

ANNUAL REPORT 2014

Save the Children is the world's leading independent organization for children, delivering programs and improving children's lives in more than 120 countries worldwide. We save children's lives. We fight for their rights. We help them fulfill their potential.

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

Our mission is to inspire breakthroughs in the way the world treats children, and to achieve immediate and lasting change in their lives. Across all of our work, we pursue several core values: accountability, ambition, collaboration, creativity, and integrity.





TABLE OF CONTENTS

- 4 Message from the President & CEO
- 6 Canadian Programs
- 8 International Programs | Youth in Action
- 10 International Programs | Ebola
- 12 International Programs | Syria
- International Programs | Street Kids International
- 14 Financial Overview
- 15 Report of the Independent Auditor
- 17 Audited Summary Financial Statements

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Save the Children

Save the Children is a member of the Humanitarian Coalition.



2014 was a busy year for Save the Children Canada.

Thanks to our generous supporters, we were able to make a difference in the lives of children internationally, as well as help marginalized communities right here in Canada.

One of the biggest concerns this year was how Save the Children could assist with the Ebola outbreak that devastated West African countries and cost thousands of lives with thousands more at risk. According to the World Bank, the economic impact alone could cost West Africa an estimated \$32.6 billion by the end of 2015. Ebola shut down schools across the region, leaving millions of children without an opportunity to learn and threatening to leave a generation of children without an education. The Ebola crisis bears unforetold and potentially devastating consequences for the economies and health infrastructures of Liberia, Sierra Leone and Guinea - the countries hardest hit by Ebola - as well as for the wider West African region. In 2014, Save the Children set up Ebola Treatment Centres (ETC), doing

whatever possible to help those affected. I urge global leaders and their governments to do their part and commit to sending the personnel, equipment and money so desperately needed to treat this global health crisis.

Unfortunately the refugee crisis in Syria continued to devastate millions throughout 2014. Every day in Syria children are experiencing the brutalities of war: injury, death and displacement. Scandalously, hundreds of thousands are trapped in besieged or hard-to-reach areas and receiving little or no aid. Save the Children's three point plan to protect the children of Syria is about ending the appalling situation that places the most vulnerable directly in harm's way. With the support of our donors and our long-standing presence in the country and surrounding regions, we are optimistic that we can make a difference in the lives of those who so desperately need assistance.

Our work within Canada had three main streams with Indigenous youth playing the focal point for each. Those streams were humanitarian response, recovery, and long term development. Indigenous youth and children sadly make up the highest suicide rates in our country -something must be done to address this. Our Youth Peer Helper program was implemented to teach Indigenous youth the skills needed to identify when their peers are struggling with depression or thoughts of suicide. Thirty-seven youth are now active as peer helpers in their community, with several more in training and we hope to continue expansion of the program in the future. A positive development for our Canadian programs in 2014 saw the creation and installation of our National Indigenous Advisory Circle, to guide the development of our Canadian strategy and priorities.

Ending 2014 on a high note, I'm very pleased that Save the Children was able to acquire Street Kids International, a small NGO that delivers deeply specialized programing focused on empowering and educating marginalized youth. The program will officially roll out under the Save the Children umbrella beginning January 1, 2015. Having delivered Street Kids International programming in Bolivia, I have personally witnessed its impact on the lives of its participants. The Street Kids development model is effective at creating sustainable change, and we are excited to welcome Street Kids into the Save the Children family.

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Patricia Erb President & CEO



With the support of our donors and our long-standing presence in Syria and surrounding regions, we are optimistic that we can make a difference in the lives of those who so desperately need assistance.

Patrica Erb, President & CEO

BOARD OF DIRECTORS

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role of **Co-Vice Chair** in June 2015)

Canadian Programs





2014 was an important year for Save the Children's Canadian Programs, and continued growth is anticipated throughout 2015. Indigenous children and youth today are one of the fastest growing populations in Canada. These youth deserve a future where they not only reclaim their identity, but one where their culture is recognized and supported.

