



WYCLIFFE BIBLE TRANSLATORS, INC.  
AND AFFILIATES

Combined Financial Statements  
With Independent Auditors' Report

September 30, 2011 and 2010

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Wycliffe Bible Translators, Inc.  
and Affiliates  
Orlando, Florida

We have audited the accompanying combined statements of financial position of Wycliffe Bible Translators, Inc. and Affiliates as of September 30, 2011 and 2010, and the related combined statements of activities and cash flows for the years then ended. These combined financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these combined financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the combined financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall combined financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Wycliffe Bible Translators, Inc. and Affiliates as of September 30, 2011 and 2010, and the changes in their net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2 to the combined financial statements, Wycliffe Bible Translators, Inc. and Affiliates adopted accounting standards that were effective for the year ended September 30, 2011.

*Capin Crouse LLP*

Atlanta, Georgia  
January 31, 2012

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Combined Statements of Financial Position

(in thousands of dollars)

	September 30,	
	2011	2010
<b>ASSETS:</b>		
Cash	\$ 1,450	\$ 1,021
Investments (Note 3)	76,938	87,093
Contributions receivable—net (Note 2)	410	651
Bequests receivable	2,383	495
Notes receivable (Note 4)	1,047	2,145
Amounts due from related entities (Note 7)	1,081	779
Other assets	1,279	916
Investments related to fiduciary agreements (Note 3)	18,122	19,133
Property and equipment—net of accumulated depreciation (Note 5)	40,815	42,054
Assets held for endowment (Note 13)	1,792	2,000
	<u>\$ 145,317</u>	<u>\$ 156,287</u>
<b>Total Assets</b>	<u>\$ 145,317</u>	<u>\$ 156,287</u>
<b>LIABILITIES AND NET ASSETS:</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 798	\$ 1,078
Deferred matching contribution revenue (Note 2)	477	-
Medical claims payable (Note 9)	1,300	1,300
Amounts due to related entities (Note 7)	788	745
Accrued compensation	7,593	7,555
Fiduciary agreements (Note 2)	12,227	12,897
<b>Total liabilities</b>	<u>23,183</u>	<u>23,575</u>
Net assets:		
Unrestricted:		
Undesignated	20,451	23,502
Equity in property and equipment—net	40,815	42,054
Board designated	13,967	14,618
Wycliffe Mobilization Center	-	(1,988)
<b>Total unrestricted</b>	<u>75,233</u>	<u>78,186</u>
Temporarily restricted (Note 8)	45,252	52,796
Permanently restricted (Note 8)	1,649	1,730
<b>Total net assets</b>	<u>122,134</u>	<u>132,712</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 145,317</u>	<u>\$ 156,287</u>

See notes to combined financial statements

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Combined Statement of Activities

(in thousands of dollars)

Year Ended September 30, 2011

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>OPERATING SUPPORT AND REVENUE:</b>				
Contributions	\$ 23,607	\$ 138,616	\$ 64	\$ 162,287
Service income	2,893	-	-	2,893
Interest and dividend income	2,212	214	-	2,426
Net gain on sale of property and equipment and property held for sale	674	-	-	674
Other	244	-	-	244
Net assets released from restrictions:				
Satisfaction of program restrictions	145,606	(145,461)	(145)	-
Expiration of time restrictions	456	(456)	-	-
<b>Total operating support and revenue</b>	<b>175,692</b>	<b>(7,087)</b>	<b>(81)</b>	<b>168,524</b>
<b>OPERATING EXPENSES:</b>				
Program services:				
Bible translation and related programs (Note 7)	139,277	-	-	139,277
Supporting services:				
General and administrative	20,104	-	-	20,104
Fund-raising	17,878	-	-	17,878
Total supporting services	37,982	-	-	37,982
<b>Total operating expenses</b>	<b>177,259</b>	<b>-</b>	<b>-</b>	<b>177,259</b>
 Change in net assets from operating activities	 (1,567)	 (7,087)	 (81)	 (8,735)
<b>NON-OPERATING ACTIVITIES:</b>				
Net realized/unrealized loss on investments	(391)	(287)	-	(678)
Change in value of fiduciary agreements	(995)	(170)	-	(1,165)
 Change in net assets from non-operating activities	 (1,386)	 (457)	 -	 (1,843)
 Change in Net Assets	 (2,953)	 (7,544)	 (81)	 (10,578)
 Net Assets, Beginning of Year	 78,186	 52,796	 1,730	 132,712
 Net Assets, End of Year	 \$ 75,233	 \$ 45,252	 \$ 1,649	 \$ 122,134

See notes to combined financial statements

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Combined Statement of Activities

(in thousands of dollars)

Year Ended September 30, 2010

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>OPERATING SUPPORT AND REVENUE:</b>				
Contributions	\$ 23,282	\$ 127,832	\$ 95	\$ 151,209
Service income	2,859	-	-	2,859
Interest and dividend income	2,784	69	-	2,853
Net loss on sale of property and equipment and property held for sale	(70)	-	-	(70)
Other	649	-	-	649
Net assets released from restrictions:				
Satisfaction of program restrictions	139,719	(139,719)	-	-
Expiration of time restrictions	721	(721)	-	-
<b>Total operating support and revenue</b>	<b>169,944</b>	<b>(12,539)</b>	<b>95</b>	<b>157,500</b>
<b>OPERATING EXPENSES:</b>				
Program services:				
Bible translation and related programs (Note 7)	131,658	-	-	131,658
Supporting services:				
General and administrative	21,187	-	-	21,187
Fund-raising	17,131	-	-	17,131
Total supporting services	38,318	-	-	38,318
<b>Total operating expenses</b>	<b>169,976</b>	<b>-</b>	<b>-</b>	<b>169,976</b>
 Change in net assets from operating activities	 (32)	 (12,539)	 95	 (12,476)
<b>NON-OPERATING ACTIVITIES:</b>				
Net realized/unrealized gain (loss) on investments	145	(155)	-	(10)
Change in value of fiduciary agreements	185	25	-	210
 Change in net assets from non-operating activities	 330	 (130)	 -	 200
 Change in Net Assets	 298	 (12,669)	 95	 (12,276)
Net Assets, Beginning of Year	77,888	65,465	1,635	144,988
Net Assets, End of Year	<u>\$ 78,186</u>	<u>\$ 52,796</u>	<u>\$ 1,730</u>	<u>\$ 132,712</u>

