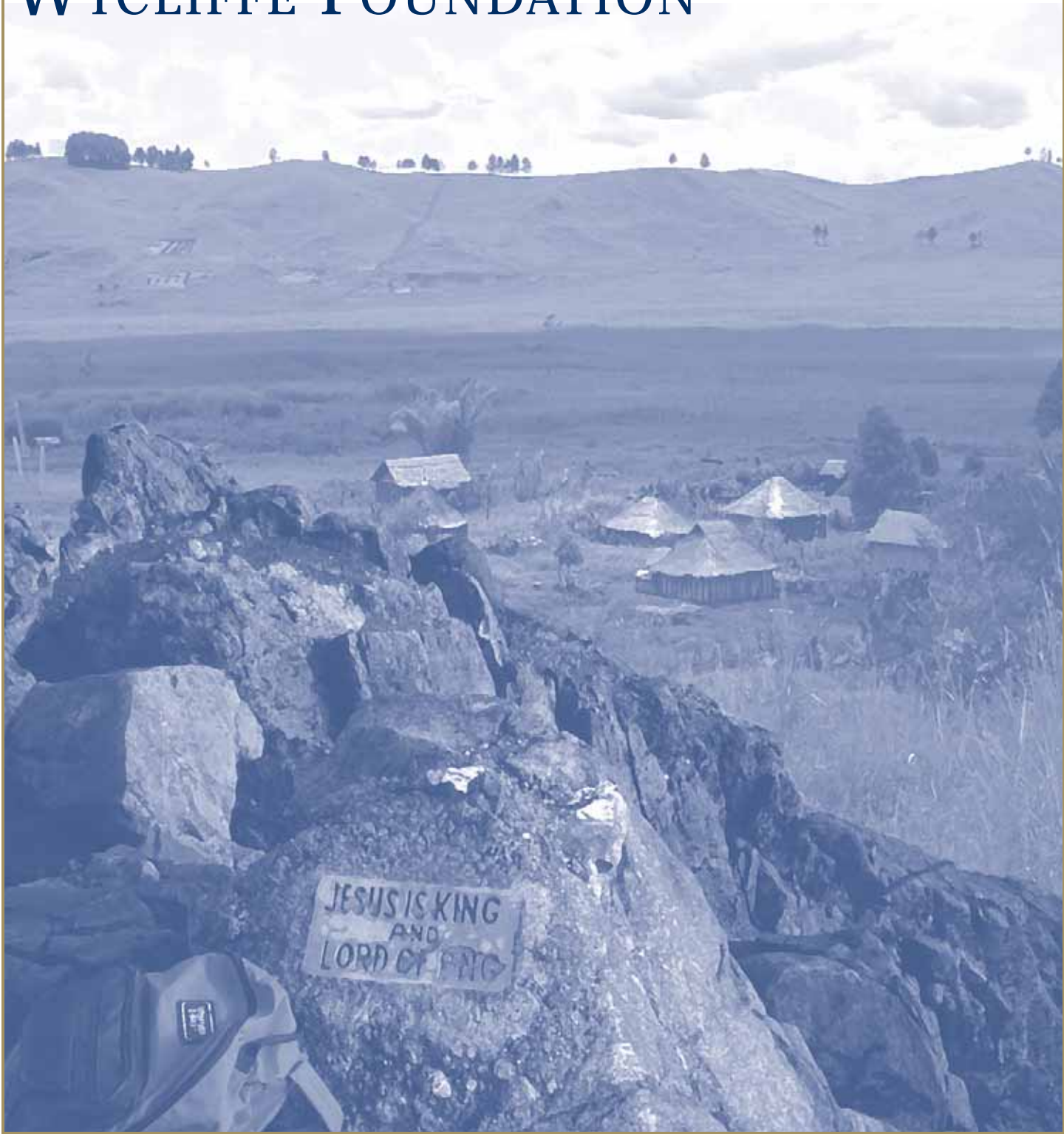


WYCLIFFE FOUNDATION





For it is God who is at work in you, enabling you both to will and to work for his good pleasure.

