

2012 ANNUAL REPORT





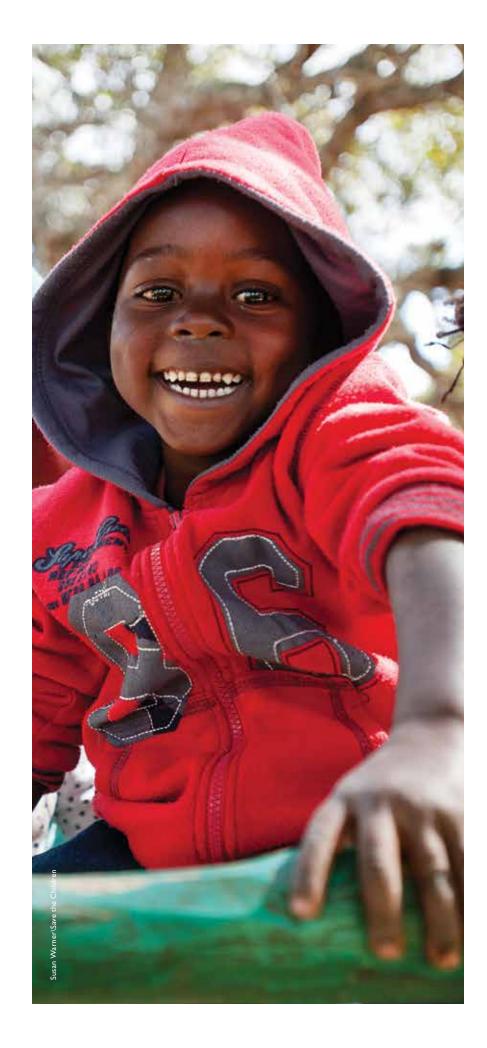
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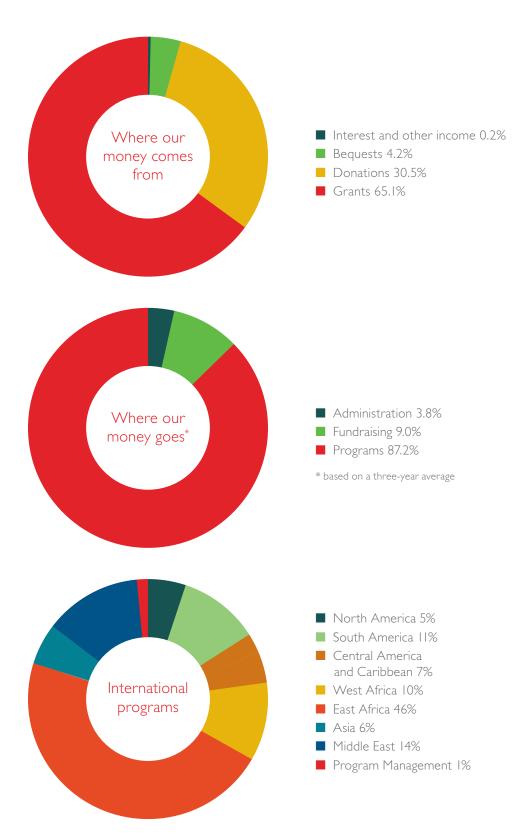
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2011

2012

FINANCIAL OVERVIEW





SUMMARY STATEMENT OF OPERATIONS & CHANGES IN NET ASSETS YEARS ENDED DECEMBER 31, 2012 & 2011

REVENUE		
Contributions	12,488,147	11,425,057
Grants	26,631,867	28,032,247
Member Organizational Development Approach ("MODA")	-	929,731
Interest and other income	57,010	126,429
Foreign exchange gain	-	46,310
Gain on disposal of assets	24,106	45,089
Bequests	1,708,094	874,095
TOTAL REVENUE	40,909,224	41,478,958
PROGRAM EXPENSES		
International	35,935,049	36,567,445
Canadian	353,220	10,858
	36,288,269	36,578,303
OPERATING & OTHER EXPENSES		
Fundraising	3,033,191	3,014,425
General administration	1,511,165	1,449,539
Amortization	66,589	47,194
	4,610,945	4,511,158
TOTAL EXPENSES	40,899,214	41,089,461
Excess of revenue over expenses before the undernoted	10,010	389,497
Change in fair value of investments	4,003	
Excess of revenue over expenses	14,013	(9,783)
Fund balance, beginning of the of year	3,095,749	2,716,035
FUND BALANCES, END OF THE YEAR	3,109,762	3,095,749

MESSAGE FROM THE CHAIR OF THE BOARD AND THE PRESIDENT & CEO



Regina, 45, (pictured left) has been a Save the Children Community Health Worker in South Sudan for the last three years, bringing health care to the most vulnerable children and families in the hardest to reach regions. She spends her days treating children with malaria, pneumonia, and diarrhea. Before she began her work, the nearest treatment option – a clinic – was a 10 day walk from her community. Children would die on the way to access the health care that was their right. Thankfully, that has changed.

Any suffering child can go to Regina for diagnosis and treatment, any time of the day. Through Save the Children's training, Regina is equipped to immediately address illnesses, like malaria, or to refer the child to a health facility in more serious cases.

"Previously, many children were dying and without these drugs. [Many] children in this village would still be dying. This program has helped a lot and has changed this community so that no children are dying here anymore," says Regina. These are children whose cries of pain and sickness used to go unheard.

Save the Children's founder, Eglantyne Jebb, famously stated, "The only international language is a child's cry." You, our donors, have heard that cry and have taken it to heart, giving generously to create immediate and lasting change in the lives of the world's most vulnerable children.

