

**WYCLIFFE BIBLE TRANSLATORS
OF CANADA INC.**

FINANCIAL STATEMENTS

SEPTEMBER 20, 2009

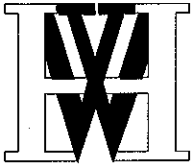
WYCLIFFE BIBLE TRANSLATORS OF CANADA INC.

FINANCIAL STATEMENTS

SEPTEMBER 20, 2009

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AUDITORS' REPORT

To the Directors of
Wycliffe Bible Translators of Canada Inc.

We have audited the statement of financial position of Wycliffe Bible Translators of Canada Inc. as at September 20, 2009 and the statements of operations and changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at September 20, 2009 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Calgary, Alberta
November 6, 2009

Werner Haag
Chartered Accountants



WYCLIFFE BIBLE TRANSLATORS OF CANADA INC.

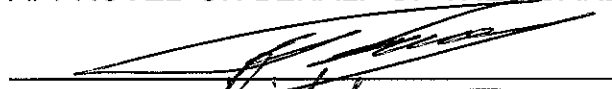
STATEMENT OF FINANCIAL POSITION

SEPTEMBER 20, 2009

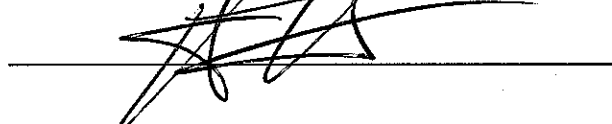
	<u>2009</u>	<u>2008</u>
ASSETS		
Current		
Cash	\$ 413,782	\$ 900,538
Short term investments	1,486,350	1,690,808
Accounts receivable (Note 5)	53,498	189,742
Inventories	106,255	113,316
Prepaid expenses	<u>57,060</u>	<u>86,163</u>
	2,116,945	2,980,567
Investments	173,129	190,407
Charitable remainder trusts	106,189	104,496
Property, plant and equipment (Note 3)	<u>571,053</u>	<u>648,605</u>
	<u>\$ 2,967,316</u>	<u>\$ 3,924,075</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities (Note 5)	\$ 543,121	\$ 534,885
Investment trust agreements	<u>220,921</u>	<u>169,668</u>
	<u>764,042</u>	<u>704,553</u>
FUND BALANCES		
Invested in capital assets	571,053	648,605
Externally restricted	951,329	1,853,874
Internally restricted	237,210	137,432
Unrestricted	<u>443,682</u>	<u>579,611</u>
	<u>2,203,274</u>	<u>3,219,522</u>
	<u>\$ 2,967,316</u>	<u>\$ 3,924,075</u>

Contingent Liability (Note 7)

APPROVED ON BEHALF OF THE BOARD:



Director



Director

WYCLIFFE BIBLE TRANSLATORS OF CANADA INC.

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

YEAR ENDED SEPTEMBER 20, 2009

	GENERAL		RESTRICTED FUNDS				TOTAL	
	OPERATING FUNDS		DESIGNATED		CAPITAL			
	2009	2008	2009	2008	2009	2008	2009	2008
REVENUE								
Donations								
Missionary support - Field	\$ -	\$ -	\$ 9,205,228	\$ 9,784,830	\$ -	\$ -	\$ 9,205,228	\$ 9,784,830
Missionary support - Other	-	-	4,378,166	4,042,082	-	-	4,378,166	4,042,082
Field programs	-	-	1,472,180	2,023,622	-	-	1,472,180	2,023,622
General donations	424,278	461,132	210,522	238,050	-	-	634,800	699,182
Government grants	1,649	-	101,626	175,952	-	-	103,275	175,952
Investment and other income	120,281	226,676	127,981	55,841	-	-	248,262	282,517
	<u>546,208</u>	<u>687,808</u>	<u>15,495,703</u>	<u>16,320,377</u>	<u>-</u>	<u>-</u>	<u>16,041,911</u>	<u>17,008,185</u>
EXPENSES								
Administrative	598,371	534,991	1,052,542	840,851	-	-	1,650,913	1,375,842
Amortization	-	-	-	-	95,729	95,668	95,729	95,668
Communication	291,745	316,486	394,624	395,316	-	-	686,369	711,802
Field programs - Missionary Support	-	-	9,778,717	9,856,876	-	-	9,778,717	9,856,876
Field programs - Project	19,614	19,171	2,126,709	1,792,260	-	-	2,146,323	1,811,431
Fundraising	356,156	355,757	368,409	390,709	-	-	724,565	746,466
Public relations	235,044	204,152	594,106	625,954	-	-	829,150	830,106
Training	24,779	15,959	1,118,035	1,167,959	-	-	1,142,814	1,183,918
	<u>1,525,709</u>	<u>1,446,516</u>	<u>15,433,142</u>	<u>15,069,925</u>	<u>95,729</u>	<u>95,668</u>	<u>17,054,580</u>	<u>16,612,109</u>
Excess (Deficiency) of Revenue Over Expenses before undernoted	(979,501)	(758,708)	62,561	1,250,452	(95,729)	(95,668)	(1,012,669)	396,076
Loss on disposal of capital assets	-	-	-	-	(3,579)	(1,724)	(3,579)	(1,724)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(979,501)	(758,708)	62,561	1,250,452	(99,308)	(97,392)	(1,016,248)	394,352
Fund Balances At Beginning Of Year	579,611	333,571	1,991,306	1,758,835	648,605	732,764	3,219,522	2,825,170
Interfund transfers (Note 6)	<u>843,572</u>	<u>1,004,748</u>	<u>(865,328)</u>	<u>(1,017,981)</u>	<u>21,756</u>	<u>13,233</u>	<u>-</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	\$ 443,682	\$ 579,611	\$ 1,188,539	\$ 1,991,306	\$ 571,053	\$ 648,605	\$ 2,203,274	\$ 3,219,522
COMPOSITION OF FUNDS								
Invested in capital assets	\$ -	\$ -	\$ -	\$ -	\$ 571,053	\$ 648,605	\$ 571,053	\$ 648,605
Externally restricted	-	-	951,329	1,853,874	-	-	951,329	1,853,874
Internally restricted	-	-	237,210	137,432	-	-	237,210	137,432
Unrestricted	<u>443,682</u>	<u>579,611</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>443,682</u>	<u>579,611</u>
FUND BALANCES AT END OF YEAR	\$ 443,682	\$ 579,611	\$ 1,188,539	\$ 1,991,306	\$ 571,053	\$ 648,605	\$ 2,203,274	\$ 3,219,522

