



# Results for Children

An update from Save the Children | Q1-2 | 2012



**Save the Children®**



3 Letter  
from the President and the  
Chair of the Board of Trustees

4 What Our Donors  
Made Possible in 2011

6 ‘Whatever She Does,  
It Will Be Big’

7 Sidebar:  
Investing in Early Learning

8 Sidebar:  
When Disaster Strikes, Preparedness  
Saves Lives

9 One Little Life at a Time

10 Beatrice Learns to Read

11 Sidebar:  
Virginia’s Budget

12 What’s ‘Pneu’  
for Pneumonia

13 Sidebar:  
Teamwork Makes Health Work

14 No Child Left Adrift:  
Protecting Vulnerable  
Children in Ethiopia

15 Sidebar:  
A Natural Leader in the Fight  
Against HIV/AIDS

16 Finance Report for 2011

18 Save the Children’s  
Board of Trustees

19 Making the Leap  
from School to Career

Save the Children is the leading independent organization for children with programs in more than 120 countries. Our mission is to inspire breakthroughs in the way the world treats children and to achieve immediate and lasting change in their lives.

Cover: Three-year-old Alina gets a head start on learning through Save the Children’s early education program in Queets, Washington.

This page: Paiscience, age 3, learns about adding and subtracting by playing with an abacus at her South Carolina preschool, supported by Save the Children.

# From the President and the Chair of the Board of Trustees



Anne Mulcahy



Carolyn Miles

## Dear friends and colleagues,

2011 was a year of many achievements, large and small, for the 85 million children benefiting from Save the Children’s programs. We credit these many successes to our generous partners and supporters who help children grow healthier, learn more and become better prepared to realize their dreams. Our heartfelt thanks go to each of you who share our vision for children.

Save the Children’s program priorities are determined by our strategic goals for children, but we step up our efforts for children when they are caught up in dire circumstances. In 2011, child hunger was one such crisis, the result of drought, spiraling food prices and the uncertainty of the global economy. Worldwide, 170 million children are stunted (reflecting shortness-for-age, an indicator of chronic malnutrition). Save the Children increased its investment in nutrition for 10.5 million children and adults, not just in the drought-stricken Horn of Africa, but in 13 countries, including Guatemala, Yemen and the Philippines, where chronic hunger has tightened its grip on children. No child should go hungry in today’s world. With your help, we are working to ensure that children are well-fed and healthy.

And what about the children in our own backyard? The sad fact is that today, nearly one out of four American children lives in poverty and often has no access to early education. On average, a 4-year-old living in poverty in the United States is developmentally 18 months behind a 4-year-old from a middle class family upon entering elementary school. We all believe that American kids deserve better—better education and better lives. Save the Children’s early education and literacy programs in 17 states and the District of Columbia have helped 185,000 children grow into enthusiastic and engaged learners, equipped with the right skills to succeed in school and beyond.

Our work takes real resources. Contributions were up significantly in 2011, and our operating revenues increased to \$618 million—14 percent over 2010. In this issue of *Results for Children* (and online at [www.savethechildren.org/results](http://www.savethechildren.org/results)), we have posted an overview of our finances for fiscal year 2011. We are proud to report that Save the Children continues to have an exceptional spending record, with more than 89 percent of funds going directly into programs. For the 10th year in a row, Charity Navigator, an organization that rates the financial health of more than 5,000 U.S. charities, gave Save the Children its highest four-star rating! And Save the Children was one of three nonprofit organizations profiled in *America’s Greatest Brands* for 2011. We hope you are just as pleased with these distinctions as we are.

We have a long way to go to change the way the world treats *all* children. But we know we can do it—because so many of you are working with us! Your steadfast commitment to the lives of children inspires us to pursue even greater achievements in 2012. We look forward to our continued partnership.

Anne M. Mulcahy

Anne Mulcahy  
Chair, Save the Children Board of Trustees

Carolyn Miles

Carolyn Miles  
President & CEO

Follow Carolyn’s views and impressions of our most pressing priorities for children at [www.savethechildren.org/miles-blog](http://www.savethechildren.org/miles-blog).



# What Our Donors Made Possible

## 10 Noteworthy Achievements of 2011

**1** More than **two-thirds** of the children in our U.S. literacy program (K-6) made significant gains in reading during the 2010–2011 school year. Literacy is an education priority for Save the Children, and our reading programs in eight countries helped 66,000 children become better readers and better learners.

**2** Your support enabled our emergency response teams to provide relief, care and protection for nearly **7.6 million children** caught up in natural disasters in 2011, including the Japan earthquake and tsunami, tornadoes in Alabama and Missouri and drought in the Horn of Africa.

**4** Save the Children emphasizes the need for early learning for children in **26 countries**. A World Bank study in Mozambique confirmed that our early education approach resulted in an 18 percent increase in children's participation in primary school. In fact, the government of Mozambique is introducing preschools nationally, based on our successful model, which is supported by The ELMA Foundation.

**6** With your help, our HIV/AIDS program in Ethiopia provided community-based protection, education and health care for **387,000 orphans and vulnerable children**. Globally, 44 million children\* in 13 countries have benefited from our donors' support for HIV/AIDS prevention, youth education and home care for family members affected by AIDS.

\* Includes 43 million children reached through a mass media campaign in Bangladesh.

**3** Save the Children scaled up its nutrition program to reach **10.5 million** children and adults in 13 countries, including Guatemala, Yemen and the Philippines, to combat chronic malnutrition.

**5** Save the Children is a key partner in an award-winning, public-private partnership launched in 2011 called *Helping Babies Breathe* that is training health care providers in **27 countries** to reduce asphyxia-related neonatal deaths.

**7** Save the Children partnered with P&G's *Protecting Futures*, a campaign created by Always and Tampax, which reached **10,000 girls** in Nepal and Ethiopia, to stay in school through puberty education and sanitary protection, or to gain access to youth-friendly health services.

