocacy by child rights organisations, including Save the Children.

Significant media presence was also secured concerning the Expert Panel on Asylum Seekers and our Children Without Borders campaign – telling the story of why people seek refuge in Australia.

#### **Advocacy**

A key achievement in 2012 was the successful conclusion to the campaign for the establishment of an Office of the Australian Children's Commissioner by the Australian Government. This outcome is the result of 20 years of advocacy by child rights organisations, including Save the Children Australia

We engaged extensively with the Australian Government to achieve a commitment of millions of dollars of relief funds for East Africa, as well as the Sahel in West Africa. This was complemented by regular briefings on the situations in Afghanistan, Sudan and Syria, and engagement with the Department of Immigration and Citizenship on the needs of children under asylum seeker policy.

We advocated for improvements in early childhood development outcomes for Aboriginal and/or Torres Strait Islander children, in partnership with the Secretariat of National Aboriginal and Islander Child Care (SNAICC).

#### We also:

- encouraged Australian governments to invest in early intervention measures to prevent child abuse;
- made a submission to the Consultation Paper on the Establishment of the Royal Commission into Institutional Responses to Child Sexual Abuse; and
- called on Australian governments to ensure child protection policies are included as a key component of disaster planning.

#### **Online**

In 2012, we launched our new website homepage, delivering an easier to use site that received nearly 180,000 unique hits over the year. This is coupled with strong growth in our Facebook and Twitter following based on our new social media strategy.

### Ambassadors and Community Partners

We continued to work with a range of high-profile

Australians to help us engage more people with our cause. In 2012, our ambassadors were actor David Lyons, celebrity cook Marion Grasby, and former AFL footballers Glenn Archer, Anthony Stevens and Sam Kekovich. We also worked with three wonderful community partners, the Richmond Soccer Club, Melbourne Heart and Melbourne Rugby Union Football Club.

#### **Events**

We ran many events throughout the year to increase our profile and raise money for our work. Events were run all over the country and included:

- Urban Descent Brisbane which saw over 200 thrill-seekers collectively raise nearly \$200,000 by abseiling a city building;
- the Illumination Ball in Tasmania, which raised \$35,000:
- Afternoon Tea at the Prime Minister's residence in Canberra, which raised \$15,000;
- the Winter Cabaret fundraising cocktail event in Perth, which raised nearly \$7,000;
- Skydive to Save where members of the public raised over \$10,000 by skydiving in Victoria; and
- The University of Western Australia book sale, which raised more than \$220.000.



# Our people

In 2012, Save the Children Australia employed 920 people in Australia and internationally. Of our Australian team, 20 percent were of Aboriginal and/or Torres Strait Islander decent.

#### Growth

In 2012, we opened new offices in the remote communities of Mornington Island and Doomadgee, Queensland, and Broome, Western Australia. The size and growth of our team increases our capacity to deliver real change in the

lives of children in even the most remote and isolated parts of the country.

We have also implemented a range of human resource initiatives over the past year to increase capability and performance around staff health, well-being and safety, risk management and recruitment.

#### **Building skills**

In January 2012, we launched the Humanitarian Leadership Programme in partnership with Deakin University and other aid agencies. The fourpart course was conducted over seven months through a mixture of residential and distance learning in both Australia and Indonesia. In 2012, more than 100 students from Australia and around the world attended the Through our Registered
Training Organisation in
Queensland, we delivered
courses in responding to
domestic and family violence,
and training for Future
Parents program trainers. In
partnership with the Aspin
Group and Bremer Institute

Increases our capacity to deliver real change in the lives of children.

course learning the skills and personal qualities required to lead a team during the turmoil created in the aftermath of a humanitarian emergency.

of TAFE, we developed e-learning tools to increase our capacity to deliver training to community and youth workers.

#### CASE STUDY

# Leadership

Peta started working with Save the Children Australia 13 years ago as a Future Parents program facilitator. When the opportunity came to apply for the Future Parents program Coordinator role, she didn't think twice about sending in an application. At the time she started in the Coordinator role Peta was a single mum to a four-year old child and, with no family nearby, parts of the new role presented a major challenge.

"If it wasn't for my Manager's flexibility and the familyfriendly nature of our organisation, there is no way I'd have been able to meet the requirements of my role," she recalls.

"I am really fortunate that I've had strong leaders and mentors. Their faith in my ability has meant that I have been provided opportunities to take on projects where I may not have believed I'd be successful."

Peta has repaid the faith placed in her with hard work and a desire to learn and grow. "I think it's important for everyone to demonstrate personal initiative and continue their education," she says.

"Where I've needed to upgrade my skills, Save the Children Australia has supported me to do this. But I think it's important people invest in themselves also, so when I decided that I wanted to move into a more senior role, I enrolled myself in a Master's degree that would help to equip me for the role."

After a number of different positions along the way, Peta is now our Regional

I am really fortunate that I've had strong leaders and mentors.



Manager in South East Queensland. In this role, she looks after our programs in the southern half of Queensland and parts of northern New South Wales.

"My job is fantastic. I really enjoy supporting our staff to achieve great outcomes for children and families. Our staff are such passionate and dedicated people," Peta says.

"I hope that I'm providing the same kind of support and inspiration to others as has been shown to me."



# Our members & volunteers

In the last 12 months, Save the Children Australia has achieved remarkable growth in both members and volunteers. Volunteer numbers have increased by 52 percent to 3,500 and membership grew by 77 percent to over 1,700. We are grateful for the commitment and efforts of all our members and volunteers.

### An essential part of the team

Members are the lifeblood of our organisation. They represent the organisation, promote our work and participate in decision-making. Many members also volunteer for campaigns and fundraising. Our members help to ensure Save the

Children Australia has a sustainable future.

Some members form local Branches and raise money and awareness of our organisation through their Branch. We value and appreciate the efforts of all our branches.

We deeply value every single volunteer. In 2012, it is estimated that volunteers gave us more than 164,000 hours of their time. Without this contribution, it would not be possible to achieve the outcomes we have for children in Australia and around the world.

In National Volunteering Week in May 2012, Save the Children Australia called all volunteers to thank them personally for their support.

Approximately 1,000 volunteers work in the Save the Children Australia retail

shops across Australia had another successful year, generating 9.3% percent income growth. In March 2012, over 80 retail volunteers were presented with service awards at Government House in Adelaide.

In 2012, we launched our Adventure Volunteering programs, which offer unique experiences incorporating fundraising and hands-on volunteering in the field. They give participants a chance to meet the local people and communities who will benefit from their efforts.

In 2012, 16 volunteers raised money for Save the Children's health and education programs in Nepal. Volunteers visited a Save the Children education project in a remote Nepalese village and actually began the building of a new school. Together with locals, the volunteer team spent hours digging and moving soil to make way for the construction of new school buildings – paid for by the team's fundraising efforts.

It is estimated that volunteers gave us more than 164,000 hours of their time.

### Volunteering to make a difference

Volunteers throughout Australia provide critical support in our programs, our retail shops and our offices. network. Without the support of volunteers, we could not operate these shops to raise vital funds for vulnerable children. From the efforts of our dedicated retail staff and volunteers, our 34 retail

CASE STUDY

# **Helping out**

Roxanne Rajcoomar is one of our wonderful volunteers from Victoria.

She originally worked for Bulgari in London. As Bulgari is a corporate partner of Save the Children, Roxanne was very aware of our work and, when she moved to Melbourne, she decided to carry on the connection.

Roxanne has been involved in a variety of volunteer roles, including helping at our African Reading Club, an after-school homework club for children of migrant families, helping with the packing of Christmas gifts from our online shop, data entry, and arranging thank you cards and certificates for supporters.

