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CPAs for Nonprofits

Wycliffe Associates, Inc.

Consolidated Financial Statements

For The Years Ended September 30, 2025 and 2024



Batts Morrison
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CPAs for Nonprofits

REPORT OF INDEPENDENT AUDITOR

The Board of Trustees
Wycliffe Associates, Inc.
Orlando, Florida

Opinion

We have audited the accompanying consolidated financial statements of Wycliffe Associates, Inc. (“the Ministry”), which consist of the consolidated statements of financial position as of September 30, 2025 and 2024, and the related consolidated statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Wycliffe Associates, Inc. as of September 30, 2025 and 2024, the consolidated changes in its net assets, and its consolidated 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 Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Ministry 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 Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Ministry’s ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor’s Responsibility for the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor’s 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 consolidated financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

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- Identify and assess the risk of material misstatement of the consolidated 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 consolidated 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 the Ministry'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Ministry'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.

Batts Morrison Wales & Lee, P.A.

BATTS MORRISON WALES & LEE, P.A.

Orlando, Florida
February 23, 2026

WYCLIFFE ASSOCIATES, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

ASSETS

	September 30,	
	2025	2024
ASSETS		
Cash and cash equivalents	\$ 1,556,560	\$ 2,361,329
Investments	9,642,499	10,517,679
Other assets	1,090,003	936,837
Property and equipment, net	148,967	181,293
Total assets	\$ 12,438,029	\$ 13,997,138

LIABILITIES AND NET ASSETS

LIABILITIES		
Accounts payable and accrued expenses	\$ 791,098	\$ 1,073,501
Total liabilities	791,098	1,073,501
NET ASSETS		
Without donor restrictions		
Net investment in property and equipment	148,967	181,293
Undesignated	6,795,910	7,460,438
Total without donor restrictions	6,944,877	7,641,731
With donor restrictions	4,702,054	5,281,906
Total net assets	11,646,931	12,923,637
Total liabilities and net assets	\$ 12,438,029	\$ 13,997,138

The Accompanying Notes are an Integral
Part of These Consolidated Financial Statements

WYCLIFFE ASSOCIATES, INC.
CONSOLIDATED STATEMENTS OF ACTIVITIES

For The Years Ended September 30,

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS						
Contributions	\$ 14,976,258	\$ 7,077,310	\$ 22,053,568	\$ 16,653,770	\$ 5,496,354	\$ 22,150,124
Contributed services and facilities usage	12,947,330	—	12,947,330	10,852,643	—	10,852,643
Net assets released from restrictions	<u>7,657,162</u>	<u>(7,657,162)</u>	<u>—</u>	<u>6,788,117</u>	<u>(6,788,117)</u>	<u>—</u>
 Total contributions and net assets released from restrictions	 35,580,750	 (579,852)	 35,000,898	 34,294,530	 (1,291,763)	 33,002,767
 Net investment income	 <u>623,197</u>	 <u>—</u>	 <u>623,197</u>	 <u>1,714,656</u>	 <u>—</u>	 <u>1,714,656</u>
 Total public support and revenue and net assets released from restrictions	 <u>36,203,947</u>	 <u>(579,852)</u>	 <u>35,624,095</u>	 <u>36,009,186</u>	 <u>(1,291,763)</u>	 <u>34,717,423</u>
 EXPENSES						
Program activities						
Bible translation ministries	<u>27,112,712</u>	<u>—</u>	<u>27,112,712</u>	<u>27,518,412</u>	<u>—</u>	<u>27,518,412</u>
Supporting activities						
Fundraising	7,520,824	—	7,520,824	7,722,888	—	7,722,888
Management and general	<u>2,267,265</u>	<u>—</u>	<u>2,267,265</u>	<u>2,257,851</u>	<u>—</u>	<u>2,257,851</u>
 Total supporting activities	 <u>9,788,089</u>	 <u>—</u>	 <u>9,788,089</u>	 <u>9,980,739</u>	 <u>—</u>	 <u>9,980,739</u>
 Total expenses	 <u>36,900,801</u>	 <u>—</u>	 <u>36,900,801</u>	 <u>37,499,151</u>	 <u>—</u>	 <u>37,499,151</u>
 CHANGE IN NET ASSETS	 (696,854)	 (579,852)	 (1,276,706)	 (1,489,965)	 (1,291,763)	 (2,781,728)
 NET ASSETS - Beginning of year	 <u>7,641,731</u>	 <u>5,281,906</u>	 <u>12,923,637</u>	 <u>9,131,696</u>	 <u>6,573,669</u>	 <u>15,705,365</u>
 NET ASSETS - End of year	 <u>\$ 6,944,877</u>	 <u>\$ 4,702,054</u>	 <u>\$ 11,646,931</u>	 <u>\$ 7,641,731</u>	 <u>\$ 5,281,906</u>	 <u>\$ 12,923,637</u>

