Letter from the President & Chair

Dear Friends,

We are pleased to present the 2012 annual report to you, our funders, donors, partners, and friends.

At World Education we know that education is the key to improving the lives of the poor, no matter where they live.

Our core work is focused on building the skills, talents, and resources of local groups. We develop effective partnerships with private, public, and nongovernmental organizations to ensure that benefits to individuals and entire communities continue and increase over time.

Internationally, we continue to focus on literacy and early education to build a successful life. Our priority is girls’ and women’s education—the single most effective way to improve the lives of families and communities in developing countries.

Here in the U.S., the focus on adult education continues to ensure access for all to the wide range of opportunity available in this country.

World Education is supported by government funding, grants, and individuals who help ensure that education reaches all.

NEW PROJECTS

Getting children to read has always been important to World Education, and is increasingly recognized as a priority by funders. This year we are pleased to report the award of three significant new projects that focus on early reading:

Mozambique

We are working for the first time in Mozambique, which has been rebuilding and improving its educational system following many years of war. Through the Aprender a Ler (Learn to Read) program—an early-grade reading program funded by USAID—we will develop reading and instructional materials, train 5,000 teachers, and design assessment tools to ensure our work is effective and to share our approaches and learning with others. As always, we are working in close
collaboration with in-country education institutions to ensure long-term program sustainability.

**Cambodia**

This year we were awarded an important Grand Challenge Grant to help boost reading skills for some 2,000 children in the lower primary grades of Kampong Cham Province in Cambodia. World Education is working in partnership with the Cambodian education department to implement a new reading curriculum. While focusing on essential early reading skills in school, the program also encourages a culture of reading both in school and at home. We will scale up this initiative in the future.

**Uganda**

World Education is working to improve early-grade literacy in Uganda with a focus on health education to help ensure retention in school and to improve health outcomes as part of a consortium of international and local partners. The health focus is especially important since Uganda is
seeing rising HIV prevalence again after a strong record of reducing rates. The plan is to scale up a program that supports reading and HIV education in 18,000 schools.

OTHER MAJOR EFFORTS

We are also working on an HIV-prevention curriculum in Swaziland through our Bantwana Initiative. The number of children affected by HIV in Swaziland continues to grow, and there is an urgency to ensure that children will get the comprehensive care that they need. The Bantwana Initiative was launched to address the growing crisis of orphans and other vulnerable children (OVC) in sub-Saharan African countries with high rates of HIV.

Last year we also received some high-level notice:

• Former British Prime Minister Gordon Brown included World Education in a letter on his website highlighting the need for the U.K. to support Myanmar opposition leader Daw Aung San Suu Kyi’s call for universal education in Myanmar. Brown noted that World Education is one of the few agencies successfully carrying out education work in Myanmar.

• In November, the keynote speaker at our National College Transition Network Conference was Assistant Secretary of the U.S. Department of Education, Dr. Brenda Dann-Messier, a leader in helping craft adult programs here in the United States.

Finally, in 2011 we celebrated our 60th anniversary. The booklet we created celebrated 60 years and highlighted some of World Education’s accomplishments around the globe. Please give us a call if you didn’t receive it. In light of that considerable publication, we have opted for this streamlined annual report for 2012.

Please accept our gratitude for the work that you do, which that enables the work that we do.

Sincerely,

Joel Lamstein, President

Louis Kaplow, Board Chair
## ASSETS

<table>
<thead>
<tr>
<th>Asset</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>3,183,447</td>
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<tr>
<td>Investments</td>
<td>36,945</td>
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<tr>
<td>Accounts Receivable</td>
<td>1,433,928</td>
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<tr>
<td>Field Advances</td>
<td>1,643,038</td>
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<tr>
<td>Equipment (Net After Depreciation)</td>
<td>48,193</td>
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<tr>
<td>Other Assets</td>
<td>41,014</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>6,386,565</strong></td>
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</tbody>
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## LIABILITIES & NET ASSETS

### LIABILITIES

<table>
<thead>
<tr>
<th>Liability</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Accounts Payable &amp; Accrued Expenses</td>
<td>1,219,678</td>
</tr>
<tr>
<td>Program Advances</td>
<td>2,116,626</td>
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<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td><strong>3,336,304</strong></td>
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</tbody>
</table>

### NET ASSETS

| Unrestricted                                           | 3,045,261    |
| Temporarily Restricted                                 | 5,000        |
| **Total Net Assets**                                   | **3,050,261**|

| **TOTAL LIABILITIES & NET ASSETS**                     | **6,386,565**|

## REVENUE

### PRIVATE SUPPORT REVENUE

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Unrestricted Contributions</td>
<td>195,421</td>
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<tr>
<td>Restricted Contributions and Grants</td>
<td>8,383,346</td>
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<tr>
<td>Interest and Dividends</td>
<td>6,532</td>
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### GOVERNMENTAL PROGRAMS

<table>
<thead>
<tr>
<th>Program</th>
<th>Amount</th>
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<tbody>
<tr>
<td>USAID</td>
<td>13,868,140</td>
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<tr>
<td>Other U.S. Government</td>
<td>2,709,877</td>
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<tr>
<td>Commonwealth of Massachusetts</td>
<td>613,639</td>
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</table>

### GOVERNMENT-CUSTODIAN FUNDS

<table>
<thead>
<tr>
<th>Program</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>USAID</td>
<td>5,623,977</td>
</tr>
<tr>
<td>Other</td>
<td>599,264</td>
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<tr>
<td><strong>Total Support and Revenue</strong></td>
<td><strong>32,000,194</strong></td>
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</table>

## EXPENSES

### PROGRAM SERVICES

<table>
<thead>
<tr>
<th>Region</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Asia</td>
<td>10,669,271</td>
</tr>
<tr>
<td>Africa</td>
<td>6,376,056</td>
</tr>
<tr>
<td>Other International</td>
<td>7,629,185</td>
</tr>
<tr>
<td>Domestic</td>
<td>1,878,201</td>
</tr>
<tr>
<td><strong>Total Program Services</strong></td>
<td><strong>26,552,713</strong></td>
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</tbody>
</table>

### SUPPORTING SERVICES

<table>
<thead>
<tr>
<th>Service</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Management and General</td>
<td>5,385,117</td>
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<tr>
<td>Fundraising</td>
<td>282,082</td>
</tr>
<tr>
<td><strong>Total Supporting Services</strong></td>
<td><strong>5,667,199</strong></td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td><strong>32,219,912</strong></td>
</tr>
</tbody>
</table>

| Unrealized Net Investment Loss       | —            |
| Decrease in Unrestricted Net Assets  | -219,718     |
| Net Assets Released from Restrictions| —           |
| Revenue Over Expenses                | -219,718     |

| **Fund Balance, July 1, 2011** | **3,269,979** |
| **Fund Balance, June 30, 2012** | **3,050,261** |
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Jobs for the Future
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Moris Rasik
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Nellie Mae Education Foundation
Netherlands Embassy
New Field Foundation
New Hampshire Department of Education
New York City Mayor’s Office of Adult Literacy
North Shore Workforce Investment Board
Oak Foundation
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Partners for a Skilled Workforce
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Pennsylvania State University
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Spirit of Soccer
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Stavros Niarchos Foundation
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The Poverty Alleviation Fund
UNICEF
University of Tennessee Center for Literacy, Education & Employment Studies
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