



INTRODUCTION

Children need our protection, and this year was no exception. We began 2006 by providing emergency food aid, water and livelihood support to thousands of Kenyans who faced a drought that ravaged pastoral communities, forced children to drop out of school, and spread disease further into communities exposed to repeated calamity. Throughout the year, Save the Children Canada provided communities around the world with protection, basic household kits, temporary schools and safe play spaces. Our teamwork within the worldwide Save the Children Alliance continues to strengthen, in the face of the increasing frequency of emergencies.

As conflicts continued to threaten the futures of millions of children, we began a global initiative to ensure places in school for the forgotten children living in the most dangerous places. Rewrite the Future is a bold step for the Alliance - both in scale (the campaign will raise funds to ensure three million children go to school and eight million will receive quality education) and in collaboration. We have raised this issue with every major government across the world since the campaign launched last September, and we are seeing dramatic results.

There is much to celebrate. We continued to receive generous support from many Canadians as well as the Canadian International Development Agency. Hundreds of thousands of children are more secure in their communities today because of our work with parent groups and local and national governments, to communicate the importance of fundamental child rights. Thoughtful strategic planning and fiscal restraint has made us into a stronger organization. More importantly, we are leveraging our expertise in key areas to ensure that as many children as possible will have a brighter future.

We look forward to having you with us on this journey. It will not be accomplished in a nightfall, but only through sustained work that moves ahead day after day, year after year. Thank you for entrusting us with your confidence and support.

David Morley President and CEO

Bill Chambers Chair, Board of Directors



APRIL 2006

Kenya Drought Emergency

Response Begins

Videos of Kenya children's Experience Released

Children's Monument Unveiled in Guelph, Ontario

Indonesian Earthquake Emergency Response

"Mission Possible" Ad Campaign Begins

Five Save the Children CEOs Visit Uganda IDP Camps

Lebanon Emergency Response Sends Supplies and Medicine

Cattle and Livelihoods Aid

Program Begins in Kenya

XVI International AIDS Conference, Toronto

AUGUST

Rewrite the Future Global Campaign Begins

Reintroduction of University Club Program

SEPTEMBER

Sexual Exploitation of Children Poster Blitz in Toronto

02

OCTOBER

Guide on

Teachers' Resource Colombia Released

National Child Day

04

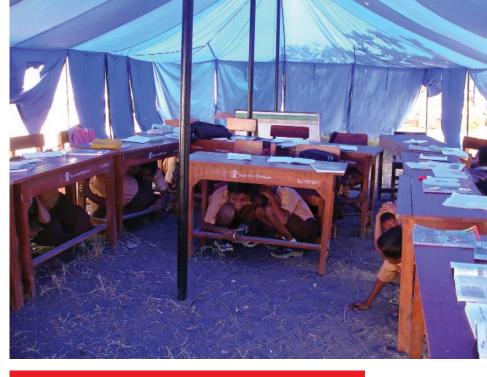
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Tsunami Rehabilitation Progress Report - Two Years On

Flood Response in Northeastern Kenya

NOVEMBER

WHERE WE WORK



MARCH 2007

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Caps for Newborns Collects 10,000 Caps for Africa

Since 1921, Save the Children Canada has provided innovative development assistance and emergency relief for children and their families. Our programs uphold children's basic and fundamental rights. We also address the structural and systemic issues that threaten children's rights in the first place.

First Nations Assessment Trip to Northern Ontario

DECEMBER

Be Choosy about your Chocolate Advocacy Campaign

Development of the Child Centred Framework

FEBRUARY

WHERE WE WORK

We are making a difference. Save the Children Canada is relentless in its efforts to address the root causes of children's problems - poverty, conflict, health and hunger, and is looking to ensure the political will is present to fully implement the United Nations Convention on the Rights of the Child. Our programming and advocacy efforts are driven by our determination to secure a clear reaffirmation of the human rights of every child, and the commitment by governments and communities at large to protect, respect and fulfill those rights.

www.savethechildren.ca/where_we_work/index.html

CANADA -

Advocacy for child rights in provincial and federal policies

Canadian youth join in presentation of UN Study on Violence against Children

Child-focused Assessment in Northern Ontario aboriginal communities

HAITI -

Advocacy for new laws to protect children against trafficking

Centres for street children provide protection, nutrition, and education

NICARAGUA —

Birth registry program to ensure full rights of citizenship for rural children 15,000 children trained on the risks of human trafficking

COLOMBIA -

Education programming for children and their families displaced by conflict

Advocacy to ensure legal right to go to school is achieved by marginalized and rural children

PERU —

Girls in rural communities benefit from new curricula that promotes gender equity Reducing school dropout rates through skills training for 1200 teachers

