

Annual Report 2013



ChildFund Australia is an independent and non-religious international development organisation that works to reduce poverty for children in the developing world.

ChildFund Australia is a member of the ChildFund Alliance – a global network of 12 organisations which assists more than 15 million children in 58 countries.

Our vision: A global community, free from poverty, where children are protected and have the opportunity to reach their full potential.

Our mission: We work in partnership with children and their communities to create lasting and meaningful change by supporting long-term community development and promoting children's rights.

ChildFund Australia Strategic Plan 2011-2015

Goal 1: Achieve tangible improvements for children

Goal 2: Strengthen protection for children

Goal 3: Amplify children's voice and empower children

Goal 4: Build mutual understanding and respect for children

Goal 5: Grow ChildFund Australia's work

Goal 6: Collaborate to achieve change

Goal 7: Build organisational effectiveness

This year ChildFund marks 75 years of working with children in many of the world's poorest communities. From its early beginnings providing relief to children devastated by war in China, the ChildFund Alliance has grown to become a global support system for children – implementing child-focused development programs in 58 countries for the benefit of over 15 million children and their families.

One of the first children assisted was Lo Duk, who in 1938 in Kwangtung, China was impacted by the brutal conflict between Japan and China. Orphaned and on the verge of starvation, Lo Duk was found emaciated by the side of the road too weak to forage or beg with the other children of the district. China Children's Fund staff carefully carried his frail body to the orphanage in Toishan where he was fed, clothed, nursed back to health and, later, able to participate in school for the first time.

Another of the children is Thu from Bac Kan, Vietnam whose life was transformed in 2013. For most of her seven years Thu, who has cerebral palsy, had lain in the dark corner of her house while her parents worked long hours in the fields to provide enough food for the family. Thu said "I did not know who are living around my house, how many neighbouring households were there and what the scene of surrounding area looked like. I did not even know how the sunlight looked..." Support from ChildFund including the provision of a wheelchair has dramatically changed her life and Thu now interacts with other children in her community for the first time.

The way children and communities are assisted by ChildFund has changed many times over the years. However our vision remains the same - a global community, free from poverty, where children are protected and have the opportunity to reach their full potential. This vision is as vitally important today as it was in 1938.



As the first year of my chairmanship draws to an end, I would like to thank my fellow Board Directors and the staff of ChildFund for their outstanding commitment, dedication and focus on our work for children. I would also like to thank the many community partners in each country for the time and energy they dedicate to improving the lives of their children.

Finally, I would like to applaud the generosity I witness from members of the Australian public. The work of ChildFund would not be possible without your compassion and commitment. I look forward to your continued support in the years ahead.

Marcus Laithwaite
Chair
ChildFund Australia



Marcus Laithwaite (Board Chair) is a partner at PricewaterhouseCoopers Sydney, and a specialist in the financial services industry. Marcus joined the Board in 2007 and is Chair of the Governance Committee.



Michael Pain is a Managing Director with Accenture Australia, leading Accenture's Management Consulting activities in Financial Services in Australia. Michael joined the Board in 2012 and is a member of the Governance Committee and the Audit and Risk Committee.



Gaye Hart AM is chair of the NSW Regional Development Advisory Council and of Regional Development Australia - Hunter. Gaye joined the Board in 2010 and is a member of the Audit and Risk Committee and the Communications and Marketing Committee.



Mary Latham is a chartered accountant, company director and consultant, with over 15 years experience in the financial services industry. Mary joined the Board in 2012 and is a member of the Communications and Marketing Committee and the Audit and Risk Committee.



Dr Angeline Low manages family investments and is a Research Affiliate at the University of Technology, Sydney. Angeline joined the Board in 2006 and is a member of the Program Review Committee and Chair of the Communications and Marketing Committee.



Jo Thomson (Board Deputy Chair) is an international development specialist having worked in the NGO development sector for 20 years. Jo joined the Board in 2007 and is Chair of the Program Review Committee.



David Pigott is the National Manager of Government Relations at Mission Australia. Formerly, David was an adviser to the Minister for Foreign Affairs and Private Secretary to the Premier of NSW. David joined the Board in 2006 and is Chair of the Audit and Risk Committee.



Michael Rose is Chief Executive Partner at leading commercial law firm Allens and Chairman of the board of the ChildFund Alliance. Michael joined the ChildFund Australia Board in 2005 and is a member of the Governance Committee.



Des Semple was most recently a consultant undertaking major structural and organisational changes, across and within Government agencies. Des joined the Board in 2007 and is a member of the Program Review Committee and the Governance Committee.



Dr Stephen Moss is Senior Partner of Eaton Capital, an international investment and advisory firm. Stephen joined the Board in 2008 and is a member of the Program Review Committee and the Communications and Marketing Committee.

During 2012/13, ChildFund Australia has achieved important milestones in its long history of serving children.

In 2012, ChildFund began responding to children in Myanmar (formerly known as Burma). As the poorest country in South-East Asia, the challenges facing the country's 18 million children are immense. One in ten children die before their fifth birthday. Barely half of all children complete primary school, and acute malnutrition and a lack of healthcare are widespread concerns.

ChildFund Australia is working with local grass-roots partner organisations that are responding to children's needs in Myanmar. With the provision of funding and technical expertise, ChildFund is enabling these locally-based groups to provide vital education, child protection and early childhood programs in line with our child-centred development focus.

