



2021 Summary Financial Statements



Save the Children

A copy of the full consolidated annual financial report and independent audit report for the year ended 31 December 2021 is available on our website – www.savethechildren.org.au.

Alternatively, you can request a hard copy which will be sent without charge. All such requests should be made to the Registered Office at 33 Lincoln Square South, Carlton or phone 03 7002 1600.

Company Secretary: Angela Milne

Registered Office: 33 Lincoln Square South, Carlton, VIC 3053

Telephone: 03 7002 1600

Save the Children Australia

ACN 008 610 035

Consolidated income statement for the year ended 31 December 2021

	CONSOLIDATED	
	2021	2020 Restated*
	\$'000	\$'000
REVENUE		
Donations and gifts - monetary	25,430	22,237
Donations and gifts - non-monetary	605	236
Bequests and legacies	3,701	4,074
Grants		
- Department Foreign Affairs and Trade	17,022	29,279
- Other Australian	67,617	57,163
- Other overseas	41,180	16,679
Revenues from commercial activities	23,221	19,540
OTHER INCOME		
Investment income	85	78
Other income	858	12,503
Discount on acquisition	-	1,592
TOTAL REVENUE	179,719	163,381
EXPENDITURE		
International Aid and Development Programs Expenditure		
International programs		
- Funds to international programs	67,488	53,888
- Program support costs	4,202	3,453
Domestic Aid and Development Programs Expenditure		
Domestic programs		
- Funds to domestic programs	44,911	43,843
- Program support costs	3,282	2,413
Community Education	5,056	3,849
Fundraising costs (International and Domestic)		
- Public – monetary	10,492	9,376
- Government, multilateral and private	2,079	1,145
Commercial activities (Domestic)	24,028	22,147
Accountability and Administration (International and Domestic)	12,654	10,497
TOTAL EXPENDITURE	174,192	150,611
Net surplus from continuing operations	5,527	12,770
Total surplus of income is attributable to:		
Owners of Save the Children Australia	5,544	12,567
Non-controlling interests - Impact Investment Fund	(55)	-
Non-controlling interests - other entities	38	203
TOTAL	5,527	12,770

* Change in accounting policy - Refer to note 1 for details of restatement

The accompanying notes form part of the summary consolidated financial report.

Save the Children Australia**ACN 008 610 035**

Consolidated statement of comprehensive income for the year ended 31 December 2021

	CONSOLIDATED	
	2021	2020 Restated*
	\$'000	\$'000
Surplus of income over expenditure from continuing operations	5,527	12,770
Other comprehensive income	-	-
TOTAL COMPREHENSIVE SURPLUS FOR THE YEAR	5,527	12,770
Total comprehensive income is attributable to:		
Owners of Save the Children Australia	5,544	12,567
Non-controlling interests - Impact Investment Fund	(55)	-
Non-controlling interests - other entities	38	203
TOTAL	5,527	12,770

* Change in accounting policy - Refer to note 1 for details of restatement

During the financial year, the entity had no transactions in relation to political or religious proselytization programs.

The accompanying notes form part of the summary consolidated financial report.

Save the Children Australia

ACN 008 610 035

Consolidated statement of financial position for the year ended 31 December 2021

	CONSOLIDATED	
	2021	2020 Restated*
	\$'000	\$'000
ASSETS		
Current assets		
Cash and cash equivalents	56,867	46,736
Trade and other receivables	8,343	9,185
Other current assets - partner advances	18,070	8,139
Contract assets	7,410	6,405
Inventories	893	851
Total current assets	91,583	71,316
Non-current assets		
Property, plant and equipment	3,055	3,710
Intangible assets	3,851	2,385
Right-of-use assets	13,707	14,113
Financial assets at amortised cost	318	-
Financial assets at fair value through profit or loss	1,951	-
Total non-current assets	22,882	20,208
TOTAL ASSETS	114,465	91,524
LIABILITIES		
Current Liabilities		
Trade and other payables	14,335	9,156
Provisions	5,813	5,158
Contract liabilities	58,122	47,187
Lease liabilities	6,368	6,368
Total current liabilities	84,638	67,869
Non-current liabilities		
Trade and other payables	614	770
Provisions	1,608	1,461
Lease liabilities	8,030	8,603
Total non-current liabilities	10,252	10,834
TOTAL LIABILITIES	94,890	78,703
NET ASSETS	19,575	12,821
EQUITY		
Accumulated surplus attributable to Save the Children Australia*	18,318	12,774
Non-controlling interest	1,257	47
TOTAL EQUITY	19,575	12,821

* Change in accounting policy - Refer to note 1 for details of restatement
The accompanying notes form part of the summary consolidated financial report.