See notes to combined financial statements

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Combined Statements of Cash Flows

(in thousands of dollars)

	Year Ended September 30,	
	2011	2010
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ (10,578)	\$ (12,276)
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	2,425	2,533
(Gain) loss on disposal of property and equipment and property held for sale	(674)	70
Gifts-in-kind	(1,725)	(2,274)
Net realized/unrealized loss on sale of investments	678	10
Change in value of trust agreements	170	(25)
Actuarial change in annuities, net of payments	1,043	540
Contributions restricted for endowment	(64)	(95)
Changes in assets and liabilities:		
Contributions receivable	241	(651)
Bequests receivable	(1,888)	(300)
Amounts due from related entities	(302)	(110)
Other assets	(363)	(156)
Accounts payable, accrued expenses and medical claims payable	(280)	506
Deferred matching contribution revenue	477	-
Amounts due to related entities	43	(77)
Accrued compensation	38	444
Amounts due other remaindermen	(266)	137
Net Cash Used by Operating Activities	(11,025)	(11,724)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of investments	(16,504)	(53,592)
Proceeds from sale of investments and gift-in-kind stock	27,235	66,335
Payments received on notes receivable	1,098	207
Purchase of property and equipment	(719)	(751)
Proceeds from sale of property and equipment and property held for sale	1,897	96
Net Cash Provided by Investing Activities	13,007	12,295
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from new fiduciary agreements	700	438
Investment income from trust agreements	(425)	332
Payments on fiduciary agreements	(1,892)	(1,534)
Contributions restricted for endowment	64	95
Net Cash Used by Financing Activities	(1,553)	(669)
Net Change in Cash	429	(98)
Cash, Beginning of Year	1,021	1,119
Cash, End of Year	\$ 1,450	\$ 1,021

See notes to combined financial statements

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2011 and 2010

1. NATURE OF ORGANIZATION:

Wycliffe Bible Translators, Inc. (Wycliffe USA) is an interdenominational non-profit missionary organization with the goal of forwarding, in every way possible, the translation of the Word of God into all those languages of the world where it is needed. Wycliffe USA makes known to the Christian community the opportunities for service, the need for financial and prayer support, and encourages Christians to join with it in bringing God's Word to ethnic groups around the world. Wycliffe USA is a member of Wycliffe Global Alliance, an association of forty-five Member Organizations and sixty other Partner Organizations, which carry out similar work throughout the world.

Support for Wycliffe USA's ministry comes primarily from donor contributions. Wycliffe USA is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and comparable state law and is classified as a publicly supported organization, which is not a private foundation, under Section 509(a)(1) of the Code.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

**PRINCIPLES OF COMBINATION**

This report presents the financial position, changes in net assets and cash flows of Wycliffe USA and its controlled affiliates, The Wycliffe Seed Company (TSC), Moss Park Holdings (MPH) and the Wycliffe Bible Translation Foundation (Wycliffe Foundation). Significant transactions and balances between the organizations have been eliminated for combined financial statement purposes.

TSC, a California non-profit corporation, 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.

MPH is a Florida for-profit corporation invested in a limited partnership. MPH has a right to 20% of the profits on sales of land owned by the limited partnership. The purposes of the limited partnership are to take title to property, develop the land in accordance with a master plan, finance such development and ultimately dispose of the land and improvements.

The Wycliffe Foundation is a California non-profit corporation headquartered in Orlando, Florida. It supports 501(c)(3) tax-exempt organizations that are involved in Bible translation by engaging in gift planning services and planned gift administration. Some of the planned giving instruments that are used by Wycliffe Foundation include wills, annuities, trusts, endowments and donor-advised funds.

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2011 and 2010

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### PRINCIPLES OF COMBINATION, continued

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

- Wycliffe Associates, Inc. (WA) is committed to involving people in the advancement of Bible translation worldwide through programs of prayer, financial stewardship and international volunteer service opportunities.
- Summer Institute of Linguistics, Inc. (SIL) provides training programs for linguists and supports the study of and translation into the less known and unwritten languages in the world. It also promotes literacy development in these languages.
- JAARS, Inc. provides technical, logistic and personnel support for field operations.
- Graduate Institute of Applied Linguistics is a graduate professional institute that provides training and research opportunities in such areas as linguistics, language and culture learning, language assessment and development, literacy, and Bible translation and equips students with the skills to train and serve others.

#### MEMBERS

The work of Wycliffe USA is primarily carried out by approximately 3,700 individuals who voluntarily joined the organization. Individual members are responsible for identifying a supporting constituency. To facilitate their work, the organization provides, on a cost basis, a variety of services for these members.

#### BASIS OF ACCOUNTING

Wycliffe USA maintains its accounts and prepares its combined financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

#### ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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 those estimates.

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2011 and 2010

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### CASH

Cash includes checking, savings and money market accounts deposited with FDIC-insured financial institutions. Certain accounts that meet the definition of cash but are part of a larger pool of investments are included in investments. From time to time, Wycliffe USA has cash deposits in excess of federally insured limits; however, Wycliffe USA has not experienced any losses on these accounts and does not believe that it is exposed to any significant credit risk. Wycliffe USA performs ongoing evaluations of the financial institutions to limit its concentration of credit risk exposure.

#### INVESTMENTS AND INVESTMENTS RELATED TO FIDUCIARY AGREEMENTS

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at fair value on the combined statements of financial position. Pooled funds are recorded at cost plus accrued interest. Land and building and limited partnership interests are recorded at the lower of cost or estimated market value. Realized and unrealized gains and losses are recorded as non-operating gain or loss on the combined statements of activities. Investment income is reported as unrestricted unless specifically restricted by donors or by law.

#### BEQUESTS RECEIVABLE

Bequests receivable, that have been approved by the probate court and are measurable, are recorded at net realizable value. In most cases, proceeds are expected to be received within one year.

#### CONTRIBUTIONS RECEIVABLE

Unconditional promises to give are recognized as income and contributions receivable in the period received. Conditional promises to give are recognized as income when the conditions on which they depend are substantially met. There is no allowance or discount applied to the contributions receivable in anticipation of these amounts being received in less than one year.