During the year, ChildFund Australia was confirmed as a designated Partner organisation by the Australian Government Aid Agency (AusAID). The AusAID Partnership has been a catalyst for ChildFund's expanded and improved programs. With the combined support of AusAID and the Australian public, ChildFund has been able to implement new and more extensive projects in Cambodia, Laos, Myanmar and Papua New Guinea, and work in partnership with ChildFund International to deliver support for children in eight focus countries: Ethiopia, Indonesia, Kenya, Philippines, Sri Lanka, Timor-Leste, Uganda and Zambia.

The tangible achievements for children in all countries have been immense. During 2012/13 ChildFund has delivered a vast range of programs including education, healthcare, child protection, water and sanitation, food and nutrition, early childhood services and youth leadership development. Additionally ChildFund has responded swiftly to severe localised emergencies in the Philippines, Kenya, Ethiopia and Myanmar.

ChildFund is strongly committed to achieving and demonstrating results for children and their communities. The past year has marked the first full year of ChildFund's Development Effectiveness and Learning



Framework. This framework ensures that every project implemented by ChildFund Australia is carefully planned, monitored and assessed. Results for children are clearly demonstrated. The approach also ensures involvement by community members so that projects are owned and responsive to community needs.

It has been reassuring to note that the generosity of our Australian supporters has continued with more than \$32m provided through child sponsorship, Project Humanity, other donations and contributions. Our partners in the ChildFund Alliance also provided highly valued support. The combined effort of so many is allowing real and positive change to happen for children and communities around the world.

Significant progress is being made to overcome child poverty. However the suffering, deprivation and lack of opportunity that led to ChildFund's foundation in 1938 continues today for many of the world's children. I urge you to continue your compassion and commitment to help create a world fit for children.

Nigel Spence
CEO
ChildFund Australia

+ ChildFund turns 75

In 2013, ChildFund celebrates its 75th anniversary, making it one of the world's oldest child-focused development organisations.

China's Children Fund (now known as ChildFund) was established by American humanitarian, Dr J. Calvitt Clarke, in 1938 following Japan's invasion of China. The Sino-Japanese War in Asia caused widespread

devastation and the displacement of millions of families and children.

From his home in Richmond, Virginia, and with the support of wife Helen, Dr Clarke launched a nationwide appeal in the US for funds for displaced children in China. Despite being in the midst of the Depression, and using his own money for stationery and postage, in 1938 Dr Clarke found enough willing supporters to enable him

to establish China's Children Fund (CCF) and send the organisation's first contribution, US\$2,000, to support local initiatives in China.

Fast forward three-quarters of a century, and CCF has transformed into the ChildFund Alliance, a global network of 12 organisations assisting more than 15 million children and families in 58 countries.



Dr Clarke and wife Helen receiving the Ribbon of Honour from South Korean President Syngman Rhee in 1958

75 years of ChildFund: a timeline

1938: China's Children Fund (CCF) established to help children devastated by the Sino-Japanese war. First donations used to support a school and the KuKong orphanage.

1941: CCF implements a child sponsorship program – enabling one sponsor to donate funds to support one child.

1946-47: CCF's work grows to include the Philippines, Burma, Korea, Japan, Malaysia, Indonesia, Borneo and India. Following World War II, CCF also expands its operations to children in Europe. CCF focuses on education, food and shelter for children, particularly those displaced and orphaned by war.



CCF overseas director, Dr Verent Mills, with children in China in 1942

1951: To recognise the global nature of the organisation, the CCF acronym is changed to represent Christian Children's Fund. Work also commences in Lebanon, Syria, Palestine and South Korea.



Children at a ChildFund-supported school in Thailand in the 1980s

1960: A change in philosophy begins, with CCF focusing on providing assistance to children through family support. The 'family helper program' starts to replace assistance for children in orphanages as the main program approach. Work expands to Taiwan and Brazil. CCF Canada is established.

1967: CCF makes another shift in its work to ensure that local programs are led by local leaders whenever possible.

1973: CCF ends its work in Europe and the Middle-East to give greater concentration to Africa, starting in Kenya. CCF Denmark is established, shortly followed by other new CCF members Germany, UK and others.

1985: CCF Australia is established by a group of concerned, eminent Australians including Dr Adrian Johnson, Sir Roden Cutler VC, Bob Stevenson and Bill Joris. The focus is on raising sponsorship funds

to support the programs delivered by CCF around the world. Australian support for CCF Australia grows rapidly.

1990s: CCF begins to play a greater role in delivering humanitarian support during disasters, specialising in Child Centred-Spaces, which provide safe places for displaced children during an emergency. World alliance of CCFs is formed.

1994: CCF Australia establishes its first community development programs in Papua New Guinea, first partnering with the Salvation Army.

1995: CCF Australia begins work in Vietnam, providing support to ethnic minority communities in remote areas.

1995: CCF Australia begins work in the northern provinces of Vietnam, home to the country's ethnic minority groups, often the most vulnerable and marginalised sections of the population.

2000: Global research on child poverty gives added emphasis to CCF's community development program approach and completes the move away from the family helper model.

2005: The ChildFund Alliance is formalised with 12 global members - USA, Australia, Canada, Denmark, France, Germany, Ireland, Japan, Korea, New Zealand, Sweden and Taiwan.



