

SAVE THE CHILDREN FEDERATION, INCORPORATED

Balance Sheet

September 30, 2000

(with comparative financial information as of September 30, 1999)

(In thousands)

Assets	2000	1999
	<u> </u>	<u> </u>
Cash and cash equivalents	\$ 18,709	13,285
Grants and contracts receivable	2,767	4,015
Investments (note 5)	36,095	22,058
Prepaid expenses and other assets	3,257	2,193
Contributions receivable (note 6)	3,653	3,824
Assets of pooled income fund	958	959
Land, buildings and equipment, net (note 8)	6,099	6,049
Loan program fund assets held for others (note 4)	5,164	5,490
Assets held in trust by others (note 12)	1,227	1,068
	<u> </u>	<u> </u>
Total assets	\$ <u>77,929</u>	<u>58,941</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued liabilities	\$ 11,349	9,776
Deferred amounts received under grants and contracts	5,691	4,680
Refundable advances on conditional contributions (note 7)	11,204	738
Deferred revenue	386	458
Severance benefits for foreign national employees	2,710	2,392
Long-term debt	—	2,125
Loan program funds due communities (note 4)	5,164	5,490
Postretirement benefits other than pensions (note 11)	2,906	2,841
Total liabilities	<u>39,410</u>	<u>28,500</u>
Net assets:		
Unrestricted:		
Undesignated	11,221	8,316
Board designated	7,580	5,537
Investment in land, buildings and equipment	6,099	6,049
Total unrestricted net assets	<u>24,900</u>	<u>19,902</u>
Temporarily restricted (note 12)	8,888	6,972
Permanently restricted (note 12)	4,731	3,567
Total net assets	<u>38,519</u>	<u>30,441</u>
Total liabilities and net assets	\$ <u>77,929</u>	<u>58,941</u>

See accompanying notes to financial statements.

SAVE THE CHILDREN FEDERATION, INCORPORATED

Statement of Activities

Year ended September 30, 2000

(with summarized financial information for the year ended September 30, 1999)

(In thousands)

	Unrestricted	Temporarily restricted	Permanently restricted	2000 Total	1999 Total
Operating revenue:					
Sponsorships	\$ —	24,507	—	24,507	23,668
Contributions and private grants	24,882	14,022	—	38,904	34,568
Government grants and contracts	59,229	—	—	59,229	39,273
Agricultural commodities and ocean freight (note 9)	12,100	—	—	12,100	10,998
Bequests	1,960	65	—	2,025	1,090
Investment return (note 5)	1,215	424	—	1,639	1,731
Craft shop and catalogue	821	—	—	821	836
Fee for service contracts	867	—	—	867	1,156
Other	231	—	—	231	77
Total operating revenue	<u>101,305</u>	<u>39,018</u>	<u>—</u>	<u>140,323</u>	<u>113,397</u>
Net assets released from restrictions	37,247	(37,247)	—	—	—
Total operating revenue and net assets released	<u>138,552</u>	<u>1,771</u>	<u>—</u>	<u>140,323</u>	<u>113,397</u>
Operating expenses:					
Program services:					
Education	24,174	—	—	24,174	23,408
Primary health	27,171	—	—	27,171	18,035
Economic opportunity	8,472	—	—	8,472	8,409
Agriculture and resource management	5,187	—	—	5,187	3,831
Emergency, refugee and civil society	47,584	—	—	47,584	34,574
Total program services	<u>112,588</u>	<u>—</u>	<u>—</u>	<u>112,588</u>	<u>88,257</u>
Supporting services:					
Management and general	7,951	—	—	7,951	7,594
Fund-raising	15,008	—	—	15,008	14,911
Total supporting services	<u>22,959</u>	<u>—</u>	<u>—</u>	<u>22,959</u>	<u>22,505</u>
Total operating expenses	<u>135,547</u>	<u>—</u>	<u>—</u>	<u>135,547</u>	<u>110,762</u>
Excess of operating revenue and net assets released over operating expenses	<u>3,005</u>	<u>1,771</u>	<u>—</u>	<u>4,776</u>	<u>2,635</u>
Nonoperating activity:					
Investment return (note 5)	1,993	4	(46)	1,951	359
Contributions and changes in value of split – interest agreements	—	141	1,210	1,351	483
Total nonoperating activity	<u>1,993</u>	<u>145</u>	<u>1,164</u>	<u>3,302</u>	<u>842</u>
Increase in net assets	\$ <u>4,998</u>	<u>1,916</u>	<u>1,164</u>	<u>8,078</u>	<u>3,477</u>

See accompanying notes to financial statements.