#### PROPERTY AND EQUIPMENT

Property and equipment are stated at cost. Expenditures for property and equipment in excess of minimum threshold amount of \$5,000 are capitalized at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the depreciable assets as follows:

Buildings	10 to 40 years
Equipment	3 to 10 years
Furniture & Fixtures	7 to 10 years

#### DEFERRED MATCHING CONTRIBUTION REVENUE

Deferred revenue consists of funds received by TSC with donor stipulations that matching contributions be raised in order to retain the gift. Contribution revenue is recognized as matching funds are raised. During 2011, TSC received approximately \$558,000 in matching funds for certain translation projects that must be raised within a three year period. As of September 30, 2011, approximately \$81,000 in matching gifts had been raised.

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2011 and 2010

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### FIDUCIARY AGREEMENTS

Fiduciary agreements, administered by Wycliffe Foundation, represent the long-term liability of Wycliffe USA for charitable gift annuity contracts, revocable charitable trusts and charitable remainder trusts. Fiduciary agreement assets are recognized on the basis of their fair market value and reported as investments related to fiduciary agreements. The total liabilities under fiduciary agreements were as follows (in thousands):

	September 30,	
	2011	2010
Charitable gift annuity contracts	\$ 7,077	\$ 7,172
Revocable charitable trusts	1,505	1,540
Charitable remainder trusts	2,210	2,484
Amount due to other remaindermen	1,435	1,701
	<u>\$ 12,227</u>	<u>\$ 12,897</u>

Wycliffe USA has a charitable gift annuity program whereby donors may contribute assets to Wycliffe USA for the right to receive a fixed dollar annual return during their lifetime. A portion of the transfer is considered to be a charitable contribution for income tax purposes. The difference between the amount provided for the gift annuity and the discounted liability for future payments, determined on an actuarial basis, is recognized as contribution income at the date of the gift. Upon the death of the annuitant, income distributions cease. The actuarial liability for annuities payable is calculated annually using published mortality rate tables adopted by the Internal Revenue Service at an assumed rate of return of 6%. The resulting actuarial gain of approximately \$405,000 and \$625,000 in 2011 and 2010, respectively, is included in unrestricted change in value of fiduciary agreements on the combined statements of activities. Certain states require that Wycliffe USA maintain reserve funds adequate to meet the future payments under its outstanding annuity contracts. Wycliffe USA has separately invested funds sufficient to meet state requirements.

As trustee, Wycliffe USA administers revocable trusts that provide a beneficial interest to Wycliffe USA and other beneficiaries at the grantor's death. Net investment income from trust assets is paid to the grantor or designated beneficiaries. Because the trusts are revocable at the discretion of the grantor, the principal amounts are recorded as liabilities. Upon the death of the donor, the trust assets become the property of Wycliffe USA and are recognized as donations at that time. Any portion of a trust designated for other beneficiaries will be distributed in accordance with the trust agreement.

Wycliffe USA also administers irrevocable charitable remainder trusts. The trusts provide the payment of lifetime distributions to the donor or other designated beneficiaries. The present value of the estimated future payments is calculated using a discount rate of 5.6% and applicable mortality tables. At the death of the beneficiaries, the remaining assets are available for use by Wycliffe USA. The present value of the remainder interest of Wycliffe USA is reported as temporarily restricted contributions in the period received and as temporarily restricted net assets until a reclassification to unrestricted net assets is made, upon maturity of the trust. Investments related to trust agreements totaled approximately \$6,208,000 and 6,419,000 as of September 30, 2011 and 2010, respectively.

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2011 and 2010

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### NET ASSETS

The net assets of Wycliffe USA are classified into net asset categories according to externally (donor or legal) imposed restrictions as follows:

*Unrestricted net assets* include gifts for the general operations of Wycliffe USA, amounts designated by the Board for specific use and those resources invested in property and equipment.

*Temporarily restricted net assets* include gifts for which donor-imposed or timing restrictions have not been met, but for which the ultimate purpose of the proceeds is not permanently restricted.

*Permanently restricted net assets* include gifts for which donor-imposed restrictions do not expire by the passage of time or cannot be fulfilled or removed by actions of Wycliffe USA pursuant to those stipulations.

#### REVENUE

Revenue is recognized when earned and support when contributions are made, which may be when cash is received, or when ownership of other assets is transferred to Wycliffe USA. Conditional promises received are not included as revenue until the conditions are substantially met. Bequests are recorded as income at the time Wycliffe USA has an established right to the bequest and the proceeds are measurable. Service income represents amounts received from members and affiliated entities for housing, printing and other related services.

Contribution income to Wycliffe USA is subject to a ten percent (10%) assessment and contribution income to TSC translation projects is subject to a nineteen percent (19%) assessment, which are used for general and administrative and fund-raising expenses. These assessments are reclassified from temporarily restricted to unrestricted net assets at the time the contribution is received.

#### CONTRIBUTED GOODS AND SERVICES

Contributed goods are recorded at fair market value at the time of donation. Contributed services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by Wycliffe USA. Approximately \$185,000 and \$439,000 in contributed services was recognized as revenue and included in construction and construction in progress in 2011 and 2010, respectively. In addition, approximately \$116,000 and \$144,000 in contributed services was recognized as revenue and included in general and administrative expense in 2011 and 2010, respectively. Volunteers also provided other services throughout the year that are not recognized as contributions in the combined financial statements because the recognition criteria were not met.

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2011 and 2010

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### ALLOCATION OF EXPENSES

Expenses are recorded when incurred in accordance with the accrual basis of accounting. The costs of providing various program services and supporting activities of the organization have been summarized on a functional basis in the combined statements of activities. Accordingly, certain costs have been allocated among the program services and activities benefited. Wycliffe USA incurred joint costs of approximately \$17,760,000 and \$16,415,000 for members in training or on furlough for 2011 and 2010, respectively. Joint costs are costs incurred in activities that involve a combination of fund-raising and program and/or management and general activities. Of these costs, 25% was allocated to fund-raising and 75% to Bible translation and related programs.

#### UNCERTAIN TAX POSITIONS

The financial statement effects of a tax position taken or expected to be taken are recognized in the combined financial statements when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. Interest and penalties, if any, are included in expenses in the combined statements of activities. As of September 30, 2011, Wycliffe USA had no uncertain tax positions that qualify for recognition or disclosure in the combined financial statements.

#### RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

In January 2010, the FASB issued ASU No. 2010-06, *Improving Disclosures about Fair Value Measurements*. This amends the *Fair Value Measurement and Disclosures* topic of the ASC to require additional disclosures. Effective for years beginning after December 15, 2009, the guidance requires entities to disclose transfers of assets in and out of Levels 1 and 2 of the fair value hierarchy, and the reasons for those transfers, and to report fair values based on class rather than category. Effective for years beginning after December 15, 2010, the guidance requires separate presentation of purchases and sales in the Level 3 asset reconciliation. Wycliffe USA adopted ASU 2010-06 effective September 30, 2011. The only impact was inclusion of additional disclosures in Note 11.

#### RECLASSIFICATIONS

Certain amounts in the 2010 combined financial statements have been reclassified to conform to the 2011 presentation.

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2011 and 2010

### 3. INVESTMENTS:

Wycliffe USA's investments consist of the following (in thousands):

	September 30,	
	2011	2010
Investments at fair value:		
Cash and cash equivalents	\$ 269	\$ 281
Money market mutual funds	498	7,595
Stocks	244	498
Mutual funds	7,488	5,892
Corporate bonds	8,061	8,175
U.S. Government securities	9,860	14,248
	<u>26,420</u>	<u>36,689</u>
Investments at lower of cost or estimated market value:		
Pooled funds	48,478	47,792
Accrued interest	100	143
Investment in limited partnership *	-	-
Land and buildings	3,732	4,469
	<u>78,730</u>	<u>89,093</u>
Less: assets held for endowment	<u>(1,792)</u>	<u>(2,000)</u>
	<u>\$ 76,938</u>	<u>\$ 87,093</u>

Investments related to fiduciary agreements consist of the following (in thousands):

	September 30,	
	2011	2010
Investments at fair value:		
Cash and cash equivalents	\$ 466	\$ 384
Money market mutual funds	221	543
Mutual funds	10,008	10,976
Corporate bonds	3,025	2,803
U.S. Government securities	1,837	1,635
	<u>15,557</u>	<u>16,341</u>
Investments at lower of cost or estimated market value:		
Accrued interest	43	40
Pooled funds	2,522	2,752
	<u>\$ 18,122</u>	<u>\$ 19,133</u>

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2011 and 2010

3. INVESTMENTS, continued:

Investments in pooled funds represent Wycliffe USA's funds that are combined with funds from other entities for investment purposes in an investment pool owned and operated by SIL. The funds are invested by SIL in a variety of fixed income securities including U.S. Treasury issues, corporate bonds, foreign domestic bonds which borrow and pay in U.S. dollars and certificates of deposit. The deposits are carried at the value of actual deposits made plus accrued interest. The deposits earn interest at a stated rate, which was 3.75% as of September 30, 2011 and 2010 (interest recorded in the combined statements of activities for 2011 and 2010 was approximately \$1,584,000 and 1,618,000, respectively). Credit risk is the failure of another party to perform in accordance with the contract terms. Wycliffe USA is exposed to credit risk for the amount invested in the pool.

\* As of September 30, 2011 and 2010, the limited partnership that MPH invested in had a negative overall equity position. Due to MPH's status as a limited partner, the investment in limited partnership was written down to zero to properly reflect the estimated market value of its limited partnership interest.

4. NOTES RECEIVABLE:

Notes receivable consist of the following (in thousands):

	September 30,	
	2011	2010
Notes receivable issued for members who have at least three months of arrears balances. Bears interest at RIA Rate of 3.75% plus 2% (5.75% total). Principal and interest payments are due monthly through the terms of the member loan.	\$ 10	\$ -
Notes receivable secured by deed of trust. Bears interest at 6%. Principal and interest payments totaling approximately \$14,000 are due monthly through December 13, 2011, at which time the remaining balance of principal and interest shall become due. This note was paid off early in August 2011.	-	1,095
Notes receivable secured by deed of trust. Bears interest at 7%. Principal and interest payments totaling approximately \$10,000 are due monthly through August 1, 2024, at which time the remaining balance of principal and interest shall become due.	1,037	1,050
	<u>\$ 1,047</u>	<u>\$ 2,145</u>

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2011 and 2010

5. PROPERTY AND EQUIPMENT :

Property and equipment consist of the following (in thousands):

	September 30,	
	2011	2010
Land and land improvements	\$ 4,662	\$ 4,618
Buildings	46,420	46,420
Equipment	5,925	5,403
Furniture and fixtures	4,438	4,412
	<u>61,445</u>	<u>60,853</u>
Less accumulated depreciation	(21,317)	(18,965)
	<u>40,128</u>	<u>41,888</u>
Construction in progress	687	166
	<u>\$ 40,815</u>	<u>\$ 42,054</u>

6. OPERATING LEASES:

TSC has five leases, which require monthly payments totaling approximately \$30,000. Wycliffe USA has three leases, which require monthly payments totaling approximately \$3,000. Rental expense for leased facilities for TSC and Wycliffe USA was approximately \$325,000 for the years ended September 30, 2011 and 2010. Minimum future rentals as of September 30, 2011, are as follows (in thousands):

<u>Years ending September 30,</u>	
2012	\$ 238
2013	291
2014	272
2015	302
2016	<u>26</u>
	<u>\$ 1,129</u>

7. TRANSACTIONS WITH RELATED ENTITIES:

Wycliffe USA had amounts due from related entities as follows (in thousands):

	September 30,	
	2011	2010
Members	\$ 673	\$ 515
SIL and its affiliates	336	137
Other U.S. affiliates	72	127
	<u>\$ 1,081</u>	<u>\$ 779</u>

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2011 and 2010

7. TRANSACTIONS WITH RELATED ENTITIES, continued:

Wycliffe USA had amounts due to related entities as follows (in thousands):

	September 30,	
	2011	2010
Members	\$ 566	\$ 609
SIL and its affiliates	213	136
Other U.S. affiliates	9	-
	<u>\$ 788</u>	<u>\$ 745</u>

Wycliffe USA received support from various related entities. Such amounts are included in revenue and were received as follows (in thousands):

	For the Year Ended September 30,	
	2011	2010
SIL and its affiliates	\$ 425	\$ 407
Other U.S. affiliates	2,805	3,011
	<u>\$ 3,230</u>	<u>\$ 3,418</u>

Of the total amounts received from affiliates, approximately \$104,000 and \$101,000 for the years ended 2011 and 2010, respectively, are donated services related to members assigned to Wycliffe USA and TSC from affiliated entities.

