

WEC INTERNATIONAL

ABN 22 000 637 749

Financial Statements and Reports for the
Year Ended 31st December 2014

Tyndale KSG Pty Limited
Authorised Audit Company
Suite 28/19-21 Central Road
MIRANDA NSW 2228

WEC INTERNATIONAL

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DIRECTORS' REPORT

The Directors present their report on the company for the year ended 31st December 2014.

The names of Directors in office during or since the end of the year are:

Name

Ruth M Stevens

Keith N Stevens

Elizabeth Hentschel

James F Lambie

Janette C Boucher

David C Richards

Donald George

Jim Dawson

Principal Activities

The principal activities of the company during the financial year were world wide Christian evangelism. No significant change in the nature of this activity occurred during the financial year.

Operating Result

The company derived an operating deficit of \$13,815 for the year ended 31st December 2014. This was after allowing for depreciation of \$166,467.

Significant Changes in State of Affairs

There was no significant change in the state of affairs of the company.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or which may affect the operations of the company, the results of those operations or the state of affairs of the company in future years.

Future Developments

The Board does not see any major changes in operations for the coming year.

Environmental Issues

The company takes all the necessary steps to ensure that full compliance is achieved in all environmental related matters.

Information on Directors

Ruth M Stevens

Position Director

Qualifications Dip T (P); Graduate WEC Missionary Training College, Launceston.

Experience Board member 14 years. Presently member of Australian Leadership Team for WEC In Australia. State Director of WEC International in Victoria 1995-2003, Media Officer WEC International Australia 1986-1984, Staff member of WEC Missionary Training College 1982-1985.

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DIRECTORS' REPORT

Keith N Stevens

Position Director
Qualifications BA, TPTC, Graduate of WEC Missionary Training College, Launceston.
Experience Board member for 11 years. Presently member of Australian Leadership Team for WEC Australia. State Director WEC International Victoria 1995-2003. Media Officer WEC International Australia 1986-1994, Staff member of WEC Missionary Training College 1982-1985.

Elizabeth G Hentschel

Position Director
Qualifications Certificate IV in Training & Education; Diploma in Dutch as a second language; Master of Arts (Missions); Certificate in Spanish Language Studies; Certificate in Missiology; Trained Nurse and Midwife.
Experience Board Member 2002 - 2007, 2010 - present.
Director of WEC Australia leadership team 2002 - 2007.
Cross-cultural church planting trainer 2008 - present.
Nurse / Midwife 1970 - 1975.

Donald George

Position Director
Qualifications Grad. Dip. in Christian Studies; BA (Intercultural Studies); Dip. Min; Dip. Miss; Certificate Christian Service, Commercial Cook's Certificate; currently studying M. Min.(Education).
Experience Board Member 3 years.
Lecturer Worldview 2007 - present; Ordained Minister Anglican Church of Tasmania 2010 - present; Pastoral Care Co-ordinator Aberfoyle Park Baptist 2005; Business Agent WEC Senegal 2002-2004; Business Agent WEC Ivory Coast 2000-2002; Crosscultural worker WEC Ivory Coast 1990-2002; Chairman Vavoua International School Board 1995 - 2000; Pastoral Internship Whyalla Baptist Church 1987; Youth Leader 1979-1984.

James F Lambie

Position Director
Qualifications Master of Arts (Christian Leadership); Bachelor of Commerce (Accounting & Information Systems); Trade Certificate Cooking.
Experience Board member 4 years.
5 Years Company Secretary / Incorporation Secretary; 9 years on staff at Worldview Centre for Intercultural Studies; 11 years business manager at K-12 Christian School in Launceston; 9 years Executive Chef in motels / conference / restaurant kitchens in Australia and UK.

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DIRECTORS' REPORT

Janette C Boucher

Position Director
Qualifications Post Graduate Diploma in Intercultural Studies; Bachelor of Nursing
Experience Board Member 4 years.
1 year member of Australian Leadership Team for WEC Australia
3 years Co-leader of WEC Australia Mobilisation Team
1 year Mobiliser with WEC Australia
9 years as a Cross Cultural Worker in South East Asia
1 year Registered Nurse at St Margarets Rehabilitation Hospital, SA.
1 year Registered Nurse on casual bank at Western Community Hospital and Modbury Hospital concurrently, SA.
1 year Graduate Nurse Program at Royal Adelaide Hospital, SA.

