

**WORLDWIDE DISCIPLESHIP
ASSOCIATION, INC.
FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITORS'
REPORT THEREON
FOR THE YEARS ENDED
JUNE 30, 2018 AND 2017**

**WORLDWIDE DISCIPLESHIP ASSOCIATION, INC.
TABLE OF CONTENTS
JUNE 30, 2018 AND 2017**

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT	3-4
STATEMENTS OF FINANCIAL POSITION	5
STATEMENTS OF ACTIVITY AND CHANGES IN NET ASSETS	6
STATEMENTS OF FUNCTIONAL EXPENSES	7-8
STATEMENTS OF CASH FLOWS	9
NOTES TO FINANCIAL STATEMENTS	10-14



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
WORLDWIDE DISCIPLESHIP ASSOCIATION, INC.
Fayetteville, Georgia

We have audited the accompanying financial statements of WORLDWIDE DISCIPLESHIP ASSOCIATION, INC. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2018, and the related statements of activity and changes in net assets, functional expenses and cash flows for the year then ended and the related notes to the financial statements.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Suwanee Office
4185 Silver Peak Parkway, Suite A
Suwanee, GA 30024
770.271.7422 tel
770.271.7847 fax

Fayetteville Office
132 Old Norton Road, Suite 102
Fayetteville, GA 30215
770.716.1650 tel
770.716.6330 fax

Eagles Landing Office
2330 Patrick Henry Parkway, Suite 100
McDonough, GA 30253
770.474.7703 tel
770.474.1569 fax

Northlake Office
2302 Parklake Drive, Suite 100
Atlanta, GA 30345
770.908.0029 tel
770.908.0920 fax



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WORLDWIDE DISCIPLESHIP ASSOCIATION, INC., as of June 30, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the WORLDWIDE DISCIPLESHIP ASSOCIATION, INC.'s June 30, 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 15, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Robins, Eskew, Smith & Jordan, P.C.
ROBINS, ESKEW, SMITH & JORDAN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

January 9, 2019
McDonough, Georgia

Suwanee Office
4185 Silver Peak Parkway, Suite A
Suwanee, GA 30024
770.271.7422 *tel*
770.271.7847 *fax*

Fayetteville Office
132 Old Norton Road, Suite 102
Fayetteville, GA 30215
770.716.1650 *tel*
770.716.6330 *fax*

Eagles Landing Office
2330 Patrick Henry Parkway, Suite 100
McDonough, GA 30253
770.474.7703 *tel*
770.474.1569 *fax*

Northlake Office
2302 Parklake Drive, Suite 100
Atlanta, GA 30345
770.908.0029 *tel*
770.908.0920 *fax*

**WORLDWIDE DISCIPLESHIP ASSOCIATION, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2018 AND 2017**

ASSETS

	2018	2017
CURRENT ASSETS		
Cash (Note 1)	\$ 540,666	\$ 642,200
Accounts Receivable (Note 1)	12,839	10,046
Prepaid Expenses	8,942	7,649
TOTAL CURRENT ASSETS	562,447	659,895
LAND, BUILDING AND EQUIPMENT, at Cost or Donated Value, Less Accumulated Depreciation Thereon of \$411,401 in 2018 and \$396,991 in 2017 (Notes 1, 2 and 3)	73,050	87,460
TOTAL ASSETS	\$ 635,497	\$ 747,355

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accrued Liabilities Payable	\$ 13,867	\$ 19,520
Current Maturities of Note Payable (Note 3)	13,333	13,333
TOTAL CURRENT LIABILITIES	27,200	32,853
NOTE PAYABLE, Net of Current Maturities (Note 3)	120,000	133,334
TOTAL LIABILITIES	147,200	166,187
UNRESTRICTED NET ASSETS (Note 1)	488,297	581,168
TOTAL LIABILITIES AND NET ASSETS	\$ 635,497	\$ 747,355

The accompanying notes are an integral part of these financial statements.

WORLDWIDE DISCIPLESHIP ASSOCIATION, INC.
 STATEMENTS OF ACTIVITY AND CHANGES IN NET ASSETS
 FOR THE YEARS ENDED JUNE 30, 2018 WITH COMPARATIVE TOTALS FOR JUNE 30, 2017