### Key:

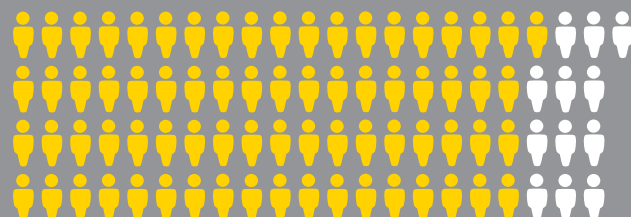
#### Save the Children USA

Save the Children USA puts resources and expertise to work for children in more than 60 countries. In 2011, we served more than 85 million children—and many others, including parents, communities, local organizations and government agencies.

#### Save the Children's Programs Worldwide

With 29 member organizations worldwide, Save the Children is the world's leading independent organization for children, working together to deliver programs in 120 countries.

Save the Children reached more than  
**85 million**  
children in need in 2011,  
an increase of 12 million over 2010.



Each Figure = 1,000,000 Children  
Yellow Figure = 73 Million in 2010  
Yellow + White Figures = 85 Million in 2011

**8** When the devastating drought struck the Horn of Africa, Save the Children helped **942,000 children** by providing child-friendly spaces, education and counseling services, reuniting children with their families and providing foster families when needed. Globally, our child protection programs in 13 countries kept nearly **7.7 million** vulnerable children safe from abuse, neglect, exploitation and violence.

**9** In 2011, we provided close to **4 million** youth and adolescents with the skills they need to start small businesses or join the work force. In Jordan alone, our school-to-career strategy gave **nearly 60,000 secondary school students** the skills to make the transition to the job world.

**10** Save the Children's health programs reached **16 million** children in 2011, many through frontline health workers we trained, who can play a critical role in treating life-threatening diseases such as pneumonia, malaria and diarrhea. A study supported by the World Health Organization, implemented by Save the Children and published in *The Lancet* in 2011, found that in Pakistan, young children treated at home for pneumonia by frontline health workers were more likely to recover than those referred to doctors.





Jazmine

## ‘Whatever She Does, It Will Be Big’

Four-year-old Jazmine, of Queets, Washington's Quinault Indian Reservation, is a lively little chatterbox and without a doubt the most charismatic kid in her preschool class. She takes the lead in games and activities, raises her hand first when her teacher asks a question and sits front and center during read-aloud sessions with Save the Children's program coordinator, Tracie Kenney.

Jazmine's enthusiasm has been part of her steady transformation—from a tentative to a tenacious learner—made possible by Save the Children's early education programs in the United States. All told, we served 5,000 infants, toddlers and preschoolers and 15,000 parents, and will bring this much-needed program to another 1,000 children in the next year.

Of course, success begins in the home where families are at the frontline of education. Jazmine's mother, Yvonne, actively sought out Save the Children's program for her daughter, and family involvement is integral to children's progress. Thanks to your generous support, Jazmine and thousands of other children in the United States have developed the necessary skills to succeed in school. “Jazmine is so chatty and social; as I'm sure you've noticed,” said her mother, Yvonne. “Whatever she does, it will be big.”

### INVESTING IN EARLY LEARNING

*Before kids can learn reading and math, they need to develop their skills—to use a pencil, understand a story and listen quietly to a teacher. That's why Save the Children places such a high priority on preparing 3- to 5-year-olds to learn before they enter primary school.*

*Save the Children's early learning program in Mozambique is supported by The ELMA Foundation. In 2011, a World Bank study of children in our preschool program showed an 18 percent increase in children's participation in primary school as a result of getting an early start in learning. They were better at problem-solving, had more knowledge of numbers and shapes, and showed a greater interest in writing and math.*

*As one Mozambican mother put it, “Save the Children's early learning program awakened my child's intelligence.”*

*For less than \$2.50 a month per child, the children and families of Mozambique are able to reap the rewards of early education—a great investment. And the government of Mozambique now sees the benefits of early education, too. Thanks to our results, Mozambique is developing its national preschool program based on the Save the Children model.*



“One day I came across a list of books your child should read by a certain age,” said Jazmine's mother, Yvonne (pictured with Jazmine). “I recognized most of the books because I read them to Jazmine. It made me so happy that my child was where she needed to be in her development.”



Parents Josh and Yvonne lack the means to drive 30 miles to the library. They depend on our program for their children's books.



The Olympic rainforest surrounding Jazmine's hometown of Queets, Washington, is in stark contrast with local families' struggles to make ends meet.



Jazmine's brothers, Adam, 2 (at left), and 5-month-old Hunter, are also enrolled in the early education program and showing progress. Tracie gives most of the credit to Jazmine's mother: “I can tell that she takes everything I share with her to heart and puts it into practice,” said Tracie.



Save the Children's Tracie Kenney is a central figure in Jazmine's life, paying visits to her home since she was 2 years old and now working with Jazmine and other Quinault Indian Nation children through home visits and a Save the Children partnership at the local Head Start program.

See early education in action with Jazmine in Queets, Washington, and Diverson from Zomba, Malawi! Watch our video at [www.savethechildren.org/ECD-video](http://www.savethechildren.org/ECD-video).