David C Richards

Position Director
Qualifications Post Graduate Diploma in TESOL; Bachelor of Applied Science Diploma in Theology
Experience Board Member 4 years.
10 years Field Leader of WEC Bulgaria; 13 years CP Team Leader with WEC Bulgaria; 18 years as a Cross-cultural worker in Asia and Europe; 5 years English Language Teaching, Assorted Colleges; 1 year Direct Care Worker, Wesley Mission.

Jim Dawson

Position Director
Qualifications Certificate in Dental Technology; Certificate in TESOL; Certificate in Christian Studies; Dip Theology; Grad Dip in Pastoral Counselling; MA Biblical Studies.
Experience Board Member 2 years.
Youth Pastor Carlisle Baptist 1979-81; Church planting WEC Thailand 1981-96; Associate Pastor Essendon Baptist Church 1988-89; Principal Vocation Training Centre WEC Cambodia 1999-2003; Field Committee Member WEC Cambodia 1999-2003; Elder Mt Hawthorn Baptist Church 1997-99; Elder Int. National Assembly Phnom Penh 2000-02; Mobiliser & Trainer WEC Australia 2004 - present; East Tomor representative for WEC Australia 2013 - present.

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DIRECTORS' REPORT

Meetings of Directors

During the financial year four meetings of Directors were held. Attendances were:

Name	Eligible to Attend	Meetings Attended
Keith N Stevens	4	4
Ruth M Stevens	4	4
Elizabeth Hentschel	4	4
James F Lambie	4	4
Janette C Boucher	4	4
David C Richards	4	3
Donald George	4	3
Jim Dawson	4	4

Directors' Benefits

During or since the end of the financial year, no Director has received, or become entitled to receive a benefit by reason of a contract made by the company with a Director or a company of which they are a member, or entity in which they have a financial interest.

Indemnifying Officers or Auditor

During the financial year the company has paid premiums to insure each of the Directors against liability for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the company other than conduct involving wilful breach of duty in relation to the company.

The company has not entered into an agreement to indemnify, paid, or agreed to pay insurance premiums in relation to the auditor of the company.

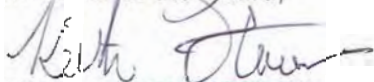
Auditor's Independence

The auditors independence declaration is set out in this report and forms part of the Directors' report for the year ended 31 December 2014. The Directors were satisfied that the provision of any non-audit services during the year were compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

Proceedings on Behalf of the Company


No person has applied for leave of the Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of any proceedings. The company was not a part to such proceedings during the year.

On behalf of the Board,



Keith Stevens

Dated this 13th day of March 2015



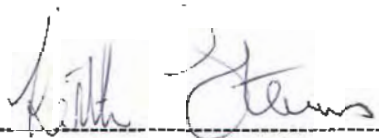
James Lambie

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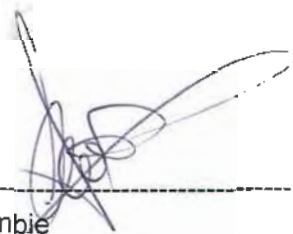
DIRECTORS' DECLARATION

The Directors of the Company declare that:

- 1 The financial statements and notes:
 - a) comply with Accounting Standards and the Corporations Act (2001), and
 - b) give a true and fair view of the financial position as at 31st December 2014 and the performance for the year ended on that date;
- 2 In the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.



Keith Stevens



James Lambie

Dated this 13th day of March 2015

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C
OF THE CORPORATIONS ACT 2001**

To the Directors of WEC International:

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31st December 2014 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit, and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Tyndale KSG Pty Limited



David Shedden FCA
Lead Auditor

Sydney NSW
13th March 2015

WEC INTERNATIONAL
ABN 22 000 637 749
COMPREHENSIVE STATEMENT OF INCOME FOR THE
YEAR ENDED 31ST DECEMBER 2014

	Note	2014 \$	2013 \$
Operating Revenues	2a	772,263	856,569
Less Expenditure:			
Administration		85,350	93,088
Depreciation & Impairment		166,467	192,728
Gifts and Donations		117,274	94,522
Property Expenses		312,550	322,819
Events & Ministry		49,833	45,252
Other Expenses from Operating Activities		<u>54,604</u>	<u>121,188</u>
Operating Surplus (Deficit)		<u><u>(13,815)</u></u>	<u><u>(13,028)</u></u>