SAVE THE CHILDREN FEDERATION, INCORPORATED

Statement of Functional Expenses

Year ended September 30, 2000

(with summarized financial information for the year ended September 30, 1999)

(In thousands)

	Program services					Supporting services			2000 Total expenses	1999 Total expenses	
	Education	Primary health	Economic opportunity	Agriculture and resource management	Emergency refugee and civil society	Total program services	Management and general	Fund- raising			Total supporting services
Salaries	\$ 5,852	5,737	1,525	1,657	8,877	23,648	3,413	3,887	7,300	30,948	27,139
Employee fringe benefits	1,632	1,601	425	462	2,476	6,596	610	651	1,261	7,857	6,965
Payroll taxes	326	319	85	92	494	1,316	241	289	530	1,846	1,681
Total salaries and related expenses	7,810	7,657	2,035	2,211	11,847	31,560	4,264	4,827	9,091	40,651	35,785
Agricultural commodities and ocean freight	—	—	—	—	12,100	12,100	—	—	—	12,100	10,998
Grants to other agencies	6,383	9,729	3,837	151	8,496	28,596	61	130	191	28,787	18,115
Professional fees and contract services	1,283	1,258	334	363	1,947	5,185	1,020	2,120	3,140	8,325	6,320
Supplies, material and equipment	3,958	3,880	1,031	1,120	6,004	15,993	617	305	922	16,915	13,208
Other project costs	364	357	95	103	552	1,471	—	—	—	1,471	2,123
Telecommunications	346	339	90	98	525	1,398	103	613	716	2,114	1,989
Postage and shipping	435	427	113	123	661	1,759	107	975	1,082	2,841	2,579
Advertising	—	—	—	—	—	—	—	3,164	3,164	3,164	3,314
Printing	157	154	41	44	238	634	119	1,793	1,912	2,546	2,183
Occupancy	817	801	213	231	1,240	3,302	228	129	357	3,659	2,947
Travel	2,250	2,206	586	637	3,413	9,092	311	246	557	9,649	7,795
Interest	—	—	—	—	—	—	137	—	137	137	162
Depreciation of buildings and equipment	187	183	49	53	283	755	104	98	202	957	1,069
Miscellaneous	184	180	48	53	278	743	880	608	1,488	2,231	2,175
Total expenses	\$ 24,174	27,171	8,472	5,187	47,584	112,588	7,951	15,008	22,959	135,547	110,762

See accompanying notes to financial statements.

SAVE THE CHILDREN FEDERATION, INCORPORATED

Statement of Cash Flows

Year ended September 30, 2000

(with comparative financial information for the year ended September 30, 1999)

(In thousands)