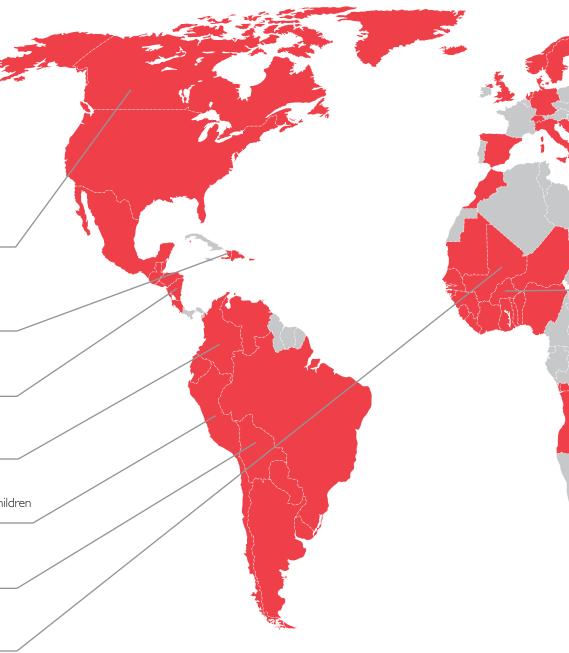
BOLIVIA —

6,000 children receive food, health and school supplies after flash floods Education programs for 10,000 indigenous children

MALI -

Documented use of child labour on cotton and rice farms

Constructed 12 schools and provided school supplies



LEBANON 11,500 children and their families received basic hygiene kits 1,200 children visited temporary health clinics for medical care **PAKISTAN** 11,000 children returned to school in new classrooms stocked with books and games Building education futures through 125 new parent-school associations - INDIA 12,000 people received post-tsunami healthcare and psychosocial support 4,200 children marginalized by gender or disability now benefiting from community centres, libraries, and education SUDAN Lifeskills training for former child soldiers and at-risk youth 6,000 children staying in school by providing nutritional meals and clean water **BURKINA FASO** Established more than 200 clubs to sensitize children and youth to HIV and AIDS Protecting children vulnerable to trafficking along migration corridors ETHIOPIA Therapeutic feeding program reduced malnutrition for 5,000 children during famine 40 HIV and AIDS awareness clubs contribute to dramatic rise in voluntary testing - KENYA Relief food aid, water supplies, cash payments for restocking herds for families stricken by drought 13,000 youth volunteered for HIV and AIDS testing and other reproductive health services

Save the Children Canada is a member of the International Save the Children Alliance. With 28 national organizations and operational programs in over 120 countries (highlighted in red in the map above), the Alliance is the world's largest global movement for children.

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



"We must act now for the sake of the world. AIDS is no longer a disease, it is a human rights issue."

Nelson Mandela

HIV & AIDS

Over half of all new HIV infections are found in young people aged 15-25. Save the Children Canada believes that engaging and educating young people is the key to controlling the disease. Since 2004, as a part of the Canadian Coalition on HIV and AIDS and Youth in Africa (with partners World Vision, Care Canada and Plan Canada) we are working in Africa and Asia with youth and communities to fight HIV and AIDS.

www.savethechildren.ca/what_we_do/hiv/hiv.html

OUR PROGRAMS:

Ensure that HIV and AIDS-affected children have access to basic services, including health and education

Focus on reducing stigma by involving everyone in the local community

Provide social support to children and their families and engage them on prevention

Improve access to treatment and care at clinics and within communities

In KENYA, more than 103.000 children and their families affected by HIV and AIDS have received medical and financial support from Save the Children Canada. We focused on providing poultry and goats for nutrition, and more than 10,000 youth used reproductive health services. Peer youth educators reached out to 47,280 fellow youth to fight stigma and provided health services such as condoms. More than 600 orphans and vulnerable children were provided with school fees so they could stay in school. Voluntary counselling and testing services were made available to 6890 young people in the rural district of Meru. A district soccer event held in Tharaka district provided a platform to sensitize 6000 youth about HIV and AIDS.

Our Coalition project in WEST AFRICA works with girls and boys along the borders of Mali, Burkina Faso and Côte d'Ivoire where migrant populations reside. Save the Children Canada offers information about HIV to communities so that they can better understand the disease. Local groups report that a greater number of people are willing to be tested and to seek counselling and treatment.

In NICARAGUA, we are focused on both sexually transmitted disease and HIV prevention for adolescents and youth. Peer training and educational materials have been effective in spreading the message of safe behaviour.

In ETHIOPIA. Save the Children Canada supported communities and community-based organizations, associations, and governments to teach HIV and AIDS prevention. Since 2004, the Coalition projects have helped more than 120.000 Ethiopians fight this deadly disease. Referrals for counselling, homebased care and anti-retroviral therapy were three pillars of our successful program. Succession planning with children helped them to know their family history so they could rightfully and legally inherit their parents' property if they are orphaned.