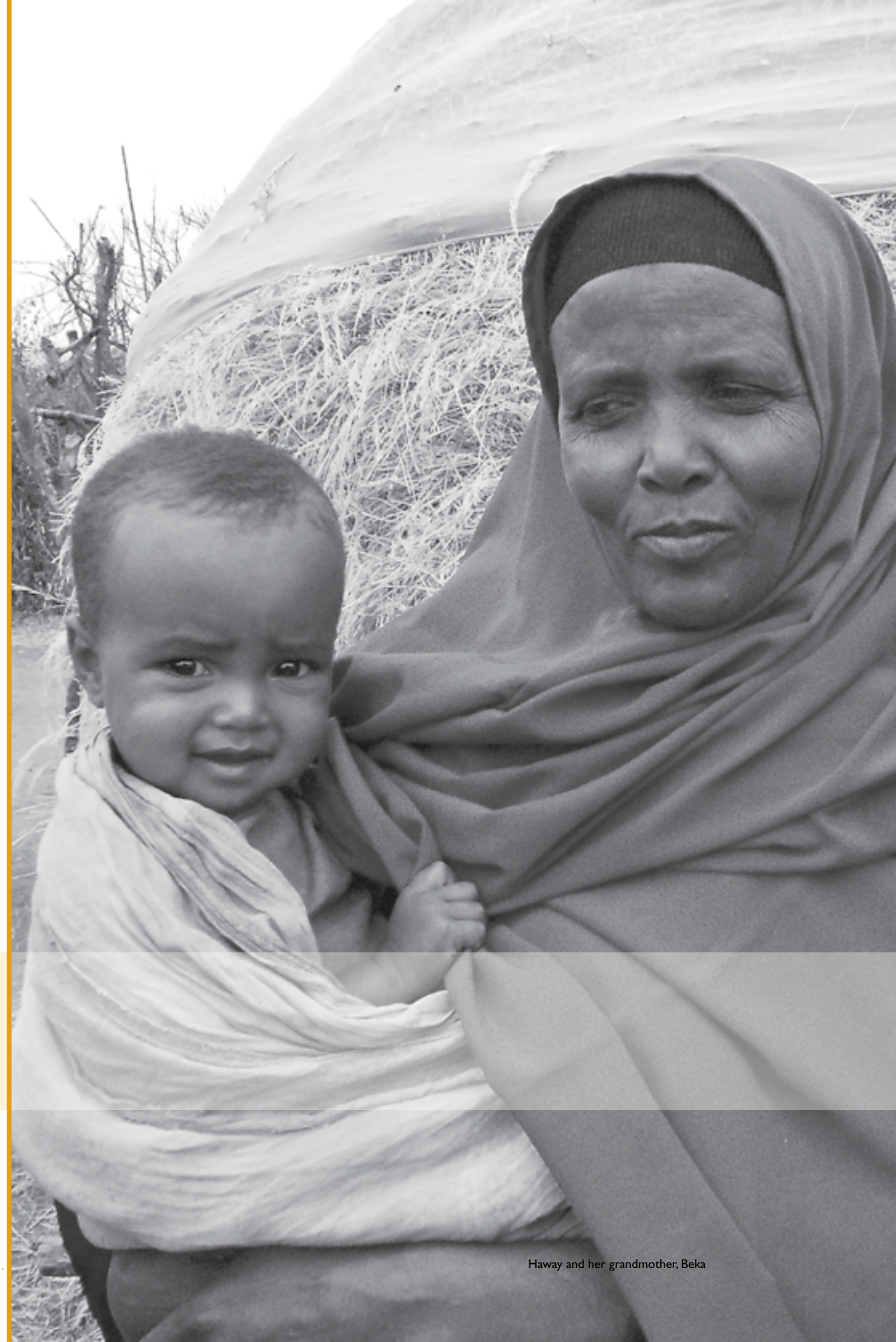
Find more results from the World Bank study on our preschool program in Mozambique at [www.savethechildren.org/Preschool](http://www.savethechildren.org/Preschool).



**WHEN DISASTER STRIKES, PREPAREDNESS SAVES LIVES**

*With nearly 80 years of experience in disaster relief under our belt, Save the Children has learned a profound lesson about natural disasters: Much human misery (and loss of life) can be spared if communities prepare in advance for the worst. In disaster hotspots in the United States and abroad, your generosity to Save the Children's efforts in disaster preparedness has helped communities protect children and families confronted with natural disaster.*

*In Ethiopia, local nomadic herders are weathering the 2011 drought by working with Save the Children to manage the health and size of their herds, protecting their essential source of food. In Bangladesh, the Philippines and Vietnam, we've worked with at-risk communities to develop plans and stockpile food against future devastating cyclones. And in the United States, Save the Children has trained more than 9,000 children in disaster preparedness. Through the generosity of The Ahmanson Foundation, Save the Children will stage a workshop for Los Angeles school children in 2012.*



Haway and her grandmother, Beka

# One Little Life at a Time: Emergency Response in the Horn of Africa

In 2011, people in the Horn of Africa asked only one question: When will the rains return? After two years of drought, 13 million people (half of them children) are still hungry and at risk of malnutrition—or worse. Families now depend on humanitarian aid to survive, many sheltered in the camps on the borders of Ethiopia and Kenya.

Save the Children is thankful that thousands of concerned individuals came to the rescue in this child hunger crisis. Most recently, DC Entertainment launched the *We Can Be Heroes* campaign, using its powerful lineup of comic book superheroes from the Justice League of America to rally their fans' support for malnourished children. The timely and generous support from P&G Children's Safe Drinking Water Program, Walmart, A Glimmer of Hope, Church Communities Foundation, the International Service Society and many others, enabled Save the Children to reach nearly 691,000 people, including 319,000 children in Ethiopia alone. Many of them desperately needed treatment for severe malnutrition.

One little girl, Haway, had something special to celebrate on her first birthday—being alive. Haway was brought to the Save the Children emergency nutrition program weighing only 12 pounds. She was suffering from extreme malnutrition and had contracted infections from unclean water in her village.

“You have to treat babies like Haway very carefully, as feeding them the wrong nutrients can be dangerous,” said Sisay Demeke, a Save the Children emergency nutrition coordinator. But once Haway's condition stabilized, she was soon well enough to go home and begin outpatient treatment. After just a few days, her sunken face was transformed into the chubby-cheeked baby on the opposite page. She began to eat a diet of milk, vitamins, minerals, sugar and oil that kept her strong.

The matriarch of Haway's village was impressed by Haway's recovery and many others who were treated through Save the Children's nutrition program. “If there were no Save the Children, many of the babies in my village would have died,” the matriarch said. “The food they provide to kids is very good and the way they provide it is kind.” Help from our donors has enabled the entire village to get involved with Save the Children's health and nutrition programs, working with us to give Haway and other young children the care they need to survive.

Save the Children's emergency response team assisted  
**7.6 million**  
children in 12 countries in 2011.



In addition to providing health and nutrition, Save the Children responded to many other emergencies in 2011. Go to **[www.savethechildren.org/emergencies-2011](http://www.savethechildren.org/emergencies-2011)**.