	<u>2000</u>	<u>1999</u>
Cash flows from operating activities:		
Increase in net assets	\$ 8,078	3,477
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	957	1,069
Net gain on sale and disposal of equipment	(31)	(9)
Net realized gain on sale of investments	(2,147)	(489)
Net unrealized depreciation (appreciation) in fair value of investments	85	(359)
Contributions and changes in value of split-interest arrangements restricted for long-term investment	(1,210)	(389)
Decrease in grants and contracts receivable	1,248	910
(Increase) decrease in prepaid expenses and other assets	(1,064)	718
Decrease in contributions receivable	171	2,581
Increase (decrease) in accounts payable and accrued liabilities and severance benefits	1,891	(156)
Increase in deferred amounts received under grants and contracts and refundable advances	11,477	1,137
Decrease in deferred revenue	(25)	(1,114)
Increase in postretirement benefits other than pensions	65	86
Net cash provided by operating activities	<u>19,495</u>	<u>7,462</u>
Cash flows from investing activities:		
Purchases of investments	(45,002)	(10,553)
Proceeds from sale of investments	33,027	9,131
Acquisitions of equipment	(1,007)	(624)
Proceeds from sale and disposal of equipment	31	47
Net cash used in investing activities	<u>(12,951)</u>	<u>(1,999)</u>
Cash flows from financing activities:		
Decrease (increase) in assets of pooled income fund	1	(33)
Contributions and changes in value of split-interest arrangements restricted for long-term investment	1,210	389
Change in deferred revenue of split-interest arrangements	(47)	(10)
Increase in assets held in trust by others	(159)	(274)
Principal payments on long-term debt	(2,125)	(267)
Net cash used in financing activities	<u>(1,120)</u>	<u>(195)</u>
Net increase in cash and cash equivalents	5,424	5,268
Cash and cash equivalents at beginning of year	<u>13,285</u>	<u>8,017</u>
Cash and cash equivalents at end of year	\$ <u>18,709</u>	<u>13,285</u>
Supplemental Disclosure of Cash Flow Information:		
Interest paid	\$ <u>137</u>	<u>162</u>

See accompanying notes to financial statements.

SAVE THE CHILDREN FEDERATION, INCORPORATED

Schedule of United Nations High Commissioner for Refugees (UNHCR) Expenses

For the year ended September 30, 2000
(with comparative financial information for the year ended September 30, 1999)

<u>Country of program</u>	<u>Grant number</u>	<u>Project name</u>	<u>2000</u>	<u>1999</u>
Afghanistan	98/AR/AFG/RP/370d	GGL Andkhoy	\$ —	5,425
Afghanistan	98/AP/AFG/RP/370e	GGL Mazar	—	9,134
Afghanistan	99/AR/AFG/RP/370d	No. Afghanistan GGLS	38,360	103,153
Albania	99/YU/ALB/EM/170	Emergency Assistance for Kosovo	—	42,092
Bosnia	99/YU/BSN/CM/270d	Psycho-Social Services	76,969	104,143
Bosnia	00/AB/BSN/CM/270a	Psycho-Social Services	153,101	—
East Timor	99/INSJA/HCR/MS/3	Emergency Assistance	183,344	—
East Timor	00/SB/INS/EM/171h	Assistance to Refugees	423,930	—
Ethiopia	MOU of 12 Aug 1998	Dollo Rehabilitation	—	73,633
Ethiopia	99/AP/ETH/CM/200c	Jijiga Social Mobilization	46,298	39,427
Ethiopia	99/AB/ETH/CM/200c	Refugees Camps Jijiga	321,041	—
Georgia	98/CS/GEO/CM/270h	Assistance to Refugees	—	146,878
Georgia	99/CS/GEO/CM/270h	Assistance to Returnees & IDPs	301,079	250,007
Laos	97/CP/LAO/LS/471a	Drug Demand Reduction	—	(6,400)
Laos	98/CP/LAO/LS/471a	Drug Demand Reduction	—	55,034
Pakistan	97/AP/PAK/CM/201j	Teacher Training & Self-help Schools	—	(376)
Pakistan	98/AP/PAK/CM/201j	Assistance to Afghan Refugees	—	172,252
Pakistan	99/AP/PAK/CM/201j	Assistance to Afghan Refugees	229,176	476,377
Pakistan	00/AP/PAK/CM/201j	Refugees Health and Assistance	551,381	—
Pakistan	00/AB/AFG/RP/370	GGLS	110,997	—
Somaliland	99/HA/SOM/RP/370c	Basic Education	69,204	87,281
Somaliland	00/HA/SOM/RP/370	Children's Rights	181,215	—
Tajikistan	98/TJ/TJK/370a	Reconstruction of War Damaged Houses	—	634,919
			<u>\$ 2,686,095</u>	<u>2,192,979</u>