LIVELIHOOD SUPPORT FOR ORPHANS IN ETHIOPIA

"I had no idea what to do for the family... We had neither pensions nor private assets that our parents left for us during the time of such crises. We were not able to earn our daily food and pay rent for our house. JeCCDO, Save the Children Canada's partner, offered financial support so I could buy and sell household utensils at the market place. I am able to support and educate my sisters and brothers."

Yesewzer is a young woman who was orphaned and looks after her five younger sisters and brothers in Bahir Dar, Ethiopia.





"TIME TO DELIVER" FOR CHILDREN AND AIDS

The XVI International AIDS Conference in Toronto brought 27,000 delegates together around the theme "Time to Deliver". Save the Children Canada hosted 60 staff from across the Alliance who shared their expertise with the public in "The Children's Networking Zone". Our advocacy work focused on the urgent need for more funding for HIV-prevention services for youth, as well as for stronger health systems to diagnose and treat children with HIV and AIDS. We also engaged thousands of students to step up the fight against AIDS through a photography exhibit "PictureChange" which portrayed the courage and resilience of AIDS sufferers in our projects. As children's rights to education and health is being challenged by HIV and AIDS, Save the Children continues to work and speak out on their behalf.

"The International Labour **Organization** estimates that 218 million children were involved in child labour in 2004, of whom 126 million were engaged in hazardous work."

The UN Secretary General's Study on Violence against Children, 2006

EXPLOITATION & ABUSE

Global poverty, conflict, HIV/AIDS and urbanization have led to the breakdown of many families, making children more vulnerable to exploitation and abuse. Save the Children Canada works to protect children from oppressive situations that threaten their survival and development. www.savethechildren.ca/what we do/abuse.html

In CANADA, Save the Children consulted with Aboriginal communities, and ran a poster campaign which encouraged youth at risk of sexual exploitation in Toronto to call a help hotline. We advocated for a Canadian strategy to combat human trafficking in Canada and beyond.

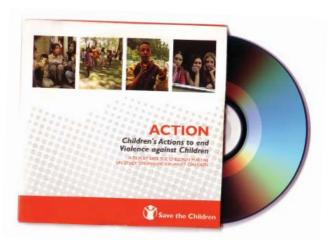
Save the Children Canada is active in Aba sistèm rèstavèk, a HAITIAN consortium of more than thirty organizations working to eradicate child domestic labour, on a campaign to raise awareness of the dangers to children involved. Activities included a television talk show discussing the eradication of child domestic labour practices, and a rally to influence government policy on the trafficking of children.

The Training and Education Against Trafficking program in BURKINA FASO opened 22 new schools, developed new curriculum, and established local awareness-raising committees to take action against child trafficking within the community.

In Amravati District, INDIA, Save the Children Canada focused on reducing the number of children who drop out of school after the fourth grade, particularly girls, child labourers, and children with disabilities. We set up 32 community centres with libraries and cultural programs for 987 children. 1,887 children attended our life-skills classes on leadership development, child rights, and personal hygiene.

Policy Impact: Cocoa and Child Labour

Policy discussions and advocacy to eliminate the worst forms of child work in the West African cocoa producing sector continued in 2006. The United States government responded to our 2002 call for a monitoring group to ensure the full implementation of the Cocoa Protocol (designed to eliminate the worst forms of child labour in West African cocoa production) by appointing Tulane University as the Oversight Body. Our research findings on the issue were presented at the International Conference on the Rights of the Child in Ottawa, Canada.



BE CHOOSY ABOUT YOUR CHOCOLATE

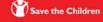
In February 2007, Save the Children Canada re-launched a public awareness campaign calling for an end to the exploitation of children working in West African cocoa production. The global, multi-billion dollar chocolate industry is dependent on West African cocoa, which produces roughly 70% of the world's supply. Cocoa prices have fallen by 75% over the last 10 years making farming families extremely poor. Many children are employed in conditions that are legally classified as the worst forms of child labour.

Selective
about your
wine?



Be choosy about your chocolate

Over 312,000 children work in hazardous conditions on West African farms that grow cocoa. Change the future for these children.



Policy Impact: Child Protection in Colombia Save the Children Canada met with key policy makers in Canada, Colombia and the United Nations to advocate for greater child protection measures in situations of armed conflict. Results from our 2005 research study. Making Every Child Count were used to advocate for change. We carried out advocacy and policy training on child protection issues for Save the Children Alliance staff. Experts in Canadian universities helped to develop protocols of confidentiality and security for child informants who testify against their abusers.



EDUCATION

Rewrite the Future

Ensure that 3 million out-of-school children gain access to quality education in conflict-affected countries by 2010.