# Beatrice Learns to Read

Only a year ago, 11-year-old Beatrice still couldn't read. Her teachers knew that she was very sensitive and embarrassed by her failure. Frustrated and angry, she refused their offers of help and withdrew into her shell. If Beatrice had only known, she was not alone. Our literacy assessments in a number of countries show that many children in the upper grades of primary school are not able to read or do basic math. In one survey in Ethiopia, 23 percent of third-graders could not read a single word in one minute. In Nepal, that number was 50 percent.

In Malawi, one person was determined to draw Beatrice out of her shell—Mai Thaulo, a mentor and leader at Save the Children's reading camp. This is one component of our innovative literacy program for young readers in grades one to four, designed to make reading fun both inside and outside the classroom. While teachers evaluate their students' knowledge of letters and phonics, vocabulary size and reading fluency, children sit together reading with their buddies, borrowing books and discovering enjoyment in stories, poetry and songs.

Mai invited Beatrice to come to reading camp, but she would not be persuaded. Then Mai began to visit Beatrice at home to read to her. Beatrice grew more and more drawn to the stories in spite of herself. One day, Mai told her that the stories would only continue at camp. "And because of her interest in stories, she decided to come," Mai concluded. "That was the turning point."

Today, Beatrice is a fourth grader and a group leader at the reading camp. The girl who was once described as "very quiet and withdrawn, often crying when asked to read in class," can now read almost 40 words a minute!

When asked about her experience, Beatrice said, "I am so thankful for what I have learned from the reading camp and

Save the Children's education programs helped more than  
**15 million**  
children improve their skills and engage in learning in  
**26 countries.**



want to share my knowledge with my friends in the village and at school!"

Thanks to the investment of our farsighted contributors and our partnerships with communities, Save the Children is already seeing significant results in children's reading ability in Malawi, Nepal, Mozambique and Pakistan. In 2011, Save the Children's literacy program reached nearly 66,000 children in eight countries.

See what *The New York Times* had to say about our program in Mozambique. Go to **[www.savethechildren.org/NYTimes](http://www.savethechildren.org/NYTimes)**.



Beatrice with Save the Children's Mai Thaulo

**VIRGINIE'S BUDGET**  
Each day after school, Virginie, age 14, goes over to l'Espas Pa Mwen (Space of My Own) in Jacmel, Haiti. Started by the Haiti Adolescent Girls Network as part of Haiti's recovery from the 2010 earthquake, Save the Children supports a program to introduce young girls to some valuable skills they will need as adults. Virginie's mother is a mentor at l'Espas Pa Mwen, teaching girls about financial management and health.

One day, Virginie recalled, "My mother gave me money to prepare dinner for the family. I knew that she wanted to see if I could prepare a budget before I went shopping. So I sat down and made a list of what I needed, noting how much each item cost. Much to my mother's surprise, I returned from the market with everything I needed for dinner—and change in my pocket." Virginie smiled as she said, "I was very happy that day to have cooked for my family with the menu and budget that I prepared all by myself."

Find out about another Save the Children partnership for girls—P&G's *Protecting Futures*, created by Always and Tampax, at **[www.savethechildren.org/girls-futures](http://www.savethechildren.org/girls-futures)**.



# What's 'Pneu' for Pneumonia

Saira is a government frontline health worker in the mountainous region of Pakistan's North West Frontier Province. Every day, she goes door-to-door to provide health care to families in this remote area. But when a child falls ill with pneumonia, she cannot treat her patient with antibiotics. Worldwide, 1.4 million children die each year from pneumonia, the majority because they did not have adequate treatment. And in Pakistan, pneumonia is the number one killer of children under age 5.

"Health workers are limited in what they can do for a child with pneumonia, so we simply refer the child to a doctor," Saira said. "This does not always mean that the parents would take the child to a doctor. Failure to treat the child quickly has meant we lost many children."

Could frontline health workers be trained to accurately diagnose pneumonia in young children and properly administer oral antibiotics? In 2006, Save the Children and the Boston University Center for Global Health & Development collaborated on a research project funded by the World Health Organization to find out. Nearly 600 frontline health workers in the region were trained to diagnose pneumonia in young children and administer oral amoxicillin.