Wycliffe USA provided support to various related entities. Such amounts are included in program services and were provided as follows (in thousands):

	For the Year Ended September 30,	
	2011	2010
SIL and its affiliates	\$ 111,501	\$ 111,781
Other U.S. affiliates	6,969	5,492
	<u>\$ 118,470</u>	<u>\$ 117,273</u>

Of the total amounts provided to affiliates, approximately \$80,549,000 and \$81,986,000, for the years ended 2011 and 2010, respectively, are non-cash donations related to members assigned to affiliated entities.

Wycliffe USA and WA entered into a 99 year lease with a 90-day rescindment clause. Under this lease, WA rents office space from Wycliffe USA at a cost of \$1 per square foot. As a result of this agreement, Wycliffe USA has recorded the fair rental value of approximately \$570,000 and \$482,000 in non-cash rental income and program services for donated rent contributed to WA for the years ended September 30, 2011 and 2010, respectively.

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2011 and 2010

### 8. NET ASSETS:

Temporarily restricted net assets consist of the following (in thousands):

	September 30,	
	2011	2010
TSC:		
Purpose restricted:		
Training Center	\$ -	\$ 241
Language projects and translations	14,547	12,435
	<u>14,547</u>	<u>12,676</u>
Wycliffe USA:		
Purpose restricted:		
Projects	20,893	32,011
Time restricted:		
Irrevocable trusts	1,658	1,828
Other donor agreements	5,771	5,786
Bequests receivable	2,383	495
	<u>30,705</u>	<u>40,120</u>
	<u>\$ 45,252</u>	<u>\$ 52,796</u>

Permanently restricted net assets consist of the amounts available for investment in perpetuity, the income from which is restricted for (in thousands):

	September 30,	
	2011	2010
Supplemental income funds	\$ 473	\$ 479
Supplemental retirement funds	589	601
Scholarship funds	587	583
Member support funds	-	67
	<u>\$ 1,649</u>	<u>\$ 1,730</u>

### 9. HEALTH INSURANCE:

Wycliffe USA provides health insurance to its members limited to an annual maximum of \$750,000 per covered individual. Wycliffe USA's net cost under this program and accruals for known and incurred but not reported claims are reported as medical claims payable in the accompanying combined financial statements. This reserve is based on an estimate of outstanding claims at September 30. However, the actual liability is unknown and exposure to losses in excess of the accrued reserve may exist. Management believes that the liability reflected as medical claims payable in the combined statements of financial position is adequate to cover future losses.

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2011 and 2010

### 10. EMPLOYEE RETIREMENT PLAN:

Wycliffe USA provides non-member employees the opportunity to participate in a 403(b) retirement plan that includes matching contributions. Eligible employees are those who have completed 3 months of service and work 20 or more hours per week. Eligible employees can designate a portion of their salary to fund their retirement account and Wycliffe USA matches those contributions dollar for dollar up to 2.5% of compensation. For the years ended September 30, 2011 and 2010, contributions by Wycliffe USA were approximately \$113,000 and \$92,000, respectively.

TSC has established a 403(b) retirement plan. TSC matches employee contributions at 100% up to 2% of annual salary and contributes another 3% of salary beyond the match. Employees are eligible for the plan after completely satisfying the earnings requirement and service requirements. Employees are vested gradually over a two year period. For the years ended September 30, 2011 and 2010, TSC contributed approximately \$122,000 and \$71,000, respectively, to this plan.

### 11. DISCLOSURE OF FAIR VALUE OF FINANCIAL INSTRUMENTS AND FAIR VALUE

#### MEASUREMENTS:

The following disclosure of estimated fair value of financial instruments is made in accordance with the *Financial Instruments* topic of the FASB ASC. The estimated fair value amounts have been determined by Wycliffe USA using available market information and appropriate valuation methodologies.

The estimated fair values of Wycliffe USA's financial instruments are as follows (in thousands):

	September 30, 2011		September 30, 2010	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Assets:				
Cash	\$ 1,450	\$ 1,450	\$ 1,021	\$ 1,021
Investments	76,938	76,938	87,093	87,093
Notes receivable	1,047	1,047	2,145	2,145
Investments related to fiduciary agreements	18,122	18,122	19,133	19,133
Assets held for endowment	1,792	1,792	2,000	2,000
Liabilities:				
Accounts payable and accrued expenses	\$ 798	\$ 798	\$ 1,078	\$ 1,078
Fiduciary agreements	12,227	12,227	12,897	12,897

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2011 and 2010

### 11. DISCLOSURE OF FAIR VALUE OF FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS, continued:

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash, notes receivable, accounts payable and notes payable: The carrying amounts approximate fair value due to the short-term maturity of these instruments.

Common stock, money markets, mutual funds and U.S. Government securities: The fair value of these financial instruments is based on quoted market prices or dealer quotes, when available. The fair value of restricted corporate stock is based on Wycliffe USA's estimated fair market value at an estimated selling cost.

Corporate bonds: The fair value of these financial instruments is based on yields currently available on comparable securities of issuers with similar credit ratings.

Fiduciary agreements: The fair value is based on the present value of future cash flows to annuitants, income beneficiaries and other remaindermen, respectively, using published mortality rate tables adopted by the IRS at an assumed rate of return of 5.6 - 6%.

Wycliffe USA uses appropriate valuation techniques to determine fair value based on inputs available. When available, Wycliffe USA measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs were not available. Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority.

Changes in methods and assumptions: None.

