

Annual Report 2017



Save the Children is the leading independent organization for children. For nearly 100 years, we've worked to ensure all children realize their rights.

OUR VISION

is a world in which 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.



2017 WAS AN EVENTFUL
YEAR. WE SAW NUMEROUS
NATURAL DISASTERS
AND CONFLICTS FORCE
PEOPLE FROM THEIR
HOMES, AND HUMAN AND
CHILD RIGHTS BE TESTED
AROUND THE WORLD.

YOUR SUPPORT- OUR IMPACT

After seven years of strong leadership under Patricia Erb, I am honoured to step into the role as President and CEO of Save the Children to lead this organization and continue its important work on behalf of children.

Just a few days into the role, I travelled to Cox's Bazar, Bangladesh to visit our response programs for Rohingya refugees, where Save the Children is providing healthcare, nutrition, shelter and safe spaces for children to learn and play.

While in the camp I met some children who left a profound impression on me. After seeing a staggering number of children who had survived traumatic violence, had their lives uprooted, there, on top of a hill, a group of young children had put together kites out of bamboo sticks and garbage bags and were playfully trying to catch a breeze. Out of situations that might leave you without hope, children find a way to be children.

In spite of tremendous odds, Save the Children is making a real difference for children living in difficult circumstances, like the children living in refugee camps in Bangladesh.

In this annual report, you'll read what we've accomplished together. You'll see how your involvement has made a remarkable difference for over 49 million children. Your support has empowered girls to take charge of their lives, enabled young people to develop skills to secure their futures, and allowed our frontline workers to provide emergency relief for children and their families. We are thankful that you choose to stand behind our organization, as we strive to create a world where all children have the opportunity to realize their rights and fulfill their potential.

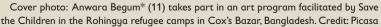
I hope this annual report will give you a sense of what we accomplished over the past year and the impact we've had around the world.

Thank you for contributing to our vital work and I encourage you to continue your support to deliver real and lasting improvements to children's lives. More than 49 million children around the world have a brighter future thanks to you.

Bill Chambers

President and CEO Save the Children Canada

The first Save the Children organization was founded in London, England, in 1919 by Eglantyne Jebb and her sister Dorothy Buxton. It was launched in response to the aftermath of WWI and the Russian Revolution. Jebb's work pioneered the United Nations' movement toward formal recognition of universal child rights.



WHAT WE ACCOMPLISHED WE REACHED OVER 49 MILLION CHILDREN IN 120 COUNTRIES



INDIGENOUS AND CANADIAN PROGRAM

provided emergency and preparedness training to

children, youth and adults in First Nations communities in Manitoba and Ontario



CHILD PROTECTION

SAVE THE CHILDREN HELPED KEEP

children safe from all forms of violence, abuse and neglect



33.3m

children were helped through our health and nutrition programs









Our programs aim to eliminate stereotypes and transform negative gender and social norms which contribute to discrimination and gende inequality. We recognize that girls and boys must equally be able to make their own decisions and enjoy the same opportunities to reach their full potential.



CHILD POVERTY AND SUSTAINABLE LIVELIHOODS

To combat children living in extreme poverty, we're working with families, to help them better support their children, even in times of crisis. To break the intergenerational cycle of poverty, we are helping build young people's skills to allow them to gain access to decent and sustainable work opportunities.



CHILD PROTECTION



Photo credits - left column from top to bottom:

- 1. Save the Children
- 3. Noelle Ibarra
- 4. Save the Children

Photo credits – right column from top to bottom:

- 1. Ray-ginald Louissaints
- 2. Oli Cohen
- 3. Save the Children
- 4. Carlota Guerrero/Save the Children



Transforming inequalities, transforming lives

Gender Equality matters. Inequalities occur everywhere and gender discrimination harms girls and boys around the world. Save the Children is committed to work and advocate for each girl and boy to have equal opportunities to make their dreams and hopes come true. We work closely with boys, girls, men and women in communities to challenge negative gender norms and change discriminatory behaviors. Our vision is for both girls and boys to have an equal opportunity to survive, fulfill their potential and be protected.

For Save the Children, gender equality is both a critical area of focus, as well as a priority across all our areas of work to ensure boys and girls are safe from harm, live in an environment where they are equally heard and valued, have equal time for education, to work, rest and play.

Our vision is for girls and boys to support one another in playing an active and equal role in creating positive and sustainable change in their communities, their countries and across the globe.