—Philippians 2:13

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*So shall my word
be that goes out
from my mouth; it
shall not return to
me empty, but it
shall accomplish
that which I pur-
pose, and succeed
in the thing for
which I sent it.*

—Isaiah 55:11 (NRSV)



■ PRESIDENT'S LETTER

As I reflect on the past year, I feel humbled to be part of such a great commission. At the same time, however, I feel blessed to have the opportunity to see the miracles God continues to bestow upon us. As the urgency of Vision 2025 becomes more apparent, our supporters continue fulfilling their lives of stewardship through their gifts to Wycliffe Foundation to support the works of Bible translation, linguistics training and literacy efforts.

This is the Wycliffe Foundation's first annual report, and I am excited to present you with all it has accomplished for the Kingdom thus far. In the two years since the Foundation was established, it has grown in staff, resources and supporters. Throughout the past year, our gift planning associates have made 613 visits and 2,296 phone calls to donors and potential donors who have a heart for Bible translation.

In the past year, stewards who are committed to helping all God's people find salvation through His Word have graciously contributed more than \$7 million to support the works of Bible translation through the Foundation. We have dispersed these donations to our affiliates, which allow them to continue their efforts towards accomplishing Vision 2025.

To help establish the infrastructure of the Foundation, an anonymous donor gave the Foundation a \$1 million challenge grant in January 2004, spurring the Chairman's Challenge. The goal was to raise an additional \$1 million within a year. Our supporters graciously accepted this Challenge and met it on Jan. 24, 2005! The \$2 million raised through the Challenge will help the Foundation develop the gift planning products and tools needed to generate the additional millions of dollars required to get God's Word into the language groups still without.

Many people are surprised to learn that gift planning has the potential to account for half of the \$2.4 billion U.S. funding requirement to accomplish Vision 2025. But our supporters understand what a tremendous influence their gifts have on realizing this vision. It's exciting to help accelerate the pace of Bible translation as we continue to glorify God! Thank you for stepping up to the challenge to make Vision 2025 a reality. With God's help and the support of His generous stewards, all God's children will have the chance to be saved from darkness through the Light of His Word.

Peace,

A handwritten signature in blue ink that reads "Donald C. Erickson".

Donald C. Erickson
President and Chief Executive Officer
Wycliffe Foundation

■ THE VISION THAT BEGAN A LEGACY...

In 1917, William Cameron Townsend, fondly known as Uncle Cam, had a vision—to see all people have access to Scripture in their heart language. Devoting his life and work to Christ, Uncle Cam trekked through jungles, marshes and deserts and traveled to the most remote areas of the world. He eventually established Wycliffe Bible Translators USA, SIL International and JAARS Inc., beginning a legacy we are proud to serve.

Uncle Cam developed close relationships with presidents and diplomats, and equally personal relationships with villagers in remote parts of the world. Because he knew all people were God's children, he was committed to helping everyone hear His Word.

The Wycliffe Foundation is committed to helping make Uncle Cam's dream a reality. With God's help and the financial and prayerful support of others who believe in this mission, a Bible translation will be started in every language that needs it by 2025.

*We make a living by what we get,
we make a life by what we give.*

—Sir Winston Churchill



*Therefore I endure
everything for the
sake of the elect, so
that they may also
obtain the salvation
that is in Christ
Jesus, with eternal
glory.*

—2 Timothy 2:10 (NRSV)



Commit your plans to the Lord, and your plans will be established.

—Proverbs 16:3 (NRSV)

“When a man takes one step toward God, God takes more steps toward that man than there are sands in the worlds of time.”

—The Work of the Chariot

■ ABOUT THE WYCLIFFE FOUNDATION...

The Wycliffe Foundation is a ministry of gift planning focused on helping God’s people support the works of Bible translation, bringing new life to the 380 million people without Scripture in their heart language.

The Foundation’s ministry focuses on facilitating charitable gifts usually deferred, such as wills, trusts and annuities, for its partners in Bible translation, linguistics training and literacy efforts.

These partners include the Graduate Institute of Applied Linguistics, JAARS Inc., SIL International, The Seed Company and Wycliffe Bible Translators USA.

The Foundation’s staff includes gift planning professionals who assist in facilitating stewardship opportunities to potential donors living in the United States. These skilled professionals, entitled gift planning associates, have been carefully recruited and trained, committed to connecting people spiritually and financially to the mission of Bible translation through charitable gift planning.