	STAFF FUND	FIELD FUND	TRAINING FUND	GENERAL FUND	2018	2017
CHANGES IN UNRESTRICTED NET ASSETS SUPPORT AND REVENUES						
Contributions	\$ 908,656	\$ 72,161	\$ 58,198	\$ 161,193	\$1,200,208	\$1,545,408
Bookstore Sales	-	-	16,733	-	16,733	20,795
Rent Income	-	-	-	-	-	2,400
TOTAL UNRESTRICTED SUPPORT AND REVENUES	908,656	72,161	74,931	161,193	1,216,941	1,568,603
PROGRAM AND SUPPORT EXPENSES						
Salaries	885,687	22,396	-	97,270	1,005,353	972,377
Travel and Meetings	4,746	63,303	2,375	13,654	84,078	70,136
Reimbursements	71,355	-	-	-	71,355	105,803
Office, Postage and Printing	-	1,072	-	27,509	28,581	26,529
Insurance Premiums	7,032	-	-	19,896	26,928	25,409
Repairs and Maintenance	-	-	-	21,528	21,528	24,625
Supplies	1,542	5,615	4,676	6,931	18,764	21,768
Depreciation (Notes 1 and 2)	-	-	-	14,410	14,410	18,176
Professional Fees	-	-	-	12,673	12,673	14,371
Materials Development	-	-	12,345	-	12,345	10,352
Interest (Note 3)	-	-	-	6,913	6,913	7,569
Telephone	-	946	-	2,388	3,334	4,729
Conferences	2,004	-	-	25	2,029	150
Miscellaneous	-	121	-	1,400	1,521	10,539
Fundraising	-	-	-	-	-	1,996
TOTAL PROGRAM AND SUPPORT EXPENSES	972,366	93,453	19,396	224,597	1,309,812	1,314,529
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	(63,710)	(21,292)	55,535	(63,404)	(92,871)	254,074
NET TRANSFERS IN (OUT)	69,611	1,008	(62,887)	(7,732)	-	-
INCREASE (DECREASE) IN NET ASSETS FOR THE YEAR	5,901	(20,284)	(7,352)	(71,136)	(92,871)	254,074
BEGINNING NET ASSET	266,504	243,827	14,422	56,415	581,168	327,094
ENDING NET ASSETS (DEFICIT)	\$ 272,405	\$ 223,543	\$ 7,070	\$ (14,721)	\$ 488,297	\$ 581,168

The accompanying notes are an integral part of these financial statements.

WORLDWIDE DISCIPLESHIP ASSOCIATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2018

	TOTAL PROGRAM ACTIVITIES	GENERAL AND ADMINI- STRATIVE	FUND RAISING	TOTAL SUPPORT ACTIVITIES	TOTAL EXPENSES
EXPENSES					
Salaries	\$ 827,660	\$ 97,270	\$ 80,423	\$ 177,693	\$ 1,005,353
Travel and Meetings	70,424	13,654	-	13,654	84,078
Reimbursements	71,355	-	-	-	71,355
Office, Postage and Printing	1,072	27,509	-	27,509	28,581
Insurance Premiums	7,032	19,896	-	19,896	26,928
Repairs and Maintenance	-	21,528	-	21,528	21,528
Supplies	11,833	6,931	-	6,931	18,764
Professional Fees	-	12,673	-	12,673	12,673
Materials Development	12,345	-	-	-	12,345
Interest (Note 3)	-	6,913	-	6,913	6,913
Telephone	946	2,388	-	2,388	3,334
Conferences	2,004	25	-	25	2,029
Miscellaneous	121	1,400	-	1,400	1,521
	<u>1,004,792</u>	<u>210,187</u>	<u>80,423</u>	<u>290,610</u>	<u>1,295,402</u>
EXPENSES BEFORE DEPRECIATION					
DEPRECIATION	<u>-</u>	<u>14,410</u>	<u>-</u>	<u>14,410</u>	<u>14,410</u>
TOTAL EXPENSES	<u>\$ 1,004,792</u>	<u>\$ 224,597</u>	<u>\$ 80,423</u>	<u>\$ 305,020</u>	<u>\$ 1,309,812</u>

The accompanying notes are an integral part of these financial statements.

WORLDWIDE DISCIPLESHIP ASSOCIATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2017

	TOTAL PROGRAM ACTIVITIES	GENERAL AND ADMINI- STRATIVE	FUND RAISING	TOTAL SUPPORT ACTIVITIES	TOTAL EXPENSES
EXPENSES					
Salaries	\$ 836,419	\$ 58,168	\$ 77,790	\$ 135,958	\$ 972,377
Travel and Meetings	61,974	8,162	-	8,162	70,136
Reimbursements	105,803	-	-	-	105,803
Office, Postage and Printing	4,183	22,346	-	22,346	26,529
Insurance Premiums	8,394	17,015	-	17,015	25,409
Repairs and Maintenance	-	24,625	-	24,625	24,625
Supplies	5,689	16,079	-	16,079	21,768
Professional Fees	-	14,371	-	14,371	14,371
Materials Development	10,352	-	-	-	10,352
Interest (Note 3)	-	7,569	-	7,569	7,569
Telephone	1,130	3,599	-	3,599	4,729
Conferences	150	-	-	-	150
Miscellaneous	-	10,539	-	10,539	10,539
Fundraising	-	-	1,996	1,996	1,996
	1,034,094	182,473	79,786	262,259	1,296,353
EXPENSES BEFORE DEPRECIATION					
DEPRECIATION	-	18,176	-	18,176	18,176
TOTAL EXPENSES	\$ 1,034,094	\$ 200,649	\$ 79,786	\$ 280,435	\$ 1,314,529