"My favourite activity was the after-school homework club and my relationship with the kids there. With each week our respect for each other grew, and teaching and helping the kids is the best thing I have ever done," Roxanne says.

"I loved that whatever I was helping with really made a difference somehow.
One way or another, my contribution helped a child somewhere in the world. The flexibility of volunteering and the staff at Save the Children Australia are awesome and I loved working with them. It has changed my life goals and ambitions "

One way or another, my contribution helped a child somewhere in the world.



#### HIGHLIGHTS

# **Our supporters**

Each year thousands of Australians entrust us with their donations to deliver improvements in the lives of children. In 2012, we received more than \$32.8 million in financial contributions from our supporters. This figure included \$24.3 million from our regular giving supporters (those who give to us on an ongoing basis). \$1.8 million from our one-off gift supporters (those who give via our appeal letters and emails), and \$3.2 million from bequests.

### Giving back to our supporters

Save the Children Australia greatly appreciates the contribution of all our supporters – whether they be large or small donations, regular or occasional.

In 2012, we implemented a range of initiatives to express our thanks and ensure our supporters knew just how much their support meant to the lives of vulnerable children. Initiatives included:

- Donor Loyalty Initiative supporters who have been with us for ten years or more are now part of our Ten Year Supporter Club. They will be sent letters of thanks and complimentary memberships.
- Gratitude Campaign we have commenced a new gratitude campaign to let our supporters know how much we appreciate their ongoing support and commitment to our organisation.
- Improved Communication
   digital media offers

us an opportunity to provide more interactive communication to our supporters. This year, we initiated e-versions of our updates to regular giving supporters and continued creating digital versions of our appeals.

 Contact Centre – in 2012, we transitioned our outbound telephone function to Stellar, a leading contact centre provider, to provide a better service to our supporters. We also improved the efficiency of our inbound telephone centre by introducing new practices and streamlined processes.

#### **Workplace Giving**

Workplace Giving is the process of making regular donations through a payroll system. We thank all employees who are giving to Save the Children Australia through their pay at numerous businesses across Australia including NAB, PricewaterhouseCoopers, BHP, Origin and Palais Theatre.

Save the Children
Australia greatly appreciates
the contribution of all our
supporters.

### CASE STUDY

# **Giving back**

Ten years ago, Andre Dillon was approached in the street by representatives of Save the Children Australia and encouraged to become involved with the cause. Andre signed up on the spot.

"I'm so grateful to live in such a lucky country and have always wanted to help those less fortunate," he says.

Since then, he has been a regular giving supporter.

As with many of our supporters, Andre finds satisfaction in knowing that his help allows Save the Children Australia to grow its reach in improving the lives of vulnerable children.

"It feels good to give to those less fortunate," says Andre.
"I can't even imagine what some children have to go through around the world. It makes me feel like I'm doing something really good."

Andre is now part of our Ten Year Supporter Club and was quick to take up the free membership offer. Being a part of a team working on the big issues affecting vulnerable children is important to Andre. He greatly appreciated the increased involvement that membership offered, particularly the voting rights of members which give him the opportunity to have a say on the direction of the organisation.

Andre feels that he has received much from his generous involvement with Save the Children Australia and hopes others will join him in the cause.

"I know I'll be involved with Save the Children for the rest of my life," he says.

"I know a lot of people want to give but never get around to doing it – it's so rewarding, I'd encourage everyone to start giving."

It feels good to give to those less fortunate.



#### HIGHLIGHTS

# **Our partners**

We work closely with a number of community and corporate organisations, without whom we simply could not do the work we do. These partners have demonstrated a deep commitment to our cause and we sincerely thank them for their contribution.

#### **Philanthropic Partners**

### Tasmanian Community Fund

Our Youth Justice program in Tasmania was given a significant boost in 2012 with over \$100,000 in funding from the Tasmanian Community Fund. This funding helped us to establish the Supporting Young People on Bail program, which works with first time offenders aged 10 to 17 years to help them re-engage with education, training and positive recreational pursuits and break the cycle of offending. So far the program has achieved excellent results, giving more than 50 young people a second chance for a brighter future. Supporting Young People on Bail is also supported by the Andvinc Foundation and the Law Foundation of Tasmania.

#### Women's Plans Foundation

The Women's Plans
Foundation has been
supporting our work in
Laos since 2007. In 2012,
the Foundation continued
their support of our family
planning activities for
women in northern rural
Laos, helping us provide
contraception and family
planning advice to more than
10,000 women.

Family planning is a key part of the services provided by our child and maternal health care clinics in northern Laos. At the clinics, women can access contraceptives, as well as information about the healthy spacing of pregnancies and the benefits to girls and their community of delaying pregnancy until after they have completed their education.

#### **Corporate Partners**

#### Procter and Gamble (Vicks)

Our partnership with Procter and Gamble was launched in Australia and New Zealand in 2012. The relationship has contributed over \$50,000 to our Australian programs promoting literacy and, through the Vicks' causerelated marketing campaign, over \$400,000 towards our Maternal and Child Health program in Bangladesh.

#### Reckitt Benckiser (Dettol)

In 2012, we launched the Dettol campaign which saw Save the Children Australia and our health work in Indonesia promoted in 300 Woolworths stores Australiawide. The partnership with Reckitt Benckiser also resulted in \$50,000 being donated to our local youth programs in Glebe and Wilcannia, New South Wales, as well as over \$92,000 to our global Maternal and Child Health programs.

#### Carnival Australia (P&O)

Our newest corporate partner is Carnival Australia (P&O), which has committed to raise \$1 million over four years for our programs in Vanuatu.
As part of the partnership,

the cruise line's passengers will each donate \$1 with the aim of raising significant and ongoing funds for our community health and education projects in Pacific Island communities. As well as cash donations, P&O passengers will be able to take a hands-on approach with an on-board knitting program, Born to Knit, producing blankets for newborn babies throughout the Pacific.

#### Unilever

This year we launched a new partnership with Unilever in Australia with a commitment of \$150,000 per annum for three years, with funds going to our Australian programs

early childhood care and development in Papua New Guinea. This research will help us to better understand the education system in Papua New Guinea and inform a critical Early Childhood Care and Development Strategy and action program.

#### Accenture

We are proud to work with Accenture in many areas around the world. They have recently strengthened their support of our work by pledging \$50,000 to help young people of Aboriginal and/or Torres Strait Islander descent in our Alternative Education program based in Glebe, New South Wales. This donation will provide

# These partners have demonstrated a deep commitment to our cause.

and Australian Children's Emergency Fund, which helps children and families following a disaster.

#### NAB

Save the Children Australia has been one of NAB's local community partners since 2009. Through the partnership, we work together on projects that address key social issues. The relationship is underpinned by staff engagement via the NAB Employee Volunteer program. In 2012 alone, over 400 NAB employees volunteered with us. NAB also supported us with inserts in their customer statements from October to December.

#### Origin

The Origin Foundation is working with us to research the current situation of

these young people with the skills to gain further education and employment.

#### Targeting Small and Medium Businesses

This year we began a push to target the thousands of small and medium enterprises (SMEs) around the country. Our SME program is called the Socially Responsible Collective to the Power of Ten, SRC<sup>10</sup> – reflecting the fact that, as a collective, SMEs have tremendous influence and power to help vulnerable children.

The SRC<sup>10</sup> allows SMEs to contribute to the community, while providing the opportunity to market their business through a charitable affiliation that is tailored to the needs of individual businesses.

Thank you

to the following people and organisations for their wonderful commitment to our work. Without their support, we simply could not have achieved the outcomes for vulnerable children that are outlined in this report.

