



WYCLIFFE BIBLE TRANSLATORS
INTERNATIONAL, INC.
d/b/a WYCLIFFE GLOBAL ALLIANCE

Consolidated Financial Statements
With Independent Auditors' Report

September 30, 2023 and 2022

WYCLIFFE GLOBAL ALLIANCE

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Wycliffe Bible Translators International, Inc. d/b/a Wycliffe Global Alliance
Dallas, Texas

Opinion

We have audited the accompanying financial statements of Wycliffe Bible Translators International, Inc. d/b/a Wycliffe Global Alliance, which comprise the statements of financial position as of September 30, 2023 and 2022, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wycliffe Bible Translators International, Inc. d/b/a Wycliffe Global Alliance as of September 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Wycliffe Bible Translators International, Inc. d/b/a Wycliffe Global Alliance and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Wycliffe Bible Translators International, Inc. d/b/a Wycliffe Global Alliance's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Board of Directors
Wycliffe Bible Translators International, Inc. d/b/a Wycliffe Global Alliance
Dallas, Texas

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Wycliffe Bible Translators International, Inc. d/b/a Wycliffe Global Alliance's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Wycliffe Bible Translators International, Inc. d/b/a Wycliffe Global Alliance's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Capin Crouse LLP

Irving, Texas
February 20, 2024

WYCLIFFE GLOBAL ALLIANCE

Statements of Financial Position

	September 30,	
	2023	2022
ASSETS:		
Cash and cash equivalents	\$ 39,542	\$ 117,594
Amounts due from staff and related entities (Note 5)	52,350	26,612
Investments (Note 2)	3,990,892	4,246,526
Prepaid expenses	17,434	25,085
Total Assets	\$ 4,100,218	\$ 4,415,817
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable and accrued expenses	\$ 86,337	\$ 103,332
Amounts due to staff and related entities (Note 5)	3,260	85,558
Total liabilities	89,597	188,890
Net assets:		
Without donor restrictions (Note 6)	3,988,582	4,197,322
With donor restrictions (Note 6)	22,039	29,605
Total net assets	4,010,621	4,226,927
Total Liabilities and Net Assets	\$ 4,100,218	\$ 4,415,817

See notes to financial statements

WYCLIFFE GLOBAL ALLIANCE

Statements of Activities

	Year Ended September 30,			
	2023		2022	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
	Total	Total	Total	Total
SUPPORT AND REVENUE:				
From Alliance Organizations:				
Contributions of cash and financial assets	\$ 505,417	\$ 143,459	\$ 648,876	\$ 183,088
Contributed of non-financial assets-labor	1,540,866	-	1,540,866	-
Interest income	150,138	-	150,138	90,941
From other sources:				
Other income	3,157	-	3,157	658
Total Support and Revenue	2,199,578	143,459	2,343,037	183,088
NET ASSETS RELEASED:				
Satisfaction of purpose restrictions	151,025	(151,025)	-	(705,713)
OPERATING EXPENSES:				
Program services:				
Bible translation facilitation	1,073,335	-	1,073,335	1,892,658
Supporting services:				
General and administrative	1,486,008	-	1,486,008	-
Total Expenses	2,559,343	-	2,559,343	-
Change in Net Assets	(208,740)	(7,566)	(216,306)	(522,625)
Net Assets, Beginning of Year	4,197,322	29,605	4,226,927	552,230
Net Assets, End of Year	\$ 3,988,582	\$ 22,039	\$ 4,010,621	\$ 29,605

See notes to financial statements

WYCLIFFE GLOBAL ALLIANCE

Statements of Cash Flows

	Year Ended September 30,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (216,306)	\$ (267,357)
Changes in operating assets and liabilities:		
Amounts due from staff and related entities	(25,738)	187,980
Promise to give from related entities	-	468,000
Other assets	7,651	12,769
Accounts payable and accrued expenses	(16,995)	(10,377)
Net Cash Provided (Used) by Operating Activities	<u>(251,388)</u>	<u>391,015</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(2,702,366)	(90,936)
Sale of investments	2,958,000	-
Change in amounts due to staff and related entities	(82,298)	(367,751)
Net Cash Provided (Used) by Investing Activities	<u>173,336</u>	<u>(458,687)</u>
Change in Cash and Cash Equivalents	(78,052)	(67,672)
Cash and Cash Equivalents, Beginning of Year	<u>117,594</u>	<u>185,266</u>
Cash and Cash Equivalents, End of Year	<u>\$ 39,542</u>	<u>\$ 117,594</u>

See notes to financial statements

WYCLIFFE GLOBAL ALLIANCE

Notes to Financial Statements

September 30, 2023 and 2022

1. NATURE OF ORGANIZATION:

Wycliffe Bible Translators International, Inc. d/b/a Wycliffe Global Alliance (the Alliance) is a Texas nonprofit corporation, exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Alliance is classified as a public organization under Section 509(a), and not a private foundation. Contributions to it are tax deductible within the limitations prescribed by the tax code. The Alliance does not have any physical offices and it operates fully virtually.

