



Batts Morrison  
Wales & Lee

CERTIFIED PUBLIC ACCOUNTANTS

Lausanne Committee for World  
Evangelization  
d/b/a Lausanne Movement

Financial Statements

For The Years Ended December 31, 2022 and 2021



Batts Morrison  
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CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

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

We have reviewed the accompanying financial statements of Lausanne Committee for World Evangelization d/b/a Lausanne Movement ("the Ministry"), which consist of the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements. 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's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement whether due to fraud or error.

### ***Accountant's Responsibility***

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Lausanne Committee for World Evangelization d/b/a Lausanne Movement and to meet our other ethical responsibilities in accordance with the relevant ethical requirements related to our reviews.

### ***Accountant's Conclusion***

Based on our reviews, 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  
June 20, 2023

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Batts Morrison Wales & Lee, P.A. • Certified Public Accountants

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**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION**  
**D/B/A LAUSANNE MOVEMENT**  
**STATEMENTS OF FINANCIAL POSITION**

**ASSETS**

	December 31,	
	2022	2021
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,349,598	\$ 1,167,913
Prepaid expenses, deposits, and other assets	19,159	19,096
<b>Total assets</b>	<b>\$ 1,368,757</b>	<b>\$ 1,187,009</b>

**LIABILITIES AND NET ASSETS**

<b>LIABILITIES</b>		
Accounts payable	\$ 9,840	\$ 12,854
<b>Total liabilities</b>	<b>9,840</b>	<b>12,854</b>
<b>NET ASSETS</b>		
Without donor restrictions	1,193,912	1,080,834
With donor restrictions	165,005	93,321
<b>Total net assets</b>	<b>1,358,917</b>	<b>1,174,155</b>
<b>Total liabilities and net assets</b>	<b>\$ 1,368,757</b>	<b>\$ 1,187,009</b>

**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION**  
**D/B/A LAUSANNE MOVEMENT**  
**STATEMENTS OF ACTIVITIES**

	For the Years Ended December 31,					
	2022			2021		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
<b>PUBLIC SUPPORT AND REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS</b>						
Contributions	\$ 1,754,930	\$ 504,089	\$ 2,259,019	\$ 1,517,385	\$ 71,315	\$ 1,588,700
Other revenue	1,284	—	1,284	1,058	—	1,058
Net assets released from restrictions	<u>432,405</u>	<u>(432,405)</u>	<u>—</u>	<u>39,457</u>	<u>(39,457)</u>	<u>—</u>
<b>Total public support and revenue and net assets released from restrictions</b>	<b><u>2,188,619</u></b>	<b><u>71,684</u></b>	<b><u>2,260,303</u></b>	<b><u>1,557,900</u></b>	<b><u>31,858</u></b>	<b><u>1,589,758</u></b>
<b>EXPENSES</b>						
Program activities	<u>1,923,180</u>	<u>—</u>	<u>1,923,180</u>	<u>1,086,417</u>	<u>—</u>	<u>1,086,417</u>
Supporting activities						
Management and general	76,424	—	76,424	60,489	—	60,489
Fundraising	<u>75,937</u>	<u>—</u>	<u>75,937</u>	<u>77,675</u>	<u>—</u>	<u>77,675</u>
Total supporting activities	<u>152,361</u>	<u>—</u>	<u>152,361</u>	<u>138,164</u>	<u>—</u>	<u>138,164</u>
<b>Total expenses</b>	<b><u>2,075,541</u></b>	<b><u>—</u></b>	<b><u>2,075,541</u></b>	<b><u>1,224,581</u></b>	<b><u>—</u></b>	<b><u>1,224,581</u></b>
<b>CHANGE IN NET ASSETS</b>	<b>113,078</b>	<b>71,684</b>	<b>184,762</b>	<b>333,319</b>	<b>31,858</b>	<b>365,177</b>
<b>NET ASSETS - Beginning of year</b>	<b><u>1,080,834</u></b>	<b><u>93,321</u></b>	<b><u>1,174,155</u></b>	<b><u>747,515</u></b>	<b><u>61,463</u></b>	<b><u>808,978</u></b>
<b>NET ASSETS - End of year</b>	<b><u>\$ 1,193,912</u></b>	<b><u>\$ 165,005</u></b>	<b><u>\$ 1,358,917</u></b>	<b><u>\$ 1,080,834</u></b>	<b><u>\$ 93,321</u></b>	<b><u>\$ 1,174,155</u></b>