One of the most important developments for Save the Children's Canadian programs this year was the establishment and official institution of the National Indigenous Advisory Circle, whose role is to guide the development of the organization's Canadian strategy and priorities. Alongside the Siksika Nation, the Kenora Chiefs Advisory, ICA Canada, Mishko Bimaadziwin Family Support Services, and Maskwacis Cultural College, Save the Children is responding to the diverse needs of Indigenous communities and will rely on the guidance of the National Indigenous Advisory Circle and the communities themselves to ensure the most appropriate programmatic decisions.

The day-to-day reality for indigenous youth in Canada is largely negative. Indigenous youth have the highest suicide rate nationally, with a particular area of concern being Northern Ontario. In recent years, the Indigenous communities of Northern Ontario have deemed the mental health crisis facing their young people a state of emergency. In 2014, Save the Children's Youth Peer Helper training program helped youth build resilience and cope with



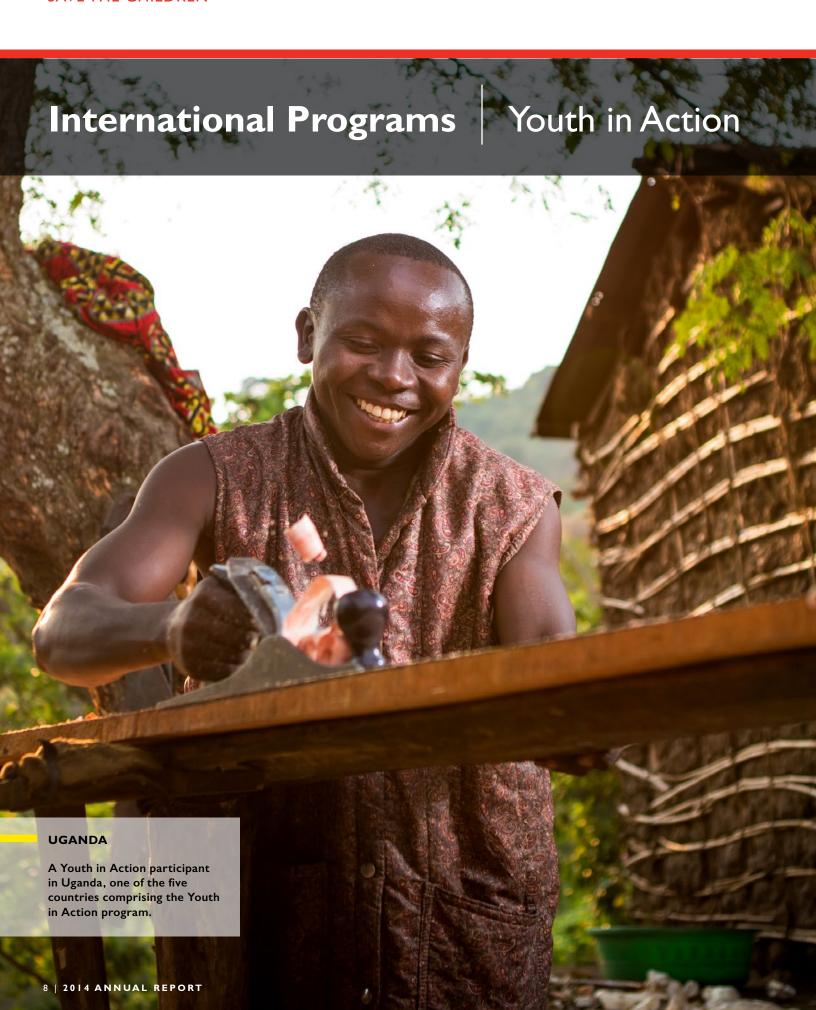
issues that can trigger a worsening of mental health challenges. Some of the skill building concentrated on methods of dealing with day-to-day struggles of life as a teen, including teaching effective ways to manage relationships, dealing with school and family stresses and recognizing when someone is in distress.

