



Letter from the CFO

Financial Results for 2015

(Fiscal year ended September 30)

Larry Probus
Chief Financial Officer

We continued to feel God's hand firmly fixed on our work during 2015, and can see how He used times of economic challenge to make us an even more effective and efficient organization. While overall revenue declined slightly for the year, World Vision's commitment to tackling the root causes of poverty reached new levels, fueled by the successful conclusion of our For Every Child capital campaign. With this campaign, we exceeded our goal of helping 20 million people thanks to the generosity of donors who committed more than \$500 million over the last five years. These funds are transforming the lives of children and families living in World Vision communities by providing clean water, economic development, and other essential interventions.

2015 Financial Results

Private Cash Revenue. Revenue from private cash donations declined 5% in 2015 to \$571 million. A drop in the number of child sponsors beginning in 2014 lowered donations for our child sponsorship program through 2015. As we start fiscal 2016, the trend for cash contributions has improved, indicating a stronger outlook for donations in the current year.

Grants and GIK. Grants from the U.S. government declined 12% in 2015 to \$172 million, while gift-in-kind revenue rose 10% to \$255 million. These important revenue streams add valuable resources to the communities of World Vision sponsored children. However, they tend to be opportunistic, and will fluctuate based on government funding decisions and corporate inventory levels. In the case of grants, revenue recognition is also affected by the pace at which programs can be implemented in the field.

Program Services. Funding to World Vision affiliates around the world, as well as U.S. ministry partners, was \$839 million in 2015, representing 85% of operating revenue. We believe the most important measure of a charity is its effectiveness in accomplishing its mission. We continually monitor and evaluate World Vision's programs to determine how the lives of children are being improved, using measures of child well-being such as access to clean water, health and nutrition levels, and educational achievement. Our effectiveness has earned the trust and support of nearly 1 million donors, thousands of churches,

and hundreds of corporations in the U.S., as well as institutions and government agencies around the globe. To learn more, visit worldvision.org/our-impact.

Fundraising & Administrative Expenses. Fundraising, management, and general expenses (sometimes called overhead expenses) were reduced by \$3 million, or 2%, in 2015. Our overhead rate (overhead expenses as a percent of operating revenue) remained steady at 15%.

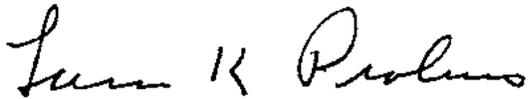
Change in Net Assets (Surplus). Total net assets from operating activities improved \$9 million during the year. World Vision’s objective for financial liquidity and reserves is to operate in a prudent range of stability, while recognizing the imperative of distributing maximum funds to mission as quickly as possible. World Vision U.S. remains financially strong, with sufficient liquid assets to discharge ongoing ministry commitments and other obligations.

Summary Financial Results (Year ended September 30; \$ millions)	Fiscal 2014	Fiscal 2015	% Change
Operating revenue			
Private cash	\$600	\$571	(5%)
Public grants	195	172	(12%)
Gifts-in-kind	232	255	10%
Other (interest & dividends)	8	4	(50%)
Total operating revenue	\$1,035	\$1,002	(3%)
Program services			
Cash	\$560	\$527	(6%)
GIK & food commodities	309	312	1%
Total program services	\$869	\$839	(3%)
Total fundraising & administrative expenses	\$157	\$154	(2%)
Surplus (change in net assets from operations)	\$9	\$9	
Overhead rate	15%	15%	

Financial Accountability and Stewardship

World Vision is dedicated to the highest standards of financial stewardship—because we understand that the resources we receive are a sacred trust from God, through our donors, on behalf of those we serve.

World Vision is able to multiply the cash gifts we receive by adding gifts-in-kind and food resources to sponsorship programs and other community activities funded with cash donations. Each dollar of cash donated to World Vision yields *more than a dollar* of value for the communities we serve, even after factoring in fundraising and administrative costs. If you'd like to learn more about World Vision's economics of mission, please see the 3-minute video on financial stewardship located on our website under the **About Us/Financial Accountability** tab.



Larry Probus
Chief Financial Officer, World Vision