The Accompanying Notes are an Integral
Part of These Consolidated Financial Statements

WYCLIFFE ASSOCIATES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For The Years Ended	
	September 30,	
	2025	2024
OPERATING CASH FLOWS		
Cash received from contributors	\$ 22,053,568	\$ 22,150,124
Interest income received	307,723	384,818
Cash paid for operating activities and costs	(24,356,715)	(26,344,959)
Net operating cash flows	(1,995,424)	(3,810,017)
INVESTING CASH FLOWS		
Net proceeds from sales of investments	1,190,655	4,085,987
Net purchases of and improvements to property and equipment	—	(7,800)
Net investing cash flows	1,190,655	4,078,187
NET CHANGE IN CASH AND CASH EQUIVALENTS	(804,769)	268,170
CASH AND CASH EQUIVALENTS - Beginning of year	2,361,329	2,093,159
CASH AND CASH EQUIVALENTS - End of year	\$ 1,556,560	\$ 2,361,329
RECONCILIATION OF CHANGE IN NET ASSETS TO NET		
OPERATING CASH FLOWS		
Change in net assets	\$ (1,276,706)	\$ (2,781,728)
Adjustments to reconcile change in net assets to net operating cash flows		
Depreciation	32,325	73,532
Net gain on investments	(315,475)	(1,329,838)
Change in other assets	(153,165)	(67,792)
Change in accounts payable and accrued expenses	(282,403)	295,809
Net operating cash flows	\$ (1,995,424)	\$ (3,810,017)

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WYCLIFFE ASSOCIATES, INC.
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

For The Year Ended September 30, 2025

	Supporting activities				Total expenses
	Program activities	Fundraising	Management and general	Total supporting activities	
Contributed services and facilities usage	\$ 12,947,330	\$ —	\$ —	\$ —	\$ 12,947,330
Compensation	5,183,971	1,264,974	1,332,436	2,597,410	7,781,381
Contracted services	2,483,237	4,419,203	321,922	4,741,125	7,224,362
Ministry and projects	2,820,331	26	1,814	1,840	2,822,171
Office	427,372	1,618,301	150,803	1,769,104	2,196,476
Events	1,498,001	77,609	2,854	80,463	1,578,464
Travel	1,072,341	54,239	55,171	109,410	1,181,751
General	197,769	28,237	367,339	395,576	593,345
Equipment and maintenance	243,016	20,472	16,840	37,312	280,328
Utilities	214,708	32,572	15,588	48,160	262,868
Depreciation	24,636	5,191	2,498	7,689	32,325
Total	<u>\$ 27,112,712</u>	<u>\$ 7,520,824</u>	<u>\$ 2,267,265</u>	<u>\$ 9,788,089</u>	<u>\$ 36,900,801</u>

For The Year Ended September 30, 2024

	Supporting activities				Total expenses
	Program activities	Fundraising	Management and general	Total supporting activities	
Contributed services and facilities usage	\$ 10,852,643	\$ —	\$ —	\$ —	\$ 10,852,643
Compensation	5,312,446	1,385,288	1,388,106	2,773,394	8,085,840
Contracted services	2,481,854	4,604,623	309,097	4,913,720	7,395,574
Ministry and projects	4,228,485	—	9,679	9,679	4,238,164
Events	1,915,943	78,869	3,993	82,862	1,998,805
Office	427,608	1,425,091	144,078	1,569,169	1,996,777
Travel	1,529,008	138,895	33,654	172,549	1,701,557
General	275,832	35,992	303,519	339,511	615,343
Utilities	269,171	40,681	18,448	59,129	328,300
Equipment and maintenance	200,786	8,258	3,572	11,830	212,616
Depreciation	24,636	5,191	43,705	48,896	73,532
Total	<u>\$ 27,518,412</u>	<u>\$ 7,722,888</u>	<u>\$ 2,257,851</u>	<u>\$ 9,980,739</u>	<u>\$ 37,499,151</u>

The Accompanying Notes are an Integral
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WYCLIFFE ASSOCIATES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE A – NATURE OF ACTIVITIES

Wycliffe Associates, Inc. (“the Ministry”) is a not-for-profit Florida corporation. The Ministry’s purpose is to identify, mobilize, and foster relationships with volunteers to involve people in the advancement of Bible translation worldwide through programs of prayer, financial stewardship, and volunteer service.

In connection with its purpose, the Ministry collaborates with global church networks in its efforts to accelerate the advancement of Bible translation worldwide. No control relationship or common control exists between the Ministry and the global church networks.