In 2012, your support allowed Save the Children to respond to the needs of 1.3 million people facing a food crisis in the Sahel region of West Africa. You helped us to scale up our efforts to reach 442,256 registered refugees fleeing conflict in Syria. Your donations trained 178,969 health workers, worldwide – like Regina – who then



reached 50.6 million mothers and children with health and nutrition programs.

It is because of supporters like you that Save the Children reached over 125 million children last year alone.

You have heard the cries of the world's most vulnerable children. You have trusted Save the Children to continue its 91 year history of saving these children's lives. On behalf of our staff, and the children we work with every day, thank you.

Sincerely,



Patricia Erb President & CEO



Board Chair

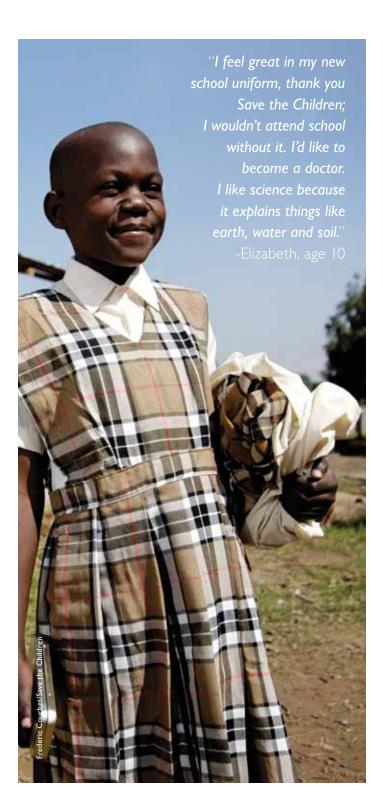


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OUR MOVEMENT IN CANADA

Save the Children Canada has built a strong network of partnerships for community development. As the world's leading independent child right's organization, we fight for children's rights and create lasting change in children's lives worldwide.



To each and every individual, community group, foundation, business, and institutional partner in Canada: **Thank you!**

You have helped us build a strong network of partnerships for community development across the globe. We couldn't have done it without your generous support, and look forward to continue changing the world together.

WE CAN'T DO IT WITHOUT YOU:

29,717 INDIVIDUALS

277 CORPORATIONS AND BUSINESSES

94 COMMUNITY GROUPS

40 BEQUESTS

38 FOUNDATIONS AND SCHOOLS

6 INSTITUTIONAL PARTNERS

GLOBAL IMPACT





ASIA Sri Lanka Papua New Guinea Morocco OPt (Palestine) Romania Thailand Senegal Yemen Russia

Armenia Thailand Azerbaijan Uzbekistan Bangladesh Vietnam AFRICA Cambodia Angola DPRK (North Korea) Benin Hong Kong Botswana India Burkina Faso Indonesia Cote d'Ivoire DRC (Congo) Kazakhstan Ethiopia Kyrgyzstan Guinea Laos Kenya Mongolia Liberia Myanmar Malawi Nepal Pakistan Mozambique Philippines Singapore Nigeria

Senegal
Sierra Leone
Somalia
South Africa
South Sudan
Sudan
Swaziland
Tanzania
Uganda
Zambia
Zimbabwe

MIDDLE EAST
NORTH AFRICE
Egypt
Iraq

Zambia
Zimbabwe

MIDDLE EAST &
NORTH AFRICA
Egypt
Iraq
Israel
Jordan
Lebanon
Libya
Mauritania

EUROPE
Albania
Belgium
Bosnia & Herzegovina
Bulgaria
Denmark
Estonia
Finland
Georgia
Germany
Greenland
Iceland
Italy
Kosovo
Latvia
Lithuania

Moldova

Montenegro

Netherlands

Spain
Sweden
Switzerland
Turkey
United Kingdom

NORTH AMERICA
Canada
Mexico
United States

SOUTH AMERICA
Argentina

Bolivia

Brazil Chile

Colombia

Ecuador

Panama

Serbia

Cuba
Dominican Republic
El Salvador
Guatemala
Haiti
Honduras
Nicaragua

AUSTRALIA
& OCEANIA

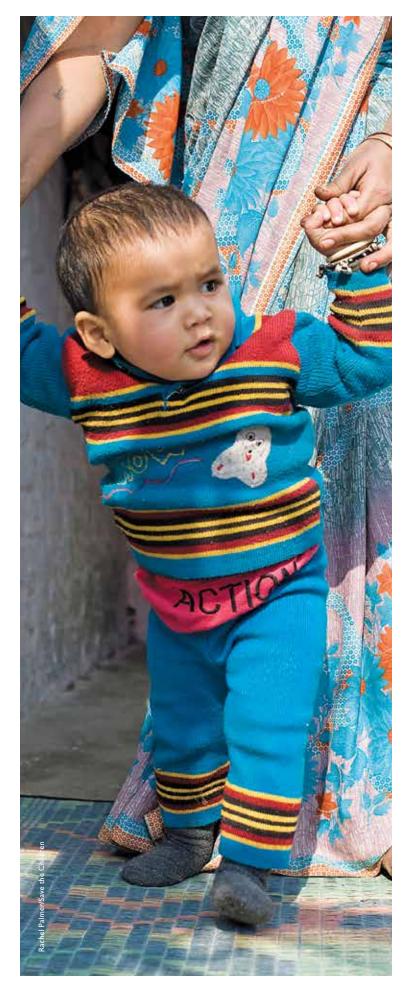
CENTRAL AMERICA

& CARIBBEAN

Costa Rica

& OCEANIA
Australia
Fiji
New Zealand
Solomon Islands
Timor Leste
Vanuatu

CREATING LASTING CHANGE FOR CHILDREN



Our programs reach children, and those working to save and improve their lives, including parents, caregivers, community members, and members of our partner organizations. We help save children's lives, protect them from exploitation and assist them in accessing education and health care.