These accounts are to be read in conjunction with the notes attached

WEC INTERNATIONAL

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STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash and Cash Equivalents	4	48,071	32,080
Receivables	5	40,915	38,468
Inventory	6	5,343	8,217
Financial Assets	7	<u>2,117,143</u>	<u>2,224,251</u>
Total Current Assets		<u>2,211,472</u>	<u>2,303,016</u>
NON-CURRENT ASSETS			
Receivables	8	250,000	300,000
Property, Plant and Equipment	9	<u>20,718,006</u>	<u>20,568,579</u>
Total Non-current Assets		<u>20,968,006</u>	<u>20,868,579</u>
TOTAL ASSETS		<u>23,179,478</u>	<u>23,171,595</u>
CURRENT LIABILITIES			
Payables	10	<u>38,811</u>	<u>29,573</u>
Total Current Liabilities		<u>38,811</u>	<u>29,573</u>
NON-CURRENT LIABILITIES			
Payables	11	<u>347,489</u>	<u>335,029</u>
TOTAL LIABILITIES		<u>386,300</u>	<u>364,602</u>
NET ASSETS		<u>22,793,178</u>	<u>22,806,993</u>
EQUITY			
Reserves	12	16,432,156	16,432,156
Retained Surplus	13	<u>6,361,022</u>	<u>6,374,837</u>
TOTAL EQUITY		<u>22,793,178</u>	<u>22,806,993</u>

These accounts are to be read in conjunction with the notes attached

WEC INTERNATIONAL
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2014

	Reserves	Retained Surplus	Accumulated Funds
Balance at 1st January 2013	18,087,895	6,387,865	24,475,760
Movement / Surplus for the year	<u>(1,655,739)</u>	<u>(13,028)</u>	<u>(1,668,767)</u>
Balance at 31st December 2013	16,432,156	6,374,837	22,806,993
Movement / Surplus for the year	<u>-</u>	<u>(13,815)</u>	<u>(13,815)</u>
Balance at 31st December 2014	<u><u>16,432,156</u></u>	<u><u>6,361,022</u></u>	<u><u>22,793,178</u></u>

WEC INTERNATIONAL
 ABN 22 000 637 749
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31ST DECEMBER, 2014

	2014	2013
	\$	\$
<u>STATEMENT OF CASH FLOWS</u>		
1. Cash flows from Operating Activities		
Receipts from Supporters & Activities	700,307	756,253
Interest	69,509	107,033
Payments to Suppliers	<u>(607,499)</u>	<u>(654,267)</u>
Net Cash from Operating Activities	<u>162,317</u>	<u>209,019</u>
2. Cash used in Investing Activities		
Payments for Property, Plant and Equipment	(316,372)	(182,065)
Disposal of Property & Equipment	50,478	-
Increase in Deposits	-	-
Transfer (to) from Investments & Trust Funds	<u>119,568</u>	<u>(48,829)</u>
Net Cash used in Investing Activities	<u>(146,326)</u>	<u>(230,894)</u>
Net Increase in Cash Held (1+2+3)	15,991	(21,875)
Cash at beginning of the Financial Year	<u>32,080</u>	<u>53,955</u>
Cash at end of the Financial Year	<u>48,071</u>	<u>32,080</u>
Reconciliation of Net Cash provided by Operating Activities to Operating Surplus		
Operating Surplus (Deficit)	(13,815)	(13,028)
Depreciation	166,467	160,538
Impairment of Fixed Assets	-	32,190
Decrease (Increase) in Stock on hand	2,874	1,331
Increase (Decrease) in Fees in Advance	-	100
Increase (Decrease) in Creditors	9,238	21,271
Decrease (Increase) in Receivables	<u>(2,447)</u>	<u>6,617</u>
Net Cash from Operating Activities	<u>162,317</u>	<u>209,019</u>
Reconciliation of Cash Funds		
Cash at Bank	<u>48,071</u>	<u>32,080</u>
	<u>48,071</u>	<u>32,080</u>

WEC INTERNATIONAL
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2014

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

WEC International has elected to adopt the Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from reduced disclosure requirements.

a) Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards - Reduced Disclosure Requirements and the Australian Accounting Standards Board and the Corporations Act (2001). The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied unless otherwise stated.

b) Income Tax

WEC International is a non-profit company which is exempt from income tax under section 50-15 of the Income Tax Assessment Act (1997). The company has been endorsed by the Australian Taxation Office as a tax concession charity.