WYCLIFFE BIBLE TRANSLATORS OF CANADA INC.

STATEMENT OF CASH FLOWS

YEAR ENDED SEPTEMBER 20, 2009

	<u>2009</u>	<u>2008</u>
OPERATING ACTIVITIES		
Cash receipts	\$ 16,178,155	\$ 16,900,512
Cash disbursements	<u>(16,914,450)</u>	<u>(16,617,114)</u>
	<u>(736,295)</u>	<u>283,398</u>
INVESTING ACTIVITIES		
Investments	66,837	(45,456)
Proceeds from sale of capital assets	510	12,275
Additions to capital assets	(22,266)	(13,833)
Reduction of loans payable	<u>-</u>	<u>(11,675)</u>
	<u>45,081</u>	<u>(58,689)</u>
INCREASE (DECREASE) IN CASH	(691,214)	224,709
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>2,591,346</u>	<u>2,366,637</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,900,132</u>	<u>\$ 2,591,346</u>
 Cash and cash equivalents are comprised of:		
Cash	\$ 413,782	\$ 900,538
Short term investments	<u>1,486,350</u>	<u>1,690,808</u>
	<u>\$ 1,900,132</u>	<u>\$ 2,591,346</u>

WYCLIFFE BIBLE TRANSLATORS OF CANADA INC.

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 20, 2009

1. PURPOSE OF THE ORGANIZATION

Wycliffe Bible Translators of Canada Inc. ("Wycliffe") is a national organization operating to empower indigenous peoples worldwide for spiritual, personal and solid growth through Bible translation and other language related ministries. Wycliffe is incorporated under the Canada Corporations Act as a not-for-profit organization and is a registered charity under the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with generally accepted Canadian accounting principles, using the assumption that the organization will continue as a going concern. Significant accounting policies are described below:

FUND ACCOUNTING

Wycliffe follows the restricted fund method of accounting for contributions.

The General Operating Fund reports unrestricted general operational and administrative activities.

The Designated Fund reports restricted resources that are to be used for special projects or have restrictions on when funds may be expended.

The Capital Asset Fund reports assets, liabilities, revenues and expenses related to capital assets.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash and short term investments. Short term investments consist of investments that are readily convertible into cash and that are not subject to significant fluctuations in value.

INVENTORIES

Inventories are recorded at the lower of cost or market value.

WYCLIFFE BIBLE TRANSLATORS OF CANADA INC.

NOTES TO FINANCIAL STATEMENTS (Continued)

SEPTEMBER 20, 2009

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

INVESTMENTS

Investments are treated as held for trading and are recorded at market value.

FOREIGN CURRENCIES

Foreign currency transactions are accounted for using the temporal method whereby monetary items are translated at the rates of exchange prevailing at the statement of financial position date and revenues and expenses are translated at prevailing rates of exchange during the year. The resulting gains or losses are credited or charged to operations.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recorded at cost. Amortization is recorded on the straight line basis at the following annual rates:

Buildings	3.3%
Office furniture and equipment	10.0%
Computer equipment	20.0%
Media equipment	10.0%
Printing arts equipment	6.7%
Vehicles	20.0%

INVESTMENT TRUST AGREEMENTS

Investment trust agreements require the passage of a stated period of time or the occurrence of a particular event before all or part of the funds may be expended. The principal is not recognized as income until the agreements vest with Wycliffe.