Former ChildFund Australia employee, Sarah Hunt, with children in Papua New Guinea in 2004

2005: CCF Australia changes its name to ChildFund Australia, to clearly reflect our values and vision: to assist children in need regardless of their gender, religion or ethnicity. ChildFund Australia becomes a member of the ChildFund Alliance.

2007: ChildFund Australia establishes operations in Cambodia, delivering community development programs with a strong focus on child protection, safe migration and initiatives for rural youth.

2010: ChildFund Australia starts work in Xieng Khouang Province in northern Laos, one of the poorest regions of the country and an area with high unexploded ordnance contamination.

2012: ChildFund Australia begins operations in Myanmar, working in partnership with local civil society organisations to deliver child-focused programs in education, water and sanitation and livelihoods.

+ ChildFund in action: supporting children around the globe



UGANDA

ChildFund built a maternity unit in a district hospital in Uganda and conducted **437** health-related training sessions for communities, where over **18,000** children were immunised.



HONDURAS

Daniela was one of **53** Australian sponsors who made the trip to meet their sponsored child over the past year. She has been sponsoring 13-year-old Marilyn from Honduras since 2010.

ECUADOR

ChildFund Ecuador worked with local partners to train more than **1,200** women in early childhood development in Carchi. Thanks to the 'Mamita' program, Lucia is now better equipped to provide nutrition, healthcare and better learning opportunities for her daughter, Vanessa.



Key to map

ChildFund Alliance countries of operation



KENYA

ChildFund Australia supporters purchased **1,300** mosquito nets for children, like Solomon and Ashan and their families living in Kenya through our Donations with a Difference program. The nets help prevent malaria, which needlessly kills so many each year.

INDIA

Sunil from India was very happy to receive a birthday card from his Australian sponsor in 2012. More than **14,000** children in Africa, the Americas and the Asia-Pacific received cards from their sponsors over the past year.



THE PHILIPPINES

Abigail's community has never had their own source of safe, portable water. Now, thanks to ChildFund Philippines, her community is one of **43** villages to receive clean water which will help to protect the community from waterborne disease.

INDONESIA

During 2012-13, ChildFund Indonesia provided support to over **200** communities, home to more than **310,000** children. Erdin and Sri, both aged four years, attend a ChildFund-supported early childhood centre in Java.



AUSTRALIA

Balgowlah North Primary School was one of **8** Australian schools to take part in the ChildFund Connect program in the past year. This gives Australian children the opportunity to connect with children living in Laos, Sri Lanka, Timor-Leste and Vietnam.



+ achieve tangible improvements for children

ChildFund Australia is focused on delivering positive change in conditions for children. In 2012-13, ChildFund worked in partnership with communities to bring improvements to children and their families in education, health, livelihoods, nutrition and food security, water and sanitation and HIV/AIDS.

ChildFund Laos is working to build long-term solutions in four key areas of need for the people of Nonghet: education, healthcare, livelihoods and food security and water and sanitation.

During the year ChildFund has funded the repairs for six existing primary schools and the construction of an additional five schools in Nonghet so children can receive an education in their own village rather than travelling long distances to attend school.

More than 35 latrines have been constructed or improved at the schools and ChildFund has also facilitated teacher training. As a result, over 2,000 children in 12 villages can now attend a local school, with staff who understand child-friendly learning methods.

During 2012-13, ChildFund has funded building renovations to the Nonghet District Hospital and two community health centres. New medical equipment has been provided and community healthcare workers have taken part in training on antenatal and postnatal care.



Before and after ChildFund renovated the Nonghet District Hospital.



ChildFund has provided more than 2,000 children in Nonghet with better access to education.



+ achieve tangible improvements for children

In 2012 ChildFund Australia began working in Myanmar (formerly known as Burma). ChildFund is working through local partners, providing funding and technical support to projects in line with our child-centred development focus.

Political isolation has left Myanmar the poorest country in South-East Asia, with almost a third of its population estimated to be living in poverty. For the country's

18 million children, the challenges are immense.

ChildFund Myanmar is working with 10 local partners in Yangon, Mandalay, Shwebo and Kayah. ChildFund Australia CEO Nigel Spence says: "While it is devastating to see the level of poverty for children in Myanmar, it is encouraging to see the country opening up and creating new opportunities for its people. By improving education and healthcare, huge progress can be made for Myanmar's most vulnerable children and families".



ChildFund has constructed a new building for the YWCA preschool in Mandalay. San San Kyi has been a teacher there for the past 16 years: "We are absolutely delighted with the new building. The children will have space to play and jump and run."



Kante Khone Monastery School was established in 2000 with 50 novice monks. Now, over 1,900 pupils attend. ChildFund has provided the school with a computer training room so the children can improve and extend their skills and education.



ChildFund has provided funding for the Shwebo Street Children's Centre, which provides non-formal education for street children. "A number of children in the centre are either orphaned by HIV or they are HIV positive themselves," says U Tayzadipati, a senior monk and patron of the centre.

+ achieve tangible improvements for children

During 2012-13, ChildFund PNG repaired 13 schools in Central Province. Many were previously constructed of just tree branches and leaves. The new and improved classrooms are helping to improve access to education and school attendance for 1,500 children living in 12 villages.



Prior to the repairs, the schools were old, weather-damaged and considered unsafe for children. Now, they have windows, strong walls and corrugated iron roofs with gutters to divert the rain.