Save the Children also assists millions of girls and boys at risk of, or affected by, natural disasters, conflicts, and violence. Through disaster risk reduction, emergency preparedness, and rapid humanitarian response, we complement our relief work with sustainable, long-term recovery programs.

Child rights: Children's rights are protected and enshrined in the United Nations Convention on the Rights of the Child. This is at the core of everything we do. It defines our mission, our programming, and our day-to-day interactions with children, their families, and their communities. This focus means Save the Children is committed not just to meeting immediate needs, but also to ensuring permanent rights for children.

Gender equality: Save the Children is a global leader in applying a gender lens to development work. Our goal is to ensure girls and boys can equally participate in and benefit from our work, so we can bring about sustainable opportunities for all children.

Sustainability: Ultimately, our responsibility is to empower communities to continue their

development after we leave. All of our work, including humanitarian and emergency relief, involves training and capacity-building of talent at the local level. We also partner with governments to develop new policies based on the results demonstrated by our work. When our efforts shape policy, they become truly sustainable.



When a disaster or crisis strikes, we provide humanitarian aid with a focus on children's needs. Supporting rebuilding and resiliency efforts, we also help communities prepare for emergencies.



With a special focus on the youngest children and their mothers, we help provide access to food and health care.



We provide relevant, quality education and lifeskills training, equipping children with the tools they need to break the cycle of poverty.



We help communities develop viable livelihoods with an emphasis on sustainable agriculture so families can better feed and care for their children.



We work to prevent all forms of child abuse and exploitation by collaborating with governments, local organizations, and communities to implement progressive laws and change harmful practices.



We encourage and support children in decisions affecting them and their communities. When children's rights are violated, we advocate for change.



We support children in reaching their full potential, by protecting their rights to an education and safe working conditions, while respecting family needs and the best interests of the child.

When disaster strikes, Save the Children is recognized as a reliable first-responder. We are on the ground, and ready to deliver aid where – and when – it is needed most.



- Deploy team to assess the scale, scope, and severity of the crisis
- Produce a situation report outlining funding needs for the first week of response
- Allocate technical, operational, and on-the-ground assistance

WITHIN 72 HOURS

- → Inventory of all currently available global material and financial support
- Produce photography, videos, and blogs for use in funding appeals
- → Begin critical, life-saving delivery of aid and technical assistance to local authorities

WITHIN I WEEK

- Restore or improve basic child protection services in the community, establishing Child-Friendly Spaces
- Improve access to basic health care through distribution of hygiene kits and medicine by trained medical experts
- Restore access to education for children, and establish temporary schooling facilities where needed

On average, Save the Children responds to 55 new emergencies around the world each year. In 2012, we also continued work to address long-term development needs in past large-scale crisis zones such as Haiti and East Africa.

Syria

The civil war raging in Syria is causing devastating effects on children's lives. Families have been forced to flee, schools have shut down, the supply of food and clean water has been disrupted – the situation has devolved into a regional refugee crisis.

"We left Syria because there were lots of explosions but we didn't want to leave our house. We were injured and we got scared, that's why we left. What do I remember? People being hurt. People dying... In front of my eyes. They were hitting schools. Many children would die, so we got scared and stopped going to school. No children would go to school, it was too dangerous. It makes me sad that I'm not going to school.

"Before the crisis we used to play outside. We weren't scared. Now? We stay inside and be afraid. That is it. We should stop the shelling. For me, explosions lead to destruction. And more than that — the shelling makes people get injured, and it makes people die. The only effect is destruction, death and wounded people. My home has been destroyed. We were in it when it was hit, and when it fell. I feel as though all of Syria has been destroyed." —Saba, 13

In 2012, more than 400,000 people fled the violence in Syria to the neighbouring countries of Jordan, Iraq, and Lebanon where we are working with growing refugee communities. In 2012, we reached over 100,000 people with food and water, supplies, and Child-Friendly Spaces. The needs of refugees continue to grow exponentially.

Sahel

In the Sahel region of West Africa, over 18 million people faced an extreme hunger crisis in 2012 triggered by crop shortages, rising food prices, and political insecurity in neighboring countries.

Even in a "non-crisis" year, an estimated 645,000 children die in the Sahel of largely preventable and treatable causes, with 226,000 of these deaths being directly linked to malnutrition. Acute malnutrition affects up to 15% of children in Chad, Senegal, Mali, Mauritania, Niger, and Burkina Faso.

With generous support from Canadians, Save the Children reached over 1.8 million people with vital, life-saving food aid and health care. In order to leave a sustainable impact on the region, we also placed an emphasis on training for improved agricultural practices, and securing access to education for children displaced by political insecurity.



Inside a Child-Friendly Space

Save the Children's Child-Friendly Spaces are located in refugee camps, disaster zones, and other dangerous or disrupted areas around the world. They provide children with a safe, designated area where they can play, socialize, and express themselves under the supervision of caring, trained adults. The spaces are designed to help children interact with peers, build selfesteem, and begin the recovery process by working through their emotions and enhancing their resilience. At the same time, Child-Friendly Spaces enable parents to have time to register for emergency assistance and start to re-establish their lives.