■ WE BELIEVE IN...

- The divine inspiration and consequent authority of the whole canonical Scripture
- The doctrine of the Trinity
- The fall of man, his consequent moral depravity and his need for regeneration
- The atonement through the substitutionary death of Christ
- The doctrine of justification by faith
- The resurrection of the body, both of the just and the unjust
- The eternal life of the saved and the eternal punishment of the lost

■ OUR AFFILIATE ORGANIZATIONS

Graduate Institute of Applied Linguistics

The mission of the Graduate Institute of Applied Linguistics, as an institution of higher learning, is to provide training and research opportunities leading to graduate degrees in applied linguistics and development of languages.

JAARS Inc.

Through partnerships worldwide, JAARS Inc. provides technical support services and resources to speed up Bible translation for all people.

SIL International

By facilitating language-based development, SIL International serves the peoples of the world through research, translation and literacy.

The Seed Company

The Seed Company’s mission is to complete Bible translation in the heart languages of people without God’s Word through partnering with national colleagues, prayer supporters, financial investors and like-minded organizations.

Wycliffe Bible Translators USA

Wycliffe USA strives to accelerate access to God’s Word for those people who are without Scriptures in the language that speaks to their heart.



For the earth will be filled with the knowledge of the glory of the Lord, as the waters cover the sea.

—Habakkuk 2:14 (NIV)



*Let them give glory
in the Lord and
declare His praises
in the coastlands.*

—Isaiah 42:12 (NRSV)

■ INSPIRED BY CONNECTIONS...

John Lucas grew up in the Philippines, the son of two missionaries who devoted their lives to helping others receive God's Word. Although he didn't follow directly in his parents' footsteps, John still felt deeply for the mission of Bible translation. He prayed regularly for God's grace to help the millions of people who still couldn't hear His Word.

John also financially supported a missionary couple working in the Philippines, and he contributed regularly to SIL International. He knew the missionary couple had only been in the field for a few years, and they would need support for many years to come. Because of his childhood experiences, John had close ties with translation efforts in the Philippines, and he wanted to make sure the couple would continue receiving adequate funding, even though he was growing older.

After reviewing his options, John invested in a Missionary Support Plan through the Wycliffe Foundation that would ensure the couple would continue to receive funding, even after his death. In addition, he wanted to continue his stewardship to SIL, so he left a percentage of his estate to SIL through a bequest in his will to the Wycliffe Foundation.

"Giving people God's Word is the greatest gift you can give. I've seen how people react the first time God speaks to them in their language, and I want to be able to continue to help fulfill this mission, even when my time on earth has ended," John said.



■ INSPIRED BY THE MISSION...

Elizabeth and Harry Ryan learned about Wycliffe when a missionary spoke at their church. Inspired by her message, the Ryans wanted to hear more. They spoke with her after the service and learned she had spent 14 years in a remote area of the Pacific Islands teaching natives how to read their own language. She recalled the first time she saw a local man accept Christ, calling out to Him in his heart language, praising Him with tears streaming down his cheeks.

"We were absolutely astonished that there were almost 3,000 languages still without Scripture," Elizabeth said. "I was even more shocked to learn that most of them don't even have a written language. I was in awe of this woman's work as she shared her experiences with us."

Because of the Ryans' own commitment to Christ, they felt drawn to be a part of this great commission. While listening to the missionary's experiences, they felt a connection to the natives in the Pacific Islands still waiting to hear God's Word in their language.

Because of their careful planning throughout their lives, the Ryans felt confident their children and grandchildren would be taken care of after their passing. Their wills were already established, and they were prepared to continue their lives of stewardship. Since they were so moved by the missionary's stories, they decided to make an endowment through the Wycliffe Foundation to benefit translation projects in the Pacific Islands.

"I'm so grateful for her testimony," Harry said, referring to the missionary who inspired them to contribute to Bible translation. "Making this endowment is great for us because the people in the Pacific Islands can continue to benefit from our gift, even when we are no longer here."