**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION**  
**D/B/A LAUSANNE MOVEMENT**  
STATEMENT OF FUNCTIONAL EXPENSES  
For The Year Ended December 31, 2022

	Program activities	Supporting activities			Total expenses
		Management and general	Fundraising	Total	
Contracted services	\$ 1,112,224	\$ 43,000	\$ 74,500	\$ 117,500	\$ 1,229,724
Travel and meals	328,721	—	1,437	1,437	330,158
Leadership development	260,008	—	—	—	260,008
Other expenses	48,605	32,881	—	32,881	81,486
Technology	69,059	231	—	231	69,290
Entertainment and gifts	64,639	—	—	—	64,639
Rent and occupancy	33,026	—	—	—	33,026
Communications	<u>6,898</u>	<u>312</u>	<u>—</u>	<u>312</u>	<u>7,210</u>
<b>Total expenses</b>	<b><u>\$ 1,923,180</u></b>	<b><u>\$ 76,424</u></b>	<b><u>\$ 75,937</u></b>	<b><u>\$ 152,361</u></b>	<b><u>\$ 2,075,541</u></b>

**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION**  
**D/B/A LAUSANNE MOVEMENT**  
STATEMENT OF FUNCTIONAL EXPENSES  
For The Year Ended December 31, 2021

	Program activities	Supporting activities			Total expenses
		Management and general	Fundraising	Total	
Contracted services	\$ 919,904	\$ 46,345	\$ 59,180	\$ 105,525	\$ 1,025,429
Technology	56,679	5,373	5,112	10,485	67,164
Other expenses	47,776	2,656	5,122	7,778	55,554
Travel and meals	26,757	2,582	2,937	5,519	32,276
Rent and occupancy	17,762	1,901	4,100	6,001	23,763
Donations	12,900	1,200	900	2,100	15,000
Communications	<u>4,639</u>	<u>432</u>	<u>324</u>	<u>756</u>	<u>5,395</u>
<b>Total expenses</b>	<b><u>\$ 1,086,417</u></b>	<b><u>\$ 60,489</u></b>	<b><u>\$ 77,675</u></b>	<b><u>\$ 138,164</u></b>	<b><u>\$ 1,224,581</u></b>

**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION**  
**D/B/A LAUSANNE MOVEMENT**  
**STATEMENTS OF CASH FLOWS**

	For The Years Ended	
	December 31,	
	<u>2022</u>	<u>2021</u>
<b>OPERATING CASH FLOWS</b>		
Cash received from contributors	\$ 2,259,019	\$ 1,588,700
Other cash received	1,284	1,058
Cash paid for operating activities and costs	<u>(2,078,618)</u>	<u>(1,234,634)</u>
<b>Net operating cash flows</b>	<u><b>181,685</b></u>	<u><b>355,124</b></u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>181,685</b>	<b>355,124</b>
<b>CASH AND CASH EQUIVALENTS - Beginning of year</b>	<u><b>1,167,913</b></u>	<u><b>812,789</b></u>
<b>CASH AND CASH EQUIVALENTS - End of year</b>	<u><b>\$ 1,349,598</b></u>	<u><b>\$ 1,167,913</b></u>
<b>RECONCILIATION OF CHANGE IN NET ASSETS TO NET</b>		
<b>OPERATING CASH FLOWS</b>		
Change in net assets	\$ 184,762	\$ 365,177
Adjustments to reconcile change in net assets to net operating cash flows		
Change in prepaid expenses, deposits, and other assets	(63)	(16,423)
Change in accounts payable	<u>(3,014)</u>	<u>6,370</u>
<b>Net operating cash flows</b>	<u><b>\$ 181,685</b></u>	<u><b>\$ 355,124</b></u>

**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION**  
**D/B/A LAUSANNE MOVEMENT**  
NOTES TO FINANCIAL STATEMENTS

**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 across three spheres:

*Ideas* – The Ministry has over thirty diverse issue networks, each led by Lausanne catalysts and centered around a pressing missional opportunity or challenge. These smaller groups of influencers focus on a critical mission topic like the Gospel and Culture, Children at Risk, and Business as Mission.