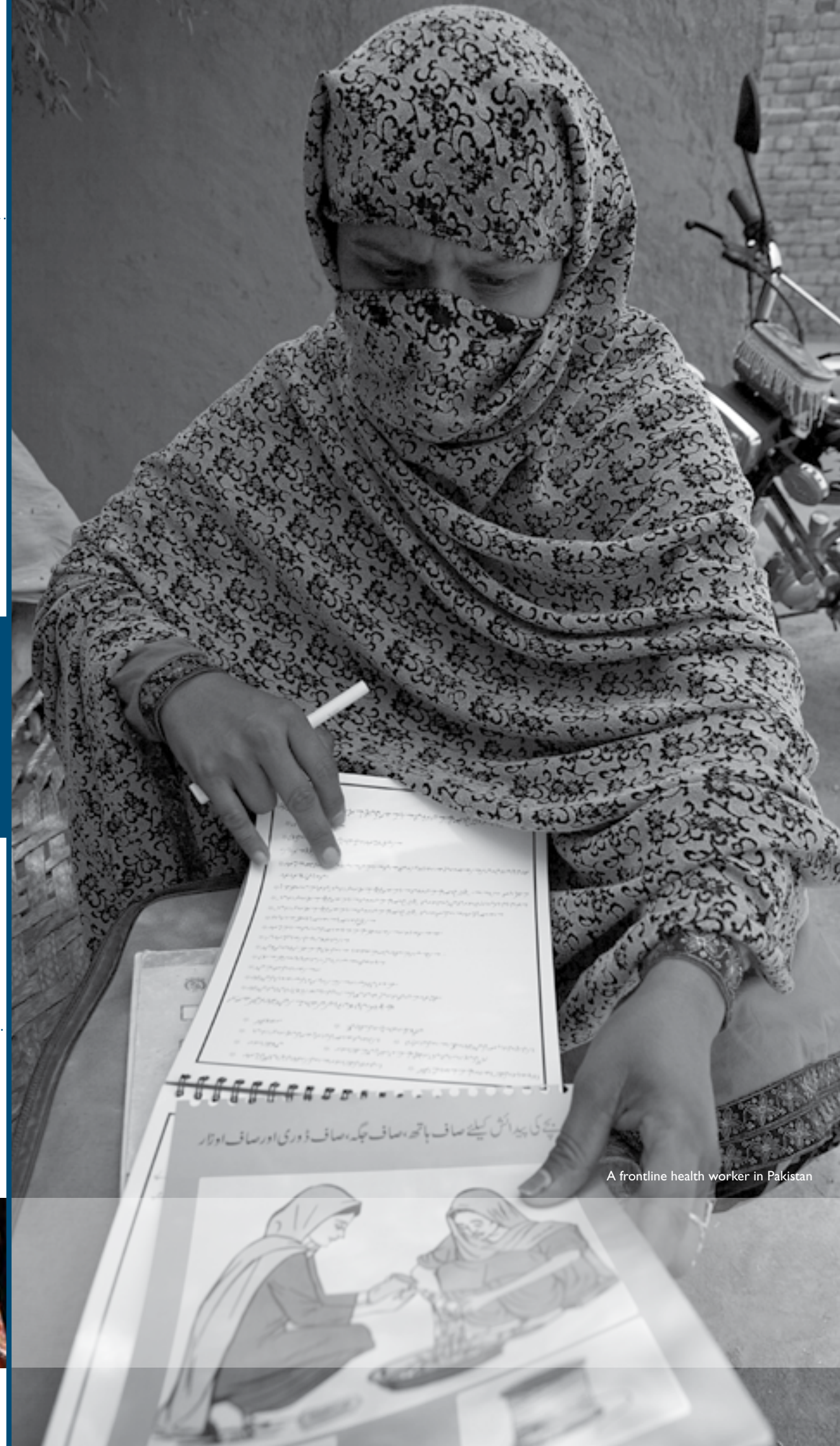
Five years later, it's 2011 and the study has been published in *The Lancet* medical journal. The results show that children treated for pneumonia in their homes by frontline health workers had 50 percent fewer failures in treatment than the control group, which referred cases of pneumonia to a doctor.

"Our study aimed to show that children can recover just as well from severe pneumonia when treated at home as when referred to a health facility. In fact, we found that frontline health workers treating children at home can be even more effective," said Dr. Salim Sadruddin of Save the Children, the study's principal investigator.

Saira hopes these results will enable her to do more for children. "Now, when children get even minor colds, their parents bring them to us for a check-up," she said. "They are not afraid of the illness because they know their child can be cured quickly."

More than  
**16 million**  
children in  
**32 countries**  
have access to health care  
through Save the Children.

You can find this study in *The Lancet* medical journal at:  
**[www.savethechildren.org/Lancet](http://www.savethechildren.org/Lancet)**.



A frontline health worker in Pakistan



## TEAMWORK MAKES HEALTH WORK

Even in a remote village like Chantete in Zambia, which has no transportation and only one cell phone, Save the Children is showing that teamwork can overcome many obstacles to quality newborn care.

One day, Alice, a birth attendant in the Chantete Health Center, examined a pregnant woman almost ready to go into labor. The woman was expecting twins, and both babies were in breech position. In this life-threatening condition, the woman had to be transferred to the hospital for emergency care. But how could she get there safely?

The traditional birth attendants, community health workers and neighborhood health committee in Chantete had learned about teamwork from Save the Children and the Lufwanyama District Health Management Team. Borrowing the cell phone from the village teacher, Alice and two health workers called to request the ambulance. Then Alice and a nurse-midwife from the district health center rode with the woman on the four-hour drive to Kitwe, monitoring her condition the entire journey. The next day, the health center nurse sent news to the health team in Chantete: The mother and twin babies were fine.





# No Child Left Adrift: Protecting Vulnerable Children in Ethiopia

Amir, 15, and his brother Merkez, 13, sit outside the Beza Lehiwot community center in Addis Ababa, Ethiopia, enjoying lunch with their friend, Dagem. They are tall, gawky adolescents, and they joke around like high school kids everywhere. But they are just two out of the 5.4 million children in Ethiopia who have been orphaned by the AIDS epidemic.

Merkez tells their story, not dwelling on the pain and loneliness he and Amir endured: "Our parents died years ago and we live with our older brother, but his income is not enough to provide for all of us, so we did not have materials to go to school, and sometimes we would go days without food. When the local Iddir (an informal support network) found out about our situation, they told us to come to Beza Lehiwot. Here we can get food, clothes and school materials. Now that we have this support we can go to school. When we grow up, Amir wants to be a doctor and I want to be an artist. With the support that we are getting from our community, we have a chance." Thanks to our many donors, Amir and Merkez now have goals they can work to achieve.

Just as the children flourish under community care and protection, the communities are growing too, building their capacities, learning to raise money, solve problems and link to vital services. Gezahegn Mengesha, a staff member in the Iddir office, said, "Volunteerism is now in my blood. I value my work with the children more than anything else I have done in my life."

In 2011, Save the Children, CARE and the Consultative Group developed innovative new standards and tools for community volunteers to meet the needs of the orphans and vulnerable children. These standards address many simple but essential needs these children have for early stimulation, good health and hygiene, nutrition and education. With partnering community groups and volunteers, Save the Children now helps 457,000 orphans and vulnerable children in Ethiopia.

## A NATURAL LEADER IN THE FIGHT AGAINST HIV/AIDS

*Thousands of children make their home on the streets of Ho Chi Minh City struggling to survive, but Sang, age 20, was good at it. For several years, he lived in a city park, stole to support himself and led a street gang, fighting periodically with rival groups across the city.*

*On the advice of a friend, Sang signed up for training in Save the Children's HIV-prevention program. In Vietnam's urban areas, risky sex and drug-use practices are common, and street children are prime targets for HIV. Sang started a new life as a peer educator, visiting his old hang-outs and talking with street kids about the risks of HIV infection and where they can get help. Each month he meets up with 40 street*

*kids and takes great satisfaction in being able to guide them and be their friend.*

*Sang has left his gang and has found work at a local fish market. "I wanted to improve myself and have a job that is respected," he said. He is still a respected leader on the street, but now he uses his influence on his peers in a positive way.*



Be a part of our community partnerships  
to protect vulnerable children at:  
**[www.savethechildren.org/OVC-support](http://www.savethechildren.org/OVC-support).**

Brothers Amir and Merkez, with friend Dagem (left)

Nearly **44 million\***  
children and young adults in  
**13 countries**  
are reached by Save the Children's  
programs in HIV/AIDS prevention  
and treatment.