In November 2015, the new bylaws of the Alliance recognizing all organizations of the Alliance as one category of membership were officially passed. The organizations become known as Alliance Organizations (AOs) when they sign a covenant agreement with the Alliance.

The Alliance exists to encourage and facilitate greater partnership in reaching minority peoples with God's Word and message of hope in the languages they understand best. It promotes the efforts of the AOs (more than 100 AOs) as they engage with the worldwide Church in providing resources for Bible translation and related ministry around the globe. It also facilitates and encourages the work of participating AOs that lead Bible translation programs and serve language communities in their own nations. The Alliance and many of its AOs partner closely with Summer Institute of Linguistics, Inc. (SIL), which facilitates language based development and serves the people of the world through research, translation, and literacy.

The work of the Alliance is primarily carried out by staff that voluntarily joined an AO which assigned them to serve the Alliance. The Alliance's revenues consist primarily of contributions from AOs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

BASIS OF ACCOUNTING

The financial statements of the Alliance have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America.

RELATED ENTITIES

Related entities, not included in these financial statements due to their financial and administrative independence, are listed below:

- Wycliffe USA controls and has an economic interest in Wycliffe Foundation (WF), and therefore, the entity is consolidated into their financial statements. Wycliffe USA had control and an economic interest in the Wycliffe Seed Company Inc. (SC) through September 30, 2023. A vote of the board of SC eliminated the control of SC, and as of September 30, 2023, Wycliffe USA financials reflect the activity of SC through September 30, 2023, and a loss on deconsolidation to remove the balances from the consolidated statements of financial position.

WYCLIFFE GLOBAL ALLIANCE

Notes to Financial Statements

September 30, 2023 and 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

RELATED ENTITIES, continued

- Summer Institute of Linguistics, Inc. (SIL) advocates, builds capacity, and works with local communities to apply linguistic expertise that advances meaningful development, education, and engagement with Scripture. SIL's specialized contributions include linguistic research, orthography development, training in translation principles, literacy methods, mother tongue-based multilingual education, consultant help, and development of relevant tools and materials. JAARS, Inc. (JAARS) provides technical, logistic, and personnel support for field operations. SIL LEAD helps local, community-based organizations use their own language to improve their quality of life. SIL, JAARS, and SIL LEAD are consolidated for financial reporting purposes.
- RIA Charitable Investments Inc. (RIACII) exists to provide a pooled investment opportunity for certain Alliance Organizations.
- Seed Company Inc. (SC) works with local translators and international partner organizations as well as financial and prayer partners in a concentrated effort to make God's Word readily available for faster church planting, effective discipleship, and greater community transformation. These partnerships ensure the Scriptures are translated accurately and provided in the most accessible forms for maximum impact in the local communities.

ESTIMATES

The preparation of financial statements in accordance with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

CASH AND CASH EQUIVALENTS

Cash consists primarily of checking accounts deposited with financial institutions and a cash deposit with a related entity. From time to time, balances in these accounts may exceed federally insured limits. As of September 30, 2023 and 2022, the Alliance had no cash balances on deposit that exceeded federally insured limits, respectively.

CASH AND CASH EQUIVALENTS, continued

As of September 30, 2023 and 2022, the Alliance had \$28,408 and \$18,737, respectively, deposited with a related entity functioning as a money market account (see Note 5).

WYCLIFFE GLOBAL ALLIANCE

Notes to Financial Statements

September 30, 2023 and 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

INVESTMENTS

Investments consist of funds placed with RIACII and held with a third-party bank. RIACII operates as an investment pool available to certain AOs and SIL. Funds deposited with RIACII are invested in a variety of fixed income securities including U.S. Treasury issues, corporate bonds, and mortgage backed bonds, which borrow and pay in U.S. dollars. RIACII carries two investment pools.