The accompanying notes are an integral part of these financial statements.

WORLDWIDE DISCIPLESHIP ASSOCIATION, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017
INCREASE (DECREASE) IN CASH

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Contributions	\$ 1,200,208	\$ 1,545,408
Cash Paid to Employees	(1,005,353)	(972,377)
Cash Paid for Other Operating Costs	(283,055)	(303,818)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(88,200)	269,213
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash Paid for Equipment	-	(9,848)
NET CASH (USED IN) INVESTING ACTIVITIES	-	(9,848)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Paid on Note Payable	(13,334)	(13,333)
NET CASH (USED IN) FINANCING ACTIVITIES	(13,334)	(13,333)
NET INCREASE (DECREASE) IN CASH	(101,534)	246,032
CASH AT BEGINNING OF YEAR	642,200	396,168
CASH AT END OF YEAR	\$ 540,666	\$ 642,200
 CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets for the Year	\$ (92,871)	\$ 254,074
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided by (Used In) Operating Activities:		
Depreciation	14,410	18,176
Net Change in Receivables, Prepaid Expenses, Accruals, etc.	(9,739)	(3,037)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ (88,200)	\$ 269,213

The accompanying notes are an integral part of these financial statements.

WORLDWIDE DISCIPLESHIP ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization – WORLDWIDE DISCIPLESHIP ASSOCIATION, INC. (WDA) is organized as a nonprofit, tax exempt corporation under provisions of Section 501(c)(3) of the Internal Revenue Code. WDA seeks to be a servant to the churches and to other organizations in carrying out the Great Commission of the Lord Jesus Christ which includes taking the Gospel of Jesus Christ to every nation and every creature, building disciples of Jesus Christ, and teaching them to observe all things that Jesus commanded.

Financial Statement Presentation – WDA reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

To ensure observance of limitations and restrictions placed on the use of resources of WDA, the accounts of the organization are maintained in accordance with principles of fund accounting, the procedure by which resources are classified for their nature and purpose. Accordingly, all financial transactions have been recorded and reported by fund group. Within each fund group, fund balances whose use is restricted are so indicated and are distinguishable from unrestricted funds over which the organization has complete control and discretion. The following describes the nature and purpose of the funds used in carrying out WDA's purpose:

Temporarily Restricted Fund – Represents resources currently available for use, but expendable only for those operating purposes specified by the donor.

Staff Fund – This fund pays salaries, benefits and other expenses of all WDA staff that raise support for the organization.

Field Fund – This fund category encompasses the activities and expenditures occurring in all operations carried on outside the Headquarters office. This category includes the campus ministries, international ministries, summer mission projects, etc.

Training Fund – This fund encompasses all activities associated with the development, production, and sale of both old and new resource materials; conducting seminars for outside organizations, especially churches; and providing annual staff training.

General Fund – This fund provides for the day to day operations and administrative and executive activities necessary to run WDA.

Comparative Financial Information – The statements of activity and changes in net assets include certain prior-year summarized comparative information. Such presentation does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with WDA's financial statements for the year ended June 30, 2017, from which summarized information was derived.

WORLDWIDE DISCIPLESHIP ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Expenses – WDA allocates its expenses on a functional basis among its various programs and support services.

Expenses that can be identified with specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various statistical basis. The activities are carried out along the following functional lines:

Program Activities – Program activities include expenses directly related to ministry activities.

General and Administrative – General and Administrative expenses relate to the performance of certain administrative functions necessary in effectively managing the affairs of the ministry. Primary activities include support activities for the board of directors, and the finance, personnel and executive committees. Other activities include accounting, personnel administration, insurance, clerical and general office management.

Fund Raising – Fund raising expenses are costs of all activities that constitute an appeal for financial support.

Accounts Receivable – No allowance for uncollectible accounts is maintained as WDA is of the opinion that all current receivables are fully collectible.