\*43 million through a mass media campaign in Bangladesh



Finance Report for 2011

2011 was a strong year financially for Save the Children, as the agency realized record revenues, a net operating surplus and an increase in overall net worth, while joining with all 29 Save the Children members to launch Save the Children International—a new centralized system for implementing all of our overseas programs in countries where we work.

Save the Children's operating revenues totaled \$618.6 million in 2011, representing the highest level in our history and a 14 percent increase over 2010. This growth was fueled mainly by strong private giving to three emergency responses—the Japan earthquake and tsunami, the Horn of Africa food crisis and continuation of assistance to Pakistan flood victims, which drove more than \$104 million of the agency's financial activity. Contributions and private grants accounted for \$326.5 million, or 53 percent, of operating revenue. Support from the U.S. government constituted \$170.5 million, or 28 percent, for direct grants and \$200.1 million in total, or 32 percent, when you include the U.S. government portion of Commodities and Ocean Freight. Agency spending for the year totaled \$605.3 million.

Approximately one-third of programmatic spending was related to emergency response activities, with nearly one-quarter allocated for education and health and nutrition programming respectively.

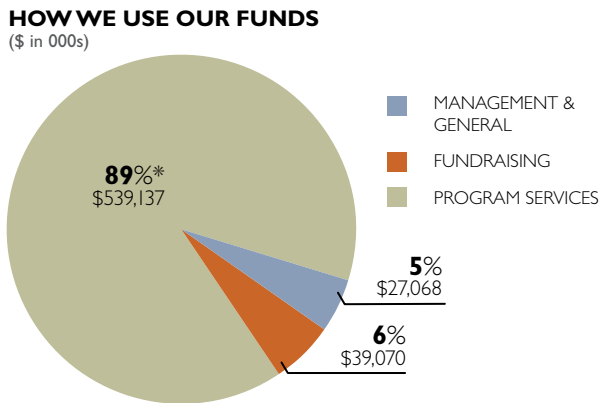
With operating revenues exceeding operating expenses by \$13.4 million, Save the Children finished the year with a net operating surplus. Of this amount, \$13.2 million is restricted to specific programmatic activities, and these funds will be spent to benefit children in future years. The remaining unrestricted surplus of \$160,000 reflects our ability to achieve record levels of revenue and program activity with a balanced budget, while at the same time beginning the transition of our international country offices to Save the Children International. The agency delivered \$34.9 million of programs through Save the Children International in 2011.

Unrestricted net assets totaled \$108.1 million in 2011, up \$388,000 from 2010, and total net assets rose 9 percent to \$194.5 million. Such increases reflect gift and bequest inflow, currency exchange activities and the operating surplus, offset by investment performance and the payment to Save the Children International.

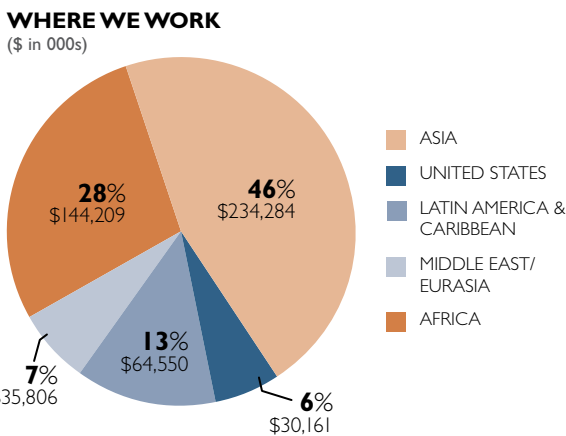
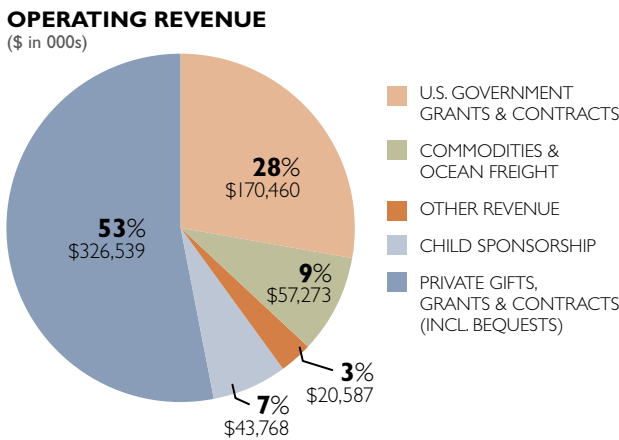
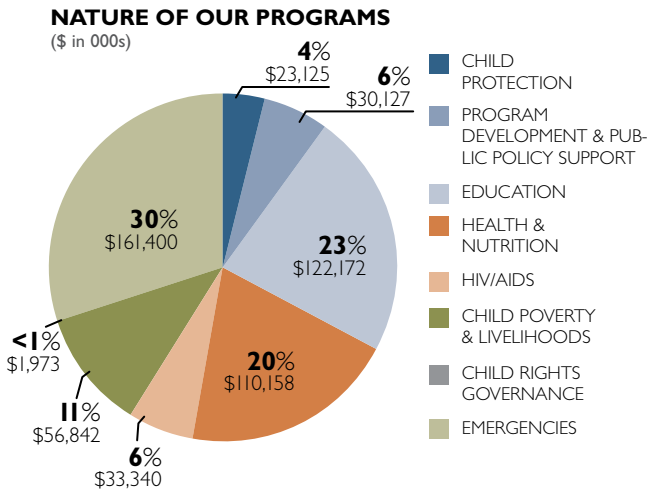
In 2011, Save the Children directed 89 percent of overall expenses to programs—an important measure of our financial responsibility. For the past seven years, the agency has kept the private cost to raise a dollar below 10 cents. And for the 10th year in a row, Charity Navigator, an independent evaluator of the financial health of more than 5,000 U.S. charities, gave Save the Children its highest four-star rating.