c) Receivables

Receivables are recognised and recorded at original invoice amount less an allowance for any uncollected amounts. An estimate of doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

d) Property, Plant and Equipment

Freehold land and building are shown at their fair value, based on periodic, but at least triennial valuations by Directors based on independent property appraisals. Plant and equipment are carried at cost less, where applicable, any accumulated depreciation. The carrying amount of property, plant and equipment is reviewed annually by the Directors to ensure that it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amount. The depreciable amount of fixed assets, excluding freehold land are depreciated over their useful lives from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are:

Class of Asset	Rate
Building additions & improvements	2.5%
Plant & Equipment	10-33%
Motor Vehicles	15%

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FOR THE YEAR ENDED 31ST DECEMBER, 2014

e) Recoverable Amount of Assets

At each reporting date the Directors assess whether there is an indication that an asset may be impaired. Where an indicator of impairment exists, the Directors make an estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

f) Investments

Investments are carried at cost and comprise cash in term deposits, maxi accounts or Managed Funds.

g) Donations and Legacies

Donations and legacies are recognised as revenue when the company gains control of the donation or legacy and there is no requirement to provide a service to a third party.

h) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included as receivables or payables in the balance sheet.

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 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31ST DECEMBER, 2014

	2014	2013
	\$	\$
2 REVENUE		
Note 2a : Revenue from Operating Activities		
Camps	-	10,505
Support Donations & Bequests	42,825	46,841
Rents, Contributions and Events	638,870	656,598
Interest	69,509	107,033
Other Revenues	21,059	35,592
	<u>772,263</u>	<u>856,569</u>
3 OPERATING SURPLUS / (DEFICIT)		
Operating Surplus / (Deficit) has been arrived after charging:		
Auditors Remuneration	5,500	5,500
Loss on Devaluation of Investments	-	1,760
Impairment of Fixed Assets	-	32,190
Depreciation	162,323	160,538
	<u>167,823</u>	<u>199,988</u>
4 CASH AND CASH EQUIVALENTS		
Cash at Bank	48,071	32,080
	<u>48,071</u>	<u>32,080</u>
5 RECEIVABLES (CURRENT)		
Debtors	15,119	11,667
Deposits Held	4,960	5,760
GST Receivable	1,771	(633)
Prepayments	19,065	21,674
	<u>40,915</u>	<u>38,468</u>

WEC INTERNATIONAL
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 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31ST DECEMBER, 2014

	2014 \$	2013 \$
6 INVENTORY		
Books & Literature	<u>5,343</u>	<u>8,217</u>
7 FINANCIAL ASSETS		
Term Deposits, Maxi Accounts and Managed Funds	<u>2,117,143</u>	<u>2,224,251</u>
8 RECEIVABLES (NON-CURRENT)		
Loan - Betel Australia Ltd (Note 19)	<u>250,000</u>	<u>300,000</u>
9 PROPERTY, PLANT AND EQUIPMENT		
Freehold Land & Buildings - Fair Value	20,835,000	20,835,000
Additions & Improvements at Cost	255,587	-
Less Accumulated Depreciation	<u>(634,371)</u>	<u>(517,330)</u>
	20,456,216	20,317,670
<p>Land & Buildings were revalued by the Directors in 2013 using market appraisals to assess fair value. Additions and improvements have been written back to Land and Buildings as part of the revaluation this year.</p>		
Plant and Equipment - at Cost	607,466	582,713
Additions - at Cost	57,429	104,606
Less Disposals	(47,600)	(79,853)
Less Accumulated Depreciation	<u>(355,505)</u>	<u>(356,557)</u>
	261,790	250,909
Total Property, Plant and Equipment	<u>20,718,006</u>	<u>20,568,579</u>
10 PAYABLES (CURRENT)		
Trade Creditors & Accruals	38,711	29,473
Deposits in Advance	<u>100</u>	<u>100</u>
	<u>38,811</u>	<u>29,573</u>

WEC INTERNATIONAL
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 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31ST DECEMBER, 2014

	2014 \$	2013 \$
11 PAYABLES (NON-CURRENT)		
Trust Funds - International Projects	59,660	55,025
Trust Funds - Missionary Account	21,393	2,168
Special Purpose Funds	166,436	177,836
Refundable Security Deposit	<u>100,000</u>	<u>100,000</u>
	<u><u>347,489</u></u>	<u><u>335,029</u></u>
<p>Special Purpose Funds are amounts designated from Estates and held by WEC in Trust for specific purposes. Other Trust Funds are held under the name of WEC on behalf of overseas projects. The refundable security deposit is held as security against the Yarrabah lease.</p>		
12 RESERVES		
Movements during the year		
Asset Revaluation Reserve		
- Balance at the Beginning of the Year	16,432,156	18,087,895
- Net Increment (Decrement) for the Year	<u>-</u>	<u>(1,655,739)</u>
- Balance at the End of the Year	<u>16,432,156</u>	<u>16,432,156</u>
Total Reserves	<u><u>16,432,156</u></u>	<u><u>16,432,156</u></u>
13 ACCUMULATED FUNDS		
Retained Surplus at Beginning of the Year	6,374,837	6,387,865
Net Surplus (Deficit) for the Year	<u>(13,815)</u>	<u>(13,028)</u>
Retained Surplus at End of the Year	<u><u>6,361,022</u></u>	<u><u>6,374,837</u></u>