Improve the quality of existing education programs for 5 million additional children

The International Save the Children Alliance has embarked on a fiveyear campaign to rewrite the future for millions of children who are denied an education because their countries are in conflict. We will:

Call on governments and international agencies to put policies and resources in place to provide quality education for children living in conflict-affected fragile states.

Pressure the international community to make education a part of every emergency response, including emergencies that occur in countries with ongoing armed conflict.

"In the turmoil of families torn apart, communities displaced and countries destabilized by war, it is above all the children who are most affected by armed conflict. Is it too much to ask that their guns be replaced by books?"

Michaëlle Jean, Governor General of Canada

better to learn life skills and lessons than the education of Mgr school maybe there will be no more war Sarah, 115, Southern Sudan

Rewrite the Future

Today, 77 million children who should be attending primary school are not. These children have been denied their right to an education, access to skills and knowledge, and the means to a better life for themselves and their country. At least 39 million of these children live in fragile states affected by armed conflict. www.savethechildren.ca/what we do/rewritethefuture/index.html

In addition to killing and injuring millions of children, conflict disrupts daily life, forces millions of families to flee their homes, separates children from their families, and reduces schools to rubble. The world has failed these children, leaving them without an education and without hope or opportunity, in some cases for generations.

Declarations and treaties have established education as a basic human right for every child. Urgent and effective action must be taken if the Millennium Development Goals on Education, and the 'education for all' targets adopted by the World Education Forum in Dakar in 2000 are to be met. Parents are committed to their children's education - they get involved in education committees, parent teacher associations, and are often willing to donate their time, labour and limited resources. Save the Children joins with parents and communities to call for immediate action on behalf of these children.

Through fundraising and advocacy, Save the Children will provide more than twenty countries with the resources and expertise they need. This will help to build schools and non-formal training facilities, train and hire teachers, revise curriculum and print new textbooks, and help parents with subsidies for school fees and uniforms. To date, the Save the Children Alliance has raised \$200 million of a target of C\$500 million.



Networks of teacher support groups in Haiti's remote rural communities are expanding, thanks to Save the Children Canada's partnership with Fondasyon Limye Lavi. Professional standards among Haitian teachers will rise, and benefit over 17,000 girls and boys.

In southeastern **HAITI**, we helped to organize a Round Table for Education, attended by 17 NGOs and associations. This coalition is committed to advocate for policy change and strengthen education governance systems.

PROTECTION AND PREVENTION

Children are particularly vulnerable in conflicts and need protection. Schools and other places of learning can protect children. They teach children conflict resolution, tolerance, human rights and citizenship. Schools offer refuge and a degree of normalcy in an otherwise chaotic world.

Specially designated 'safe places' can protect children by introducing life skills, landmine awareness, and HIV and AIDS information. Children who attend school are less likely to be recruited into armed groups or engaged in abusive work.

In many conflicts, children and their families are forced to flee to safety into camps for internally displaced persons. Here, education is vital in restoring a sense of normalcy, protecting girls from sexual violence, and enabling youth to learn skills.

ENSURING GIRLS GO TO SCHOOL

Investment in girls' education yields some of the highest returns of all development aid. Education can increase women's job opportunities and earnings. Higher learning has been shown to significantly impact mother and child survival rates. Our programs work to change traditional cultural attitudes that may not value girls' education, to make school facilities more accommodating for co-ed classes, to change attitudes about sexual harassment, and to reduce the financial barriers for families so that both sons and daughters can attend school.



Internal armed conflict has taken a huge toll on COLOMBIA. In the last 15 years, more than three million people -83% are children and women - have been forced to flee from their homes. Low literacy and infrequent school attendance prevail. The education of many children is disrupted by poverty, displacement by illegal armed actors, forced recruitment and violence in homes and communities.

To escape the violence, Ruben attends after-school recreation, music, acting and puppetry classes in Save the Children's "Project Factory" program in Soacha. It has helped him to reach the ninth grade and have the confidence to avoid the lure of local paramilitary groups. Funds raised in the Rewrite the Future campaign will support this program and others with an objective to have more than 600,000 boys and girls benefit from an education relevant to their needs.

"I like it because school is useful to learn new things... My father is a mechanic, and I am thinking of studying automotive mechanics."

Ruben, age 14, Colombia

Peterson is from a poor, rural village 10 km southeast of Port au Prince, HAITI. Violently abused by his mother, at the age of 10 he decided to escape to the streets of the city. He spent his days begging and avoiding violent attacks from older street kids. Three years later, Peterson became friends with a staff member from FETIABEN, a federation composed of seven street children associations. He was encouraged to come to TIMKATEC, a Save the Children Canada-supported centre that provides services to street children, including food, shelter, education, counselling and recreation. Today, Peterson is attending school regularly and passing his grades. He is overjoyed to be at the centre where he says,

"I finally have everything I need... space to play, playmates to play with, school, and ample food."