Save the Children Australia**ACN 008 610 035**

Consolidated statement of changes in equity for the year ended 31 December 2021

	Accumulated Surplus \$'000	Non-controlling interest \$'000	Total Equity \$'000
BALANCE AT 31 DECEMBER 2019	2,906	(156)	2,750
Change in accounting policy*	(2,699)	-	(2,699)
Restated Balance at 31 December 2019	207	(156)	51
Total comprehensive income for the year			
Surplus over expenditure for the year	12,567	203	12,770
RESTATED BALANCE AT 31 DECEMBER 2020	12,774	47	12,821
Comprehensive income for the year			
Surplus over expenditure for the year	5,544	(17)	5,527
Other movements through equity for the year			
Transactions with external unitholders in the Impact Investment Fund - application of units	-	1,227	1,227
BALANCE AT 31 DECEMBER 2021	18,318	1,257	19,575

* Change in accounting policy - Refer to note 1 for details of restatement

The accompanying notes form part of the summary consolidated financial report.

Save the Children Australia

ACN 008 610 035

Consolidated statement of cash flows for the year ended 31 December 2021

	CONSOLIDATED	
	2021	2020
	\$'000	\$'000
Cash flows from operating activities		
Cash received in the course of operations (inclusive of GST)	194,897	181,490
Cash paid in the course of operations (inclusive of GST)	(172,408)	(138,191)
Interest received	85	78
Interest paid on leases	(102)	(118)
Net cash provided by operating activities	22,472	43,259
Cash flows from investing activities		
Proceeds from / (payments for) business acquisitions net of cash acquired	-	1,010
Payments for property, plant and equipment	(236)	(719)
Payments for intangible assets	(2,780)	(1,292)
Payments for financial assets at fair value through profit or loss	(1,951)	-
Net proceeds from applications for units - Impact Investment Fund	1,264	-
Net cash used in investing activities	(3,703)	(1,001)
Cash flows from financing activities		
Principal elements of lease payments	(7,731)	(8,697)
Net payments for financial assets at amortised cost	(318)	-
Net cash used in financing activities	(8,049)	(8,697)
Net increase in cash held	10,720	33,561
Exchange difference on cash and cash equivalents	(589)	(1,878)
Cash at the beginning of the financial year	46,736	15,053
CASH AT THE END OF THE FINANCIAL YEAR	56,867	46,736

The accompanying notes form part of the summary consolidated financial report.

Basis of preparation

The Summary Consolidated Financial Report has been prepared in accordance with the presentation and disclosure requirements set out in the Australian Council for International Development (“ACFID”) Code of Conduct and should be read in conjunction with the Save the Children Australia and Controlled Entities’ financial statements and accompanying notes. For further information on the Code, please refer to the ACFID Code of Conduct Guidance Document available at www.acfid.asn.au.

The Summary Consolidated Financial Report is an extract from the Save the Children Australia and Controlled Entities’ full consolidated financial report for the year ended 31 December 2021. The financial statements and specific disclosures included in the Summary Consolidated Financial Report have been derived from the full consolidated financial report.

The Summary Consolidated Financial Report does not and cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of Save the Children Australia and Controlled Entities as the full consolidated financial report.

Change in accounting policy

In 2021, the Consolidated Entity adopted the IFRS Interpretations Committee agenda decision on Configuration or Customisation Costs in a Cloud Computing Arrangement. The Consolidated Entity has reconsidered its accounting treatment and adopted the treatment set out in the IFRS IC agenda decision, which is to recognise those costs as intangible assets only if the implementation activities create an intangible asset that the Consolidated Entity controls and the intangible asset meets the recognition criteria. The Consolidated Entity has determined that costs totalling \$3.366m relating to the implementation of SaaS arrangements would need to be expensed when they were incurred, as the amounts were paid to third parties who did not create separate intangible assets controlled by the Consolidated Entity or to the suppliers of the SaaS arrangements who did not create separate intangible assets controlled by the Consolidated Entity, or significantly customise the cloud-based software for the Consolidated Entity.