Consolidation

The Ministry has formed several legal entities for which it maintains the authority to appoint or elect the governing bodies. These separate legal entities are utilized to carry on specific work in various countries where the use of a separate entity provides practical or legal advantages. For security purposes, the names of the entities are not specifically disclosed in these notes. In conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”), the Ministry’s financial statements are consolidated with the financial statements of these organizations. All significant interorganization accounts and transactions have been eliminated in consolidation.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

The Ministry recognizes cash contributions as revenue when the contributions are received by the Ministry. Contributions received are recorded as without or with donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as “net assets released from restrictions.”

Cash and cash equivalents

The Ministry considers investment instruments purchased or donated with original maturities of three months or less to be cash equivalents.

Investments

Investments are carried at estimated fair value.

Property and equipment

Property and equipment are stated at cost, if purchased, or estimated fair value on the date of donation, if donated. Depreciation of property and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis.

Net assets

Net assets without donor restrictions are available for use at the discretion of the Board of Trustees and/or management for general operating purposes. Net assets with donor restrictions consist of amounts with uses limited by donor-imposed time and/or purpose restrictions.

Functional allocation of expenses

The consolidated statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. Indirect costs that benefit multiple functional areas are allocated among the various functional areas based primarily on employee time and space utilization.

WYCLIFFE ASSOCIATES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income taxes

The Ministry is exempt from federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code and is generally exempt from applicable state income taxes. The Ministry is further classified as a public charity and not a private foundation for federal tax purposes. A certain affiliate is a taxable subsidiary which is subject to both federal and state income taxes. The Ministry's other affiliates are considered disregarded entities for federal tax purposes. The Ministry has not incurred unrelated business income taxes. As a result, no income tax provision or liability has been provided for in the accompanying consolidated financial statements.

Use of estimates

Management uses estimates and assumptions in preparing consolidated financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Significant estimates used in preparing these consolidated financial statements include those related to the estimated fair value of investments and contributed services and facilities usage. Actual results could differ from the estimates.

Subsequent events

The Ministry has evaluated for possible financial reporting and disclosure subsequent events through February 23, 2026, the date as of which the consolidated financial statements were available to be issued.

NOTE C – LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure within one year of the date of the consolidated statements of financial position are as follows:

	<u>September 30,</u>	
	<u>2025</u>	<u>2024</u>
Financial assets available:		
Cash and cash equivalents	\$ 1,556,560	\$ 2,361,329
Investments	<u>9,642,499</u>	<u>10,517,679</u>
Total financial assets available	11,199,059	12,879,008
Less: Amounts unavailable due to donor-imposed restrictions	<u>(4,702,054)</u>	<u>(5,281,906)</u>
Net financial assets available within one year	<u>\$ 6,497,005</u>	<u>\$ 7,597,102</u>

The Ministry is primarily supported by contributions. As part of the Ministry's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Ministry has certain assets limited to use for donor-restricted purposes. Because a donor's restriction requires resources to be used in a specific manner or in a future period, the Ministry must maintain sufficient resources to meet its responsibilities to its donors. Thus, those financial assets may not be available for general expenditure within one year of the date of the consolidated statements of financial position and are excluded from net financial assets available to meet general expenditures within one year. Management believes the Ministry has sufficient cash and investments available for general operations that may be drawn upon in the event of unanticipated financial distress or an immediate liquidity need.

WYCLIFFE ASSOCIATES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE D – CONCENTRATIONS OF CREDIT RISK

The Ministry maintains its cash and cash equivalents in deposit accounts which may not be federally insured, may exceed federally insured limits, or may be insured by an entity other than an agency of the federal government. The Ministry has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk related to cash and cash equivalents.

The Ministry’s investments are held by a single custodian.

NOTE E – FAIR VALUE MEASUREMENTS

U.S. GAAP defines fair value for an investment generally as the price an organization would receive upon selling the investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. The information available to measure fair value varies depending on the nature of each investment and its market or markets. Accordingly, U.S. GAAP recognizes a hierarchy of “inputs” an organization may use in determining or estimating fair value. The inputs are categorized into “levels” that relate to the extent to which an input is objectively observable and the extent to which markets exist for identical or comparable investments. In determining or estimating fair value, an organization is required to maximize the use of observable market data (to the extent available) and minimize the use of unobservable inputs. The hierarchy assigns the highest priority to unadjusted quoted prices in active markets for identical items (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs). A financial instrument’s level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Following is a description of each of the three levels of input within the fair value hierarchy:

Level 1 – quoted prices in active markets for identical items

Level 2 – other significant observable inputs (such as quoted prices for similar investments)