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2011 and 2010

### 11. DISCLOSURE OF FAIR VALUE OF FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS, continued:

Fair values of assets measured on a recurring basis are as follows (in thousands):

	September 30, 2011			Total
	Level 1	Level 2	Level 3	
<b>Investments:</b>				
Money market mutual funds	\$ 498	\$ -	\$ -	\$ 498
Corporate bonds	-	8,061	-	8,061
U.S. Government securities	9,860	-	-	9,860
<b>Mutual funds:</b>				
Bond funds	706	-	-	706
Real estate funds	90	-	-	90
Large cap funds	6,101	-	-	6,101
Mid cap funds	415	-	-	415
Small cap funds	176	-	-	176
	<u>7,488</u>	<u>-</u>	<u>-</u>	<u>7,488</u>
<b>Common stocks:</b>				
Technology	35	-	-	35
Industrials	85	-	20	105
Healthcare	29	-	-	29
Financial services	25	-	-	25
Consumer defensive	50	-	-	50
	<u>224</u>	<u>-</u>	<u>20</u>	<u>244</u>
	<u>\$ 18,070</u>	<u>\$ 8,061</u>	<u>\$ 20</u>	<u>\$ 26,151</u>
<b>Investments related to fiduciary agreements:</b>				
Money market mutual funds	\$ 221	\$ -	\$ -	\$ 221
Corporate bonds	-	3,025	-	3,025
U.S. Government securities	1,837	-	-	1,837
<b>Mutual funds:</b>				
Bond funds	1,816	-	-	1,816
Real estate funds	295	-	-	295
Large cap funds	6,153	-	-	6,153
Mid cap funds	1,254	-	-	1,254
Small cap funds	490	-	-	490
	<u>10,008</u>	<u>-</u>	<u>-</u>	<u>10,008</u>
	<u>\$ 12,066</u>	<u>\$ 3,025</u>	<u>\$ -</u>	<u>\$ 15,091</u>

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2011 and 2010

### 11. DISCLOSURE OF FAIR VALUE OF FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS, continued:

	September 30, 2010			
	Level 1	Level 2	Level 3	Total
Investments:				
Money market mutual funds	\$ 7,595	\$ -	\$ -	\$ 7,595
Stocks	418	-	80	498
Mutual funds	5,892	-	-	5,892
Corporate bonds	-	8,175	-	8,175
U.S. Government securities	14,248	-	-	14,248
	<u>\$ 28,153</u>	<u>\$ 8,175</u>	<u>\$ 80</u>	<u>\$ 36,408</u>
Investments related to fiduciary agreements:				
Money market mutual funds	\$ 543	\$ -	\$ -	\$ 543
Mutual funds	10,976	-	-	10,976
Corporate bonds	-	2,803	-	2,803
U.S. Government securities	1,635	-	-	1,635
	<u>\$ 13,154</u>	<u>\$ 2,803</u>	<u>\$ -</u>	<u>\$ 15,957</u>

The following table provides further details of the Level 3 fair value measurements (in thousands):

	September 30,	
	2011	2010
Balance, beginning of year	\$ 80	\$ 285
Total unrealized losses included in changes in net assets	(60)	(205)
Balance, end of year	<u>\$ 20</u>	<u>\$ 80</u>

### 12. PROJECT FUNDING COMMITMENTS:

In the normal course of business, TSC makes commitments to sponsor Bible translation projects carried on by related and foreign organizations. The sponsorships are conditional on approval of the organization's project proposal, receiving periodic progress and financial reports, and satisfactory progress toward project goals as outlined in the sponsorship agreements. The sponsorship commitments represent expected disbursements based on approved project budgets, and may vary based on currency exchange rates, staffing changes, inflationary factors and/or significant changes in the project as reported per the project agreements. At September 30, 2011, TSC had approximately \$1,212,000 remaining to be disbursed under these sponsorship agreements.

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2011 and 2010

13. ENDOWMENT FUNDS:

Wycliffe USA, through services provided by Wycliffe Foundation, administers thirteen individual donor-restricted endowment funds established for a variety of purposes. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Wycliffe USA has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, Wycliffe USA classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, Wycliffe USA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the organization
7. The investment policies of the organization

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2011 and 2010

13. ENDOWMENT FUNDS, continued:

Changes in endowment net assets for the year ended September 30, 2011 (in thousands):

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, October 1, 2010	\$ -	\$ 270	\$ 1,730	\$ 2,000
Investment return:				
Interest and dividend income	-	36	-	36
Realized and unrealized losses	-	(27)	-	(27)
Investment fees	-	(6)	-	(6)
Total investment return	-	3	-	3
Contributions	-	-	64	64
Release from restriction	-	-	(145)	(145)
Appropriation of endowment assets for expenditure	-	(130)	-	(130)
Endowment net assets, September 30, 2011	\$ -	\$ 143	\$ 1,649	\$ 1,792

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2011 and 2010

13. ENDOWMENT FUNDS, continued:

Changes in endowment net assets for the year ended September 30, 2010 (in thousands):

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, October 1, 2009	\$ -	\$ 228	\$ 1,635	\$ 1,863
Investment return:				
Interest and dividend income	-	53	-	53
Realized and unrealized gains	-	40	-	40
Investment fees	-	(5)	-	(5)
Total investment return	-	88	-	88
Contributions	-	-	95	95
Appropriation of endowment assets for expenditure	-	(46)	-	(46)
Endowment net assets, September 30, 2010	<u>\$ -</u>	<u>\$ 270</u>	<u>\$ 1,730</u>	<u>\$ 2,000</u>

Description of amounts classified as permanently restricted net assets and temporarily restricted net assets (endowment only) (in thousands):

	<u>September 30,</u>	
	<u>2011</u>	<u>2010</u>
Permanently restricted net assets:		
The portion of perpetual endowment funds that is required to be retained permanently either by explicit donor stipulations or by UPMIFA	<u>\$ 1,649</u>	<u>\$ 1,730</u>
Temporarily restricted net assets:		
Term endowment funds	\$ 87	\$ 134
The portion of perpetual endowment funds subject to a purpose restriction either by explicit donor stipulations or by UPMIFA	<u>56</u>	<u>136</u>
	<u>\$ 143</u>	<u>\$ 270</u>

# WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2011 and 2010

13. ENDOWMENT FUNDS, continued:

Funds with deficiencies: From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires Wycliffe USA to retain as a fund of perpetual duration. There were no deficiencies at September 30, 2011 and 2010.

Return objectives and risk parameters: Wycliffe USA has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under this policy the endowment assets are invested in a manner that focuses on long-term capital appreciation while achieving relatively predictable and modest current income requirements.