Though Papua New Guinea has the lowest primary school enrolment rate in the East Asia and Pacific region – already much larger numbers of children are attending the 13 ChildFund-repaired schools.



Learning aids were previously non-existent – now the classrooms have an array of educational materials including charts and maps to keep children engaged at school.



Colourful posters now decorate the classroom walls to create a more inspiring learning environment for children. Teachers have already noticed students are much happier to be at school.

+ achieve tangible improvements for children



ChildFund builds and supports community-based early childhood development resource centres in Zambia. The centres not only provide early childhood teachers with training and learning materials but also the local community with training on parenting, nutrition and child protection to help children like Elihaj.



Over the past year, ChildFund Cambodia has increased access to safe water through the construction of 45 household wells in two communes of Kratie province. ChildFund has also provided training on hygiene and the importance of safe drinking water in communities.



ChildFund Sri Lanka is working in Polonnaruwa district to educate families about the particular development needs of children aged 0-5 years through the Enhance Project: Ensure Nutrition, Health and Children's Education. Just one year ago, four-year old Sithusi was severely malnourished. Now, she is happy and healthy.



According to the World Bank, in 2011 less than 60 per cent of children in Ethiopia completed primary school. In 2012, ChildFund Ethiopia upgraded infrastructure and renovated 18 schools in rural areas and provided educational materials for more than 21,000 students and teachers.

+ strengthen protection for children

ChildFund Australia works to reduce the risks that children face daily. During the year, this included increasing the ability of communities to cope with disaster, providing relief during emergencies, and advocating for improved child protection programs, locally and globally.



The ChildFund Alliance began a global advocacy campaign asking governments to ensure that ending violence and exploitation against children is part of the post-2015 world agenda. More than 20,000 people have joined the campaign by signing our petition.



ChildFund Guatemala supported children and their families from 25 communities after an earthquake hit Guatemala in November 2012. ChildFund's response included repairing homes and vital social infrastructure such as schools and water systems and providing psychosocial support to more than 12,500 affected children.



ChildFund The Gambia is working in partnership with the Gambian government on a two-year program to develop a viable national child protection system with a focus on limiting child-trafficking at the local and national level.



ChildFund India has initiated Youth Federations to advocate against child labour and to protect the rights of children. Children and youth leaders, who were previously working as child labourers, are now campaigning for education in their communities.

+ strengthen protection for children

Typhoon Bopha hit the island of Mindanao in the southern Philippines on 4 December 2012. Despite being one of the strongest tropical cyclones to ever strike the island, ChildFund-supported communities in Malita, in the island's north, were left mostly unscathed. This was largely due to the robust disaster preparedness plans recently put in place.

In partnership with the Philippines government and other humanitarian organisations, ChildFund has been working to create emergency response plans for local communities. Early warning systems, successful evacuation plans and storm shelters are just some of the initiatives which helped to ensure that as many children and families as possible were protected from harm.



The Malita River makes the community vulnerable to flooding and landslides. Malita is also vulnerable to tsunamis from the Pacific Ocean.



Luckily the communities in Malita were well prepared for Typhoon Bopha and had moved to evacuation centres a full two days before the typhoon was set to strike.



This bridge was built after Typhoon Washi left a gap in the land. As the bridge is a main passage for many community members it was constructed to weather future natural disasters.



Christine, a ChildFund sponsored child, and her family now live in one of the many permanent houses built, with improved materials, for families who lost their homes to Typhoon Washi in 2011.

+ amplify children's voice & empower children

ChildFund Australia believes children should be given the opportunity to actively contribute to change. In 2012-13, ChildFund established child and youth clubs, provided access to sports, recreation and cultural activities, and established peer support and counselling groups.



Traditionally in Guinea, the voice of youth and children has been absent from decision-making. However with the establishment of children's parliaments and youth clubs in ChildFund Guinea-supported schools, things are beginning to change. 13-year old Fatoumata (pictured middle) is the Minister of Discrimination in her school's student government. She dreams of eliminating the discrimination she sees at school: "To my friends I would say, make peace with each other."



In Tarija in southern Bolivia, young people are taking the lead in improving their communities. With ChildFund Bolivia's support, local youth clubs have been formed, with members identifying a number of issues they wanted to address, such as alcoholism, garbage and lack of recreational spaces. The youth clubs have already found solutions to a number of their concerns – this new playground was designed by one of the youth club's rising stars, who is studying architecture.



CAMBODIA

In 2012, 47 countries took part in the annual ChildFund Alliance Small Voices, Big Dreams survey. This is a unique poll which not only provides a global snapshot of children's views but sheds light on the commonalities and differences between the developed and developing world. 12-year old Panchna from Cambodia was one of over 6,200 children who participated. When asked what she would improve if she were leader of her country, Panchna answered: "I would help the poor to have a better life and educate immoral and abusive people to be good ones."

ChildFund Australia builds connections between Australians and communities in the developing world. In 2012-13, ChildFund Connect gave Australian children the opportunity to connect with their peers overseas, while our child-led research highlighted the issues of most importance to children from around the world.

+ build mutual understanding & respect for children

In 2013, more than 700 children from Australia, Laos, Timor-Leste, Sri Lanka and Vietnam participated in the ChildFund Connect Water World international film project.



The result was a series of short films, made by and for children, including children from Barraba Primary School in Australia, with pocket video cameras.