For a full list of acknowledgements, please visit our website savethechildren.org.au/thankyou

#### **Government Support**

- Australian Agency for International Development (AusAID)
- Australian Government Attorney-General's Department
- Australian Government Department of Education, Employment and Workplace Relations
- Australian Government Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA)
- Australian Government Department of Immigration and Citizenship
- Australian Government Women and Newborn Health Unit, Department of Health and Ageing
- Children and Youth Services, Tasmanian Department of Health and Human Services
- Commission for Children, Young People and Child Guardian QLD
- Department of Corrective Services WA
- Department for Communities WA
- Department for Education and Child Development, especially Children's Centres for Early Childhood Development and Parenting, Child and Family Health Services, and Families SA
- Department of Attorney General WA
- Department of Child Protection WA
- Department of Communities, Child Safety and Disability Services QLD

- Department of Corrective Services (Brisbane Women's, Helena Jones, Brisbane Youth Detention Centre) OLD
- Department of Education Tasmania
- Department of Education, Training and Employment-Office for Early Childhood Education and Care OLD
- Department of Family and Community Services NSW
- Department of Housing QLD
- Northern Territory Government
- Office of Multicultural Interests WA
- South Australia Government Office of the Guardian for Children and Young People
- Strategic Crime Prevention, WA Police
- The Council for the Care of Children SA
- Victorian Department of Education and Early Childhood Development

# National Partners (Over \$5,000 support)

- 1\$Day
- · AirRoad Pty Limited
- Allens Arthur Robinson
- American Express Australia Limited
- AMP Foundation
- Aussie Gold Spring Water
- Australian Country Spinners
- Bulgari
- Cameron Edge
- Charter Hall
- Church Communities Australia Ltd
- Corporate Traveller
- Financial Wisdom
- Footprints Network
- GlaxoSmithKline Australia

- Ikea
- JCDecaux
- LEGO Australia Pty Limited
- Macquarie Group Foundation
- My Cause
- National Australia Bank
- Network Ten
- Origin Energy
- Palais Theatre
- Petrosys Pty Ltd
- Platinum Online
- PricewaterhouseCoopers
   Foundation
- Procter & Gamble Australia Pty Ltd
- QBE Insurance Group Ltd
- The Westpac Group
- United Way Sydney
- W Marshall & Associates Chartered Accountants

#### **Philanthropic Support**

- ANZ Trustees
- Bell Charitable Fund
- Cecilia Kilkeary Foundation
- Channel 7 Telethon Trust
- Gras Foundation
- Inger Rice Foundation
- Lacetree Pty Ltd
- Lord Mayor's Charitable Foundation (Victoria)
- Lord Mayor's Community Trust (Queensland)
- Lotterywest WA
- Macquarie Group Foundation
- Planet Wheeler Foundation
- Sidney Myer Fund
- Tasmanian Community
   Fund
- Tasmanian Early Years Foundation
- The Andyinc Foundation
- The Attaway Foundation

- The Caledonia Foundation
- The Charitable Foundation
- The Danks Trust.
- The Marian & E H Flack Trust
- The R.E. Ross Trust
- The Readings Foundation
- The Sherman Foundation
- The Skellern Family Foundation
- The Trust Company
- William Angliss (Queensland) Charitable
  Fund
- William Angliss (Victoria) Charitable Fund
- Women of the University Fund
- Women's Plans Foundation

#### Gifts in Wills

- Clara Broadhurst Memorial Charitable Fund
- Don Battley Charitable Trust
- Estate of the Late Alice Beverley Paterson
- Estate of the Late Edwina Langford Henderson
- Estate of the Late Elizabeth Towers Matters
- Estate of the Late Eva May Barrowman
- Estate of the Late Helen Hamilton George
- Estate of the Late Isabella Atkinson
- Estate of the Late Jean Thomas
- Estate of the Late Leslie Hocking Cocks
- Estate of the Late Lindsay James Baldy
- Estate of the Late Louis Abrahams
- Estate of the Late Margaret Mary Capra
- Estate of the Late May









- Suzanne Shield
- Estate of the Late Mercia Ann Fuss
- Estate of the Late Miss M Braham
- Estate of the Late Mollie Irene Burns
- Estate of the Late Shirley Margaret Scott
- Estate of the Late Verity Joan Scott

#### Aboriginal and Torres Strait Islander Community Partners

- Aboriginal and Islander Independent School (the Murri School) QLD
- Aboriginal Legal Service QLD
- AFL Queensland Indigenous Programs
- Brisbane Council of Elders QLD
- Ceduna Aboriginal Corporation SA
- Ceduna Koonibba Aboriginal Health Service SA
- Danila Dilba Health Service NT
- Darwin Aboriginal and Islander Women's Shelter NT
- Department Education and Training – Indigenous VET Initiatives OLD
- Djarindjin Aboriginal Corporation WA
- Gallang Place QLD
- Gelganyum Trust WA
- Indigenous Education Support Services QLD
- Kalwun QLD
- Koonibba Aboriginal Community Council SA
- Kununurra Warringarri Aboriginal Corporation WA

- Langford Aboriginal Association WA
- · Larrikia Nation NT
- Maari Ma Aboriginal Health Service NSW
- MG (Mirrawong Gadgerong) Corporation WA
- Mirima Dawang-Woorlav-Gerring Language and Culture Centre WA
- Murri Sisters QLD
- Murrigunyah Aboriginal Corporation for Women QLD
- Queensland Aboriginal and Torres Strait Islander Child Protection Peak
- Queensland Health Indigenous programs
- Queensland Indigenous Family Violence Legal Service
- Queensland University of Technology – Early Childhood Education faculty
- Scotdesco Aboriginal Community Council SA
- Secretariat of National Aboriginal and Islander Child Care
- Southbank TAFE Indigenous Unit QLD
- Thamarrurr Development Corporation NT
- Tweed Shire Indigenous Elders QLD
- White Kangaroo Dreaming QLD
- Wunan Foundation WA
- Yalata Aboriginal Community Council SA
- Yuli-Burri-Bah QLD

## Pro Bono Support (Over \$5,000 support)

- Accenture
- Broome Youth Support Network WA

- City of Armadale WA
- City of Gosnells WA
- Committo
- Deakin University
- DLA Piper
- Egon Zehnder
- Fragomen
- Harbinger Consulting
- Iluka
- PCYC WA
- Reckitt Benckiser
- Resfin Services
- Stellar
- Strategic Project Partners
- Villani Consulting

#### **Community Partners**

- African Communities Foundation Australia VIC
- Anglicare SA
- Ashley Youth Detention Centre TAS
- Asylum Seeker Resource Centre VIC
- Brookfield WA
- Catholic Church Health Service PNG
- Centacare Sandhurst VIC
- Child Rights Taskforce, Child Workers in Nepal
- Community Newspaper Group WA
- Community Youth Justice TAS
- Crossways Lutheran School SA
- Dalit Non Government Organization Coordination Committee Nepal
- Department of Community Development PNG
- Department of Education TAS
- Eastern Highlands Family Voice PNG
- Glebe Youth Service NSW

- Healthway WA
- Magistrates Court TAS
- Milner Primary School Partnership NT
- Nepal Red Cross Society
- Northern Territory Food Bank
- Office of Children and Families NT
- Parenting Research Centre NT
- Parramatta Hills Holroyd Migrant Resource Centre NSW
- Peakcare OLD
- People's Primary Healthcare Initiative Pakistan
- Perugino WA
- Playgroup SA
- Playgroup Victoria
- Provincial Division of Health, Eastern Highlands Province PNG
- Salvation Army QLD
- Salvation Army SA
- · Shire of Broome WA
- Shire Wyndham East Kimberley WA
- Shreepurraj Community Development Centre Nepal
- Smith Family NSW
- Smith Family QLD
- South Seas Evangelical Church Health Service PNG
- Tasmanian Police Early Intervention Unit TAS
- United Nations Association of Australia SA
- UnitingCare Cutting Edge VIC
- Wagga Council NSW
- Woodside Energy WA
- Workforce Council QLD
- Working for Access and Creation Nepal
- YWCA NSW



# **Governance**

#### 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 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 Team, is accountable to the Board. The roles of Chairman and CEO are separate.