*Declare His glory
among the nations,
His marvelous
works among all
the peoples.*

—Psalm 96:3 (NRSV)

■ BREAKDOWN OF AFFILIATE SUPPORT

Wycliffe Bible Translators USA

| | |
|--|---------------|
| Gift planning associate contacts made on behalf of Wycliffe USA: | 4,802 |
| Legacy gifts realized on behalf of Wycliffe USA: | \$6.3 million |
| New commitments and expectancies for Wycliffe USA: | \$3,946,180 |

JAARS Inc.

| | |
|--|-----------|
| Gift planning associate contacts made on behalf of JAARS Inc.: | 2500 |
| Legacy gifts realized on behalf of JAARS Inc.: | \$14,053 |
| New commitments and expectancies for JAARS Inc.: | \$563,734 |

Graduate Institute of Applied Linguistics

| | |
|--|----------|
| Gift planning associate contacts made on behalf of GIAL: | 973 |
| New commitments and expectancies for GIAL: | \$82,846 |

WYCLIFFE FOUNDATION, INC. STATEMENT OF FINANCIAL POSITION

September 30, 2004

With Comparative Totals for the Year Ended Sept. 30, 2003

| | 2004 | 2003 |
|--|--------------------------|--------------------------|
| ASSETS | | |
| Cash | \$ 217,805 | \$ 90,189 |
| Due from related entities—Note D | 140,321 | 305,885 |
| Contributions receivable—Note B | 151,001 | — |
| Other assets | 7,930 | — |
| Property and equipment, net of accumulated depreciation—Note C | <u>27,193</u> | <u>11,746</u> |
| TOTAL ASSETS | <u>\$ 544,250</u> | <u>\$ 407,820</u> |
| LIABILITIES AND NET ASSETS | | |
| LIABILITIES | | |
| Accounts payable and accrued expenses | \$ 33,517 | \$ 11,561 |
| Due to related entities—Note D | — | 225,251 |
| TOTAL LIABILITIES | <u>33,517</u> | <u>236,812</u> |
| NET ASSETS | | |
| Unrestricted | 359,732 | 171,008 |
| Temporarily restricted—Note E | 151,001 | — |
| TOTAL NET ASSETS | <u>510,733</u> | <u>171,008</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 544,250</u> | <u>\$ 407,820</u> |



WYCLIFFE FOUNDATION, INC.
STATEMENT OF ACTIVITIES

For the Year Ended Sept. 30, 2004

With Comparative Totals for the Year Ended Sept. 30, 2003

| | Unrestricted | Temporarily Restricted | 2004 Total | 2003 Total |
|--|-------------------------|------------------------|-------------------------|-----------------------|
| SUPPORT AND REVENUE | | | | |
| Contributions | \$ 325,000 | \$ 301,850 | \$ 626,850 | \$ — |
| Related entities—Note D: | | | | |
| Legacies and bequests | 1,012,712 | — | 1,012,712 | — |
| Fees | 823,265 | — | 823,265 | 820,272 |
| Support | 190,365 | — | 190,365 | — |
| Net assets released from restrictions: | | | | |
| Satisfaction of timing restrictions | 150,849 | <150,849> | — | — |
| TOTAL SUPPORT AND REVENUE | <u>2,502,191</u> | <u>151,001</u> | <u>2,653,192</u> | <u>820,272</u> |
| EXPENSES | | | | |
| Program services: | | | | |
| Grants to related entities—Note D | 860,538 | — | 860,538 | — |
| Supporting activities: | | | | |
| General and administrative | 654,141 | — | 654,141 | 446,807 |
| Fund-raising | 798,788 | — | 798,788 | 202,457 |
| TOTAL EXPENSES | <u>2,313,467</u> | <u>—</u> | <u>2,313,467</u> | <u>649,264</u> |
| CHANGE IN NET ASSETS | 188,724 | 151,001 | 339,725 | 171,008 |
| Net assets at beginning of year | 171,008 | — | 171,008 | — |
| NET ASSETS AT END OF YEAR | \$ 359,732 | \$ 151,001 | \$ 510,733 | \$ 171,008 |

WYCLIFFE BIBLE TRANSLATION FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS

September 30, 2004

NOTE A—GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General: Wycliffe Foundation (WF) is a California non-profit corporation headquartered in Orlando, Fla. It is an interdenominational, non-sectarian organization supporting 501(c)(3) tax-exempt organizations involved in Bible translation by engaging in gift planning services and planned gift administration. Some of the planned giving instruments used by WF include wills, annuities, trusts and donor-advised funds.