Peterson, age 14, Haiti

On September 12, Save the Children Canada visited seven schools across **CANADA** to launch the Rewrite the Future global campaign. Canadian children's book authors from Tundra Books, including Roch Carrier and Richard Scrimger, were on hand to talk about the importance of attending school. Save the Children spokespersons presented the challenge to more than 2,500 students, and notable government representatives added their messages of support (including the Lieutenant-Governor of Saskatchewan Dr. Gordon L. Barnhart and Senator Raynell Andreychuk). Kofi Annan, the Secretary-General of the United Nations, lent his support saying,

"Let us live up to the rights of children. Let us rewrite the future."

Kofi Annan, United Nations Secretary-General, New York

"I am glad to be able to go to school again and make new friends Study hard and my teachers are helping me to have new dreams " Margarita*, 10,

Margarita*, 10, Soacha, Colombia

* Her name has been changed to protect her identity

"Children are the most precious thing we have in society so in the fight against poverty they are our central focus."

Patricia Erb, Regional Director for Save the Children Canada, Latin America



Save the Children Canada is focused on delivering effective, long-term improvements to educational systems around the world. www.savethechildren.ca/what_we_do/education.html

The Jatun Killakas Asanajaqui Nation of indigenous people in **BOLIVIA** (JAKISA) control a territory of more than 10,000 km and have a population of 56,000. In March 2006, **JAKISA** signed a partnership agreement with Save the Children Canada to enrich the education of 19,000 children in their territory. The objective is to support local languages and cultural identity, through teacher training and books for school libraries. In all activities, the elders of the JAKISA nation share their knowledge with the children to strengthen their cultural values.

Our partner **TUKUY** in North Potosi has built a strong, indigenous children's movement as well as improved school infrastructure, reforested land, and distributed nutritious meals. We enabled 200 indigenous children to finish high

school. We created manuals on the themes of rights and identity, sexuality, and disaster prevention, to train teachers, parents and children. This year our help supported 4,979 boys and 4,924 girls to stay in school and thrive.

In NICARAGUA, Save the Children Canada worked to ensure that children living in the remote rural areas along the Caribbean coast had access to school. We advocate within the school system to ensure that the theme of child rights will be part of the official primary school curriculum, so that girls and boys will understand and stand up for their rights.

In KENYA, Save the Children Canada renovated six classrooms in four primary schools within internally displaced communities. Back-to-school kits were

given to 343 girls and 306 boys (school bag, school uniform, stationery).

Community training on child rights for adults was a highlight for these communities. In Meru district, our 12 Early Childhood Development Centres received 520 chairs, 56 tables for children, and 12 desks and 12 chairs for teachers.

Save the Children Canada supported education in MALI by building 12 alternative schools stocked with notebooks, pencils, books, chairs and tables, for 310 children. We trained 18 staff of local development partner CAP (Pedagogic Animation Centre) on gender and girl-child education issues.

CHILD RIGHTS & PARTICIPATION

Save the Children Canada encourages children to know their rights and to speak out. We believe that children and youth must actively participate in the design and implementation of programs and policies that have an impact on their lives. We recognize that many children have numerous responsibilities, such as caring for family members, working, or coping with family problems, and their participation must be relevant and voluntary.

When children and youth are protected, respected and included, they become valued contributors in their society.

www.savethechildren.ca/what_we_do/rights/rights.html

In ETHIOPIA, Save the Children Canada formed an orphan and vulnerable children network to raise the profile of child rights. Together with the Ethiopian Women Lawyers Association, judges and police officers, we worked to bring child sex offenders to justice, and to reduce practices such as female genital mutilation and early marriage.

Save the Children in HAITI and its community partners offered leadership training to 2500 children and youth in 33 child rights' clubs. This empowered children to understand their rights and responsibilities, particularly their right to an education. Discussions are underway with the Ministry of Education to include the UN Convention on the Rights of the Child into the school curriculum.

In NICARAGUA, Save the Children Canada continued its three-year campaign to ensure that children's rights are protected through birth registration. In all our programs we involve and include children and youth in writing proposals, reviewing print materials, and enrolling in peer training.

In BOLIVIA, child rights' training was provided for 500 indigenous and marginalized children. We led workshops for 200 child leaders on child rights and advocacy. We also persuaded the government to include child rights in Bolivia's new constitution.





Kofi Annan with children at the presentation of the UN Study on Violence in New York City.

"We could scream but no one will hear us."

UN Study Child Participant, Colombia

Millions of children suffer from violence daily. At a presentation to the UN General Assembly in October, youth from Canada and around the world spoke out against the pervasive threat of violence that denies them their basic rights. Their call for child rights training programs in schools and institutions in

order to reduce community and family violence and empower children themselves to affect change was published in the report, "Seen, Heard and Believed: What Youth Say about Violence".