The company's constitution provides for a maximum of 14 directors. The directors have however determined to can the number of directors at 13. Effective 25 May 2013, the cap will be further reduced to 12. 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.

## 2. Remuneration of directors

Directors 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 the contribution of their personal time and efforts, 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 other than reimbursement. of necessarily incurred expenditure. 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.

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

s o s

Board Member	Meeting: Attende	Meeting: Held
Peter Watson	7	8
Jan Stewart	4	8
Bruce Mansfield	6	8
Jenny-Ellen Kennedy	8	8
Adrian Morgan	8	8
Bernard Wheelahan	7	8
Don Churchill	4	4*
Tom Hardy	8	8
Andrew Sisson	7	8
Bruce Meagher	8	8

Peter Hodgson	3	4*
Jill Cameron	4	4*
Christine Charles	1	1*
Michelle Somerville	0	0*
Lynne Jensen	7	7*
Janet Grieve	7	7*

<sup>\*</sup> Reflects the number of meetings held during the time the director held office during the financial period.

#### 4. Board committees

A The Board Audit Committee assists the Board in carrying out its responsibilities in relation to the financial integrity of the organisation and the Board's accountability to stakeholders, by providing governance and oversight.

At the date of this report the Board Audit Committee members are Andrew Sisson (Chair), Bruce Mansfield, Michelle Somerville, John Yiannis (external member) and Peter Hodgson (ex officio).

**B** The Board Risk Management Committee assists the Board in carrying out its responsibilities in relation to risk management and the program work required to pursue the organisation's mission.

At the date of this report the Board Risk Management Committee members are Bernard Wheelahan (Chair), Peter Watson, Jan Stewart, Jill Cameron, Don Churchill, Christine Charles and Peter Hodgson (ex officio).

C The Board Human
Resources Committee assists
the Board to discharge its
responsibilities in relation to
the nomination of Directors,
CEO and Executive Team,
appointment, performance
and succession in regard
to Directors, the CEO and
Executive Team, and SCA
Human Resources Strategy
and Policies.

At the date of this report the Board Human Resources Committee members are Bruce Meagher (Chair), Bruce Mansfield, Jenny-Ellen Kennedy, Adrian Morgan, John Allen (external member) and Peter Hodgson (ex officio).

Note: The CEO and other company employees attend the meetings of the Board committees to report to the committees and assist in their operation.

#### 5. Executive Team

The Executive Team supports the CEO and meets fortnightly to review the operation and management of Save the Children Australia.

#### 6. Executive remuneration

Executive remuneration is reviewed annually and is based on current market conditions and trends.

#### 7. Our Board

The Board of Directors as at 31 December 2012:

CONTINUED OVER PAGE

#### CONTINUED

# **Governance**

#### ■ Peter Hodgson

MA(Honours) in Law (Cambridge)

Chairman of the Board and ex-officio member of the Board Audit Committee, Board Risk **Management Committee** and Board Human **Resources Committee** 

Peter is the Chief Executive Officer of The Myer Family Company, a privately held investment and wealth management business with offices in three states. Prior to this Peter was Group Managing Director Institutional at ANZ. Much of Peter's career has been spent overseas working in advisory and structured finance, in the United Kingdom, Asia and the US, variously at Bank of America and BZW before returning to Australia in 1997. Peter has been a director of Save the Children since May 2012 and became Chairman in June 2012.

#### Peter Watson

Dip CE, FTSE, MAICD, MIEA

#### Member of the Board Risk **Management Committee**

Peter is the Chairman of Asset Co. the Victoria Regional Rail Link Authority and Logicamms Pty Ltd. He has 30 years experience in both private and public companies including 10 vears as CEO and MD with a focus on project and asset management of physical infrastructure. Peter has been a director of Save the Children since March 2009 and was Chairman from November 2010 to June 2012.

#### **■** Bruce Mansfield

BComm, F FIN. MAICD

#### Member of the Board **Audit Committee and Board Human Resources** Committee

Bruce is the Managing Director & Chief Executive Officer of eftpos Payments Australia Limited. He has had more than 20 years experience in consumer payments and a further 10 years in information technology. Bruce has been a director of Save the Children since 2007.

#### Jenny-Ellen Kennedy BA. LLB(Hons)

#### Member of the Board **Human Resources** Committee

Jenny-Ellen is a partner at Groom Kennedy, Lawyers & Advisors, specialising in commercial law. A previous member of the Tasmanian State Council, Jenny-Ellen has been a director of Save the Children since 2007

#### Adrian Morgan BA (Psych)

#### Member of the Board **Human Resources** Committee

Adrian is the Deputy Chief Executive Officer of Lutheran Community Care, a large provider of aged, disability and family services in Queensland. He has been a member of several national and local not-for-profit boards, including holding the role of Board Chair for a professional association for five years. Adrian's previous work as a management consultant

included involvement in several studies relating to the care of vulnerable children in supported accommodation. Adrian has been a director of Save the Children since November 2007.

#### ■ Andrew Sisson BSC FAICD

#### Treasurer, Chairman of the **Board Audit Committee**

Andrew is the Managing Director of Balanced Equity Management Pty Limited and has extensive experience in financial analysis and investment management. Andrew has been a director of Save the Children since June 2009.

#### **■** Bruce Meagher

BA, LLB(Syd)

#### Chairman of the Board **Human Resources** Committee

Bruce is Director Corporate Affairs at Foxtel. He has more than 20 years experience in law, public policy, government relations, corporate communications and general management. Bruce has been an adviser to two federal cabinet ministers and a senior executive in the media, telecommunications and financial services industries. He has been a director of Save the Children since November 2009.

#### Jan Stewart

RA MASM

#### Member of the Board Risk **Management Committee**

Jan has been the Chief Executive Officer since 1992 of Lotterywest, the Western

Australian state lottery. Prior to this Jan was the Director of Grants and Community Development at Lotterywest and also spent 10 years as the Chief Social Worker at Princess Margaret Hospital. Perth's major paediatric hospital. She is a member of a wide range of community boards and committees. Jan has been a director of Save the Children since February 2010.

#### ■ Bernard Wheelahan

BSc, Dip Ed, FRACI, FAICD, Faus IMM. FAIE

#### Chairman of the Board Risk **Management Committee**

Bernard is an independent company director. His experience has been mainly in the energy sector in Australia and internationally. He has advisory roles with The Global Foundation and the Australian National University Centre for Latin American Studies. He was made a Member of the Order of Australia in the Queen's Birthday Honours in 2012. Bernard has been a director of Save the Children since November 2010.

#### Jill Cameron

BA BEd

#### Member of the Board Risk **Management Committee**

Jill has a wealth of experience across education, health and children's services in government and non government sectors. As a consultant for the past 17 years, she has undertaken strategic planning, policy development, program and project design, and evaluation projects, large

and small, at the local, state wide and national levels. Jill has been a director of Save the Children between 2003 and 2009 and most recently since May 2012.