Lifesteps – Prevention of Child, Early and Forced Marriage in Nigeria 2015-2017

Child marriage is a harmful practice that disproportionately affects girls, with negative consequences on their health, education, and opportunities in life. Working with the Government of Canada, Lifesteps worked to prevent early child marriage and early parenthood in three northern states in Nigeria. After two successful years working to prevent child marriage, the project directly made a difference in the lives of over 18,400 girls and almost 13,000 boys aged 9-18 years in Katsina, Zamfara, and Jigawa states in Nigeria.

Save the Children's vision for Lifesteps was based on the three key pillars: **Empowering** women and girls; **engaging** men and boys as active partners of change; and positively **transforming** discriminatory gender norms.



Government

Gouvernement



INDIGENOUS AND CANADIAN PROGRAM

The birthing experience and bringing birth home: Indigenous maternal, child and newborn health

Working with the National Aboriginal Council of Midwives (NACM), Save the Children is focusing on reducing forced maternal evacuations by delivering a birthing experience program based on Indigenous knowledge and traditional practices. The key components of the program are to:

- increase access to Indigenous midwifery
- provide sexual and reproductive health to promote the overall health of families and communities.

"Bringing Birth Home," is designed to enhance the recruitment and retention of Indigenous healthcare providers. As the UN Declaration on the Rights of Indigenous People's states, all Indigenous Peoples have the right to choose where they give birth, which is fundamental to Save the Children's Indigenous programs. This approach leads to a strengthening of community ties, sustained Indigenous knowledge, improved community health and well-being, and the promotion of self-determination.

To date, Save the Children has reached over 200 women.

Emergency programs: reducing risk and building resilience

Canada is increasingly affected by disasters, especially the occurrence of floods and fires. Indigenous communities, particularly their children, are often disproportionally affected by these risks. In partnership with GSK, Save the Children is working with communities to help build resilience to disasters and extreme weather. Our programs ensure that the appropriate skills, knowledge and resources are in place to meet the needs of Indigenous children and their communities when disaster strikes. Our programs have provided emergency preparedness training to more than 5,000 children, youth and adults in Manitoba and Ontario, distributing over 2,000 emergency kits.

Recovery and Response

Following the 2016 wildfires in Fort McMurray, we're still working with children to help them express their feelings and learn critical coping skills that will allow them to move forward.



GSK Ride For Kids



Ride for Kids is an employee-inspired and employee-led fundraising event in support of GSK's partnership with Save the Children. From September 15 to 19, 2017, a group of employees cycled 660 kms from GSK's office in Laval, Quebec to the Canadian Headquarters in Mississauga, Ontario. Participants surpassed their initial fundraising target of \$40,000 with over \$67,000 raised in support of Save the Children's programming in Canada and around the world. Ride for Kids was created by employees who wanted to make a difference while pushing physical boundaries and inspiring others to get behind Save the Children's mission. Congratulations on completing this journey and exceeding your fundraising goal!

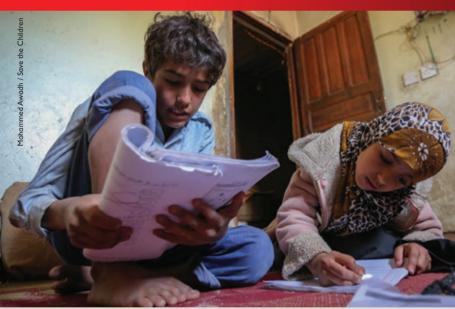
"I'm participating in the ride to challenge myself and my network to do something significant in giving back to vulnerable populations in our Canadian communities and globally." Kevin Sauve, GSK Employee

HUMANITARIAN AND EMERGENCY RESPONSE

Despite 2017 being another year of increased suffering for children in humanitarian crises fueled by war, persecution and drought, with your support we helped over 10.1 million crisis affected children in 61 countries by providing opportunities to learn, grow, develop and be protected.

Save the Children responded to immediate life-saving needs by providing food, shelter, health and nutrition services. Our teams also set up Child Friendly Spaces, to give children a safe space to play, learn and receive psychosocial support.

YEMEN



Save the Children runs temporary learning spaces to ensure children like Ali and Noura* don't miss out on an education.

In Yemen, Save the Children supports health facilities and mobile health clinics to screen children for malnutrition and provide treatment for acutely malnourished children. We are also helping children come to terms with their experiences and improve their coping mechanisms by providing psychosocial support and running Child Friendly Spaces where they can learn, play, and begin the long journey to recovery.