Each of the 19 films were scripted, filmed and edited by primary and secondary school children, including these children from Laos.



The films captured what water means to children from different parts of the world – from the silly to the surprising to the serious.



Children from Timor-Leste were enthusiastic about sharing their films with their peers overseas. They feel proud to be able to show what their life is like.

+ grow ChildFund Australia's work

ChildFund Australia is expanding its work, supporters and revenue base so that we are able to assist more children. During the year, ChildFund increased the number of individual supporters in Australia and overseas, and was successful in generating greater interest from corporates and grant-making bodies.

In November 2012, 18 Australians participated in an unforgettable bike adventure through Laos and Cambodia. The participants raised more than \$80,000 to provide much-needed water tanks and toilets for communities in northern Laos.



The 18 Laos Water cyclists helped to provide 11 remote rural communities with better access to water and sanitation.



The cyclists spent a day in Nonghet where they had the chance to meet some of the children and families assisted by their fundraising efforts.



"We had so much fun with the kids at Paka School!" ChildFund has done so much in their communities and it is reflecting in their smiles and songs," said cycle participant, Shelley.



The adventure ended in Cambodia. In total, the team cycled 464 kilometres in seven days and helped to provide more than 6,000 people with access to clean water and proper sanitation facilities.

+ grow ChildFund Australia's work

60,000 CHILD FUND AUSTRALIA SUPPORTERS, INCLUDING 45,140 AUSTRALIANS WHO SPONSOR 55,727 CHILDREN, ENABLE DEVELOPMENT WORK TO BE UNDERTAKEN IN 26 COUNTRIES.



In 2012, vital mobile immunisation patrols were carried out in Papua New Guinea with funding from individual supporters like our City2Surf participants, New York Marathon runner Brett and corporate supporters who together raised over \$30,000.



Amelia and Tylah, from Williamstown North Primary School in Melbourne, decided they wanted to help children who do not have the same opportunities as they have. So they gave up junk food for three weeks to raise money for children living in poverty.



In June, 17 supporters embarked on the Vietnam Discovery Tour, a 10-day trip to see ChildFund's work first-hand. Prior to the trip, the Vietnam Discovery participants raised more than \$17,000 to help support the construction and learning materials of two preschools in Nghia commune, Hoa Binh province.

+ collaborate to achieve change

Australian Agency for International Development (AusAID)

ChildFund Australia acknowledges with great appreciation the partnership with the Australian Agency for International Development (AusAID). During 2012-13, under the AusAID NGO Cooperation Program (ANCP), Australian government support enabled ChildFund to continue and extend the reach of its child-centred development programs in ten countries in Asia-Pacific and Africa.



Bob Carr, former Minister for Foreign Affairs, with CEOs from all ANCP partner organisations including Nigel Spence, ChildFund Australia.



Prime Minister Tony Abbott and Minister Luke Hartsuyker met Laos Water Cycle participant, Katie McLennan (centre) at a charity auction in Coffs Harbour.



The work of ChildFund Australia would not be possible without the continued commitment and generosity of our many supporters, both in Australia and in the countries where we work.



Margaret is one of 200 young people in rural Zambia who are now celebrating the fruits of their labour following a successful three-year project, supported by AusAID, to improve incomes and reduce malnutrition.

Margaret knows first-hand the risks that girls face in rural Zambia. Forced to drop out of school early, then becoming pregnant and asked to leave home at 18, Margaret, like many other young women, saw her opportunities slipping away.

In 2010, Margaret was selected as one of 200 young people (mostly young women) from Chongwe and Luangwa districts to be trained in banana production and business management through the AusAID-

funded Youth Empowerment Project (YEP), managed by ChildFund Australia. The goal of this three-year project was to establish sustainable livelihoods for the participants by 2013 and increase their incomes through improvement of production, marketing knowledge and access to markets.

“With that support my life changed a lot because I realised that I had the capacity to earn income in a respectful manner,” says Margaret. “Besides, I also learned that it pays to work hard and that when you sweat for your business, sweat turns into sweet!”

Today Margaret is not just leading the YEP group in Chongwe; she has also set up her own banana plantation. She keeps chickens and is running a grocery store built from the proceeds of the chicken sales. She has also become an inspiring role model to other young women in her area as the founder of a girls’ peer support group.

collaborate + to achieve change

ChildFund Alliance

Thank you to our partners within the ChildFund Alliance, who have supported our child-focused development programs in Cambodia, Papua New Guinea and Vietnam.



In April 2013, 1,500 bicycles were provided for children living in rural, mountainous areas of Vietnam as part of the 'Hope Bike' project. The project was funded by KB Financial Group in partnership with ChildFund Korea.



With the support of Taiwan Fund for Children and Families, ChildFund Cambodia has constructed the first ever separate library building in Svay Chrum district. The library has been equipped with educational materials, games, furniture and a trained librarian.



In September 2012, ChildFund Australia and Bornefonden conducted a joint post-project evaluation of an EU-funded project in Papua New Guinea. This one-year project provided over 650 people with clean water and over 500 adults and children with proper hygiene and sanitation training.



Since July 2012, ChildFund New Zealand has funded a malnutrition prevention program for children under-five in Tra Linh district, Vietnam. Each month, nearly 400 children, like Xinh and Hoat, are given nutrition supplements including milk and rich calcium biscuits so they can grow up healthy.