#### Don Churchill

#### Member of the Board Risk Management Committee

Don has 45 years experience in media, management and community activities. He led the Fairfax Media publishing businesses in Melbourne for seven years until retirement in 2011 and now provides management and consultancy services to media and other businesses. Don is currently a director of Kea Australia Ltd, the New Zealand Victoria Business Group, and previously was a director of the New Zealand Publishers' Association and the NZ Press Association. Don has been a director of Save the Children since May 2012.

#### ■ Christine Charles

BA Hons, Graduate Diploma Leadership

#### Member of the Board Risk Management Committee

Christine is a senior business leader who has held a variety of positions in the private sector, public sector, community sector and academia. Christine is an independent chair and director, and provides strategic advice in the mining, oil, gas and energy sectors. Christine was the Chief Executive of the South Australian Department of

Human Services and prior to that she headed the South Australian Cabinet Office. She has worked for the World Health Organisation as a senior consultant at the International Centre for Health Systems Development Japan. Christine is an adjunct Professor at the Centre for Social Responsibility in Mining at the University of Queensland, and a Senior Advisor with the Nous Group. Christine has been a director of Save the Children since September 2012.

#### ■ Michelle Somerville BAcc, MAppFin, MAICD, FCA

#### Member of the Board Audit Committee

Michelle was an audit partner at KPMG and has had 26 years of experience in financial accounting, audit, risk management and compliance across a range of industries including the not for profit sector, in both Australia and the United States. Michelle has been a director of Save the Children since December 2012.

Directors have been in office from the start of the financial year to the date of this report other than Lynne Jensen,
Tom Hardy and Janet Grieve (resigned during the financial year) and Jill Cameron, Don Churchill, Christine Charles,
Michelle Somerville and Peter Hodgson (appointed during the financial year).

# 8. 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.

#### 9. 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. Board members, employees and volunteers are required to signify acceptance of, and comply with, the company's Child Protection Policy and Code of Conduct. Save the Children Australia has also developed policies which deal with occupational health and safety, intellectual property, privacy, equal opportunity and employee grievances to assist employees and volunteers in meeting the high standards of ethics and conduct required.

#### 10. 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.

# 11. Governance best practice

Save the Children
Association, 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.

Save the Children Australia ABN 99 008 610 035 and controlled entities

Company Secretary Elizabeth Flynn Registered Office Level 6, 250 Victoria Parade East Melbourne, Vic 3002 Phone 03 9938 2000 A copy of the full consolidated financial report and independent audit report for the year ended 31 December 2012 is available at savethechildren.org.au

Alternatively, you can request a hard copy which will be sent without charge. All such requests should be made to the Registered Office.



# **Financial overview**

### Where the money comes from

#### **Community Support**

Income: donations, fundraising, legacies and bequests received from the Australian public and corporations

**Grants – AusAID**: grants received from the Australian Government's overseas aid program.

**Grants – Other**: grants received from other Australian Government departments and international organisations and government bodies.

Other Income: includes investment income and revenue from commercial activities.

Total income for the year ended 31 December 2012 was \$86 million, with AusAID funding now representing one third of our funding sources for the year. Continued generous public support enables our community support income to assist us to effectively deliver programs to children and to respond to emergencies such as the Australian bushfires and floods appeals.

We have continued to experience strong growth over the past 4 years, particularly in the area of AusAID and other institutional grant funding. Community support remains healthy and provides a strong base to enable us to increase our reach and impact across our programming areas.

#### Where the money goes

#### Program Expenditure:

long-term development and emergency response work across both international and domestic programs, as well as community education which includes costs related to informing and educating the Australian community of development, humanitarian and global justice issues.

#### **Fundraising Costs**:

associated with developing and securing our donor supporter base in order to attract donations to fund our program and advocacy work.

### Accountability and Administration Expenses:

covers administrative and other costs required to efficiently run the organisation. It includes items such as staff costs in areas such as finance, IT, human resources, administration, office maintenance, audit and legal fees, insurance premiums, and IT equipment costs, as well as investments in further developing the organisation's capabilities and infrastructure.

During the year there was continued focus on strengthening internal systems and processes to support delivery of the strategic plan.

Nearly 80% of all income raised has been invested into domestic and international programs.

During the year, a new fundraising and donor relationship strategy was introduced with enhancement of our website and telephone channels and greater focus on retention of our regular and cash donors.

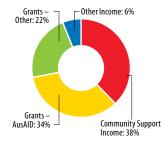
The cost of our fundraising activities was managed down with a reduced reliance on face to face acquisition of new donors. This released additional resources that were deployed on our programs for children.

We have continued to devote slightly over half of our overall programming spend to Australia and the Pacific in 2012. Of the program spend deployed outside Australia and the Pacific region, there has been an increased emphasis on the Asian continent, particularly Afghanistan and Pakistan, through expanded funding from AusAID.

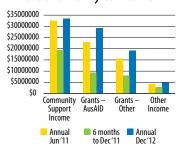
The chart details our total programming spend during the year by region.

### Where the money comes from

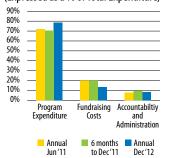
Year end 31 December 2012 (Expressed as a % of Total Income)



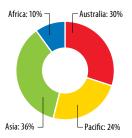
#### Where the money comes from



### Where the money goes (Expressed as a % of Total Expenditure)



#### Program expenditure Year ended 31 December 2012



#### Consolidated Statement of Comprehensive Income for the period ended 31 December 2012

Consolidated

	12 months to	12 months to 6 months to		
	31 December 2012	31 December 2011		
Continuing Operations	\$	\$		
REVENUE				
Donations and gifts – monetary	29,589,886	17,212,821		
Donations and gifts – non-monetary	370,413	973,850		
Bequests and legacies	3,253,699	1,044,836		
Grants				
—Australian	11,439,974	4,100,276		
—AusAID	29,050,214	8,856,465		
—other overseas	7,442,132	3,308,954		
Revenues from commercial activities	4,275,715	1,901,767		
Investment income	404,354	184,431		
Other income	301,609	387,520		
TOTAL REVENUE	86,127,996	37,970,920		
Expenditure				
INTERNATIONAL AID AND DEVELOPMENT PROGRAMS EXPENDITURE				
International programs				
—Funds to international programs	43,245,069	17,955,524		
—Program support costs	4,405,556	3,274,521		
Community Education	1,519,683	1,523,438		
Domestic Aid and Development Programs Expenditure				
Domestic programs				
—Funds to domestic programs	17,224,900	5,601,489		
—Program support costs	597,619	616,731		
Fundraising costs (International and Domestic)				
—Public – monetary	6,901,340	5,908,285		
—Public – non-monetary	347,000	973,850		
—Government, multilateral and private	1,181,694	393,516		
Commercial activities (International and Domestic)	3,082,734	1,266,443		
Accountability and Administration (International and Domestic)	7,033,247	4,048,678		
TOTAL EXPENDITURE	85,538,842	41,562,475		
Excess/(Shortfall) of revenue over expenditure from continuing operations	589,154	(3,591,555)		
Other Comprehensive Income				
Exchange differences on translation of foreign operations	199,171	41,226		
OTHER COMPREHENSIVE INCOME FOR THE YEAR	199,171	41,226		
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	788,325	(3,550,329)		

During the financial year, the entity had no transactions in relation to political or religious proselytisation programs. The accompanying notes form part of these financial statements.