BANGLADESH



Last year saw the largest refugee influx since the Rwanda genocide, with over 600,000 Rohingya children, women and men arriving in Cox's Bazar, Bangladesh, following a brutal military crackdown in Myanmar's Rakhine State. With the help of rapid response funds given by private and public donors, Save the Children was able to scale up quickly to save lives and run one of the largest response operations, reaching approximately 60% of the affected population, over half of whom are children.

With the support of the Government of Canada, the Humanitarian Coalition, and our generous supporters, we helped the most vulnerable children access healthcare, nutrition, child protection, water and sanitation, as well as food and shelter.

SYRIA



After six years of the Syrian Crisis, there are children that have only known violence and conflict for their entire lives. Save the Children remains committed to doing everything we can to protect children and support their long term well-being.

"All wars, whether just or unjust, disastrous or victorious, are waged against children." Eglantyne Jebb, founder Save the Children



SUSTAINABLE LIVELIHOODS

An estimated 600 million children live in extreme poverty.

Being born into poverty drastically reduces a child's opportunities to a secure future. Save the Children knows that children are more likely to be safe, educated and healthy when their families have secure livelihoods and they themselves are capable to transition to safe and decent work as they grow up.

Our sustainable livelihoods programs focus on breaking the intergenerational cycle of poverty by developing and maintaining families' income and food supply, and by economically empowering young people with the skills and opportunities to succeed in work and life.

Youth in Action

In partnership with Mastercard Foundation, Save the Children is wrapping up a successful six-year integrated livelihood program that gave rural out-of-school youth between the ages of 12 to 18, the opportunity to achieve a better and more sustainable future. Youth in Action, (YiA) a \$40 million program, built young people's foundational skills and offered enterprise development, apprenticeship and vocational training options to create a lasting future they can be proud of. Working in Burkina Faso, Egypt, Ethiopia, Malawi and Uganda, Youth in Action improved the future prospects of over 41,000 girls and boys.

After involvement in Youth in Action,

In **Burkina Faso** 75% of youth own a business after graduating from YiA, compared to 26% before YiA

In **Ethiopia** the dollar value of youth's savings after graduating from YiA increased by 7 times

In **Malawi** 64% of youth had high financial literacy skills after graduating from YiA, compared to only 22% who had these skills before YiA

In **Uganda** the daily income of youth nearly doubled after participating in YiA

In **Egypt** 85% of female youth were working after graduating from YiA, compared to only 13% before YiA

Mohammed's story



I dropped out of school in grade 12. It was my decision because I wanted to be a construction worker and school was not helping me. I worried that I would not be successful because I was barely making any money. I heard people talking about Youth in Action in my village. I decided to join and this was the moment that changed my life. I chose to pursue the vocational training option because I wanted to learn from experienced people about construction work. I am now saving money to buy my own tools and work independently in my village. One day, I will have my own company and I will be hiring young people like me.

Mohammed, 15, Asyut

'Building skills is like building a wall with a strong foundation, it will never let you down,' Mohammed

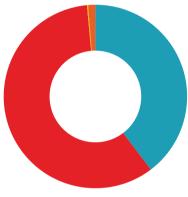




foundation CREATING PATHWAYS T



WHERE OUR MONEY COMES FROM
 ■ Donations 21,438,537.18 39.7%
 ■ Grants 31,800,205.93 58.8%
 ■ Interest and other income 109,408.00 0.2%
 ■ Bequests 689,408.77 1.3%



WHERE OUR MONEY GOES

 ■ Programs
 51,635,110
 88.4%

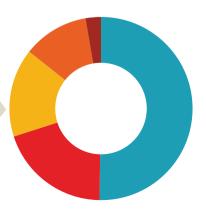
 ■ Fundraising
 4,253,605
 7.3%

 ■ Administration
 2.538.076
 4.3%

International Based on 3 years Average

INTERNATIONAL PROGRAMS

| INTERNATIONAL TROGRAMS | | | |
|------------------------|---------------|-------|--|
| East Africa | 22,836,680.05 | 50.3% | |
| ■ Middle East | 8,992,438.92 | 19.8% | |
| West Africa | 7,092,501.51 | 15.6% | |
| South America | 5,274,881.44 | 11.6% | |
| India/Asia | 1,233,664.17 | 2.7% | |



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, 2017 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, 2017. We expressed an unmodified audit opinion on those financial statements in our report dated June 26, 2018.

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 year ended December 31, 2017 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 Licensed Public Accountants June 26, 2018.

