We see so many needs today all over the world. Sometimes it’s hard to know which problems to tackle first. But at World’s Children our hearts reach out to the children first. Some people ask, why do we focus most of our work with children in India when the country is rapidly developing? Because sadly the children in India are still suffering.

Four out of 10 malnourished children in the world are Indian. When comparing the number of malnourished children, India has more than all of Africa. India has the largest number of AIDS orphans in the world, now approaching two million. There are more than 11 million abandoned children in India, over 90% of them are girls. The poverty line in India is set at 32¢ per day. And more than half of India’s population do not have toilets. Oh, how blessed we are in America!

The children had nothing to do with creating these problems, but they are the ones who suffer the consequences. However, with our help they will be the ones to solve them. Investing in children is not only the most compassionate thing we can do, it’s the most effective thing we can do to raise people out of poverty. You are taking care of the poorest of the poor, the neglected and unwanted. We see so much gratitude from these children—and they tell us they want to help others just as you have helped them. On behalf of the children, we thank you for your tireless kindness and generosity.

With love and blessings,
David Purviance
Executive Director

2011 Scholarships at a Glance

| Scholarship students supported in 2011: | 65 |
| Scholarship students continuing in 2012: | 47 |
| Scholarship students new in 2012: | 14 |
| Scholarship students graduating in 2012: | 22 |

Fields of Study

- Nursing—36
- Engineering—7
- Teaching—6
- Paramedical/Biotech—5
- Business/Finance—4
- Computer Science—3
- Social Work—2
- Electrician—2

Our assistant director visited ETCM College of Nursing in India in October 2011. We continue to be impressed with the facility, the curriculum and especially with the dedication of the students WC sponsors are supporting. (photo below)
You have all seen “Greatest Good” on our donation cards and many of you have designated donations for this. While sponsorship money allows the orphanages to operate day to day, the amounts raised through sponsorship fees aren’t enough to help with improvements to their buildings and other long-term needs. World’s Children is constantly asked to provide funds for various projects at the orphanages we support. We created a special designation called the Greatest Good for people who want to help fix these problems that greatly impact the health and safety of the children. Here’s what your greatest good donations accomplished in 2011.

<table>
<thead>
<tr>
<th>Greatest Good</th>
<th>Recipient</th>
<th>$ Amt.</th>
</tr>
</thead>
<tbody>
<tr>
<td>New orphanage building</td>
<td>Balavikasitha Orphanage</td>
<td>60,350</td>
</tr>
<tr>
<td>New boys’ dormitory</td>
<td>Happy Home for Children</td>
<td>10,150</td>
</tr>
<tr>
<td>2 new wells</td>
<td>Zaheerabad Boarding Home and St. Anthony’s Orphanage</td>
<td>6,611</td>
</tr>
<tr>
<td>2 new toilets</td>
<td>Zaheerabad Boarding Home and Happy Home for Children</td>
<td>6,490</td>
</tr>
<tr>
<td>Rent</td>
<td>Balavikasitha Orphanage and Shanthi Nilayam</td>
<td>1,770</td>
</tr>
<tr>
<td>2 Computers</td>
<td>Miriam and Lucile Colony Girls’ hostels</td>
<td>1200</td>
</tr>
<tr>
<td>Field trips</td>
<td>Fatima Home and Balavikasitha</td>
<td>921</td>
</tr>
<tr>
<td>Repairs</td>
<td>Methodist Girls’ Hostel, Raichur,</td>
<td>985</td>
</tr>
<tr>
<td>Food</td>
<td>To buy food for an unsponsored orphanage that is struggling to feed its children.</td>
<td>600</td>
</tr>
<tr>
<td>Medical project</td>
<td>Dharamshala Hostel for hospital patients’ families</td>
<td>500</td>
</tr>
<tr>
<td>Medical expenses</td>
<td>Balavikasitha and Assunta Asha Nilayam for hospital and HIV lab test expenses</td>
<td>315</td>
</tr>
<tr>
<td>Kitchen cookware</td>
<td>Lucile Colony Girls’ Hostel</td>
<td>200</td>
</tr>
<tr>
<td>Gardens</td>
<td>Nithya Sahaya Matha Hostel, St. Joseph’s Boys’ Home, Ushagram Girls’ Hostel, and Little Flower Home for Children</td>
<td>208</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>$90,300</td>
</tr>
</tbody>
</table>
Looking Back and Looking Forward

Lions and tigers and planes, oh my!

At all of the orphanages and hostels the children who have family go home for two months during the summer vacation. But for the orphan kids it’s a lonely time. Their friends are gone and that reminds them that they themselves have no living relatives, or none that want them. WC has provided funds for several field trips. Here’s what Sister Leema Rose wrote about a summer field trip for the “left behind” kids at the Happy Home for Children in India:

“As we have planned we went for a one day exposure visit. We went to Kanyakumari (the southernmost point of India where three oceans come together), Trivandrum planetarium, zoo and Thriparappu Falls. On the way to Trivandrum there is Meenampakkam aerodram (airport). Our children saw three flights are landing and upraising. Our poor children saw that and shouted with joy. How big and how very fast! What a loud noise it makes! Like that they enjoyed. On that day many children saw aeroplane very near. In Trivandrum planetarium they displayed the earth and planets. Nearby that there is zoo. They astonished with the wild animals they had seen. The lion, tiger, panther, deer, parrots, different colors of beautiful birds and peacocks, ostrich, crocodile are there. Please convey our children’s regards to the sponsors for this trip.” (see photo on p.2)

This year we added two new orphanages to the list of homes we support in India.