#### **Consolidated Statement of Financial Position as at 31 December 2012**

Assets         12 months to 31 December 2012 31 December 2013 31 December 20		Conso	Consolidated		
Assets         \$         \$           CURRENT ASSETS         26,289,998         28,283,711           Cash and cash equivalents         26,289,998         28,283,711           Trade and other receivables         11,133,323         10,835,917           Inventories         121,298         77,225           Financial assets         1,228,283         436,839           Total current assets         38,772,902         39,633,692           NON-CURRENT ASSETS         -         78,662           Other financial assets         -         78,662           Property, plant and equipment         4,178,877         4,025,430           Total non-current assets         4,178,877         4,104,092           TOTAL ASSETS         42,951,779         43,737,84           Liabilities         -         -           CURRENT LIABILITIES         -         8,261,569           Provisions         476,393         411,154           Deferred income         32,407,198         30,703,294           Total current liabilities         37,675,884         39,376,017           NON-CURRENT LIABILITIES         526,265           Total non-current liabilities         652,068         526,265           Total non-current liabilities </th <th></th> <th colspan="2"></th>					
CURRENT ASSETS         26,289,998         28,283,711           Cash and cash equivalents         26,289,998         28,283,711           Trade and other receivables         11,133,323         10,835,917           Inventories         121,298         77,225           Financial assets         1,228,283         456,838           Total current assets         38,772,902         39,633,692           NON-CURRENT ASSETS           Other financial assets         -         78,662           Property, plant and equipment         4,178,877         4,025,430           Total non-current assets         4,178,877         4,104,092           TOTAL ASSETS         42,951,779         43,737,784           Liabilities         2         8,261,569           CURRENT LIABILITIES         7         8,261,569           Provisions         476,393         411,154           Deferred income         32,407,198         30,703,294           Total current liabilities         37,675,884         39,376,017           NON-CURRENT LIABILITIES         565,068         526,265           Total non-current liabilities         652,068         526,265           Total non-current liabilities         38,327,952         39,902,282		31 December 2012	31 December 2011		
Cash and cash equivalents         26,289,998         28,283,711           Trade and other receivables         11,133,323         10,835,917           Inventories         121,298         77,225           Financial assets         1,228,283         436,839           Total current assets         38,772,902         39,633,692           NON-CURRENT ASSETS         -         78,662           Property, plant and equipment         4,178,877         4,025,430           Total non-current assets         4,178,877         4,104,092           TOTAL ASSETS         42,951,779         43,737,784           Liabilities         -         CURRENT LIABILITIES           Trade and other payables         4,792,293         8,261,569           Provisions         476,393         411,154           Deferred income         32,407,198         30,703,294           Total current liabilities         37,675,884         39,376,017           NON-CURRENT LIABILITIES         565,068         526,265           Total non-current liabilities         652,068         526,265           Total non-current liabilities         38,327,952         39,902,282           NET ASSETS         4,623,827         3,835,502           Equity <t< th=""><th>Assets</th><th>\$</th><th>\$</th></t<>	Assets	\$	\$		
Trade and other receivables         11,133,323         10,835,917           Inventories         121,298         77,225           Financial assets         1,228,283         436,839           Total current assets         38,772,902         39,633,692           NON-CURRENT ASSETS         -         78,662           Other financial assets         -         78,662           Property, plant and equipment         4,178,877         4,025,430           Total non-current assets         4,178,877         4,104,092           TOTAL ASSETS         42,951,779         43,737,84           Liabilities         -         8,261,569           CURRENT LIABILITIES         4,792,293         8,261,569           Provisions         476,393         411,154           Deferred income         32,407,198         30,703,294           Total current liabilities         37,675,884         39,376,017           NON-CURRENT LIABILITIES         562,068         526,265           Total non-current liabilities         652,068         526,265           Total non-current liabilities         38,327,952         39,902,282           NET ASSETS         4,623,827         3,835,502           Equity           Foreign Currency Translation R	CURRENT ASSETS				
Inventories         121,298         77,225           Financial assets         1,228,283         436,839           Total current assets         38,772,902         39,633,692           NON-CURRENT ASSETS         Use of the financial assets         - 78,662           Property, plant and equipment         4,178,877         4,025,430           Total non-current assets         4,178,877         4,104,092           TOTAL ASSETS         42,951,779         43,737,784           Liabilities         CURRENT LIABILITIES           Trade and other payables         4,792,293         8,261,569           Provisions         476,393         411,154           Deferred income         32,407,198         30,703,294           Total current liabilities         37,675,884         39,376,017           NON-CURRENT LIABILITIES         652,068         526,265           Total non-current liabilities         652,068         526,265           Total non-current liabilities         652,068         526,265           Total LIABILITIES         38,327,952         39,902,282           NET ASSETS         4,623,827         3,835,502           Equity           Foreign Currency Translation Reserve         (13,804)	Cash and cash equivalents	26,289,998	28,283,711		
Financial assets         1,228,283         436,839           Total current assets         38,772,902         39,633,692           NON-CURRENT ASSETS         Secondary of the financial assets         -         78,662           Property, plant and equipment         4,178,877         4,025,430           Total non-current assets         4,178,877         4,104,092           TOTAL ASSETS         42,951,779         43,737,784           Liabilities         CURRENT LIABILITIES         Trade and other payables         4,792,293         8,261,569           Provisions         476,393         411,54         41,154           Deferred income         32,407,198         30,703,294           Total current liabilities         37,675,884         39,376,017           NON-CURRENT LIABILITIES         50,068         526,265           Total non-current liabilities         652,068         526,265           Total non-current liabilities         652,068         526,265           Total LIABILITIES         38,327,952         39,902,282           NET ASSETS         4,623,827         3,835,502           Equity           Foreign Currency Translation Reserve         (13,804)         (212,975)	Trade and other receivables	11,133,323	10,835,917		
Total current assets         38,772,902         39,633,692           NON-CURRENT ASSETS         -         78,662           Other financial assets         -         78,662           Property, plant and equipment         4,178,877         4,025,430           Total non-current assets         42,951,779         43,737,784           Liabilities         -         -           CURRENT LIABILITIES         -         -           Trade and other payables         4,792,293         8,261,569           Provisions         476,393         411,154           Deferred income         32,407,198         30,703,294           Total current liabilities         37,675,884         39,376,017           NON-CURRENT LIABILITIES         50,068         526,265           Total non-current liabilities         652,068         526,265           Total non-current liabilities         38,327,952         39,902,282           NET ASSETS         4,623,827         3,835,502           Equity           Foreign Currency Translation Reserve         (13,804)         (212,975)	Inventories	121,298	77,225		