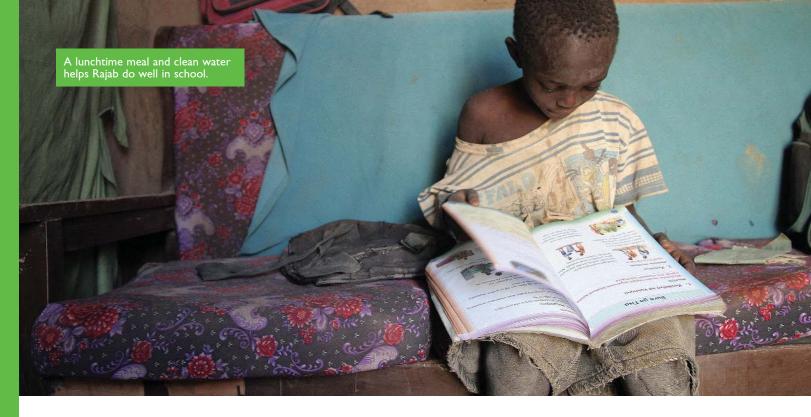
 $www.save the children. ca/what_we_do/rights/UN study.html.$

A component of Save the Children's emergency drought response in KENYA focused on giving children a reason to stay in school. Working with our partner, the Child Welfare Society of Kenya, we provided funds to start 52 children's rights clubs - 1560 children are enthusiastic members. The children felt empowered by knowing more about the UN Convention on the Rights of the Child. Their activities now include advocacy, planting tree seedlings, and the annual "Rights of the Child" club festival.

"Advocacy for child rights means changing the way society perceives children and it means putting in place social structures that will help today and in the future. It involves changing the whole society."

Mathenge Munene, Country Director, Save the Children Canada in Kenya "As the Save the Children Alliance we have links with communities around the world, and specialists to deliver effective emergency response.We strive to do more; millions of children caught up in chronic and acute emergencies need our help."

Colleen Malone, Program Manager, Child Protection in Emergencies Unit, Save the Children Canada



CONFLICT & DISASTER

Save the Children Canada's emergency response provides shelter, food, healthcare, education, protection and psychosocial support to those in need.

www.savethechildren.ca/what_we_do/emergencies/emergencies.html

Children living in **EAST AFRICA** were the victims of multiple disasters in 2006. Drought devastated livestock herds, followed by heavy rains that turned large areas of Kenya, Somalia and Ethiopia into flood zones. Save the Children Canada led an emergency response that delivered health and nutritional support to 33,000 malnourished children and pregnant and lactating women. We also trucked in water and repaired community and school water systems for more than 40,000 people. An innovative cash transfer program enabled 750 families to replace livestock and meet urgent household needs; beneficiaries reported they felt more able to respond to their own

priorities. Child protection efforts ensured the most vulnerable children received financial assistance to continue with their schooling.

Save the Children Canada also helped 64,000 children in northeastern Kenya and over 5,000 people in Ethiopia after severe flooding destroyed their homes. We distributed family kits consisting of children's clothing, mosquito nets, shelter materials, seeds, and trained community health workers on hygiene and protection.

Watch the stories of Kenya's children at www.savethechildren.ca/where_we_work/east_central_africa/kenya/kenyaproject.html

"One year ago we had 20 cows," says Rajab," but they have all died and we have none left".

Seven-year-old Rajab and his five siblings were orphaned two years ago and now live with their grandmother in Ngare Mara, Kenya, a community surrounded by military camps and subject to inter-tribal conflict. Save the Children's emergency relief program provided nutrition, clean water and hope to thousands of children in this region impacted by the drought.

Save the Children Canada, CARE Canada, OXFAM Quebec, and OXFAM Canada formed the Humanitarian Coalition to appeal to the Canadian public for emergency funds to help citizens caught in the July conflict in ISRAEL, LEBANON and the WEST BANK/GAZA. The response enabled Save the Children to provide hygiene kits and repair local water supply lines in affected communities in the West Bank and Gaza. Save the Children also received support from CIDA to provide household supplies and health services for 2.300 families in Lebanon. This

ongoing program provides children with safe play areas, education on the dangers of landmines, and psychosocial support.

In late 2006, flash floods caused most rivers in the Amazon basin to overflow leaving houses damaged and livelihoods ruined in rural communities in BOLIVIA. Save the Children brought relief to children by quickly delivering wheat flour, cornmeal, school supplies, medicine, and personal hygiene kits to 5, 960 children and their families.

In PAKISTAN, our response to the 2005 earthquake continues. Save the Children provided 11 new classrooms to serve 11,025 children (4,630 girls and 6,395 boys). We distributed health and nutrition education packs, games, and books for libraries. Our education and protection staff established 127 School Management Committees to involve parents in supporting children's needs within local schools.