Sister Seline’s Memorial Home for Children

This home was featured in our April newsletter. This is an orphanage for children who are HIV-positive. Of the 50 children living here, 34 are true orphans and the other 16 have just one surviving parent who is ill with the HIV/AIDS virus. We have found sponsors for 44 of the children and will soon find sponsors for all of them.

Nambikkai Illam

The Sisters of the Sacred Heart Congregation located in South India are some of the most compassionate people we have ever met. They are very proactive in looking for at-risk children. They search for abandoned children at train and bus stations and they let it be known that if parents do not want an infant they can leave it at one of their orphanages where the child will be raised with love. This year Nambikkai Illam became the fourth Sacred Heart orphanage that we support. Now 22 children have sponsors at this orphanage that cares for extremely impoverished children.

Looking Back and Looking Forward

Balavikasitha Update

You did it! The orphanage building for Balavikasitha is fully funded and will be completed in July and dedicated on August 15, 2012.

We are currently seeking funds for furnishing the orphanage with beds, tables, chairs, kitchen equipment, a van to transport the children and other necessities.

The Healthy Child Fund

improves the health, nutrition and sanitation at the homes we support.

Any size donation helps!

NEW! Fundraising Kit

Like most people, you may feel uncomfortable asking for money. We’ve all experienced too many sales pitches. But rather than think of fundraising as an imposition, think of it as an opportunity to share with your friends. Remember how good it makes you feel to help the children and to see the change it can make in their lives. Sharing your personal World’s Children story with friends gives them an opportunity to feel good too.

If you would like to tell your friends about World’s Children by holding a small fundraising get-together, please contact us and we will provide you with an easy-to-use fundraising kit (including a World’s Children t-shirt). Our support team will help you every step of the way. There is no experience necessary and above all we want you and your friends to have fun. You can also create your own fundraising page on our website: worldschildren.org/tell-your-friends.

Thanks for your surveys!

We thank you for taking the time to fill out the surveys we sent you in January. Though we have not had a chance to implement everything you suggested, we are updating our systems, receipts and reminders. We are inspired by your comments, and always welcome your feedback.

We will also make it easier to donate or make sponsorship payments on our website and plan to start up e-newsletters again. We are adding a part-time staff member to help us accomplish our goals for 2012.

You make us want to be better and do more.

I really enjoy that I am able to communicate with the child I am sponsoring. I also get very excited when I see mail from World’s Children. I really enjoy working with your organization. Happy 2012! ~ Cassandra
Financial Snapshot 2011

Donations were up in 2011!

<table>
<thead>
<tr>
<th>Total Income 2011</th>
<th>$632,139</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment Funds</td>
<td>$237,083</td>
</tr>
<tr>
<td>Net Assets</td>
<td>$514,416</td>
</tr>
</tbody>
</table>

Expenses

- **89% Program Support** $504,356
- **6% Admin** $34,118
- **5% Fundraising** $25,666

**Orphanages & hostels supported:** 48
**Number of children sponsored:** 1,100
**Number of countries:** 5
*India, Guatemala, Mexico, Kenya, & The Philippines*

Support sent overseas

- **Child Sponsorship** 249,069
- **Scholarships** 30,890
- **Monthly Needs** 9,317
- **Birthdays** 18,720
- **Christmas** 21,460
- **Healthy Child Handbook** 1,160
- **Improvements (see p2)** 90,300

**Total** $420,916

Notes:

**Income** from donations was almost $30,000 higher in 2011 than in 2010. This is in large part due to your outstanding generosity for special projects like the Balavikasitha Orphanage building project and other projects listed on page two.

You may notice that total income exceeds annual expenses. This is normal since many donations come in late December every year and we can’t disburse them until the following year.

**Endowment Funds** are invested at the donors’ request and we spend only the interest on these funds, keeping the principal in perpetuity.

**Program Support** includes overseas disbursements to the homes and the necessary supporting services.

**Matching Funds**

Several sponsors have doubled their donations to World’s Children by applying for matching funds from their companies. For this we are very grateful. We currently receive matching funds from Shell Oil, Applied Materials, United Way, Microsoft, GE, and Thermo Fisher Scientific. Please ask your workplace if they will provide matching funds for your donations to World’s Children.

**Exchange rates** in India were very favorable for the second half of 2011 which means the homes received more rupees for the dollars sent.

**Employee earnings** were $85,814 in 2011. Our wages are below market level especially for management. WC had 4 employees in 2011—two full-time and two part-time. We also received help from three unpaid interns and nine volunteers from Oregon State University. The students can receive college credit for the time they spend with us.

For more financial details, you can find our 990 IRS forms and annual reports on our website at: www.worldschildren.org or go to: www.guidestar.org. Feel free to call or email with any questions. Transparency and proper stewardship of the funds you entrust to our care for the children are our top priorities.