WYCLIFFE BIBLE TRANSLATORS OF CANADA INC.

NOTES TO FINANCIAL STATEMENTS (Continued)

SEPTEMBER 20, 2009

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

CHARITABLE REMAINDER TRUSTS

Charitable remainder trusts are recorded at the present value of the total funds that will be due Wycliffe upon conditions of the trust being met.

DONATED SERVICES

The ministries of Wycliffe are dependent on the services of many volunteers. The value of donated services is not recognized in these financial statements.

INCOME TAXES

Wycliffe is a not-for-profit organization under the Income Tax Act and is, therefore, not subject to either federal or provincial income taxes.

USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from the estimates.

WYCLIFFE BIBLE TRANSLATORS OF CANADA INC.

NOTES TO FINANCIAL STATEMENTS (Continued)

SEPTEMBER 20, 2009

3. PROPERTY, PLANT AND EQUIPMENT

	2009			2008
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Land	\$ 55,408	\$ -	\$ 55,408	\$ 55,408
Buildings	833,743	554,523	279,220	299,086
Office furniture and equipment	90,011	61,251	28,760	27,918
Computer equipment	288,268	199,938	88,330	132,495
Media equipment	52,710	45,614	7,096	8,639
Printing arts equipment	246,099	133,860	112,239	120,970
Vehicles	<u>12,500</u>	<u>12,500</u>	<u>-</u>	<u>4,089</u>
	<u>\$ 1,578,739</u>	<u>\$ 1,007,686</u>	<u>\$ 571,053</u>	<u>\$ 648,605</u>

4. FINANCIAL INSTRUMENTS

Financial instruments included in these financial statements include cash and cash equivalents, accounts receivable, inventories, prepaid expenses, accounts payable and accrued liabilities and investment trust agreements. All these financial instruments are classified as held-for-trading and are recorded at their fair value. Any change between their fair value at the fiscal year end and the initially recorded cost is recorded as an unrealized gain or loss in the statement of operations.

The fair market values of these financial instruments approximate their carrying values at September 30, 2009 due to their relative short-term to maturity.

Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant interest, currency or credit risks arising from these financial instruments, nor does it believe there are any significant concentrations of credit risk.

WYCLIFFE BIBLE TRANSLATORS OF CANADA INC.

NOTES TO FINANCIAL STATEMENTS (Continued)

SEPTEMBER 20, 2009

5. AFFILIATED ORGANIZATIONS

Wycliffe works closely with Canada Institute of Linguistics Inc. and GlobalPartnerLink Inc. The purpose of Canada Institute of Linguistics Inc. is, through linguistics training, to assist Wycliffe in reaching its goals and objectives. Canada Institute of Linguistics Inc. is incorporated under the Canada Corporations Act and is a separate charity under the Income Tax Act.

Donations made to Canada Institute of Linguistics Inc. during the year were \$12,006 (\$29,987 in 2008). There is no amount receivable from or payable to Canada Institute of Linguistics Inc. at September 20, 2009 and September 20, 2008.

The purpose of GlobalPartnerLink Inc. is to increase participation in the world's Bible translation movement and to support Wycliffe in it's link with national ministry partners. GlobalPartnerLink Inc. is incorporated under the Canada Corporations Act and is a separate charity under the Income Tax Act.

Donations made to GlobalPartnerLink Inc. during the year were \$517,140 (\$Nil in 2008). At September 20, 2009, there was \$8,320 (\$Nil in 2008) in accounts payable to GlobalPartnerLink Inc..

6. INTER-FUND TRANSFERS

The following inter fund transfers were made during the year:

	General		Restricted Funds			
	Operating Funds		Designated		Capital	
	2009	2008	2009	2008	2009	2008
Designated to General to cover portion of operating expenses	\$ 925,328	\$1,077,981	\$ (925,328)	\$ (1,077,981)	\$ -	\$ -
Capital to General from asset dispositions	510	600	-	-	(510)	(600)
General to Designated for future capital replacement	(60,000)	(60,000)	60,000	60,000	-	-
General to Capital for purchase of capital assets	(22,266)	(13,833)	-	-	22,266	13,833
	<u>\$ 843,572</u>	<u>\$1,004,748</u>	<u>\$ (865,328)</u>	<u>\$ (1,017,981)</u>	<u>\$ 21,756</u>	<u>\$ 13,233</u>

WYCLIFFE BIBLE TRANSLATORS OF CANADA INC.

NOTES TO FINANCIAL STATEMENTS (Continued)

SEPTEMBER 20, 2009

7. CONTINGENT LIABILITY

Wycliffe has guaranteed the loan of an organization operating in Africa. The amount of the guarantee, is \$15,101 U.S. (\$16,965 U.S. in 2008).