The short-term portfolio functions similarly to a money market fund and pays interest at a stated rate, as determined from time to time by the board of directors, (4% and 2.5% for the years ended September 30, 2023 and 2022, respectively), to participants in proportion to the amount they have on deposit in the pool. The short-term portfolio is carried at cost, which is determined based on the value of actual deposits made plus accrued interest.

The long-term portfolio does not pay out interest, but allocates all net income or loss to the participant's deposit in the pool. The Alliance did not have any investments in the long-term pool as of September 30, 2023 or 2022. Investments held with a third-party bank consist of money market funds and various CD's ranging from 12-18 months.

Interest income earned and reinvested by the Alliance for the years ended September 30, 2023 and 2022, was \$150,138 and \$90,941, respectively, and is included in interest income on the statements of activities. As of September 30, 2023 and 2022, RIACII reported total assets with a fair value of approximately \$87,921,000 and \$87,788,000, respectively, of which the Alliance holds \$1,728,817 (2%) and \$4,246,526 (5%), respectively.

WYCLIFFE GLOBAL ALLIANCE

Notes to Financial Statements

September 30, 2023 and 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

NET ASSETS

The net assets of the Alliance are classified into net asset categories according to externally (donor) imposed restrictions as follows:

Net assets without donor restrictions include gifts for the general operations of the Alliance, funds designated for specific uses by the board of directors, and equity in property and equipment.

Net assets with donor restrictions include gifts for which donor-imposed restrictions have not been met, but for which the ultimate purpose of the proceeds is not restricted in perpetuity.

SUPPORT AND REVENUE

Support is recognized when cash is received, unconditional promises are made, and when ownership of donated assets is transferred. AOs assess contribution income at rates that range from 0% to 15%. Some of this assessment is passed to the Alliance as a contribution to be used for general and administrative expenses. This assessment contribution is classified as net assets without donor restrictions at the time the Alliance receives the contribution.

CONTRIBUTIONS OF NON-FINANCIAL ASSETS

The Alliance receives gift-in-kind (GIK) services in the form of contributed labor. GIK services are reported as contributions at their estimated fair value on the date of receipt and reported as expense when utilized. GIK are valued based upon estimates of fair market which is derived from The United States Bureau of Labor Statistics and regional salary adjustments based on the member's country of residence. These GIK are considered to create or enhance nonfinancial assets or require specialized skills that would typically need to be purchased if not contributed.

The value of contributed services received through AOs and assigned to the Alliance is \$1,540,866 and \$2,122,021 for the years ended September 30, 2023 and 2022, respectively. For the year ended September 30, 2023, \$663,943 was for staff performing management and general functions, and \$876,923 was for staff performing Bible translation promotion and related program functions. For the year ended September 30, 2022, \$707,810 was for staff performing management and general functions, and \$1,410,211 was for staff performing Bible translation promotion and related program functions.

WYCLIFFE GLOBAL ALLIANCE

Notes to Financial Statements

September 30, 2023 and 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

ALLOCATION OF EXPENSES

The costs of providing program and supporting services are allocated and summarized on a functional basis in the statements of activities. All expenses are recorded when incurred in accordance with the accrual basis of accounting. Labor costs are allocated between program and administration based on estimates of time. Other costs are allocated based on the nature of the activity.

FOREIGN CURRENCY

The financial activities of the area offices are recorded and maintained in U.S. dollars. Contributions received and expenses paid in foreign currencies are recorded in U.S. dollars using the exchange rate applicable on the date of the transactions. Any resulting gains or losses on currency exchanges are included in other income on the statements of activities. For the year ending September 30, 2023, total gains on currency exchanges were \$0. For the year ending September 30, 2022, total gains on currency exchanges were \$656. The statements of financial position reflects the value of foreign currency accounts in U.S. dollars using the exchange rate as of September 30, 2023 and 2022, respectively.

SUBSEQUENT EVENTS

Subsequent events have been evaluated through February 20, 2024, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.

WYCLIFFE GLOBAL ALLIANCE

Notes to Financial Statements

September 30, 2023 and 2022

3. LIQUIDITY AND FUNDS AVAILABLE:

The following reflects the Alliance's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts not available include amounts set aside for reserves designated by the board that could be drawn upon if the governing board approves that action.