Level 3 – significant unobservable inputs

The estimated fair value of certain assets, which are measured on a recurring basis at September 30, 2025, are as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual funds	\$ 9,642,499	\$ 9,642,499	\$ —	\$ —
Total investments	<u>\$ 9,642,499</u>	<u>\$ 9,642,499</u>	<u>\$ —</u>	<u>\$ —</u>

The estimated fair value of certain assets, which are measured on a recurring basis at September 30, 2024, are as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual funds	\$ 10,517,679	\$ 10,517,679	\$ —	\$ —
Total investments	<u>\$ 10,517,679</u>	<u>\$ 10,517,679</u>	<u>\$ —</u>	<u>\$ —</u>

WYCLIFFE ASSOCIATES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE F – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

<u>Category</u>	<u>September 30,</u>	
	<u>2025</u>	<u>2024</u>
Furniture and equipment	\$ 1,190,455	\$ 1,190,455
Total property and equipment	1,190,455	1,190,455
Less: Accumulated depreciation	(1,041,488)	(1,009,162)
Net property and equipment	\$ 148,967	\$ 181,293

Depreciation expense amounted to \$32,325 and \$73,532 for the years ended September 30, 2025 and 2024, respectively.

NOTE G – NET ASSETS WITH DONOR RESTRICTIONS

Net assets were donor restricted for the following purposes during the year ended September 30, 2025:

	<u>Balance</u> <u>October 1</u>	<u>Contributions</u>	<u>Releases</u>	<u>Balance</u> <u>September 30</u>
Field projects	\$ 4,773,101	\$ 5,596,180	\$ (6,044,740)	\$ 4,324,541
Missionary support	508,805	1,481,130	(1,612,422)	377,513
Total	\$ 5,281,906	\$ 7,077,310	\$ (7,657,162)	\$ 4,702,054

Net assets were donor restricted for the following purposes during the year ended September 30, 2024:

	<u>Balance</u> <u>October 1</u>	<u>Contributions</u>	<u>Releases</u>	<u>Balance</u> <u>September 30</u>
Field projects	\$ 6,006,518	\$ 3,988,504	\$ (5,221,921)	\$ 4,773,101
Missionary support	567,151	1,507,850	(1,566,196)	508,805
Total	\$ 6,573,669	\$ 5,496,354	\$ (6,788,117)	\$ 5,281,906

NOTE H – RETIREMENT PLAN

The Ministry maintains a Section 403(b) retirement plan for the benefit of its employees (“the Plan”). Eligible employees may make elective deferrals to the Plan up to the amount allowed under Internal Revenue Service guidelines. The Ministry may also make an annual discretionary contribution to the Plan on behalf of its employees. Employees vest immediately in elective deferrals and employer contributions. During the years ended September 30, 2025 and 2024, the Ministry contributed approximately \$287,000 and \$284,000 to the Plan, respectively.

WYCLIFFE ASSOCIATES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE I – FUNDRAISING EXPENSES

During the years ended September 30, 2025 and 2024, the Ministry incurred joint costs in the approximate amounts of \$3,497,000 and \$4,086,000, respectively, for informational activities that included fundraising appeals in connection with the Ministry’s exempt purposes. Of those costs, approximately \$3,244,000 and \$3,785,000 were allocated to “Bible translation ministries” expense and \$253,000 and \$301,000 were allocated to “fundraising” expense in the accompanying consolidated statements of activities for the years ended September 30, 2025 and 2024, respectively.

NOTE J – CONTRIBUTED SERVICES AND FACILITIES USAGE

Volunteers provide labor and other services utilized by the Ministry in carrying out its program activities. Contributed services meeting the criteria for revenue recognition in conformity with U.S. GAAP are valued using employment and wage estimates published by the U.S. Bureau of Labor Statistics and amounted to approximately \$11,774,000 and \$9,860,000 for the years ended September 30, 2025 and 2024, respectively. Such amounts are included in the accompanying consolidated statements of activities as “contributed services and facilities usage” revenue. Volunteer services during the years ended September 30, 2025 and 2024 not meeting the criteria for recognition in conformity with U.S. GAAP have been estimated by management to be approximately \$1,085,000 and \$1,480,000, respectively (unaudited). The estimated value of such services is not reflected in the accompanying consolidated financial statements.

In a prior year, the Ministry entered into 99-year and 88-year operating lease agreements with Wycliffe Bible Translators, Inc. (“WBT”) for office and warehouse facilities utilized by the Ministry in carrying out its program activities in exchange for annual lease payments of \$1 plus required taxes, maintenance, and insurance. The Ministry recognized approximately \$1,174,000 and \$992,000 (the estimated annual fair rental value) as contribution revenue related to these leases, which is included in the accompanying consolidated statements of activities as “contributed services and facilities usage” for the years ended September 30, 2025 and 2024, respectively.