

Letter from the CFO Financial Results for 2019

(Fiscal year ended September 30)

Over the past fiscal year, World Vision continued to empower children, families and communities to overcome poverty and injustice. With God's provision, our total revenue was \$413 million, which provided the resources needed to fund our essential programs and maintain necessary operations. We are deeply grateful to our many supporters: Canadians who chose to partner with us to make a lasting difference for the world's most vulnerable children.

Pledges, single gifts and gifts-in-kind

Through child sponsorship a total of \$184.7 million was donated, and directed toward programs benefitting more than 400,000 children, their families and their communities. This revenue declined by 4.4% due to the multi-year trend of sponsorship cancellations being higher than acquisitions. However, we saw a significant improvement in overall acquisitions, which increased by 31.0%, with almost 32,000 new sponsors (compared to just over 24,000 new sponsors in 2018). The remaining pledge revenue comes from our 21,500 monthly donors and grew by 21.1% to \$4.2 million. The largest offering was from the Raw Hope initiative, which supports children in the world's most dangerous places.

Single gifts stayed similar to last year, with a 0.9% decrease.

Gifts-in-kind declined by 8.4% to \$116.4 million, mostly due to a reduction in revenue from multilateral agencies. But specifically, corporate gifts-in-kind increased by 13.5% to \$13.9 million through an increase in donations of pharmaceuticals.

Grants and other revenue

Grant revenue from partners like [Global Affairs Canada](#), multilateral agencies and the [World Food Programme](#) shrank overall by 32.0% to \$63.7 million. One of the main factors was that revenue from Global Affairs Canada was down 38.7% as significant multi-year projects were completed and fewer new grants were started.

Investment and other income decreased from \$4.7 million to \$950,000 due to the one-time \$3.3 million gain in 2018, through the sale of surplus land adjacent to our Canadian offices in Mississauga.

Program services and support costs

In the 2019 fiscal year, our revenue directly supported \$324 million in programs to make the world a better place for children. In all, 78.6% of revenue went into programs.

Support costs increased by 0.9% from 2018. Administrative costs declined 6.2% as we continued to find efficiencies both in Canada and abroad.

Fundraising costs were up 4.0%, the additional investment directly contributing to the increased acquisition of child sponsors. Staffing levels were down 6.0% as we improved our processes and reduced activities of lower value.

Statement of Financial Position

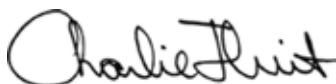
Cash and short-term investments are mostly unchanged at \$33.9 million. We have sufficient financial liquidity and reserves to fulfill our ongoing commitments.

Auditing, risk management and accountability

The preparation of financial information is an integral part of the ongoing oversight of the organization. World Vision Canada's management team, along with our independent Board of Directors, is responsible for the financial statements and all other information included in the [Annual Impact Report](#). The financial statements have been prepared in accordance with accounting principles for not-for-profit organizations as established by the Accounting Standards Board of the Accounting Standard Oversight Council. The financial statements have also been externally audited KPMG LLP. Their report outlines the scope of KPMG's examination as well as their opinion on the financial statements.

World Vision International undertakes audits of its overseas operations, including those to which World Vision Canada sends funds to do its program work. Internal audits are regularly conducted to ensure adherence to internal policies, local laws and the effectiveness of operations. [World Vision International](#) also publishes an Accountability Report every year, independently reviewed by [Accountable Now](#).

World Vision Canada has earned the highest rating for financial transparency and an A- for donor accountability by [Charity Intelligence Canada](#). We voluntarily adhere to the standards required by several external accountability bodies, including the [Canadian Council of Christian Charities](#), the [Imagine Canada Standards Program](#), the Better Business Bureau and the [Canadian Council for International Cooperation](#).



CHARLIE FLUIT, CPA, CA
CHIEF FINANCIAL OFFICER

NOTES:

World Vision is incorporated under the laws of Canada as a corporation without share capital and is a non-profit charitable organization (registration number 1193 04855 RR0001). World Vision Canada files a publicly accessible [annual information return \(T3010\) with the Canada Revenue Agency Charities Directorate](#).

We are dedicated to maximizing the impact of the cash contributions we receive. World Vision continues to be committed to the highest standards of financial and ethical accountability in our accounting, fundraising, communications and programs. For more information about our financial accountability visit worldvision.ca/annualreport.