Supporting the emotional recovery and well-being of children

Staff are trained to provide meaningful psycho-social support and counselling to children struggling to cope with their displacement, loss of their homes, friends, and family members.

2 A safe place to learn and play

Refugee camps can be dangerous and disruptive places for children. We strive to create safe spaces for girls and boys to resume a semblance of normalcy by providing access to education and play in emergency situations.

Provision of basic health care and hygiene

Amid the chaos of a refugee camp, Child-Friendly Spaces provide a recognizable access point for Save the Children's services for the wider community, including provision of basic health care, nutrition, and hygiene services. We also refer more serious illnesses to formal medical facilities wherever possible.

Shahnaz, a Community Health Worker, visits six-day-old Naveed and his mother at their home in Pakistan. Health Care Workers are government employed and provide advice and health services to local communities. A community health worker's responsibilities include creating a registry of all those families within the area. For Shahnaz, that means supporting the needs of 259 families. "My duties include looking after pregnant mothers, informing them about check-ups, keeping a record of their children's health and making sure they are vaccinated," says Shahnaz. Community Health Workers have helped reduce maternal and child mortality and other health related problems because they provide education to mothers on how to care for their children.

HEALTH AND NUTRITION

14

With a special focus on the youngest children and their mothers, we help provide access to health care and nutrition services around the world. We address the major causes of illness and malnutrition, while developing innovative strategies to deliver these services to as many people as possible.

Community Case Management

Community Case Management is one of Save the Children's key strategies to address childhood illness and mortality in Malawi, Mozambique, and South Sudan. Focusing on all-too-common childhood illnesses like pneumonia, diarrhea, and malaria, we train Community Health Workers to provide life-saving treatments for children up to the age of five.

Access to basic health care at the village level can save the lives of children who would otherwise face a long and costly trip to the nearest clinic. Workers are trained to assess the child's condition, provide medicine such as antibiotics or anti-malarial drugs, or refer the child to a hospital if they are severely ill. In training our health workers, we emphasize the social determinants of public health, encouraging behavioural changes that lead to healthier lifestyles.

Expanding healthy communities

Our successes in health care and nutrition to-date have inspired the expansion of our health programming into even more difficult conditions in Mali, Pakistan, and Afghanistan, aiming to reach over 370, 000 children and their mothers in the next three years.



ats Lignell/Save the

THREE YEARS OF SUCCESS IN HEALTH AND NUTRITION

In close partnership with Ministries of Health in Malawi, Mozambique, and South Sudan,

WE WERE ABLE TO TREAT:

1,427,189CASES OF MALARIA

373,474

CASES OF DIARRHEA

633,517

CASES OF PNEUMONIA

To ensure that health care knowledge remains local, for lasting, sustainable impact,

WE TRAINED:

2,798

COMMUNITY HEALTH WORKERS

743

SUPERVISORS

IN MALAWI, COMMUNITY-LEVEL HEALTH CARE NOW ACCOUNTS FOR **50**% OF ALL MALARIA, PNEUMONIA, AND DIARRHEA TREATMENTS IN THE COMMUNITIES WHERE WE WORK; AN INCREASE FROM **0**% BEING TREATED IN 2009.

EDUCATION

16

Without access to education, communities suffer, economies suffer, and futures fade. It is one of the most powerful tools for breaking the cycle of poverty, and ensuring access to education for the most marginalized communities.

Canada contributes to global Save the Children education efforts in 15 countries

Save the Children's vision is for children to realize their right to a quality education and acquire the skills and knowledge they need to fulfill their potential. This is every child's right, regardless of gender, ethnicity, social class, income, if they live in conflict zones, or if they've been displaced by disaster.

Our work in education reflects and respects a child's cultural context. Indigenous children need materials and instruction in their native language as well as the national language. Children in conflict zones and refugee camps need to learn about peace-building. Youth in economically depressed areas need vocational skills training and business education. Children displaced by natural disaster shouldn't leave their opportunity behind. Underpinning all of our work is a push for relevant and inclusive schooling for girls and boys alike. Education is central to our global strategy for sustainable change and opportunity. Our expertise is in four areas: early childhood development, basic primary and secondary education, education for youth empowerment, and education in emergencies.

Education in the face of adversity

"Where I live, it's normal for armed groups to walk around among the people. Young people in the village are approached by the guerrillas to recruit them and they've offered me to go with them many times, but I know the only thing waiting for me there would be death. Ever since Save the Children came to my school, I feel calmer because my teachers have gotten training to support us more and to teach us to get along better at school and teach us what our rights are. I want to finish high school and Save the Children has also contributed to the quality of the education, and they've prepared us for the State exams that we have to take in ninth grade.

"We see the change in young people at school now, because now we know what our rights are. My classmates have activities promoting student participation and relations among everyone have improved. At my home everything has gotten better too. We're more united now because I've learned to dialogue with my parents about issues that I'm worried about."

- Camila, 10 years old

FIVE YEARS OF RESULTS ■

As our five-year education project in Colombia drew to a close in 2012, we are proud of the impressive results achieved in partnership with the Norwegian Refugee Council and funded by the Canadian International Development Agency (CIDA) and generous Canadians. Based on this success, we are pleased to announce an expanded five-year project has been approved by CIDA. With special attention to reach the poorest and most vulnerable children affected by conflict, including Indigenous children and the Afro-Colombian population, we supported:

40,454 CHILDREN

2,070 TEACHERS TRAINED

22 SCHOOLS PARTICIPATED

LIVELIHOODS AND FOOD SECURITY

Reliable income and food are the foundations of a sustainable community. Children are more likely to be safe, educated and healthy when families have secure livelihoods. Access to employment, goods and services, and a sound income provide the foundation for a decent quality of life.