	September 30,	
	<u>2023</u>	<u>2022</u>
Financial assets:		
Cash and cash equivalents	\$ 39,542	\$ 117,594
Amounts due from staff and related entities	52,350	26,612
Investments	3,990,892	4,246,526
	<u>4,082,784</u>	<u>4,390,732</u>
Less those unavailable for general expenditure within one year, due to:		
Donor-designated funds—training programs	(21,223)	(27,067)
Donor-designated funds—support services	(816)	(2,538)
Board-designated funds—global gathering conference	(665,673)	(665,673)
	<u>(687,712)</u>	<u>(695,278)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 3,395,072</u>	<u>\$ 3,695,454</u>

As part of the Alliance's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. As of September 30, 2023 and 2022, the Alliance has approximately \$665,000 of board-designated funds that could be liquidated upon approval from the board in support of general expenditures within one year.

WYCLIFFE GLOBAL ALLIANCE

Notes to Financial Statements

September 30, 2023 and 2022

4. NATURAL CLASSIFICATION OF EXPENSES:

The following consists of expenses by natural classification for the year ended September 30, 2023:

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Total Expenses</u>
Salary, benefits, and donated labor	\$ 872,112	\$ 876,012	\$ 1,748,124
Travel	157,737	380,233	537,970
Grants and contributions	24,897	67,200	92,097
Professional services	17,188	86,498	103,686
Facilities, equipment, and maintenance	681	49,429	50,110
Other	720	26,636	27,356
	<u>\$ 1,073,335</u>	<u>\$ 1,486,008</u>	<u>\$ 2,559,343</u>

The following consists of expenses by natural classification for the year ended September 30, 2022:

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Total Expenses</u>
Salary, benefits, and donated labor	\$ 1,423,990	\$ 937,405	\$ 2,361,395
Professional services	320,837	138,157	458,994
Facilities, equipment, and maintenance	55,267	95,137	150,404
Travel	11,242	73,696	84,938
Grants and contributions	32,731	38,168	70,899
Other	23,486	28,552	52,038
Training	25,105	17,647	42,752
	<u>\$ 1,892,658</u>	<u>\$ 1,328,762</u>	<u>\$ 3,221,420</u>

WYCLIFFE GLOBAL ALLIANCE

Notes to Financial Statements

September 30, 2023 and 2022

5. TRANSACTIONS WITH RELATED ENTITIES:

The Alliance had cash and investments with related entities as follows:

	September 30,	
	2023	2022
Cash:		
SIL	\$ 28,408	\$ 18,737
Investments:		
RIACII	1,728,817	4,246,526
	<u>\$ 1,757,225</u>	<u>\$ 4,265,263</u>

The Alliance had accounts receivable and payable with related entities as follows:

	September 30, 2023	
	Receivable	Payable
Alliance Organizations	\$ 31,703	\$ 607
SIL	-	-
Staff and other	20,647	2,653
	<u>\$ 52,350</u>	<u>\$ 3,260</u>

The Alliance received support from and provided support to various related entities. Such amounts included in revenue and expenses were as follows:

	Year Ended September 30, 2023	
	Received from	Provided to
Alliance Organizations	<u>\$ 2,181,853</u>	<u>\$ 84,288</u>

WYCLIFFE GLOBAL ALLIANCE

Notes to Financial Statements

September 30, 2023 and 2022

5. TRANSACTIONS WITH RELATED ENTITIES, continued:

The Alliance had accounts receivable and payable with related entities as follows:

	September 30, 2022	
	<u>Receivable</u>	<u>Payable</u>
Alliance Organizations	\$ 24,968	\$ 30,411
SIL	1,644	-
Staff and other	-	55,147
	<u>\$ 26,612</u>	<u>\$ 85,558</u>

The Alliance received support from and provided support to various related entities. Such amounts included in revenue and expenses were as follows:

	Year Ended September 30, 2022	
	<u>Received from</u>	<u>Provided to</u>
Alliance Organizations	<u>\$ 2,861,464</u>	<u>\$ 144,923</u>

WYCLIFFE GLOBAL ALLIANCE

Notes to Financial Statements

September 30, 2023 and 2022

6. NET ASSETS:

Net assets without donor restrictions consist of the following:

	September 30,	
	2023	2022
Undesignated	\$ 3,322,909	\$ 3,531,649
Board-designated—global gathering conference	665,673	665,673
	<u>\$ 3,988,582</u>	<u>\$ 4,197,322</u>

Net assets with donor restrictions consist of the following:

	September 30,	
	2023	2022
Training programs	\$ 21,223	\$ 27,067
Support services	816	2,538
	<u>\$ 22,039</u>	<u>\$ 29,605</u>