Land, Building and Equipment – Initial donations of land, buildings, and equipment are recorded as support at their appraised value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire these assets are reported as restricted support. In the absence of donor stipulations regarding how long donated assets must be maintained, WDA reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. WDA reclassifies temporarily restricted net assets to unrestricted net assets at that time. Depreciation is provided for in amounts sufficient to relate the cost of assets to operations over their estimated useful lives. Both accelerated and straight-line methods are used for calculating depreciation for financial reporting and tax reporting purposes.

Land, building and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. When indicators of impairment are present, WDA evaluates the carrying amount of such assets in relation to the operating performance and future estimated undiscounted net cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. The assessment of the recoverability of assets will be impacted if estimated future operating cash flows are not achieved. In the opinion of WDA, no assets were impaired as of June 30, 2018 or 2017.

WORLDWIDE DISCIPLESHIP ASSOCIATION, INC.
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2018 AND 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recognition of Donor Restrictions – WDA reports gifts of cash and other assets as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires by either the stipulated time restriction ending or the purpose restriction being accomplished, temporarily restricted net assets are then reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Cash Equivalents – For purposes of the statement of cash flows, WDA considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Periodically, WDA has cash balances in excess of amounts insured by the Federal Deposit Insurance Corporation (FDIC).

Use of Estimates – The preparation of financial statements in conformity with 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 year. Actual results could differ from those estimates.

Income Tax Status – WDA is qualified as a not for profit organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, it is exempt from federal and state income taxes. WDA is required to maintain proper accounting records in order to maintain their status as a nonprofit organization. WDA evaluates all significant tax positions as required by generally accepted accounting principles in the United States. As of June 30, 2018 and 2017, WDA does not believe that it has taken any tax positions that would require the recording of any additional tax liability nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next twelve months. WDA's federal exempt income tax return (Form 990) is subject to examination by the Internal Revenue Service, generally three years after they are filed.

NOTE 2 LAND, BUILDING AND EQUIPMENT

Land, building and equipment consists of the following:

<u>Assets</u>	<u>Life</u>	<u>2018</u>	<u>2017</u>
Land		\$ 35,042	\$ 35,042
Building and Improvements Thereto	31.5-39	382,216	382,216
Office Equipment and Furniture	5-7	54,358	54,358
Vehicle	5	<u>12,835</u>	<u>12,835</u>
TOTAL LAND, BUILDING AND EQUIPMENT		484,451	484,451
Less Accumulated Depreciation Thereon		<u>(411,401)</u>	<u>(396,991)</u>
NET LAND, BUILDING AND EQUIPMENT		<u>\$ 73,050</u>	<u>\$ 87,460</u>

**WORLDWIDE DISCIPLESHIP ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017**

NOTE 2 LAND, BUILDING AND EQUIPMENT (CONTINUED)

Depreciation expense for the years ending June 30, 2018 and 2017 was \$14,410 and \$18,176, respectively.

NOTE 3 NOTE PAYABLE

The note payable consists of:

	<u>2018</u>	<u>2017</u>
Bank note payable in 180 monthly payments of \$1,111, plus interest at 4.85%, due in June 2028, secured by headquarters building.	\$ <u>133,333</u>	\$ <u>146,667</u>
TOTAL DEBT	133,333	146,667
Less Current Maturities	<u>(13,333)</u>	<u>(13,333)</u>
TOTAL NOTE PAYABLE, NET OF CURRENT MATURITIES	<u>\$ 120,000</u>	<u>\$ 133,334</u>

Aggregate maturities of the long term portion of the note payable as of June 30, 2018, is as follows:

Due in the year ended June 30,	
2020	\$ 13,333
2021	13,333
2022	13,333
Thereafter	<u>80,001</u>
TOTAL NOTE PAYABLE, NET OF CURRENT MATURITIES	<u>\$ 120,000</u>

Interest expense for the years ending June 30, 2018 and 2017 totaled \$6,913 and \$7,569, respectively.

WDA has an existing \$100,000 bank line of credit, bearing interest at 8.75%, available until February 2019. There was no balance outstanding on this bank line of credit at June 30, 2018 or 2017.

NOTE 4 RETIREMENT PLAN

WDA has a SIMPLE Pension plan for all employees meeting certain eligibility requirements. WDA matches 100% of the employee's contribution up to 3% of the employee's compensation for the calendar year. Total contributions for the years ended June 30, 2018 and 2017 amounted to \$4,119 and \$5,329, respectively.

**WORLDWIDE DISCIPLESHIP ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017**

NOTE 5 SUBSEQUENT EVENTS

WDA evaluated all subsequent events through January 9, 2019, the date the financial statements were issued.