YouthSave is a consortium project between five Ghana, Kenya, and Nepal, we help young people access basic financial services such as savings accounts and financial literacy education to cultivate positive, future-oriented goal setting.

Skills development in conflict zones

Since 2011, BULGARI has collaborated with Save to conflict-affected areas of Colombia. In the inhabitants lack adequate housing, basic sanitary services, or access to education and economic opportunities to sustain their families. The limited opportunities for residents to earn an severely affected by violence from the presence of drug-trafficking groups, armed gangs, illegal mining, and general crime.

And yet, the area has a long tradition of producing jewelry and objects made from gold. We are working to help young people develop relevant skills which will allow them to earn a living locally. With BULGARI's support, we have graduated 200 youth with the skills to enter a burgeoning market for quality jewelry craftsmanship.

Food security and economic growth

With support from CIDA and generous Canadians, the Benishangul Gumuz Food Security and Economic Growth Project is a unique, Save the Children-led partnership between six organizations and the Government of Ethiopia. Our aim is to help 127,115 people in Ethiopia become food-secure.

We address food security, disaster risk management, and capacity training with both government and civil society – with a firm emphasis on connecting some of the region's poorest, subsistence-farming families to markets in order to break the cycle of poverty. This approach focuses on agricultural development, integrating natural resource management, nutrition, gender, and market-led development.

partners led by Save the Children, and supported by The MasterCard Foundation. In Colombia,

the Children to bring jewelry-making skills training region where we work, almost three quarters of municipality's poor economic development offers income. During recent years the region has been

2012 RESULTS: ■

18.000 YOUTH BANK ACCOUNTS OPENED

Over 16,000 YOUTH HAVE BEEN REACHED BY COMMUNITY-ORIENTED FINANCIAL WORKSHOPS conducted in schools to develop a savings habit among youth, empowering them to dream about their future, while presenting savings as a key way to achieve their dreams – such as saving for education.



Saving for a brighter future

A guarter of the world's children – 600 million

live in extreme poverty, dramatically reducing

Our livelihood and food security programs seek

One third of the global population today is under the age of 19, with 90% of these young people living in developing countries, and 45% living on less than two dollars per day. There are more youth than ever who need support, tools, and opportunities to become productive, contributing adults.

Giving young people tools, such as bank accounts and training, to accumulate savings not only opens up economic opportunities, but also affects their attitudes and behaviors in positive ways. Savings can help young people fund future education or start small businesses. They improve young people's self-esteem, which in turn helps them make positive choices like staying in school and avoiding health risks.

A growing number of initiatives around the world are proving that even poor and vulnerable youth can accumulate savings when the right tools and institutions are available. Unfortunately, many financial institutions have not developed products and systems to serve low-income youth.

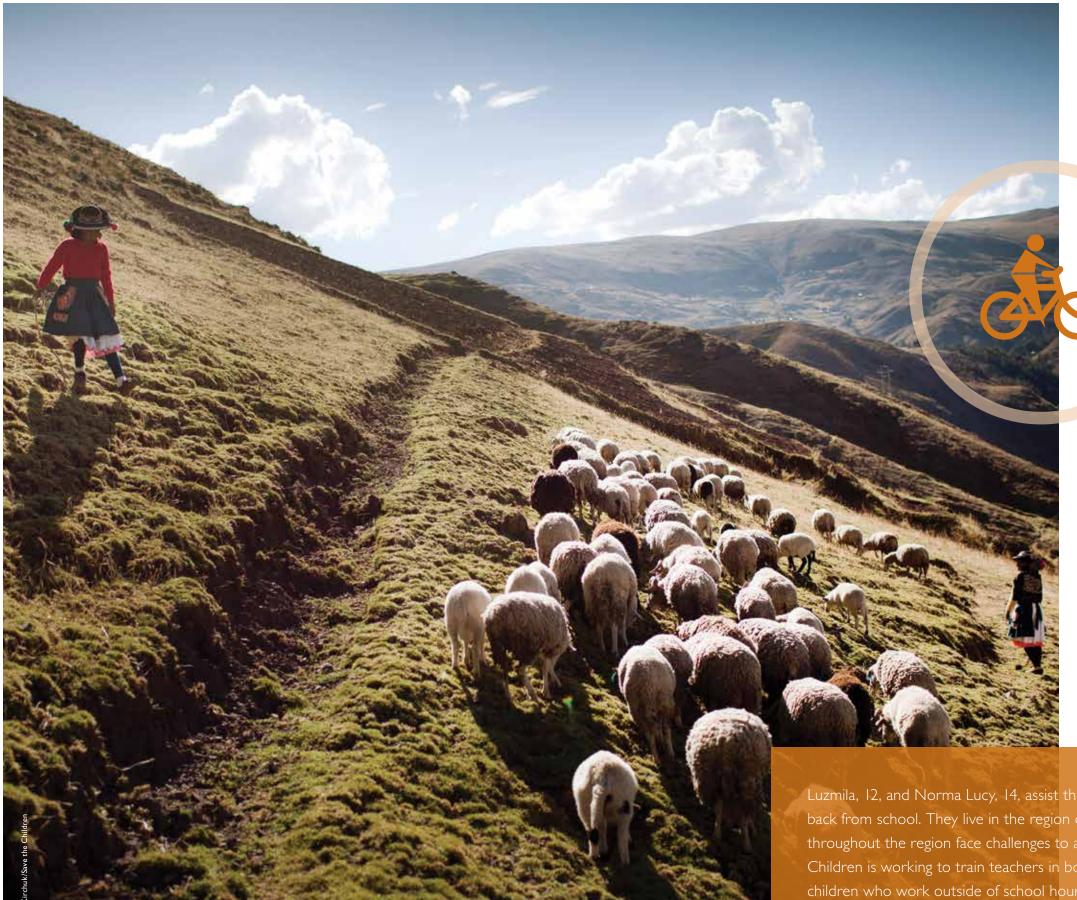
We aim to ensure that children who work have access to quality education, learn skills that will improve their futures, and are protected from exploitation. We also ensure that their voices are heard in decisions and debates that affect them at the local, national, and international levels.