Commencing in 2013 and carrying on throughout 2014, the Children's Indigenous Language Education, Activity, Resources and Nurturing Project (C-I-Learn) was implemented. C-I-Learn provides opportunities for Indigenous people to reclaim their mother tongue, and provides resources for families with small children. Save the Children does not teach language directly, but instead focuses on teaching the teachers as to how to provide language instruction. This is accomplished by providing culturally appropriate resources/tools and a demonstration of how the resources may be used by children and their caregivers. This provides participants with language

learning tools and tactics and most importantly the confidence to go forward in their teaching. The training engages, empowers and excites both learners and teachers to continue language revitalization work in their own communities. The language learning is tailored to the community's specific needs so that the work is owned and sustained by the communities.

Key successes of C-I-Learn include:

- 80 pilot-trained language leaders were re-engaged with additional resources to enhance their initial training;
- 385 workshop participants attended communityled language events;
- 260 language training books and resource kits were distributed to four communities;
- Overall, approximately 2,600 language learners were direct beneficiaries of this program.





In 2014, Save the Children Canada continued to run its international programs, while also mounting emergency humanitarian responses in instances of natural disasters and health crises. Save the Children Canada also provided ongoing refugee aid throughout the year.

One of Save the Children Canada's largest programs is Youth in Action (YIA), which is funded by the MasterCard Foundation. Youth in Action is a six-year program running in five African countries - Burkina Faso, Egypt, Ethiopia, Malawi and Uganda. The program is aimed at empowering disadvantaged adolescents and young people in rural settings who have dropped out of school. Through the program, participants are given the opportunity to obtain the skills needed for secure livelihoods and safe, legal work. In 2014 - YIA's third year of implementation - program enrolment was already at 13,000 participants. Once enrolled in the program participants are equipped with skill-building and knowledge geared towards the market in order to help them make informed decisions about their future, and create a sustainable livelihood based in the realities of their local agriculture and personal situations. The program appears on track to meet its ambitious target of reaching 39,850 young people by its completion.

International Programs Ebola





The Ebola outbreak in 2014 created a deadly situation in West Africa,

particularly for those most vulnerable - children and the elderly. In September, Save the Children built a 70-bed treatment centre in Bong County, Liberia, one of that country's five areas worst affected by the Ebola outbreak. The centre is run by the International Medical Corps (IMC) and the hope is to help combat the outbreak – which experts claim could infect up to 1.4 million people by January, 2015 - safely and quickly. In November, as part of its wider fight to treat and stop the spread of Ebola, Save the Children opened a specialist Ebola Treatment Centre (ETC) in Sierra Leone. Located in Kerry Town, just 40km outside the capital Freetown, the 80-bed facility provided diagnosis and treatment to infected patients, while ensuring that children received the care and protection they so desperately needed. The centre increased local capacity to rapidly assess and hospitalise patients, while helping to reduce the risk of further infecting friends and relatives at home.



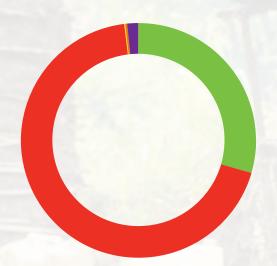
The ongoing refugee crisis in Syria and surrounding areas continued to deteriorate in 2014. Save the Children worked closely with the World Food Programme (WFP) and other humanitarian agencies to provide safety and shelter for refugees, however the conflict continued to worsen. By the end of the year it was estimated at least 1.6 million people – more than 1 million of them children – fled the conflict, becoming refugees in neighbouring countries in desperate need of humanitarian assistance.



The year wrapped with the acquisition of Street Kids International, a small NGO that specializes in providing marginalized youth with the tools they need to break the cycle of poverty. By delivering innovative entrepreneurship and employment programs, participating youth – who are at risk of street involvement – are empowered to earn and sustain a living. Save the Children will continue Street Kids International's programming in Ethiopia and adapt its curriculum to many of Save the Children's own livelihood programs. Street Kids International's curriculum is deeply specialized which leads to a double benefit; Save the Children will strengthen an existing competency in youth livelihoods and Street Kids International's programming will reach more beneficiaries through Save the Children's expansive reach.