To ensure the safety and well-being of over 6,000 SOUTH SUDANESE children, Save the Children taught communities how to safeguard children (especially girls), provided water and sanitation and nutritional gardens in schools, and improved the life skills of former child soldiers and other at-risk youth.

TSUNAMI UPDATE



For the past two years, Save the Children Canada has helped children in SRI LANKA, INDONESIA and INDIA whose lives were devastated by the December 2004 tsunami. Through the generous support of Canadians, our projects have evolved from disaster relief to longer-term development to meet the multidimensional needs of the communities.

Nearly three years after the tsunami struck in Cuddalore, Tamil Nadu, Save the Children Canada continues to help rebuild communities along the east coast of India.

With our partner ASSEFA, more than 4,000 children and 8,400 adults have accessed primary health care and psychosocial services

More than 4,000 children benefited from basic education and recreational activities

Microcredit has provided women with access to funds

Six Child Resource Centres will provide learning/play spaces for 750 children



"This is about re-building communities, re-building families and re-building a future for thousands of children in Indonesia."

Mike Ridley, Britco Structures

Save the Children and a Canadian company, Britco, are helping build 1,000 houses in Banda Aceh, Indonesia. Based on traditional Asian design, the prefabricated houses are shipped from British Columbia to Indonesia. By January 2007, 638 houses had been completed or partially constructed.



"The Right Stuff - Get Bright about Your Rights" booklet is used in our tsunami project areas to teach child development, rights, participation, and protection. It is one of thirty documents used in schools, non-governmental agencies, and women's groups to promote better child welfare.

DONORS

FLYING HIGH

In October, Air Canada and WestJet announced that together they had selected over 175 charitable organizations to receive a cumulative total of \$10 million for the benefit of children and youth. Save the Children received \$100,000 of this generous donation. \$50,000 will help displaced children in Colombia attend school, as part of our Rewrite the Future education campaign.

MORRIS & ROSALIND GOODMAN FAMILY FOUNDATION

Pharmascience Inc., a Montreal-based pharmaceutical company came up with a novel idea last holiday season which not only helped children around the world, but saved a few trees in the process. Instead of mailing their traditional company holiday cards last December by "snail mail", they decided to send their employees e-cards. In so doing, their organization saved \$4,000, which they generously donated via the Morris & Rosalind Goodman Family Foundation to help Save the Children Canada's programs around the world.

Save the Children Canada

greatly appreciates the important contributions of our individual and institutional donors across the country. These include children and adults, families, colleagues and communities, as well as schools, foundations, corporations and governments.

On behalf of all the children that Save the Children Canada works with, both on an emergency and long term developmental basis, we extend to you our heartfelt thanks.



Our thanks to Suzana Bulhoes, Community Investments Manager, Air Canada, and Micheline Villeneuve, Ace Aviation, shown with David Morley, President and CEO of Save the Children Canada.



\$100,000 AND MORE

Air Canada and WestJet Mr. Alex J. Garvin

\$25,000 - \$99,999

Miss Ruth W. Corner
Edelman Canada
IKEA
Mr. David B. MacFarlane
Mr. Hugh R. Snyder
Trottier Family Foundation, The

\$10,000 - \$24,999

Mrs. Cathie Aalders-Taylor
CIBC Communications and Public Affairs
Ms. Ivey Fargey
Mr. & Mrs. John Grant
Dr. Robert L. Heath
Mr. James Mettler
Mr. Robert Mettler
Mr. James D. Moulden &
Dr. Rosemary Moulden
RBC Foundation
Save the Children - Saskatoon Branch
Save the Children - St. Catharines Branch
Mrs. Joan Sim
Wellington Manufacturing Inc.

\$1,000 - \$9,999

Ms. Margaret I. Ackerman

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Sehrish Malik and Troy Dixon lead the York University Club



The local pub night in Newmarket combined fun and fundraising to support the cause.



The abstract painting "Spring Break" was donated for sale by R. Gyo-Zo Spickett

YORK UNIVERSITY CLUB

In the Fall of 2006. Sehrish Malik and Troy Dixon joined forces as Co-Presidents of the York University Save the Children Club in Toronto, Óntario. Together with their Executive Team and club members they wrote a constitution, recruited volunteers. planned and executed awarenessraising and fundraising events. One of this year's highlights was a talent show held on March 2, which brought in nearly \$1,700. They also participated in a working group to aid in the development of a "Starting a Campus Club" kit. Proudly, this new club raised over \$2,500 and are looking forward to surpassing that goal in 2007-2008.