Children and work: A rights-based approach

In many parts of the world, children are expected to work alongside adults as a part of daily life. They weed crops, care for livestock, sell at the market, or take care of younger siblings. When a child is able to attend school, and work in safe, appropriate conditions, the child can experience the positive values of work: opportunities to learn job skills, contribute to family income, and develop a sense of self-confidence and responsibility. However, working children can be vulnerable to exploitation, violence, or be prevented from going to school. We work to uphold their rights in the face of injustice.

Save the Children respects different cultural views of childhood while ensuring that children's rights are protected. Our goal is to provide children with sustainable opportunities, by removing the aspects of work that may harm children, and by supporting them to secure their rights to safety, quality education, and play.

Luzmila, I2, and Norma Lucy, I4, assist their sheep-farmer parents in the afternoon, after coming back from school. They live in the region of Huancavelica, Ccasapata district in Peru. Rural areas throughout the region face challenges to accessing relevant education for children. Save the Children is working to train teachers in both Spanish and Indigenous language education, so that children who work outside of school hours are equipped with local, relevant skills and knowledge upon graduation.



Children Lead the Way

Children Lead the Way is one of our largest programs supported by the Canadian International Development Agency (CIDA) and matched by generous donors. Its aim is to provide children who work with quality and relevant education, supporting the equal rights of girls and boys in Bolivia, Burkina Faso, Kenya, Peru, and Nicaragua to become healthy, educated, and productive citizens.

The situations faced by children who work vary by country and context. In Nicaragua, our work with the children of migrant coffee-plantation worker families is highly dependent on climate, crop yields, and other national economic indicators. For example, the leaf-rust (roya) infestation affecting coffee plantations in Nicaragua in the past year affected the harvest by reducing output, and increasing the internal migration of families that harvest coffee. This increased school drop-out rates as children left their communities of origin with their families.

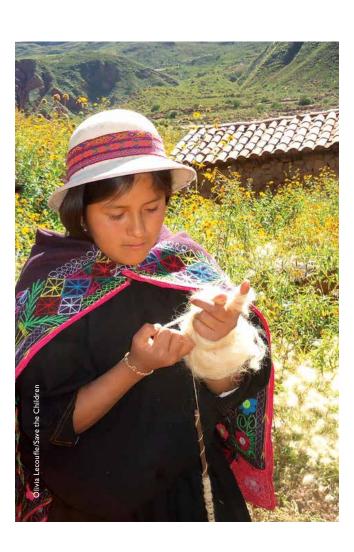
Our program is set up to respond quickly to changing circumstances as they occur. Since the traditional harvest period was altered during the leaf-rust infestation, our partners on the ground had to quickly reorganize activities aimed at protecting the health, education, and well-being of families whose children participate in the coffee harvest.

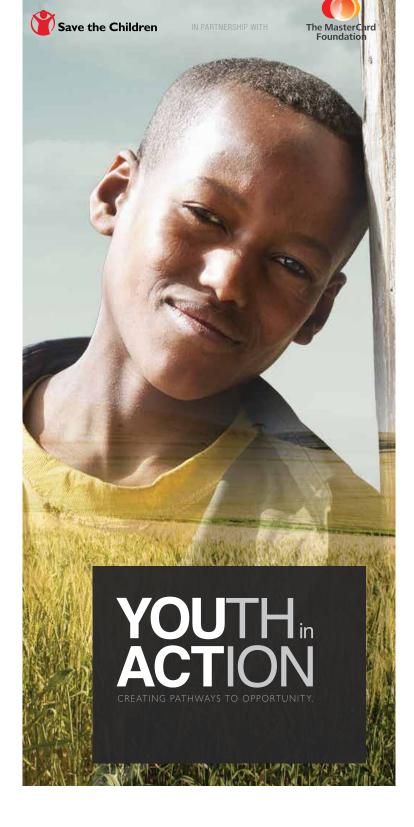
Children of migrant families are particularly vulnerable to abuses at work and the denial of their basic rights.

We are working to ensure:

- Teachers are trained on the relevance of education for children who work
- The Ministries of Health, Education, and Labour

- are working to protect the rights of children in the workplace and in the classroom
- Children are able to meaningfully participate in decisions regarding issues that affect their rights, including at the government level
- Flexibility of class schedule to ensure children who work can still go to school
- Adolescents and youth have access to skills training and entrepreneurial activities to prepare them for better opportunities





Youth in Action: Creating pathways to opportunity

By the year 2020, the youth population across Africa will have grown 66% over two decades, climbing to nearly a quarter billion people. In contrast, according to the United Nations Food and Agriculture Organisation, the average age of African farmers is 60 years old. Engaging young people – both boys and girls – in agriculture is crucial for Africa to drive its economic growth.