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Summary statement of financial position

| Assets | 2017 | 2016 |
|---|------------|------------|
| Current assets | \$ | \$ |
| Cash | 15,961,424 | 16,507,872 |
| Marketable securities | 2,091,869 | 1,626,200 |
| Accounts receivable | 753,954 | 706,772 |
| Advances to partners | 4,358,062 | 8,094,996 |
| Prepaid expenses | 146,203 | 195,315 |
| | 23,311,512 | 27,131,155 |
| Capital assets | 1,215,943 | 137,840 |
| | 24,527,455 | 27,268,995 |
| Liabilities | ,,,,,,,,, | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | 3,114,685 | 1,272,509 |
| Deferred revenue | 17,455,659 | 21,549,927 |
| Deferred lease inducement | _ | 42,685 |
| | 20,570,344 | 22,865,121 |
| Net assets General Fund | 683,311 | 480,074 |
| Reserve Fund | 2,923,800 | 2,923,800 |
| Strategic Initiatives Fund | 350,000 | 1,000,000 |
| | 3,957,111 | 4,403,874 |
| | 24,527,455 | 27,268,995 |
| Common statement of angustions and aboves in not assets | | |
| Summary statement of operations and changes in net assets | 2017 | 2016 |
| Revenue | \$ | \$ |
| Contributions | 21,438,537 | 20,232,901 |
| Global Affairs Canada | 27,376,951 | 33,114,064 |
| International grants | 4,423,255 | 9,076,151 |
| Interest and other income | 66,723 | 59,756 |
| Amortization of deferred lease inducement | 42,685 | 11,260 |
| Bequests | 689,409 | 207,524 |
| | 54,037,560 | 62,701,656 |
| Program expenses | | |
| International | 45,430,167 | 53,557,820 |
| Canadian | 997,769 | 1,596,045 |
| | 46,427,936 | 55,153,865 |
| Operating and other expenses | | |
| Fundraising | 4,644,399 | 4,230,711 |
| Marketing | 339,401 | 191,419 |
| Unrealized capital loss | 45,683 | 23,479 |
| General administration | 2,840,655 | 1,936,434 |
| Loss on disposal of assets | 728 | _ |
| Amortization | 132,408 | 81,140 |
| | 8,003,274 | 6,463,183 |
| | 54,431,210 | 61,671,048 |
| (Deficiency) excess of revenue over expenses for the year | | |
| before the undernoted | (393,650) | 1,084,608 |
| Foreign exchange loss | (53,113) | (26,338) |
| (Deficiency) excess of revenue over expenses for the year | (446,763) | 1,058,270 |
| Fund balances, beginning of year | 4,403,874 | 3,345,604 |
| Fund balances, end of year ——— | 3,957,111 | 4 ,403,874 |
| Note to the summary financial statements: | -,, | . , |

2017

2016

Note to the summary financial statements:

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

TOGETHER WE DELIVERED RESULTS



For as long as it takes, wherever the need presents itself, **Save the Children** will be there.

2017 was a difficult year for children everywhere. In a constantly changing world, the only constant for us is to work towards a world where all children fulfill their right to the best possible future.

Because of you, our corporate partners, our valued donors and supporters and to anyone who spoke out about our work on behalf of children, their lives were made easier, their futures brighter. More children went to school. Children were protected during emergencies. Children facing malnutrition and health concerns received life-saving care. More girls were direct beneficiaries of our programs, thereby giving them a chance for a better life for themselves.

As a result of your commitment to us, to improve children's lives, we owe it to you to be accountable for everything we do. We are proud of our work, and fortunate to have supporters like you. We remain committed to using all of our resources effectively to achieve the best outcomes. Our finances are sound, our results are measurable and our resolve is strong.

Thanks to supporters like you, we delivered impactful results for children last year - we made a difference.

Richard Stursberg Chairman of the Board of Directors

BOARD OF DIRECTORS

Richard Stursberg - Chairman of the Board Myrna Alexander - Co-Vice Chair

David Masse - Co-Vice Chair

David Rozee, Treasurer

The Honourable Myra Freeman

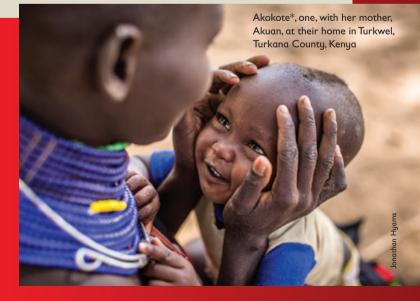
Dan Mills

Kenn Richard

Lauren Sndyer-Gault

Steve Yuzpe

Jean Teillet





For more information and to find out how you can get involved, please contact us:

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