TWO TIMES THE CHARM

Jenna De Lisa from Newmarket, Ontario contacted Save the Children Canada in May 2006 about the possibility of doing a fundraiser. With the proper paperwork completed, and armed with some necessary supplies from Save the Children, Jenna and her group of friends held a local pub night for family and friends and raised over \$2,700. While others may have been satisfied with that level of success, Jenna and her friends did it again with a formal Christmas event at a local restaurant. The night was a hit, and raised more than \$2,000.

THE BENEFIT OF ART

Calgary based Canadian artist Ron "Gyo-Zo" Spickett has made significant contributions to the contemporary Canadian art scene both as an artist and as a teacher. In recent years, R. Gyo-Zo has been an invaluable supporter of Save the Children Canada. Last year when the Government of Alberta Foundation for the Arts purchased four of his paintings, he generously donated \$6,000 in proceeds to Save the Children Canada.

FINANCIAL OVERVIEW

The accompanying condensed statement of financial position and condensed statement of operations and fund balances are derived from the complete financial statements of Save the Children Canada (the "Organization") as at March 31, 2007 and for the year then ended on which we expressed a qualified opinion with respect to completeness of revenue, to international revenue and certain local expenses, and to the recording of certain capital assets purchased by the field offices with local funds in our report dated August 3, 2007. The fair summarization of the complete financial statements is the

responsibility of management. Our responsibility, in accordance with the applicable Assurance Guideline of The Canadian Institute of Chartered Accountants, is to report on the summarized financial statements.

In our opinion, the accompanying financial statements fairly summarize, in all material respects, the related complete financial statements in accordance with the criteria described in the Guideline referred to above.

These summarized financial statements do not contain all the disclosures required by Canadian generally accepted accounting principles. Readers are cautioned that these statements may not be appropriate for their purposes. For more information on the Organization's financial position, changes in net assets, results of operations and changes in cash flows, reference should be made to the related complete financial statements.

Delaute & Touche XXP

Chartered Accountants Licensed Public Accountants

(23,597)

Condensed Statement of Financial Position as at March 31, 2007 and 2006

ALL FIGURES IN CANADIAN DOLLARS

Cash and other working capital Long term investments Capital Assets Total Assets	5,264,692 466,009 95,543 5,826,244	6,485,343 652,092 215,360 7,352,795
LIABILITIES Accounts payable and accrued liabilities Deferred revenue	831,133 4,056,385 4,887,518	511,558 5,936,510 6,448,068
NET ASSETS General Fund Reserve Fund Total Liabilities and Net Assets	(34,543) 973,269 938,726 5,826,244	147,324 757,403 904,727 7,352,795

2007

%

2006

Condensed Statement of Operations and Changes in Net Assets

For the years ended March 31, 2007 and 2006

	2007	2006
REVENUES		
Donations	3,564,551	3,305,380
Grants	12,312,620	11,207,447
Interest and other income	177,361	122,349
Bequests	494,200	521,874
Total Revenues	16,548,732	15,157,050
PROGRAM EXPENSES		
International	13.842.505	12,384,726
Canadian	156,364	190,492
	13,998,869	12,575,218

OPERATING AND OTHER EXPENSES

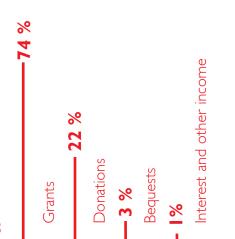
Total Expenses	16,514,733	15,180,647
Total Francisco	14 514 722	IF 100 / 47
	2,515,864	2,605,429
Amortization	139,976	141,639
General administration	1,338,969	1,112,056
Fundraising	1,036,919	1,351,734

33,999

FLIND BALANCES

I OND DALANCES		
Beginning of year	904,727	928,324
End of year	938,726	904,727

WHERE OUR MONEY COMES FROM







WHERE WE SPEND OUR MONEY

Excess of Revenue over Expenses



VOLUNTEER BRANCHES

British Columbia:

Duncan Richmond Sechelt Sidney Vancouver

Alberta:

Calgary Edmonton

Saskatchewan:

Battlefords Prince Albert Regina Saskatoon Swift Current

Manitoba:

Brandon

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"It's quite simple make the world better for the next generation. A child has a right to a happy existence and all the things that come with that."

lanet Trucker, Regional Director, Save the Children Canada, West Africa





OUR MISSION

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

OUR VISION

Save the Children works for:

- a world that respects and values each child
- a world that listens to children and learns
- a world where all children have hope and opportunity

Save the Children Canada is a member of the International Save the Children Alliance. With 28 national organizations and operational programs in over 120 countries, the Alliance is the world's largest global movement for children.

Save the Children Canada 4141 Yonge Street, Suite 300 Toronto, Ontario M2P 2A8

Toll free: 1.800.668.5036 Telephone: 416.221.5501 Fax: 416.221.8214 www.savethechildren.ca sccan@savethechildren.ca

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