Youth in Action, a five-year program being implemented in partnership with The MasterCard Foundation, was launched in September 2012. The goal of the Youth in Action program is to sustainably improve the socio-economic status of African youth by providing educational and employment opportunities, specifically in the agriculture sector. The program operates in five countries in continental Africa – Burkina Faso, Egypt, Ethiopia, Malawi, and Uganda – and will support 44,700 vulnerable young people between the ages 12 and 18.

Youth who are selected to participate will benefit from:

A *learning stream* that combines literacy, numeracy, life skills, financial literacy, and business skills delivered using of our award-winning Literacy Boost program, participation, and active learning.

An *action stream* that offers young people a pathway to either formal or non-formal education including vocational training or employment and entrepreneurship opportunities in the agriculture sector.

Advocacy starts with the voices and priorities of children, whose goals can be achieved by working closely with decision-makers, lobbying, or raising public awareness. It is about making sure that policies designed to benefit children are put into practice.



In the village of Chunaroghat, Roger had the chance to cook with a local mother, and prepared a meal that included fish, rice, greens, pumpkin, and other foods. "Everything here is a community effort," said Roger. "They say it takes a village to

raise a child. This village is certainly proof of that statement - so incredible."

Bangladesh has a population of 160 million, of which 32% live in poverty. Bangladesh has succeeded in reducing preventable maternal and child death in the past three decades. However, chronic hunger continues to be a persistent problem and it remains one of the world's poorest and least developed countries.

Malnutrition is the underlying cause in one third of global child mortality, and has lifelong consequences for children who survive. Malnourished children are more likely to become ill and perform poorly in school. Women who are malnourished are more likely to give birth to small or underweight babies—repeating this dangerous cycle.

EVERY ONE: Our biggest campaign

We are approaching a tipping point in the global effort to end preventable child deaths. Child mortality has halved in a generation, and we are seeing breakthroughs — even in the poorest countries. But low-cost solutions that would save lives still aren't reaching many mothers, newborn babies, and children – especially those who need them most. We are helping to change that.

EVERY ONE is Save the Children's push to mobilize people around the world and their governments to stop the death of children and mothers. What drives the campaign is our vision that no child under the age of five will die from preventable causes. The public will not tolerate a return to high levels of child deaths, which numbered an unacceptable 6.9 million last year.

In September 2012, Roger Mooking, host of Food Network Canada's Everyday Exotic, joined Save the Children's President and CEO, Patricia Erb, on a trip to Bangladesh to visit Save the Children's nutrition programming and raise awareness about child and maternal health and nutrition. Roger and Patricia were also joined by well-known parenting blogger, Annie, of PhD in Parenting, and Save the Children's youth board member, Orysia Andryo.

In Sylhet, the team visited the Save the Children supported MaMoni (mother-child) project, which integrates safe motherhood, newborn care, and family planning into its programming. It also provides pregnancy, childbirth, and breastfeeding support, counselling, and newborn care.

HIGHLIGHTS FROM 2012: I

In Tanzania, WE ADVOCATED TO PARLIAMENTARY COMMITTEES FOR A RENEWED EFFORT TO IMPROVE NUTRITION.

In Vietnam, WE ASSISTED IN SECURING A CHANGE IN RULES GOVERNING THE MARKETING OF BREAST-MILK SUBSTITUTES.

AT THE **G8 Summit**, WE HELPED TO PUT A TARGET FOR STUNTING REDUCTION ON THE UN AGENDA AND MADE HUNGER AND MALNUTRITION KEY ISSUES.

In 40 countries, over 20,000 children PARTICIPATED IN

OUR ANNUAL RACE FOR SURVIVAL. THIS INCLUDED CHILDREN FROM TORONTO, CALGARY, AND FIRST NATION COMMUNITIES IN NORTHERN ONTARIO.

Together with the canadian UN CONSUL GENERALS IN NEW YORK AND GENEVA, WE LAUNCHED OUR REPORT A LIFE FREE FROM HUNGER TO KICK-START A GLOBAL ADVOCACY CAMPAIGN.





Our vision is of a reconciled Canada – a nation of equity, respect, and partnership where every child attains the right to survival, safety, protection, development, and participation.

An approach based on experience

Canada's Indigenous children are the most marginalized in our country. One in four lives in poverty, compared to one in nine non-Indigenous children.

Colonialism and the residential school system – where Indigenous children were removed from and denied contact with their families, and stripped of their language, traditions, and culture – resulted in generations of broken family bonds. It has created a lost sense of belonging and identity among Indigenous children and youth, resulting in the world's highest youth suicide rates.

The invisibility of the remote Indigenous communities results in underfunded and limited access to safe water, standard housing, health care, affordable nutrition, and equal education opportunities. As a result, the disparity of Indigenous communities' health and education outcomes is growing.

With the Kenora Chief's Advisory, ICA Canada, and Mishko Bimaadziwin Family Support Services, Save the Children is developing a response to the needs of Indigenous communities. By drawing on our international experience, we partner with Canada's Indigenous communities to deliver infant attachment, language revitalization, and youth leadership skills training.

THREE YEARS OF RESULTS:

At least 800 YOUNG CHILDREN ARE LEARNING USING INDIGENOUS LANGUAGE.

10 communities NOW HAVE ACCESS TO MULTI-MEDIA LANGUAGE RESOURCES.