The change in policy has been applied retrospectively and comparative information has been restated. This had the following impact on the amounts recognised in the financial statements:

	CONSOLIDATED	
	2021 \$'000	2020 Restated* \$'000
Consolidated Statement of Financial Position		
Intangible assets - decrease	667	2,699
Accumulated surplus - decrease	667	2,699
Consolidated Income Statement		
Software-as-a-Service expenditure - increase	667	-
Net surplus from continuing operations - decrease	667	-

A full description of the accounting policies adopted by Save the Children Australia and Controlled Entities may be found in the full consolidated financial report.

The Summary Consolidated Financial Report is presented in Australian dollars.

The directors of Save the Children Australia ('Company') declare that the Summary Consolidated Financial Report comprising the Summary consolidated income statement, Summary consolidated statement of comprehensive income, Summary consolidated statement of financial position, Summary consolidated statement of cashflows and Summary consolidated statement of changes in equity as set out on pages 1 to 6, is in accordance with the requirements set out in the ACFID Code of Conduct and has been derived from and is consistent with the full consolidated financial statements of the Company and its controlled entities ('Consolidated Entity') for the year ended 31 December 2021.

In the directors' opinion:

- (a) the full consolidated financial statements and notes of the Consolidated Entity are in accordance with the Australian Charities and Not-for-profits Commission (ACNC) Act 2012 including:
 - (i) comply with Accounting Standards – Reduced Disclosure Requirements, the ACNC Regulations 2013 and any other mandatory professional reporting requirements, and
 - (ii) give a true and fair view of the Consolidated Entity's financial position as at 31 December 2021 and its performance for the year ended on that date.
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and

This declaration is made in accordance with a resolution of Directors:



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Larry Kamener
Chairman

Melbourne
30 March 2022



Independent auditor's report

To the members of Save the Children Australia

Our opinion

In our opinion, the summary consolidated financial report as derived from the audited financial report of Save the Children Australia for the year ended 31 December 2021:

- a) is consistent, in all material respects, with the audited financial report of Save the Children Australia for the year ended 31 December 2021, in accordance with the basis of preparation described in Note 1 to the summary consolidated financial report.
- b) comply, in all material respects, with Section 8.3.2 of the *Australian Council for International Development (ACFID) Code of Conduct*.

What we have audited

The summary consolidated financial report derived from the audited financial report of Save the Children Australia for the year ended 31 December 2021 comprises:

- the summary consolidated statement of financial position as at 31 December 2021
- the summary consolidated statement of comprehensive income for the year then ended
- the summary consolidated income statement for the year then ended
- the summary consolidated statement of changes in equity for the year then ended
- the summary consolidated statement of cash flows for the year then ended
- the notes to the summary consolidated financial report, which include a summary of significant accounting policies
- the directors' declaration.

Summary consolidated financial report

The summary consolidated financial report does not contain all the disclosures required by *Australian Accounting Standards* to the extent described in Note 1 to the financial report and Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012* applied in the preparation of the audited financial report of Save the Children Australia for the year ended 31 December 2021. Reading the summary consolidated financial report, therefore, is not a substitute for reading the audited financial report of Save the Children Australia.

The audited financial report and our report thereon

We expressed an unmodified audit opinion on the financial report in our report dated 30 March 2022.

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Directors' responsibility for the summary consolidated financial report

The directors of Save the Children Australia are responsible for the preparation of the summary consolidated financial report in accordance with the basis of preparation described in Note 1.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial report is consistent, in all material respects with the audited financial report and complies, in all material respects, with Section 8.3.2 of the *Australian Council for International Development (ACFID) Code of Conduct* based on our procedures, which were conducted in accordance with Australian Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.

A handwritten signature in cursive script that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in cursive script that reads 'JP'.

Jason Perry
Partner

Melbourne
30 March 2022



Save the Children

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savethechildren.org.au