Strategies employed for achieving objectives: To satisfy its long-term rate-of-return objectives, Wycliffe USA relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Wycliffe USA targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending policies and how the investment objectives relate to spending policy: Wycliffe USA has a policy of appropriating for distribution each year the earnings stipulated in each individual endowment agreement. In establishing this policy, Wycliffe USA considered the long-term expected return on its endowment. Accordingly, over the long term, Wycliffe USA expects the current spending policy to allow its endowment to grow. This is consistent with Wycliffe USA's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

14. FUNCTIONAL RECLASSIFICATIONS:

During 2011, TSC reviewed its functional expense allocations and its interpretation of the definition of fund-raising and management and general expenses under financial accounting standards. Based on this review, certain joint operating expenses were identified as program related that had been previously reported as fund-raising and management and general. Accordingly, reclassifications have been made to functional expenses during the year ended September 30, 2011, and related reclassifications have been made to the prior year amounts.

During 2011, Wycliffe USA reviewed its functional expense allocations for internal revenue offsets to related expenses and member labor. Based on this review, certain reclassifications have been made to functional expenses during the year ended September 30, 2011, and related reclassifications have been made to the prior year amounts. The impact of the reclassification on the prior year was to decrease program expenses by 5% and to increase general and administrative and fund-raising expenses by 3% and 2%, respectively.

15. SUBSEQUENT EVENTS:

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

## **SUPPLEMENTARY DATA**

**INDEPENDENT AUDITORS' REPORT  
ON SUPPLEMENTAL INFORMATION**

Board of Directors  
Wycliffe Bible Translators, Inc.  
and Affiliates  
Orlando, Florida

We have audited the combined financial statements of Wycliffe Bible Translators, Inc. and Affiliates as of and for the years ended September 30, 2011 and 2010, and our report thereon dated January 31, 2012, which expresses an unqualified opinion on the combined financial statements as a whole, appears on page 1. Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining statements of financial position and the combining statements of activities are presented for purposes of additional analysis of the combined financial statements, rather than to present financial position, results of operations, and cash flows of the individual companies, and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

*Capin Crouse LLP*

Atlanta, Georgia  
January 31, 2012

## WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

### Combining Statement of Financial Position

(in thousands of dollars)

September 30, 2011

	Wycliffe Bible Translators	Wycliffe Foundation	The Seed Company	Moss Park Holdings	Reclassifications/ Eliminations	Total
<b>ASSETS:</b>						
Cash	\$ 609	\$ 254	\$ 572	\$ 15	\$ -	\$ 1,450
Investments	47,924	549	22,852	6	5,607	76,938
Contributions receivable-net	-	-	410	-	-	410
Bequests receivable	2,383	-	-	-	-	2,383
Notes receivable	1,047	-	-	-	-	1,047
Amounts due from affiliated entities	1,086	-	601	-	(606)	1,081
Other assets	871	1	407	-	-	1,279
Investments related to trust agreements	-	-	-	-	18,122	18,122
Property and equipment-net of accumulated depreciation	40,448	2	365	-	-	40,815
Beneficial interest in agreements managed by WF	12,917	-	398	-	(13,315)	-
Amounts held for others	-	25,542	-	-	(25,542)	-
Assets held for endowment	-	-	-	-	1,792	1,792
<b>Total Assets</b>	<b>\$ 107,285</b>	<b>\$ 26,348</b>	<b>\$ 25,605</b>	<b>\$ 21</b>	<b>\$ (13,942)</b>	<b>\$ 145,317</b>
<b>LIABILITIES AND NET ASSETS:</b>						
<b>Liabilities:</b>						
Accounts payable and accrued expenses	\$ 377	\$ -	\$ 421	\$ -	\$ -	\$ 798
Deferred matching contribution revenue	-	-	477	-	-	477
Medical claims payable	1,300	-	-	-	-	1,300
Amounts due to affiliated entities	1,132	81	181	-	(606)	788
Accrued compensation	7,593	-	-	-	-	7,593
Funds held for others	-	25,542	-	-	(25,542)	-
Fiduciary agreements	-	-	-	-	12,227	12,227
<b>Total liabilities</b>	<b>10,402</b>	<b>25,623</b>	<b>1,079</b>	<b>-</b>	<b>(13,921)</b>	<b>23,183</b>
<b>Net Assets:</b>						
<b>Unrestricted:</b>						
Undesignated	14,331	723	5,397	21	(21)	20,451
Equity in property and equipment	40,448	2	365	-	-	40,815
Board designated	9,750	-	3,819	-	398	13,967
<b>Total unrestricted</b>	<b>64,529</b>	<b>725</b>	<b>9,581</b>	<b>21</b>	<b>377</b>	<b>75,233</b>
Temporarily restricted	30,705	-	14,945	-	(398)	45,252
Permanently restricted	1,649	-	-	-	-	1,649
<b>Total net assets</b>	<b>96,883</b>	<b>725</b>	<b>24,526</b>	<b>21</b>	<b>(21)</b>	<b>122,134</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 107,285</b>	<b>\$ 26,348</b>	<b>\$ 25,605</b>	<b>\$ 21</b>	<b>\$ (13,942)</b>	<b>\$ 145,317</b>

## WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

### Combining Statement of Financial Position

(in thousands of dollars)