Support for WF's ministry comes from donor contributions as well as through WF's portion of the proceeds from the planned gifts made through WF to its affiliates. WF is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code (Code) and comparable state law and is classified as a publicly supported organization, not a private foundation, under Section 509 (a) (1) of the Code.

Affiliate organizations, and therefore related entities not included in these financial statements due to their financial and administrative independence, are listed below:

Wycliffe Bible Translators (WBT) is an interdenominational nonprofit 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. WBT controls and has an economic interest in WF. Because of this, these financial statements are consolidated with WBT's financial statements for financial reporting purposes.

The Wycliffe Seed Company (TSC) creatively networks with God's people around the world to translate the Bible into every language for His glory. TSC empowers Christians from countries where Bible translation is needed to participate fully in the Bible translation task by creating partnerships between American Christians and national translators.

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, logistical and personnel support for field operations.

Graduate Institute of Applied Linguistics (GIAL) 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.



WYCLIFFE BIBLE TRANSLATION FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS

September 30, 2004

NOTE A—GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Basis of Presentation: The financial statements of WF are prepared on the accrual basis of accounting and in accordance with the Evangelical Joint Accounting Committee's Accounting and Financial Reporting Guide for Christian Ministries and the American Institute of Certified Public Accountants Audit and Accounting Guide for Not-for-Profit Organizations. The preparation of financial statements in conformity with U.S. generally-accepted accounting principles 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.

Prior Year Summarized Information: The financial statements include certain prior-year comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally-accepted accounting principles. Accordingly, such information should be read in conjunction with the combined financial statements of WBT and its affiliates for the year ended Sept. 30, 2003, from which the summarized information was derived. Certain amounts in the 2003 financial statements have been reclassified to conform to the 2004 presentation.

Cash: Cash includes checking accounts deposited with FDIC-insured financial institutions. WF considers all highly liquid investments with maturities of three months or less to be cash equivalents. From time to time, WF has cash deposits in excess of federally insured limits; however, WF has not experienced any losses on these accounts and does not believe that it is exposed to any significant credit risk.

Contributions Receivable: Unconditional promises to give to WF are recognized as income when made and recorded at fair value based upon estimated future cash flows. Allowances are recorded for estimated uncollectible promises based on management's judgment, including such factors as type of contribution and nature of fundraising activity.

Conditional promises to give are recognized as income to WF when the conditions are substantially met. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contributions. The allowance for uncollectible amounts is provided for contributions receivable estimated to be uncollectible.

Property and Equipment: Property and equipment are stated at cost. Expenditures for property and equipment in excess of \$1,000 are capitalized at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the depreciable assets (three years).

Net Asset Categories: The net assets of WF are classified into net asset categories according to externally (donor or legal) imposed restrictions as follows:

WYCLIFFE BIBLE TRANSLATION FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS

September 30, 2004

NOTE A—GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Unrestricted net assets include gifts for the general operations of WF, 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.

Revenue: Revenue is recognized when earned and support when contributions are made, which may be when cash is received, unconditional promises are made or ownership of other assets is transferred to WF. Fees represent amounts due or received from related and affiliated entities for a contractual percentage of all bequests received.

For the year ended Sept. 30, 2004, approximately 68 percent of revenues resulted from transactions with WBT.

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 statement of activities.



**WYCLIFFE BIBLE TRANSLATION FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS**

September 30, 2004

NOTE B—CONTRIBUTIONS RECEIVABLE

WF began a campaign entitled "The Chairman's Challenge" in order to raise \$1 million towards a matching challenge gift of \$1 million to establish the infrastructure of WF and be used to develop the gift planning products and tools needed to generate income for Vision 2025 (WBT's vision to see Bible translation in progress in every language group that needs it by 2025). In conjunction with this campaign, WF has accepted cumulative unconditional promises to give, totaling approximately \$315,000, of which \$160,907 has been collected by year end.

These promises to give are due to be collected through 2006 and are reported as contributions receivable in the statement of financial position as an asset and recognized as temporarily restricted contributions in the statement of activities. Remaining promises to give are reflected at the present value of estimated future cash flows using a discount rate of 4.5 percent. The matching challenge gift received is not recorded as revenue until the specified conditions are substantially met. See Note A for description of accounting policy for contributions receivable.