FINANCIAL OVERVIEW



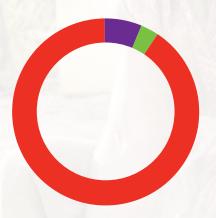
WHERE OUR MONEY COMES FROM

Donations	29.4%
Grants	68.6%
Interest and other income	0.1%
Unrealized Capital G/L	0.3%
Bequests	1.5%

WHERE OUR MONEY GOES*

Programs	90.5%
Fundraising	6.4%
Administration	3.1%

^{*} Based on a three-year average





INTERNATIONAL PROGRAMS

North America	3.2%
Canadian	0.8%
South America	8.2%
Central America	0.7%
Europe	0.7%
West Africa	10.6%
East Africa	28.9%
Central Africa	1.7%
India/Asia	14.5%
Middle East	20.1%
Program management	10.5%

Report of the independent auditor on the summary financial statements

To the Members of Save the Children Canada

The accompanying summary financial statements, which comprise the summary statement of financial position as at December 31, 2014 and the summary statement of operations and changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory information, are derived from the audited financial statements of Save the Children Canada (the "Organization") for the year ended December 31, 2014. We expressed an unmodified audit opinion on those financial statements in our report dated June 2, 2015. Those financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all the disclosures required by Canadian accounting standards for not-forprofit organizations. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the Organization.

Management's Responsibility for the Financial **Statements**

Management is responsible for the preparation of a summary of the audited financial statements on the basis described in the Note to the summary financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard ("CAS") 810, "Engagements to Report on Summary Financial Statements".

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of the Organization for the year ended December 31, 2014 are a fair summary of those financial statements, on the basis described in the Note to the summary financial statements.

Delloite LLP

Chartered Professional Accountants Licensed Public Accountants December 2, 2015

Note to the summary financial statements **December 31, 2014**

Basis of presentation

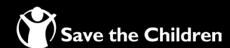
Save the Children Canada (the "Organization") has prepared these summary financial statements to be included in its annual report. These summary financial statements present an aggregated view of the same information as contained in the audited financial statements, except for the statement of cash flows and the notes to the audited financial statements.

The audited financial statements can be obtained from the Organization, on request.

Audited Financial Statements Summary statement of financial position as at December 31, 2014 2014 2013 Total \$ Total \$ **ASSETS Current Assets** 39,135,915 35,343,717 Cash and other working capital 325,144 461,352 Capital assets **TOTAL ASSETS** 39,461,059 35,805,069 **LIABILITIES Current Liabliities** Accounts payable and accrued liabilities 12,467,225 4,504,149 **Deferred revenue** 24,866,094 29,214,034 11,260 Deferred lease inducement 11,260 37,344,579 33,729,443 Deferred lease inducement 53,945 65,205 37,398,524 33,794,648 **NET ASSETS** 52,114 **General Fund Reserve Fund** 2,010,421 2,010,421 2,062,535 2,010,421 TOTAL LIABILITIES & NET ASSETS 39,461,059 35,805,069

Summary Statement of Operations and Changes in Net Assets Year Ended December 31, 2014

	2014	2013
	Total \$	Total \$
REVENUE		
Contributions	18,048,539	14,701,447
Department of Foreign Affairs, Trade and Development	34,124,957	23,537,151
International grants	7,962,094	4,821,608
Interest and other income	66,724	48,011
Foreign exchange gain	184,857	
Amortization of deferred lease inducement	11,260	11,260
Bequests	930,470	1,295,836
Total Revenue	61,328,901	44,415,313
PROGRAM EXPENSES		
International	54,967,894	39,078,374
Canadian	461,055	494,857
	55,428,949	39,573,231
OPERATING AND OTHER EXPENSES		The latest to th
Fundraising	3,935,936	3,639,499
Foreign exchange loss		173,592
Unrealized capital loss	AND THE PROPERTY OF THE PARTY O	44,989
General administration	1,716,868	1,904,647
Amortization	195,034	178,696
	5,847,838	5,941,423
Total Expenses	61,276,787	45,514,654
Excess (deficiency) of revenue over expenses	52,114	(1,099,341)
Net Assets, beginning of the of year	2,010,421	3,109,762
Net Assets, End Of The Year	2,062,535	2,010,421



Save the Children Canada

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