Save the Children enters 2012 financially well positioned to complete its consolidation of global operations and support continued growth to best meet the needs of children worldwide.

*Richard K. Trowbridge, Jr.*  
Richard K. Trowbridge, Jr.  
Vice President, Finance  
Chief Financial Officer and Treasurer



\*This includes the value of donated media services for an advocacy/fundraising campaign. Without this donation, program expenditures would have averaged 90.7 percent overall.



Condensed Audited Financial Information

for the 12-month period ending December 31  
(\$ in 000s)

	2011	2010	change \$	change %
<b>OPERATING REVENUE</b>				
Child Sponsorship	\$43,768	\$38,823	\$4,945	13%
Private Gifts, Grants, & Contracts (incl. Bequests)	326,539	273,656	52,883	19%
U.S. Government Grants & Contracts	170,460	159,164	11,296	7%
Commodities & Ocean Freight	57,273	54,899	2,374	4%
Other Revenue	20,587	15,983	4,604	29%
<b>Total Operating Revenue</b>	<b>618,627</b>	<b>542,525</b>	<b>76,102</b>	<b>14%</b>

OPERATING EXPENSES AND CHANGES IN NET ASSETS

<b>Program Services</b>				
Program Activities – Save the Children USA	474,086	452,644	21,442	5%
Program Activities – Save the Children International	34,924	-	34,924	
Program Development & Public Policy Support	30,127	21,646	8,481	39%
<b>Total Program Services</b>	<b>539,137</b>	<b>474,290</b>	<b>64,847</b>	<b>14%</b>
Fundraising	39,070	29,467	9,603	33%
Management & General – Save the Children USA	21,144	23,410	(2,266)	(10%)
Management & General – Save the Children International	5,924	-	5,924	
<b>Total Operating Expenses</b>	<b>605,275</b>	<b>527,167</b>	<b>78,108</b>	<b>15%</b>
Excess* of Operating Revenue over Operating Expenses	13,352	15,358	(2,006)	(13%)
Excess Related to Unrestricted Funds	160	3,087	(2,927)	(95%)
Excess Related to Temporary Restricted Funds	13,192	12,271	921	8%
Non-Operating Activity (Endowment gifts & pledges, investment earnings and exchange gain/loss)	1,923	11,322	(9,399)	(83%)
<b>Total Operating Revenue and Non-Operating Activity</b>	<b>620,550</b>	<b>553,847</b>	<b>66,703</b>	<b>12%</b>
<b>Total Operating Expenses</b>	<b>605,275</b>	<b>527,167</b>	<b>78,108</b>	<b>15%</b>
<b>Increase/(Decrease) in Net Assets</b>	<b>15,275</b>	<b>26,680</b>	<b>(11,405)</b>	
<b>Net Assets, Beginning of Fiscal Year</b>	<b>179,236</b>	<b>152,556</b>	<b>26,680</b>	
<b>Net Assets, End of Fiscal Year</b>	<b>\$194,511</b>	<b>\$179,236</b>	<b>\$15,275</b>	<b>9%</b>

Program expenses as a percent of total expenses (pie chart)	89.1%	90.0%	-0.9%
Pie chart ratio without donated media	90.7%	90.6%	0.1%
Net assets as a percent of operations	32.1%	34.0%	-1.9%

\*The operating surpluses in 2011 and 2010 mainly represent the difference between spending against designated gifts received in prior and current years compared to the volume of new gifts raised for those programs for future years. The new gifts primarily supported emergency activities in 2010 in Pakistan for the floods and Haiti for the earthquake and in 2011 for the Japan earthquake/tsunami and the Horn of Africa food crisis.

In Fiscal Year 2011 on average, based on 2010 costs to administer gifts donated for current use, Save the Children charged 6 percent for fundraising, 4 percent for management and general, and 4 percent for program development and public policy support.