NON-CURRENT ASSETS           Other financial assets         -         78,662           Property, plant and equipment         4,178,877         4,025,430           Total non-current assets         4,178,877         4,104,092           TOTAL ASSETS         42,951,779         43,737,784           Liabilities         CURRENT LIABILITIES           Trade and other payables         4,792,293         8,261,569           Provisions         476,393         411,154           Deferred income         32,407,198         30,703,294           Total current liabilities         37,675,884         39,376,017           NON-CURRENT LIABILITIES         Frovisions         652,068         526,265           Total non-current liabilities         652,068         526,265           Total non-current liabilities         38,327,952         39,902,282           NET ASSETS         4,623,827         3,835,502           Equity           Foreign Currency Translation Reserve         (13,804)         (212,975)	Financial assets	1,228,283	436,839		
Other financial assets         -         78,662           Property, plant and equipment         4,178,877         4,025,430           Total non-current assets         4,178,877         4,104,092           TOTAL ASSETS         42,951,779         43,737,784           Liabilities         CURRENT LIABILITIES           Trade and other payables         4,792,293         8,261,569           Provisions         476,393         411,154           Deferred income         32,407,198         30,703,294           Total current liabilities         37,675,884         39,376,017           NON-CURRENT LIABILITIES         652,068         526,265           Total non-current liabilities         652,068         526,265           Total non-current liabilities         38,327,952         39,902,282           NET ASSETS         4,623,827         3,835,502           Equity           Foreign Currency Translation Reserve         (13,804)         (212,975)	Total current assets	38,772,902	39,633,692		
Property, plant and equipment         4,178,877         4,025,430           Total non-current assets         4,178,877         4,104,092           TOTAL ASSETS         42,951,779         43,737,784           Liabilities         CURRENT LIABILITIES           Trade and other payables         4,792,293         8,261,569           Provisions         476,393         411,154           Deferred income         32,407,198         30,703,294           Total current liabilities         37,675,884         39,376,017           NON-CURRENT LIABILITIES         652,068         526,265           Total non-current liabilities         652,068         526,265           TOTAL LIABILITIES         38,327,952         39,902,282           NET ASSETS         4,623,827         3,835,502           Equity           Foreign Currency Translation Reserve         (13,804)         (212,975)	NON-CURRENT ASSETS				
Total non-current assets         4,178,877         4,104,092           TOTAL ASSETS         42,951,779         43,737,784           Liabilities           CURRENT LIABILITIES           Trade and other payables         4,792,293         8,261,569           Provisions         476,393         411,154           Deferred income         32,407,198         30,703,294           Total current liabilities         37,675,884         39,376,017           NON-CURRENT LIABILITIES         652,068         526,265           Total non-current liabilities         652,068         526,265           TOTAL LIABILITIES         38,327,952         39,902,282           NET ASSETS         4,623,827         3,835,502           Equity           Foreign Currency Translation Reserve         (13,804)         (212,975)	Other financial assets		78,662		
TOTAL ASSETS         42,951,779         43,737,784           Liabilities           CURRENT LIABILITIES           Trade and other payables         4,792,293         8,261,569           Provisions         476,393         411,154           Deferred income         32,407,198         30,703,294           Total current liabilities         37,675,884         39,376,017           NON-CURRENT LIABILITIES         520,068         526,265           Total non-current liabilities         652,068         526,265           Total LIABILITIES         38,327,952         39,902,282           NET ASSETS         4,623,827         3,835,502           Equity           Foreign Currency Translation Reserve         (13,804)         (212,975)	Property, plant and equipment	4,178,877	4,025,430		
Liabilities         CURRENT LIABILITIES         Trade and other payables       4,792,293       8,261,569         Provisions       476,393       411,154         Deferred income       32,407,198       30,703,294         Total current liabilities       37,675,884       39,376,017         NON-CURRENT LIABILITIES       652,068       526,265         Total non-current liabilities       652,068       526,265         TOTAL LIABILITIES       38,327,952       39,902,282         NET ASSETS       4,623,827       3,835,502         Equity         Foreign Currency Translation Reserve       (13,804)       (212,975)	Total non-current assets	4,178,877	4,104,092		
CURRENT LIABILITIES           Trade and other payables         4,792,293         8,261,569           Provisions         476,393         411,154           Deferred income         32,407,198         30,703,294           Total current liabilities         37,675,884         39,376,017           NON-CURRENT LIABILITIES         Frovisions         652,068         526,265           Total non-current liabilities         652,068         526,265           TOTAL LIABILITIES         38,327,952         39,902,282           NET ASSETS         4,623,827         3,835,502           Equity           Foreign Currency Translation Reserve         (13,804)         (212,975)	TOTAL ASSETS	42,951,779	43,737,784		
Trade and other payables         4,792,293         8,261,569           Provisions         476,393         411,154           Deferred income         32,407,198         30,703,294           Total current liabilities         37,675,884         39,376,017           NON-CURRENT LIABILITIES         526,265           Total non-current liabilities         652,068         526,265           TOTAL LIABILITIES         38,327,952         39,902,282           NET ASSETS         4,623,827         3,835,502           Equity           Foreign Currency Translation Reserve         (13,804)         (212,975)	Liabilities				
Provisions         476,393         411,154           Deferred income         32,407,198         30,703,294           Total current liabilities         37,675,884         39,376,017           NON-CURRENT LIABILITIES         652,068         526,265           Total non-current liabilities         652,068         526,265           TOTAL LIABILITIES         38,327,952         39,902,282           NET ASSETS         4,623,827         3,835,502           Equity           Foreign Currency Translation Reserve         (13,804)         (212,975)	CURRENT LIABILITIES				
Deferred income         32,407,198         30,703,294           Total current liabilities         37,675,884         39,376,017           NON-CURRENT LIABILITIES	Trade and other payables	4,792,293	8,261,569		
Total current liabilities         37,675,884         39,376,017           NON-CURRENT LIABILITIES         652,068         526,265           Total non-current liabilities         652,068         526,265           TOTAL LIABILITIES         38,327,952         39,902,282           NET ASSETS         4,623,827         3,835,502           Equity           Foreign Currency Translation Reserve         (13,804)         (212,975)	Provisions	476,393	411,154		
NON-CURRENT LIABILITIES           Provisions         652,068         526,265           Total non-current liabilities         652,068         526,265           TOTAL LIABILITIES         38,327,952         39,902,282           NET ASSETS         4,623,827         3,835,502           Equity         Foreign Currency Translation Reserve         (13,804)         (212,975)	Deferred income	32,407,198	30,703,294		
Provisions         652,068         526,265           Total non-current liabilities         652,068         526,265           TOTAL LIABILITIES         38,327,952         39,902,282           NET ASSETS         4,623,827         3,835,502           Equity         Foreign Currency Translation Reserve         (13,804)         (212,975)	Total current liabilities	37,675,884	39,376,017		
Total non-current liabilities         652,068         526,265           TOTAL LIABILITIES         38,327,952         39,902,282           NET ASSETS         4,623,827         3,835,502           Equity         Foreign Currency Translation Reserve         (13,804)         (212,975)	NON-CURRENT LIABILITIES				
TOTAL LIABILITIES         38,327,952         39,902,282           NET ASSETS         4,623,827         3,835,502           Equity         500 (212,975)         (13,804)         (212,975)	Provisions	652,068	526,265		
NET ASSETS         4,623,827         3,835,502           Equity         Currency Translation Reserve         (13,804)         (212,975)	Total non-current liabilities	652,068	526,265		
Equity Foreign Currency Translation Reserve (13,804) (212,975)	TOTAL LIABILITIES	38,327,952	39,902,282		
Foreign Currency Translation Reserve (13,804) (212,975)	NET ASSETS	4,623,827	3,835,502		
Foreign Currency Translation Reserve (13,804) (212,975)	Equity				
Accumulated Surplus 4,637,631 4,048,477	Foreign Currency Translation Reserve	(13,804)	(212,975)		
	Accumulated Surplus	4,637,631	4,048,477		