+ collaborate
to achieve change

Ambassadors

Thank you to our ChildFund Australia ambassadors who advocate about global child poverty to the Australian public and are long-term child sponsors.



This year, ChildFund Australia introduced Julie Goodwin as our newest Ambassador. Julie and her husband Mick have been ChildFund Australia sponsors since 2003. In February, they travelled to Uganda to meet their sponsored child Hamad and his family.



"It was just the most incredible day, to meet this child who we have only seen in pictures, to interact with him, to see the area where he lives and meet his family," says Julie, of her time with Hamad.



"I left Uganda with a greatly changed understanding of what child sponsorship is, and the huge reach it has in assisting not only the sponsored child and their family, but their entire community," says Julie.

collaborate +
to achieve change

Thank you to the many businesses, community groups and generous individuals who have provided ChildFund Australia with support and assistance.

Accenture Development Partners / Allens / AMP Foundation / Trish Arkell / Australian Council for International Development (ACFID) / Australian Youth Ambassadors for Development / Marcelle Bain / Balgowlah Public School / Barraba Central School / Bee Active / Peter Berner / BHP Billiton / Lee Brown / Cindy Bryson / Gregory Burchell / Bridie Butcher / City East Community College / Gerald Clemente / Cohort Digital / Allan Cronin / Al Da Silva / Darling Public School / Nathan & Karina Davis / Amelia Dragovic / Chris Dwyer / ERM / Fundraising Results / Amy Gilholme / David Grayland / Jack Grayland / Lisa Grayland / Wendy Grayland / Tom Greenwood / Anthony Hardie / Shelley Heinrich / Jan Hillian / Kingston Median School Indonesia / Kpop Australia / Latrobe City Council / Liquid Capital / Elle Lombard / Garth Lombard / Jake Lyell / Anjelique Lymberatos / Conor MacGill / Manilla Central School / Kath Mardon / Bryce McErlain / Niall McGuire / James McMahon / Katie McLennan / Melbourne Textile Recycling / Meridian Global Foundation / Alicia Nagle / Susan Newman / Pacific Hills Christian School / Brendan Palmer / Julie Palmer / Jasmine Parker / Meeraj Patel / Neeshel Patel / Fin Peacock / Point Clare Public School / Property in a Box / PwC Australia / Tanya Raineri / Response Direct Publishing / Belinda Reynolds / Jennifer Ricketts / Michael Roy / Karly Rozyn / Deni Saupin / Kylie Sayce / Simon Scarlett / Pamela Schirmer / Scotch College / Share Gift / James Sheffield / Clement Siu / South Coogee Public School / Tylah Sparke / Lauren Stavridis / Summer Hill Primary School / Natalie Talbot / Dr Margaret Taplin / The Becher Foundation / The Hetherington Family / The Winton Family / Marcelo Ulvert / Wahroonga Public School / Warruwi School / Mary-Ann Waterstone / Brett Whipp / Judy Wilson / Doug Winger / Women's Plans Foundation.

We would also like to give a special mention to those supporters who have asked to remain anonymous. Thank you for your kind and generous support of ChildFund Australia.



+ build organisational effectiveness

Financial summary

During 2012-13, ChildFund Australia achieved a surplus of \$120k, in comparison to the deficit of \$1.5m the previous year. This was achieved by a combination of increased revenue and cost reduction without impacting on program delivery.

The surplus has further strengthened ChildFund Australia's financial position, increasing net assets to \$4.5m.

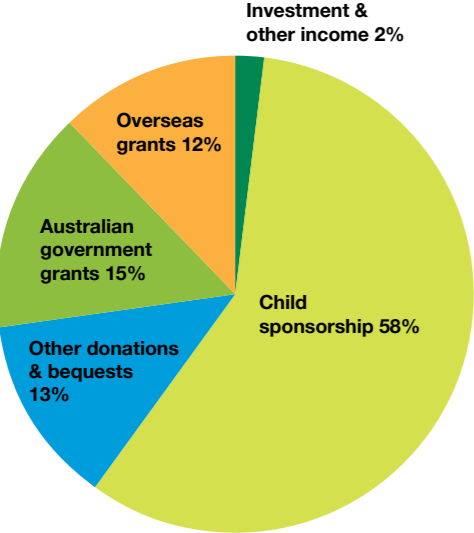
Where the money came from

Total revenue increased from \$44.3m in FY12 to \$45.2m in FY13.

The main source of income, child sponsorship, remained about the same at \$26.3m while other donations and bequest revenue reduced from \$6.8m to \$5.9m. The previous year's revenue included the Horn of Africa appeal which was very generously supported and attracted \$1.1m in donations.

Australian Government grants (predominantly AusAID) were 12% higher than last year. Overseas grants, mainly from other members of the ChildFund Alliance, increased by 10%.

Sources of revenue



Note: The ratios are the relevant revenue items expressed as a percentage of total revenue and is based on information from the audited Income statement.

Investment and other income also increased reflecting the general improvement in market returns.

ChildFund Australia continues to diversify its revenue sources. While child sponsorship continues to be the main source of revenue, it is now 58% of total revenue compared to 60% last year while Australian and overseas grant revenue is now 27% of total revenue, compared to 23% last year.