# Save the Children's Board of Trustees

**Anne Mulcahy**, Chair  
Former Chair, Xerox Corporation

**Cokie Roberts, Vice Chair** (as of 3/1/12)  
Political Commentator, ABC News

**Mark V. Mactas**, Vice Chair  
President and COO  
Towers Watson

**Roxanne Mankin Cason** (through 3/1/12)  
CEO  
Cason Family Foundation

**Andrea Collins** (through 3/1/12)  
Founding Member  
Westchester Leadership Council

**Susan Decker**  
Former President  
Yahoo Inc.

**Martha De Laurentiis** (through 3/1/12)  
Chairman  
Dino De Laurentiis Company

**Joaquin Duato** (as of 3/1/12)  
Worldwide Chairman, Pharmaceuticals  
Johnson & Johnson

**Randall S. Eisenberg**  
Senior Managing Director  
Corporate Finance  
FTI

**Sen. Bill Frist, MD** (through 12/31/11)  
Former Majority Leader  
United States Senate

**Philip H. Geier, Jr.**  
Chairman  
The Geier Group

**Charlotte M. Guyman**  
Former General Manager  
Microsoft

**Bill Haber**  
President  
OSTAR Enterprises

**Lawrence C. Horowitz, MD** (through 3/1/12)  
President  
Selby Lane Enterprises II, LLC

**Brad Irwin** (as of 6/16/11)  
President and CEO  
Welch Foods, Inc.

**Josh James** (as of 3/1/12)  
Founder and CEO  
Domo

**Gary E. Knell** (through 3/1/12)  
President and CEO  
Sesame Workshop

**Freda Lewis-Hall** (as of 3/1/12)  
Chief Medical Officer  
Pfizer, Inc.

**Joe Mandato**  
General Partner and Managing Director  
DeNovo Ventures

**David J. Mastrocola**  
Former Partner and Managing Director  
Goldman, Sachs and Company

**Henry McGee** (as of 3/1/12)  
President  
HBO Entertainment

**Heath B. McLendon**  
Former Managing Director  
Citigroup-Smith Barney

**Carolyn Miles**  
President & CEO  
Save the Children

**Henry S. Miller**  
Chairman  
Marblegate Asset Management, LLC

**Thomas S. Murphy**  
Former Chairman and CEO  
Capital Cities/ABC

**Bradley C. Palmer**  
Founder and Managing Partner  
Palm Ventures

**Charles R. Perrin**  
Board Chair, Save the Children International  
Chairman, Warnaco, Inc.

**Judith Reichman, MD**  
Physician  
Cedars Sinai Medical Center

**Dr. Andrea L. Rich**  
Former President and Director  
Los Angeles County Museum of Art

**Sunil Sani**  
CEO  
Heritage Sportswear, LLC

**Richard J. Schnieders**  
Former Chairman and CEO  
Sysco Corporation

**Carole Simpson** (through 6/30/11)  
Former Broadcast Journalist  
ABC News

**Pernille Spiers-Lopez**  
Former Global HR Manager  
The IKEA Group

**Helene R. Sullivan**  
Former Vice President of Finance  
Save the Children

**Dawn Sweeney**  
President and CEO  
National Restaurant Association

**Amelia Vicini**  
President  
Fundación INICIA

**David L. Westin** (as of 9/28/11)  
President and CEO  
News Licensing Group

**Ron Williams** (as of 6/16/11)  
Former Chairman and CEO  
Aetna, Inc.

## Certified Public Accountants KPMG LLP

345 Park Avenue  
New York, NY 10154

## Report Credits

**Susan Ridge**  
Vice President  
Marketing and Communications

**Tracy Geoghegan**  
Director, Publications and Branding  
Marketing and Communications

**Robin Bell**  
Director, Editorial Services  
Marketing and Communications

**Susan Warner**  
Manager of Photography  
Marketing and Communications

**Imagination Publishing**  
Design and Production

## Photography Credits

Front cover: Susan Warner, Washington state.

Inside front cover: Gary Dowd, South Carolina.

p. 3 Left: Rebecca Janes, Haiti; Right: Lane Hartill, Kenya.

p. 6-7 Susan Warner; all photos, Washington state.

p. 8 Penelope Crump, Ethiopia.

p. 9 From left: Sebastian Rich, Mozambique; Penelope Crump, Ethiopia; Rachel Palmer, Ethiopia; Khurram Masood, Ethiopia; Tugela Ridley, Niger.

p. 10 Susan Warner, Nepal; Jeff Holt, Bangladesh; Fauzan Ijazah, Pakistan; Lane Hartill, Haiti.

p. 11 Godfrey Kalamula, Mozambique.

p. 12 CJ Clarke, Pakistan; Joshua Roberts, Mali; Ana Alonzo, Guatemala; Shafiq Alam Kiron, Bangladesh.

p. 13 CJ Clarke, Pakistan; Karen Waltensperger, Zambia.

p. 14 Kelly Lynch, Ethiopia.

p. 15 From left: Adam Dean, Mongolia; Michael Bisceglie, Bolivia; Ahmed El Mezeny, Jordan.

p. 18 Shafiqul Alam Kiron, Bangladesh.

p. 19 Save the Children staff, Jordan.

© 2012 Save the Children Federation, Inc. All rights reserved.



# Making the Leap from School to Career

Each year, a new generation of adolescents and young adults in the Middle East graduate from school with high expectations but low prospects. There are not enough jobs for kids just out of school. And frequently, these young graduates don't have the right skills—or any skills—to join the work force.

The Arab Spring—the wave of political protest and change that swept across the Middle East in 2011—first erupted among throngs of unemployed youth in Tunisia, frustrated by political and economic conditions that blocked their hopes for a steady job and a place in society. Throughout the Middle East, joblessness among young people age 15–24 is staggeringly high: nearly 60 percent in Egypt, and more than 40 percent in Jordan and Lebanon.

In Amman, Jordan, 17-year-old Mahmoud hadn't given much thought to what he'd do after he graduated from school. But when his father's failing health forced him to retire, the family turned to Mahmoud to become the main breadwinner. Mahmoud was overwhelmed. How was he going to earn enough money to support his family *and* take care of his father? He had no experience, skills or connections; his life seemed hopeless.

Then Mahmoud heard about Save the Children's program offering training in job skills and financial management for young people. Years before the Arab Spring, Save the Children had begun to coach young people in Jordan, Lebanon, Egypt, Yemen, West Bank/Gaza and Iraq in the skills they need to get a job or start a small business. In Jordan, Save the Children's school-to-career program introduced nearly 60,000 secondary and high school students in how to manage personal finances, behave in interviews and perform professionally in the workplace. Opportunities like these wouldn't have been possible without your support.

Mahmoud signed up on the spot. Over the next few months he took additional classes at the nearby vocational training center; also supported by Save the Children. He learned to be a barber and opened a shop at home, starting small while he honed his skills.

Today, Mahmoud earns enough from his barbershop to care for his father and support his family. Meeting his obligations had forced him to grow up quickly: "I thought that life was about what you have, instead of what you can become," said Mahmoud. "I learned how to believe in me."



Livelihoods, life skills and financial management are helping nearly

**4 million**  
children in

**25 countries**  
live more secure lives.



# How do *you* help children in need?

## Engage

**[www.savethechildren.org/engage](http://www.savethechildren.org/engage)**

Learn how Save the Children helps millions of children worldwide get the health care, education and protection they need to overcome poverty and thrive.

## Give

**[www.savethechildren.org/support](http://www.savethechildren.org/support)**

Your donation to Save the Children will prepare children to break out of the cycle of poverty and build a better future for their communities and their families.

## Take Action

**[www.savethechildren.org/act](http://www.savethechildren.org/act)**

When you join in getting the word out to your friends, family, community and elected officials, you help expand Save the Children's advocacy efforts to build a global movement for children.



**Save the Children®**

54 Wilton Road • Westport, Connecticut 06880 • 1-800-728-3843

Save the Children is the leading independent organization for children with programs in more than 120 countries. Our mission is to inspire breakthroughs in the way the world treats children and to achieve immediate and lasting change in their lives.