September 30, 2010

	Wycliffe Bible Translators	Wycliffe Foundation	The Seed Company	Moss Park Holdings	Reclassifications/ Eliminations	Total
<b>ASSETS:</b>						
Cash	\$ 561	\$ 152	\$ 293	\$ 15	\$ -	\$ 1,021
Investments	59,668	304	21,282	6	5,833	87,093
Contributions receivable-net	250	-	401	-	-	651
Bequests receivable	495	-	-	-	-	495
Notes receivable	2,145	-	-	-	-	2,145
Amounts due from affiliated entities	790	-	85	-	(96)	779
Other assets	648	9	259	-	-	916
Investments related to trust agreements	-	-	-	-	19,133	19,133
Property and equipment-net of accumulated depreciation	41,923	17	114	-	-	42,054
Beneficial interest in agreements managed by WF	13,979	-	111	-	(14,090)	-
Amounts held for others	-	26,987	-	-	(26,987)	-
Assets held for endowment	-	-	-	-	2,000	2,000
<b>Total Assets</b>	<b>\$ 120,459</b>	<b>\$ 27,469</b>	<b>\$ 22,545</b>	<b>\$ 21</b>	<b>\$ (14,207)</b>	<b>\$ 156,287</b>
<b>LIABILITIES AND NET ASSETS:</b>						
<b>Liabilities:</b>						
Accounts payable and accrued expenses	\$ 555	\$ 2	\$ 521	\$ -	\$ -	\$ 1,078
Medical claims payable	1,300	-	-	-	-	1,300
Amounts due to affiliated entities	635	77	129	-	(96)	745
Accrued compensation	7,555	-	-	-	-	7,555
Funds held for others	-	26,987	-	-	(26,987)	-
Fiduciary agreements	-	-	-	-	12,897	12,897
<b>Total liabilities</b>	<b>10,045</b>	<b>27,066</b>	<b>650</b>	<b>-</b>	<b>(14,186)</b>	<b>23,575</b>
<b>Net assets:</b>						
<b>Unrestricted:</b>						
Undesignated	18,122	386	4,994	21	(21)	23,502
Equity in property and equipment	41,923	17	114	-	-	42,054
Board designated	10,507	-	4,000	-	111	14,618
Wycliffe Mobilization Center	(1,988)	-	-	-	-	(1,988)
<b>Total unrestricted</b>	<b>68,564</b>	<b>403</b>	<b>9,108</b>	<b>21</b>	<b>90</b>	<b>78,186</b>
Temporarily restricted	40,120	-	12,787	-	(111)	52,796
Permanently restricted	1,730	-	-	-	-	1,730
<b>Total net assets</b>	<b>110,414</b>	<b>403</b>	<b>21,895</b>	<b>21</b>	<b>(21)</b>	<b>132,712</b>
<b>Total Liabilities and Net assets</b>	<b>\$ 120,459</b>	<b>\$ 27,469</b>	<b>\$ 22,545</b>	<b>\$ 21</b>	<b>\$ (14,207)</b>	<b>\$ 156,287</b>

## WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

### Combining Statement of Activities

(in thousands of dollars)

Year Ended September 30, 2011

	Wycliffe Bible Translators	Wycliffe Foundation	The Seed Company	Moss Park Holdings	Reclassifications/ Eliminations	Total
<b>OPERATING SUPPORT AND REVENUE:</b>						
Contributions	\$ 146,470	\$ 6,266	\$ 21,477	\$ -	\$ (11,926)	\$ 162,287
Service income	2,947	8	-	-	(62)	2,893
Interest and dividend income	1,612	6	808	-	-	2,426
Net gain (loss) on sale of property and equipment and property held for sale	677	(3)	-	-	-	674
Other	210	-	34	-	-	244
Total operating support and revenue	<u>151,916</u>	<u>6,277</u>	<u>22,319</u>	<u>-</u>	<u>(11,988)</u>	<u>168,524</u>
<b>OPERATING EXPENSES:</b>						
Program services:						
Bible translation and related programs	132,210	4,930	13,616	-	(11,479)	139,277
Supporting services:						
General and administrative	18,416	192	1,800	-	(304)	20,104
Fund-raising	13,075	736	4,272	-	(205)	17,878
Total supporting services	<u>31,491</u>	<u>928</u>	<u>6,072</u>	<u>-</u>	<u>(509)</u>	<u>37,982</u>
Total operating expenses	<u>163,701</u>	<u>5,858</u>	<u>19,688</u>	<u>-</u>	<u>(11,988)</u>	<u>177,259</u>
Change in net assets from operating activities	<u>(11,785)</u>	<u>419</u>	<u>2,631</u>	<u>-</u>	<u>-</u>	<u>(8,735)</u>
<b>NON-OPERATING ACTIVITIES:</b>						
Net realized/unrealized loss on investments	(581)	(97)	-	-	-	(678)
Change in value of fiduciary agreements	(1,165)	-	-	-	-	(1,165)
Change in net assets from non-operating activities	<u>(1,746)</u>	<u>(97)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,843)</u>
Change in Net Assets	(13,531)	322	2,631	-	-	(10,578)
Net Assets, Beginning of Year	<u>110,414</u>	<u>403</u>	<u>21,895</u>	<u>21</u>	<u>(21)</u>	<u>132,712</u>
Net Assets, End of Year	<u>\$ 96,883</u>	<u>\$ 725</u>	<u>\$ 24,526</u>	<u>\$ 21</u>	<u>\$ (21)</u>	<u>\$ 122,134</u>

## WYCLIFFE BIBLE TRANSLATORS, INC. AND AFFILIATES

### Combining Statement of Activities

(in thousands of dollars)

Year Ended September 30, 2010

	Wycliffe Bible Translators	Wycliffe Foundation	The Seed Company	Moss Park Holdings	Reclassifications/ Eliminations	Total
<b>OPERATING SUPPORT AND REVENUE:</b>						
Contributions	\$ 136,460	\$ 6,780	\$ 18,397	\$ -	\$ (10,428)	\$ 151,209
Service income	2,949	5	-	-	(95)	2,859
Interest and dividend income	2,144	6	703	-	-	2,853
Net loss on sale of property and equipment and property held for sale	(35)	(35)	-	-	-	(70)
Other	631	-	41	-	(23)	649
<b>Total operating support and revenue</b>	<b>142,149</b>	<b>6,756</b>	<b>19,141</b>	<b>-</b>	<b>(10,546)</b>	<b>157,500</b>
<b>OPERATING EXPENSES:</b>						
Program services:						
Bible translation and related programs	126,820	5,284	9,717	-	(10,163)	131,658
Supporting services:						
General and administrative	19,582	314	1,413	116	(238)	21,187
Fund-raising	12,623	1,206	3,447	-	(145)	17,131
Total supporting services	32,205	1,520	4,860	116	(383)	38,318
<b>Total operating expenses</b>	<b>159,025</b>	<b>6,804</b>	<b>14,577</b>	<b>116</b>	<b>(10,546)</b>	<b>169,976</b>
Change in net assets from operating activities	(16,876)	(48)	4,564	(116)	-	(12,476)
<b>NON-OPERATING ACTIVITIES:</b>						
Net realized/unrealized loss on investments	(597)	(26)	-	-	613	(10)
Change in value of fiduciary agreements	210	-	-	-	-	210
Change in net assets from non-operating activities	(387)	(26)	-	-	613	200
Change in Net Assets	(17,263)	(74)	4,564	(116)	613	(12,276)
Net Assets, Beginning of Year	127,677	477	17,331	137	(634)	144,988
Net Assets, End of Year	\$ 110,414	\$ 403	\$ 21,895	\$ 21	\$ (21)	\$ 132,712