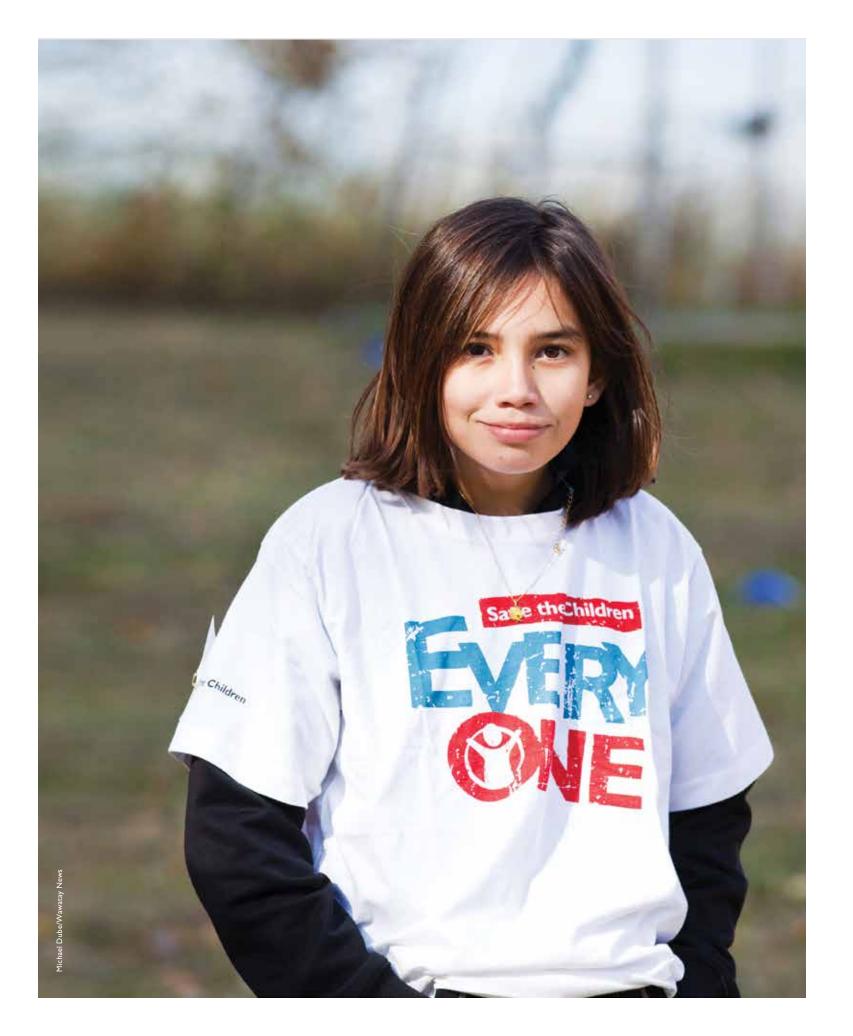
39 HEALTH WORKERS DEVELOPED LEADERSHIP SKILLS TO DELIVER PARENT-CHILD BONDING GROUPS.

449 PARENTS HAVE LEARNED HOW TO BE RESPONSIVE TO THEIR BABY'S HEALTH AND BONDING NEEDS.

68 parents, teachers, community leaders, and elders LEARNED TO TEACH YOUNG CHILDREN USING TRADITIONAL LANGUAGE TOOLS.

7 First Nations COMMUNITIES EMPOWERED YOUTH WITH DECISION-MAKING, COMMUNICATION, AND PERSONAL SKILLS DEVELOPMENT TO BECOME 'PEER HELPERS'.

Over 75 YOUTH HAVE IMPROVED THEIR SENSE OF BELONGING AND IDENTITY THROUGH PEER-TO-PEER TRAINING.



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 statements of financial position as at December 31, 2012, December 31, 2011, and January 1, 2011, and the summary statements of operations and changes in net assets for the years ended December 31, 2012, and December 31, 2011, are derived from the audited financial statements of Save the Children Canada (the "Organization") for the years ended December 31, 2012 and December 31, 2011. We expressed an unmodified audit opinion on those financial statements in our report dated June 7, 2013.

The summary financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit 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 Summary 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 years ended December 31, 2012, and December 31, 2011 are a fair summary of those financial statements, on the basis described in the Note to the summary financial statements.

Deloitte LLP

Chartered Professional Accountants, Chartered Accountants Licensed Public Accountants June 7, 2013

Note to the summary financial statements December 31, 2012 and 2011

Basis of presentation

Save the Children Canada 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, notes to the audited financial statements, and schedule of program expenses.

The audited financial statements can be obtained from Save the Children Canada, on request.

SUMMARY STATEMENTS OF FINANCIAL POSITION AS OF DECEMBER 31, 2012, DECEMBER 31, 2011, JANUARY 1, 2011

	December 31 2012	December 31	January I 2011
ASSETS			
Current assets			
Cash and other working capital	26,076,247	27,278,275	28,478,528
Capital assets	391,850	134,035	96,300
TOTAL ASSETS	26,468,097	27,412,310	28,574,828
LIABILITIES			
Current liabilities			
Accounts payable & accrued liabilities	2,993,135	2,407,004	1,963,867
Deferred revenue	20,365,200	21,909,557	23,894,926
	23,358,335	24,316,561	25,858,793
NET ASSETS			
General Fund	138,928	365,685	108,487
Reserve Fund	2,970,834	2,730,064	2,607,548
	3,109,762	3,095,749	2,716,035
TOTAL LIABILITIES & NET ASSETS	26,468,097	27,412,310	28,574,828

Note: Save the Children Canada 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, notes to the audited financial statements, and schedule of program expenses. The audited financial statements can be obtained from Save the Children Canada, on request.



Save the Children Canada

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