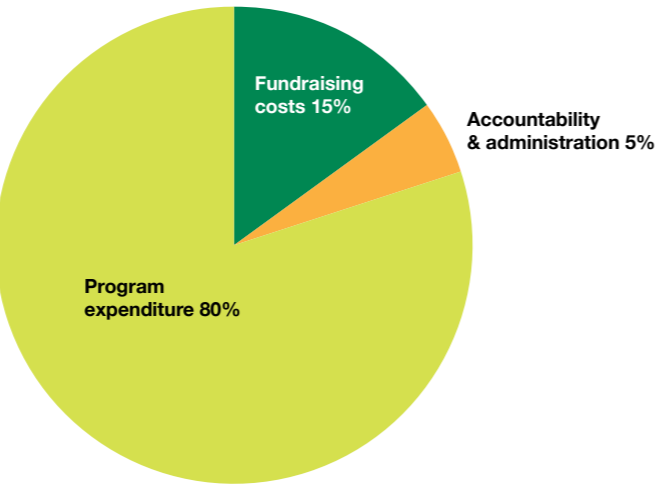
How the money was spent

Spending on programs in FY13 accounted for \$36.2m and represented 80% of all expenditure. Despite a 2% reduction in total expenditure, spending on programs remained about the same as the previous year.

This was achieved by reducing fundraising costs as well as accountability and administration expenses. Program expenditure is predominantly overseas expenditure on development programs and emergency relief, and also incorporates program support and community education.

Fundraising costs as a percentage of total expenditure remained unchanged at 15%. Accountability and administration expenses as a percentage of total expenditure reduced from 6% to 5%.

Breakdown of expenditure



Note: The ratios are the relevant expense items expressed as a percentage of total expenses and is based on information from the audited Income statement.

Monitoring our progress

During 2012-13, ChildFund Australia continued to utilise its Development Effectiveness Framework (DEF) in order to assess the effectiveness of our programs.

This framework covers all program activities in ChildFund Australia-managed countries – Cambodia, Laos, Papua New Guinea, Myanmar and Vietnam - and includes the following components.

Outcome indicators

During 2012-13, surveys were conducted using a set of 16 Outcome Indicators to measure long-term impact and assessing ChildFund's role in bringing about change in three program areas: Nonghet District, Xieng Khouang Province in Laos, Kim Boi District, Hoa Binh Province and Tra Linh District, Cao Bang Province in Vietnam.

Organisational outputs

ChildFund applied a set of 41 organisational outputs to measure concrete results during the last financial year.

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The figures on outputs from all five countries were aggregated from quarterly project reports during 2012-13 and were presented to senior managers and board members for review and evaluation.

The quarterly project reports (both narrative and financial) were produced in-country to track progress, explain variations and document experiences and lessons learned.

Qualitative data

ChildFund collected case studies from project partners and beneficiaries during 2012-13, to gather qualitative information about the way in which individual children, their families, other community members and development partners perceive and experience ChildFund's programs and projects.

In addition to evidence collected under the DEF, ChildFund carries out mid-term and summative evaluations of projects - small-scale, shorter term projects are subject to internal evaluations while longer term projects with more substantial budgets are assessed through external evaluations.



ChildFund Papua New Guinea monitoring a water and sanitation project in Rigo district, Papua New Guinea.



ChildFund Laos interviewing 10-year-old Ga from Nonghet, Laos.

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Statement of comprehensive income: year ended 30 June 2013

Income statement	2013 (\$)	2012 (\$)
REVENUE		
Monetary donations & gifts		
Child sponsorship donations	26,313,358	26,374,905
Other donations	5,812,575	6,655,393
	32,125,933	33,030,298
Legacies & bequests	76,895	153,736
Grants		
AusAID	6,097,337	5,564,605
Other Australian	472,751	308,334
Overseas	5,290,360	4,364,541
	11,860,448	10,237,480
Investment income	428,221	562,341
Other income	701,491	337,394
Total revenue	45,192,988	44,321,249
EXPENDITURE		
International programs		
Funds to international programs	33,045,747	33,461,911
Program support costs	2,320,894	1,815,196
	35,366,641	35,277,107
Community education	802,334	912,613
Fundraising costs		
Public	6,656,951	6,906,344
Government, multilateral & private	141,134	134,370
Accountability and administration	2,351,324	2,567,832
Total expenditure	45,318,384	45,798,266
Excess of revenue over expenditure	(125,396)	(1,477,017)
Other comprehensive income		
Net change in fair value of available-for-sale financial assets	245,731	(33,252)
Total comprehensive income for the year	120,335	(1,510,269)

During the year, the Company did not engage in any political or religious proselytisation programs, domestic projects, had no impairment of investments, and did not include the value of non-monetary donations and gifts.

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Statement of financial position: year ended 30 June 2013

	2013 (\$)	2012 (\$)
ASSETS		
Cash and cash equivalents	5,246,661	6,860,160
Trade and other receivables	512,781	986,546
Financial assets	4,000,000	2,500,000
Total current assets	9,759,442	10,346,706
Financial assets	2,330,454	1,995,864
Property, plant and equipment	1,111,125	1,089,381
Total non-current assets	3,441,579	3,085,245
Total assets	13,201,021	13,431,951
LIABILITIES		
Trade and other payables	8,176,712	8,613,693
Provisions	377,413	338,423
Total current liabilities	8,554,125	8,952,116
Provisions	141,969	95,243
Total non-current liabilities	141,969	95,243
Total liabilities	8,696,094	9,047,359
Net assets	4,504,927	4,384,592
EQUITY		
Unrestricted reserves		
Retained surplus	2,820,998	2,902,568
Bequest reserve	500,000	500,000
Fair-value reserve	391,637	145,906
	3,712,635	3,548,474
Restricted reserves	792,292	836,118
Total equity	4,504,927	4,384,592

The Summary Financial Reports have been prepared in accordance with the requirements set out in the ACFID Code of Conduct. For further information on the Code, please refer to the ACFID Code of Conduct Guidance Document available at www.acfid.asn.au.