*Regions* – From East Asia to Latin America and Francophone Africa to the South Pacific, regional directors help facilitate connections for mission and give leadership to Lausanne’s initiatives across 12 continental or sub-continental regions.

*Generations* – Younger Leaders Gatherings (“YLG”) bring together influential evangelical leaders between the ages of 25 and 35, connecting participants with each other and with other senior global leaders to build up the next generation of influencers.

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**

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 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 accompanying statements of activities as “net assets released from restrictions.” Conference and event revenue is recognized in the period earned.

**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

**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.

**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.

**Functional allocation of expenses**

The 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 functional areas based on time spent by individuals performing various services on behalf of the Ministry.

**Subsequent events**

The Ministry has evaluated for possible financial reporting and disclosure subsequent events through the date of the independent accountant's review report, the date as of which the 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 statements of financial position are as follows:

	<u>December 31,</u>	
	<u>2022</u>	<u>2021</u>
Financial assets available:		
Cash and cash equivalents	<u>\$ 1,349,598</u>	<u>\$ 1,167,913</u>
Financial assets available within one year	1,349,598	1,167,913
Less:		
Amounts unavailable for general expenditure within one year:		
Missionary balances	<u>(20,876)</u>	<u>(17,076)</u>
Net financial assets available within one year	<u>\$ 1,328,722</u>	<u>\$ 1,150,837</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 donor-restricted net assets that are available for general expenditure within one year of December 31, 2022 and 2021, because the restrictions on the net assets are expected to be met by conducting the normal activities of the Ministry's programs in the coming year. Accordingly, the related resources have been included in the quantitative information detailing the financial assets available to meet general expenditures within one year. The Ministry maintains other net assets for the use of certain missionaries, which are not included. Furthermore, management believes the Ministry has sufficient financial assets available for general operations that may be drawn upon in the event of unanticipated financial distress or an immediate liquidity need.

**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION**  
**D/B/A LAUSANNE MOVEMENT**  
NOTES TO FINANCIAL STATEMENTS

**NOTE D – 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 2022 and 2021, approximately 62% and 60% per year, respectively, 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 E – 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 seconded 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 statements of activities based on the nature of the services provided and are reported as “contracted services” in the accompanying statements of functional expenses. Such agreements can generally be canceled by either party with proper notice.

**NOTE F – NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consisted of the following during 2022:

	<u>Balance</u> <u>January 1</u>	<u>Contributions</u>	<u>Releases</u>	<u>Balance</u> <u>December 31</u>
Ministry consultations	\$ 45,199	\$ 490,624	\$ (424,740)	\$ 111,083
Global analysis project	31,046	2,000	—	33,046
Missionary balances	<u>17,076</u>	<u>11,465</u>	<u>(7,665)</u>	<u>20,876</u>
Total	<u>\$ 93,321</u>	<u>\$ 504,089</u>	<u>\$ (432,405)</u>	<u>\$ 165,005</u>

Net assets with donor restrictions consisted of the following during 2021:

	<u>Balance</u> <u>January 1</u>	<u>Contributions</u>	<u>Releases</u>	<u>Balance</u> <u>December 31</u>
Ministry consultations	\$ 12,115	\$ 59,665	\$ (26,581)	\$ 45,199
Global analysis project	33,046	4,000	(6,000)	31,046
Missionary balances	<u>16,302</u>	<u>7,650</u>	<u>(6,876)</u>	<u>17,076</u>
Total	<u>\$ 61,463</u>	<u>\$ 71,315</u>	<u>\$ (39,457)</u>	<u>\$ 93,321</u>