



LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION  
D/B/A LAUSANNE MOVEMENT

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2014





## REVIEW REPORT OF INDEPENDENT ACCOUNTANTS

The Board of Directors  
Lausanne Committee for World Evangelization d/b/a Lausanne Movement  
Orlando, Florida

We have reviewed the accompanying statement of financial position of Lausanne Committee for World Evangelization d/b/a Lausanne Movement ("the Ministry") as of December 31, 2014, and the related statements of activities, functional expenses, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Ministry's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

*Batts Morrison Wales & Lee, P.A.*

BATTS MORRISON WALES & LEE, P.A.

Orlando, Florida  
July 6, 2015

**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION**  
**D/B/A LAUSANNE MOVEMENT**  
STATEMENT OF FINANCIAL POSITION  
December 31, 2014

**ASSETS**

**ASSETS**

Cash and cash equivalents	\$ 534,712
Other assets	<u>2,547</u>

<b>Total assets</b>	<b><u>\$ 537,259</u></b>
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**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts payable	<u>\$ 2,509</u>
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<b>Total liabilities</b>	<u>2,509</u>
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**NET ASSETS**

Unrestricted	312,368
Temporarily restricted	<u>222,382</u>

<b>Total net assets</b>	<u>534,750</u>
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<b>Total liabilities and net assets</b>	<b><u>\$ 537,259</u></b>
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**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION**  
**D/B/A LAUSANNE MOVEMENT**  
STATEMENT OF ACTIVITIES  
For The Year Ended December 31, 2014

	Unrestricted	Temporarily Restricted	Total
<b>PUBLIC SUPPORT AND REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS</b>			
Contributions	\$ 1,036,543	\$ 310,618	\$ 1,347,161
Conferences and events	130,112	—	130,112
Other revenue	1,576	—	1,576
Net assets released from restrictions	197,617	(197,617)	—
<b>Total public support and revenue and net assets released from restrictions</b>	<b>1,365,848</b>	<b>113,001</b>	<b>1,478,849</b>
<b>EXPENSES</b>			
Program activities	1,139,828	—	1,139,828
Supporting activities			
Management and general	147,071	—	147,071
Fundraising	116,807	—	116,807
<b>Total supporting activities</b>	<b>263,878</b>	<b>—</b>	<b>263,878</b>
<b>Total expenses</b>	<b>1,403,706</b>	<b>—</b>	<b>1,403,706</b>
<b>CHANGE IN NET ASSETS</b>	<b>(37,858)</b>	<b>113,001</b>	<b>75,143</b>
<b>NET ASSETS - Beginning of year</b>	<b>350,226</b>	<b>109,381</b>	<b>459,607</b>
<b>NET ASSETS - End of year</b>	<b>\$ 312,368</b>	<b>\$ 222,382</b>	<b>\$ 534,750</b>

**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION**  
**D/B/A LAUSANNE MOVEMENT**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For The Year Ended December 31, 2014

	Program Activities	Supporting Activities			Total Expenses
		Management and General	Fundraising	Total	
Contracted services	\$ 696,931	\$ 142,177	\$ 112,685	\$ 254,862	\$ 951,793
Travel and meals	210,133	43	414	457	210,590
Grants to other organizations	80,803	—	—	—	80,803
Other expenses	71,471	4,668	348	5,016	76,487
Staff development	42,926	—	3,360	3,360	46,286
Communications	16,473	131	—	131	16,604
Supplies	13,558	52	—	52	13,610
Technology	7,533	—	—	—	7,533
<b>Total expenses</b>	<b>\$ 1,139,828</b>	<b>\$ 147,071</b>	<b>\$ 116,807</b>	<b>\$ 263,878</b>	<b>\$ 1,403,706</b>

See The Accompanying Review Report of Independent Accountants  
And Notes to Financial Statements

**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION**  
**D/B/A LAUSANNE MOVEMENT**  
STATEMENT OF CASH FLOWS  
For The Year Ended December 31, 2014

**OPERATING CASH FLOWS**

Cash received from contributors	\$ 1,347,161
Cash received from conferences and events	130,112
Other cash received	1,576
Cash paid for operating activities and costs	<u>(1,415,752)</u>

<b>Net operating cash flows</b>	<b><u>63,097</u></b>
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<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>63,097</b>
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<b>CASH AND CASH EQUIVALENTS - Beginning of year</b>	<b><u>471,615</u></b>
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<b>CASH AND CASH EQUIVALENTS - End of year</b>	<b><u>\$ 534,712</u></b>
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**RECONCILIATION OF CHANGE IN NET ASSETS TO NET**