Copies of our audited full financial statements can be downloaded from our website at www.childfund.org.au or can be requested via email to info@childfund.org.au, or by calling 1800 023 600.

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Statement of changes in equity: year ended 30 June 2013

	Retained surplus \$	Bequest reserve \$	Fair value reserve \$	Restricted reserve \$	Total equity \$
Balance as at 1 July 2011	3,791,476	500,000	179,158	1,424,227	5,894,861
Total comprehensive income for the period					
Excess of revenue over expenditure	(1,477,017)	-	-	-	(1,477,017)
Other comprehensive income					
Net change in fair value of available-for-sale financial assets	-	-	(33,252)	-	(33,252)
Transfers to restricted funds	(1,187,716)	-	-	1,187,716	-
Transfers from restricted funds	1,775,825	-	-	(1,775,825)	-
Balance as at 30 June 2012	2,902,568	500,000	145,906	836,118	4,384,592
Balance as at 1 July 2012	2,902,568	500,000	145,906	836,118	4,384,592
Total comprehensive income for the period					
Excess of revenue over expenditure	(125,396)	-	-	-	(125,396)
Other comprehensive income					
Net change in fair value of available-for-sale financial assets	-	-	245,731	-	245,731
Transfers to restricted funds	(1,931,854)	-	-	1,931,854	-
Transfers from restricted funds	1,975,680	-	-	(1,975,680)	-
Balance as at 30 June 2013	2,820,998	500,000	391,637	792,292	4,504,927

Table of cash movements for designated purposes: year ended 30 June 2013

	Cash available 1 July 2012	Cash raised during the year	Cash disbursed during year	Cash available 30 June 2013
Total for all other purposes	6,860,160	46,406,692	48,020,191	5,246,661
Total	6,860,160	46,406,692	48,020,191	5,246,661

No single appeal or other form of fundraising for a designated purpose generated 10% or more of total income for the period under review.

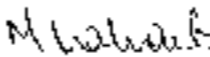
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Directors Declaration

In the opinion of the directors of ChildFund Australia (“the Company”):

- the full financial statements are in accordance with the Corporations Act 2001, including:
- giving a true and fair view of the financial position of the Company as at 30 June 2013 and of its performance, as represented by the results of its operations and cash flows, for the year ended on that date; and
- complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.



Marcus Laithwaite
Director



David Pigott
Director

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Independent auditor's report to the members of ChildFund Australia

The accompanying summary annual financial statements, which comprise the summary statement of financial position as at 30 June 2013, the summary statements of comprehensive income, changes in equity, cash flows and table of cash movements for designated purposes for the year then ended, are derived from the audited financial statement of ChildFund Australia ("the Company") for the year ended 30 June 2013. We expressed an unmodified audit opinion on those financial statements in our report dated 11 September 2013.

The summary annual financial statements do not contain all the disclosures required by Australian Accounting Standards in the preparation of general purpose financial statements. Reading the summary annual financial statements, therefore, is not a substitute for reading the audited financial statements of ChildFund Australia.

Directors' responsibility for the financial report

The Directors are responsible for the preparation of a summary of the audited financial statements and for such internal controls as the directors determine are necessary to enable the preparation of the summary annual financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the summary annual financial statements based on our procedures, which were conducted in accordance with Australian Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.

Independence

In conducting our audit we have met the independence requirements of Australian professional accounting bodies.

Opinion

In our opinion, the summary annual financial statements derived from the audited financial statements of ChildFund Australia for the year ended 30 June 2013 are a fair summary of, in all material respects, those financial statements.

Basis of Accounting

The summary annual financial statements are prepared to assist the directors of ChildFund Australia to meet the requirements of the Australian Council for International Development (ACFID) Code of Conduct.

The summary financial statements have been extracted from the audited financial report of ChildFund Australia for the financial year ended 30 June 2013 which was prepared in accordance with Australian Accounting Standards and the *Corporations Act 2001*.

KPMG

Brett Mitchell
Partner
B.Com, CA

11 September 2013

10 Shelley Street
Sydney NSW 2000
(02) 9335 7000



ChildFund Australia is a member of the Australian Council for International Development (ACFID) and a signatory to the ACFID Code of Conduct. The Code requires members to meet high standards of corporate governance, public accountability and financial management. For more information, or to lodge a complaint, please contact ACFID or ChildFund Australia.

ACFID, 14 Napier Close, Deakin ACT 2600 ABN: 54 645 667 467
T: +612 6285 1816 F: +612 6285 1720 email: main@acfid.asn.au
www.acfid.asn.au



ChildFund Australia, 162 Goulburn Street, Surry Hills NSW 2010 ABN: 79 002 885 761
T: +612 9264 8333 F: +612 9264 3533 email: info@childfund.org.au www.childfund.org.au

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Report designer: Sally Woodward
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