4,623,827

The accompanying notes form part of these financial statements.

**TOTAL EQUITY** 

3,835,502

### Consolidated Statement of Changes in Equity for the period ended 31 December 2012

	Foreign Currency Translation Reserve \$	Accumulated Surplus \$	Total Equity \$
BALANCE AT 30 JUNE 2011	(254,201)	7,640,032	7,385,831
Total comprehensive income for the period			
Shortfall for the period		(3,591,555)	(3,591,555)
Other comprehensive income			
Movement in foreign currency translation reserve	41,226	_	41,226
Total comprehensive income/(loss) for the period	41,226	(3,591,555)	(3,550,329)
Balance at 31 December 2011	(212,975)	4,048,477	3,835,502
Total comprehensive income for the year			
Surplus for the year		589,154	589,154
Other comprehensive income			
Movement in foreign currency translation reserve	199,171		199,171
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	199,171	589,154	788,325
BALANCE AT 31 DECEMBER 2012	(13,804)	4,637,631	4,623,827

The accompanying notes form part of these financial statements.

### Consolidated Statement of Cash Flows for the period ended 31 December 2012

i onsoi	lidated

	Consolidated		
	12 months to 31 December 2012	6 months to 31 December 2011	
	ý.	ý.	
Cash flows from operating activities			
Cash received in the course of operations	84,276,614	39,191,801	
Cash paid in the course of operations	(86,169,552)	(48,305,788)	
Interest received	376,952	184,431	
Net cash used in operating activities	(1,515,986)	(8,929,556)	
Cash flows from investing activities			
Proceeds from sale of financial assets	464,241	-	
Payments for plant and equipment	(941,968)	(576,360)	
Net cash used in investing activities	(477,727)	(576,360)	
Cash flows from financing activities	_	_	
Net cash (used)/provided in financing activities			
Net decrease in cash held	(1,993,713)	(9,505,916)	
Cash at the beginning of the financial year	28,283,711	37,789,627	
CASH AT THE END OF THE FINANCIAL YEAR	26,289,998	28,283,711	

The accompanying notes form part of these financial statements.

#### Table of Cash Movements for Designated Purposes for the period ended 31 December 2012

	Cash available at the beginning of the financial year	Cash raised during the financial year	Cash disbursed during the financial year	Cash available at the end of the financial year
Grants – Afghanistan – Uruzgan Health Education Program – AusAID	5,245,922	6,224,590	4,757,788	6,712,724
Total for other non-designated purposes	23,037,789	78,893,217	82,353,732	19,577,274
TOTAL	28,283,711	85,117,807	87,111,520	26,289,998

The Table of Cash Movements is prepared on a cash basis.

The purpose of the Table of Cash Movements is to ensure the accountability of cash raised for designated purposes. The Table of Cash Movements is used to disclose the amount of cash that has been raised for a designated purpose, disbursed and remains unspent at the end of the year.

Cash raised refers to cash donations, government and other income actually received during the year. Cash disbursed refers to expenditure actually paid out during the year.

#### Notes to the Consolidated Summary Financial Report for the year ended 31 December 2012

#### 1. Basis of preparation

The Summary Financial Report has been prepared in accordance with the requirements set out in the Australian Council for International Development ("ACFID") Code of Conduct. For further information on the Code, please refer to the ACFID Code of Conduct Guidance Document available at www.acfid.asn.au.

The Summary Financial Report is an extract from the Save the Children Australia and Controlled Entities' full financial report for the year ended 31 December 2012. The financial statements and specific disclosures included in the Summary Financial Report have been derived from the full financial report.

The Summary 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.

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

The Summary Financial Report is presented in Australian dollars.

#### 2. Ratios

#### Administration ratio

A useful measure of the consolidated entity's administrative efficiency is its administration cost ratio, which is targeted to be below 10%. The ratio expresses administration costs (including depreciation) as a percentage of total revenue. For the year ended 31 December 2012, the ratio was 8.2% (6 months ended December 2011: 10.7%).

#### Fundraising cost ratio

Another ratio often given attention is the fundraising cost ratio. There are different definitions of this ratio used throughout the notfor-profit sector. In order to assess the organisation's performance accurately and to provide a comparison with other non-government organisations, the following two fundraising cost ratios have been used:

#### Fundraising costs as a percentage of total revenue

The ratio in relation to total revenue in the year to December 2012 was 9.8% (6 months ended December 2011: 19.2%).

 Fundraising costs as a percentage of fundraising income, which excludes bequests, legacies and grants

The ratio in relation to all funds raised in the year to December 2012 was 28.1% (6 months ended December 2011: 40.0%). The meaningfulness of this ratio however, is affected by the range of fundraising activities undertaken in the respective periods. 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 fundraising cost ratio over time and with the corresponding ratio of other charities that may have quite different ways of funding their activities and reporting their results

# **Directors' declaration**

The directors of Save the Children Australia ('Company') declare that the Summary Financial Report comprising the statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity and table of cash movements, as set out on pages 43 to 48, is in accordance with the requirements set out in the ACFID Code of Conduct and has been derived from and is consistent with the full financial statements of the Company and its controlled entities ('Consolidated Entity') for the year ended 31 December 2012.

The directors of the Company further declare that:

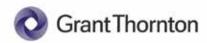
- a the full financial statements and accompanying notes of the Consolidated Entity are in accordance with the Corporations Act 2001 and:
  - i comply with Accounting Standards and the Corporations Regulations 2001,
  - ii give a true and fair view of the financial position of the Consolidated Entity as at 31 December 2012 and of the performance of the Consolidated Entity for the year ended on that date, and
  - iii comply with the requirements set out in the ACFID Code of Conduct;
- **b** in the directors' opinion there are reasonable grounds to believe 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:

Peter Hodgson Chairman

Melbourne 4 April 2013

# Independent auditor's report



Grant Thornton Audit Pty Ltd ACN 130 913 594

The Rialto, Level 30 525 Collins St Melbourne Victoria 3000 GPO Box 4736 Melbourne Victoria 3001

T+61 3 8320 2222 F+61 3 8320 2200 E info.vic@au.gt.com W www.grantthornton.com.au

#### Independent Auditor's Review Report To the members of Save the Children Australia

We have audited the accompanying summary financial report of Save the Children Australia which comprises the statement of financial position as at 31 December 2012, the statement of comprehensive income, statement of changes in equity, statement of cash flows and table of cash movements for the year then ended, derived from the audited financial report of Save the Children Australia for the year ended 31 December 2012. The summary financial report does not contain all the disclosures required by the Australian Accounting Standards and accordingly, reading the summary financial report is not a substitute for reading the audited financial report.

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

The Directors are responsible for the preparation of the summary financial report in accordance with the ACFID Code of Conduct requirements, and for such internal control as the directors determine are necessary to enable the preparation of the summary financial report.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the summary financial report based on our procedures which were conducted in accordance with Auditing Standard ASA 810 
Engagements to Report on Summary Financial Statements. 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 31 December 2012. We expressed an unmodified opinion on that financial report in our report dated 4 April 2013. 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.

Over Thurston Andrein Linked in a receiser the wider Over Thurston International Ltd. Over Thurston International Ltd and the neurison firms are not a quickfully partnership. Class Thurston Andreid Linked, together with its schooldaries and related verifies, deferm its services independently in Australia.

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# Independent auditor's report



An audit involves performing procedures to obtain evidence about the amounts and disclosures in the summary financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the summary financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the summary financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our procedures included testing that the information in the summary financial report is derived from, and is consistent with, the financial report for the period, and examination on a test basis, of audit evidence supporting the amounts, and other disclosures which were not directly derived from the financial report for the period.

The summary financial report and the audited financial report do not reflect the effect of events that occurred subsequent to the date of the auditor's report on the audited financial report.

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.

#### Opinion

In our opinion, the summary financial report of Save the Children Australia for the year ended 31 December 2012 is consistent, in all material respects, with the financial report from which it was derived.

GRANT THORNTON AUDIT PTY LTD

Grant Shorelox

Chartered Accountants

Nicholas E. Burne

Partner - Audit & Assurance

Melbourne, 4 April 2013





# HOW TO get involved

There are many ways you can make a difference to the lives of disadvantaged children in Australia and around the world:

- volunteer
- donate
- become a member
- · shop at our op-shops or online
- · come along to an event
- · get your workplace involved
- support a campaign
- join our team
- leave a gift in your will.

#### Save the Children Australia

Head Office: Level 6, 250 Victoria Parade East Melbourne VIC 3002 Email: info@savethechildren.org.au

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