As of Sept. 30, 2004, WF is eligible to receive an additional \$750,000, conditional upon WF receiving matching gifts from other donors.

The net amount of this receivable is based on an estimate of future cash flows at Sept. 30, 2004. Due to the unknown factors that may affect individual donors' future cash flows, it is reasonably possible that the estimated future cash flows of contributions receivable could increase or decrease by a material amount in the near term. Management believes that the asset values reflected in the statement of financial position approximate fair value at Sept. 30, 2004.

| | |
|--|-------------------|
| Unconditional promises to give before unamortized discount | \$ 154,093 |
| Less: unamortized discount | <u>(3,092)</u> |
| Net contributions receivable | <u>\$ 151,001</u> |

At Sept. 30, 2004, contributions receivable are expected to mature as follows:

| | |
|------------------------|-------------------|
| Amounts due in: | |
| Less than one year | \$ 85,329 |
| One year to five years | <u>65,672</u> |
| | <u>\$ 151,001</u> |

*as of Jan. 24, 2005, the Chairman's Challenge is complete

**WYCLIFFE BIBLE TRANSLATION FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS**

September 30, 2004

NOTE C—PROPERTY AND EQUIPMENT

Property and equipment as of Sept. 30, 2004 consist of the following:

| | |
|--------------------------------|------------------|
| Equipment | \$ 26,113 |
| Furniture and fixtures | 10,812 |
| Software | <u>1,345</u> |
| | <u>38,270</u> |
| Less: accumulated depreciation | <u>(11,077)</u> |
| | <u>\$ 27,193</u> |



**WYCLIFFE BIBLE TRANSLATION FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS**

September 30, 2004

NOTE D—TRANSACTIONS WITH RELATED ENTITIES

As of Sept. 30, 2004, WF had amounts due to and from related entities for service fees due to contractual obligations between the entities as well as funds advanced from WBT to assist with operating costs that were reduced by any service fee receivable that resulted during the year. The amounts due to and from related entities were as follows:

| | Due from | Due to |
|-------|-------------------|-------------|
| WBT | \$ 113,537 | \$ — |
| JAARS | <u>26,784</u> | — |
| | <u>\$ 140,321</u> | <u>\$ —</u> |

During the year ended Sept. 30, 2004, WF received support and revenue from and provided support to various related entities. WF also received legacies and bequests on behalf of related entities. Such amounts included in revenue and program services expense were as follows:

| | Received From | Provided To |
|------------------------|---------------------|-------------------|
| Legacies and bequests: | | |
| WBT | \$ 1,012,712 | \$ — |
| Fees: | | |
| WBT | 796,974 | — |
| JAARS | <u>26,291</u> | — |
| | <u>823,265</u> | <u>—</u> |
| Support: | | |
| WBT | — | 860,538 |
| JAARS | 190,365 | — |
| | <u>190,365</u> | <u>860,538</u> |
| | <u>\$ 2,026,342</u> | <u>\$ 860,538</u> |

The affiliated entities supported by WF have agreed to help fund the initial costs of the Foundation through an obligatory contribution totaling \$2,309,800. This amount is to be received over the first three years of support for each entity. The majority of this funding will be provided by WBT. Each affiliated entity's obligation to pay this contribution can be reduced by donors' contributions to the Chairman's Challenge campaign that are earmarked to a specific affiliate. As a result, these amounts are considered to be conditional promises, payable only if other donor contributions are not received within the first three years of support. As such, they will not be recognized as revenue until these conditions are substantially met.

**WYCLIFFE BIBLE TRANSLATION FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS**

September 30, 2004

NOTE E—NET ASSETS

As of Sept. 30, 2004, temporarily restricted net assets consist of time restricted net assets related to contributions receivable from the Chairman's Challenge campaign.

■ WYCLIFFE FOUNDATION'S GOVERNING BOARD

Roger Tompkins, Chair

Jim Akovenko

Bob Creson

Roy Peterson

O'Ann Steere

Cam Anderson

Bernie May Jr.

Wes Peterson

John Watters

Kathy Berlinsky

Roger Owens

Dr. David Ross





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