**OPERATING CASH FLOWS**

Change in net assets	\$ 75,143
Adjustments to reconcile change in net assets to net operating cash flows	
Change in other assets	6,630
Change in accounts payable	<u>(18,676)</u>

<b>Net operating cash flows</b>	<b><u>\$ 63,097</u></b>
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**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION**  
**D/B/A LAUSANNE MOVEMENT**  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014

**NOTE A – NATURE OF ACTIVITIES**

Lausanne Committee for World Evangelization d/b/a Lausanne Movement (“the Ministry”) is a not-for-profit California corporation. The Ministry’s global vision is:

- The gospel for every person,
- An evangelical church for every people,
- Christ-like leaders for every church, and
- Kingdom impact in every sphere of society.

The Ministry exists to encourage and stimulate the involvement of churches, denominations, ministries, networks, and individuals in the cause of world evangelization by providing a forum for theological discussion and the development of practical strategies to address crucial issues facing the church in spreading the Gospel of Jesus Christ. The Ministry seeks to be a faithful steward of God’s calling to connect influencers and ideas for global mission. The Ministry desires to serve the global church with a spirit of humility, friendship, prayer, study, partnership, and hope, which Billy Graham called ‘the spirit of Lausanne.’

The Ministry connects influencers in two types of networks: issue networks and regional networks.

*Issue networks* – Over thirty issue networks led by Ministry leaders are involved in the pressing missional opportunities and challenges of issues as diverse as Freedom and Justice, Islam, Cities, Media Engagement, and Business as Mission.

*Regional networks* – From East Asia to Latin America, and Francophone Africa to the South Pacific, the Ministry gives leadership to initiatives across continental or sub-continental regions.

The Ministry maintains a robust catalog of information on its website ([www.lausanne.org](http://www.lausanne.org)), including over forty years of missional content, access to printed publications, opportunities to connect with Ministry networks, identification of upcoming regional and issues-based gatherings, and opportunities to financially support the Ministry’s activities.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Revenue recognition**

Contributions received are recorded as unrestricted or temporarily restricted support, depending on the existence and/or nature of donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the accompanying statement 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.

**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION**  
**D/B/A LAUSANNE MOVEMENT**  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014

**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 from state income tax pursuant to California law. The Ministry is further classified as a public charity and not a private foundation 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 financial statements. The Ministry has not taken any material uncertain tax positions for which the associated tax benefits may not be recognized under accounting principles generally accepted in the United States of America. Federal and state tax authorities may generally examine the Ministry's income tax positions or (if applicable) returns for periods of approximately three to six years.

**Use of estimates**

Management uses estimates and assumptions in preparing 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. Actual results could differ from the estimates.

**Subsequent events**

The Ministry has evaluated for possible financial reporting and disclosure subsequent events through July 6, 2015, the date as of which the financial statements were available to be issued.

**NOTE C – CONCENTRATIONS**

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.

During 2014, approximately 54% of the Ministry's contribution revenue came from a small group of donors. The Ministry hopes and expects to continue its relationship with these significant donors and may be adversely impacted financially if support from these donors were to diminish significantly or cease.

**NOTE D – SHARED AND CONTRACTED SERVICES**

The Ministry is a party to a services agreement with Campus Crusade for Christ, Inc. ("Cru") whereby Cru performs certain donation processing services and financial administration services to the Ministry free of charge. Due to immateriality of the amounts involved, the Ministry has not recognized contributed services revenue and expense related to this agreement in the accompanying financial statements.

The Ministry has no employees. Individuals performing services on behalf of the Ministry are "secunded" to the Ministry under separate agreements with each individual's employer. The Ministry pays the employing organization a fee for such services, and the expenses associated with the services are classified in the accompanying statement of activities based on the nature of the services provided, and are reported as "contracted services" in the accompanying statement of functional expenses.



**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION**  
**D/B/A LAUSANNE MOVEMENT**  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014

**NOTE E – TEMPORARILY RESTRICTED NET ASSETS**

Net assets were temporarily restricted for the following purposes:

	<u>Balance</u> <u>January 1</u>	<u>Contributions</u>	<u>Releases</u>	<u>Balance</u> <u>December 31</u>
Young leaders	\$ 17,758	\$ 150,000	\$ (27,760)	\$ 139,998
Missionary balances	11,422	43,895	(9,590)	45,727
Global analysis	24,586	—	—	24,586
Ministry consultations	<u>55,615</u>	<u>116,723</u>	<u>(160,267)</u>	<u>12,071</u>
Total	<u>\$ 109,381</u>	<u>\$ 310,618</u>	<u>\$ (197,617)</u>	<u>\$ 222,382</u>