14 EVENTS AFTER BALANCE DATE

There are no events subsequent to balance date that will effect the operations of the company.

WEC INTERNATIONAL
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2014

15 FINANCIAL INSTRUMENTS

Interest Rate Risk

The economic entities exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on all classes of financial assets and financial liabilities is relatively insignificant.

Interest derived on investments held as Special Purpose Funds is credited to those funds under the terms of the trust.

Interest rate risk is managed by negotiating the best rate possible at the time of investing funds and using both fixed and floating rate deposits.

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to the financial statements.

WEC International does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by it.

Net Fair Values

The net fair values of debtors and fixed interest securities are determined by discounting cash flows, at the market interest rates of similar securities, to their present value.

For other assets and liabilities the net fair value approximates their carrying value. Financial assets where the carrying amount exceeds net fair values have not been written down as the economic entity intends to hold these assets to maturity.

16 SEGMENT REPORTING

WEC International operates in a number of countries around the world with its headquarters in Singapore. Within Australia it is incorporated as a company limited by guarantee and is found operating around Australia in NSW, Queensland, Victoria, Tasmania, South Australia and Western Australia.

WEC International carries out a range of Christian activities including camps, mission courses, recruiting, training, and sending out workers overseas to fulfil the objects of the organisation.

17 COMMITMENTS & CONTINGENCIES

Future commitments for capital works relating to property improvements as at balance date amount to approximately \$250,000.

The Company has no lease, loans or operating expenditure commitments contracted for at balance date not provided for or payable. There are no known legal claims or action of any nature making a claim against the company assets.

WEC INTERNATIONAL

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2014**

18 RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. No Director has entered into a material contract with the Company since the end of the previous financial year nor are there any contracts involving Directors' interests at year end.

19 LOAN ADVANCE

A original sum of \$300,000 was advanced by way of a loan to Betel Australia Ltd LTD on 15th November 2011 for a term of 15 years at 4.8% per annum. Security is held by way of a first registered mortgage over property in Victoria. An amount of \$50,000 was repaid during the year and it was agreed that the interest rate would be reduced to 3.8% per annum.

20 PROPERTY LEASES

WEC currently holds a licence agreement to rent the property held at Yarabah, Morisset for a term of 5 years at a value of \$400,000 p.a. WEC retains a holding deposit of \$100,000 as security for the term of the lease. A number of leases over office space are held in relation to the property at Clayfield.

WEC INTERNATIONAL - SUPPORT SERVICES
INCOME STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2014

	2014	2013
	\$	\$
Income		
Events	31,235	42,395
Morisset Camp Income	-	10,505
Gifts and Donations	7,057	17,452
Reimbursements	7,156	6,873
Rents & Contributions Received	607,635	614,203
Interest Received	69,509	107,033
Bequests	35,768	29,389
Training & Orientation	5,181	5,607
Book & Literature sales	5,115	21,632
Other Income	3,607	1,480
	<u>772,263</u>	<u>856,569</u>
Less Expenditure:		
Administration		
Audit	5,500	5,500
Bank Charges	4,203	5,955
Capital Equipment	11,506	9,808
Computer Expenses	3,613	1,434
Legal & Professional Fees	3,182	4,068
Licences & Registrations	162	162
Loss on Devaluation of Investments	-	1,760
Motor Vehicles	4,091	4,093
Postage and Delivery	1,137	2,609
Printing and Reproduction	14,900	19,430
Office Supplies, Stationery	5,742	4,729
Subscriptions & Licenses	2,673	2,186
Telephone & Communications	28,641	31,354
	<u>85,350</u>	<u>93,088</u>
Property		
Property & Equipment Maintenance	96,256	107,976
Rates & Rent	112,919	112,328
Electricity & Gas	44,915	47,923
Insurance	58,460	54,592
	<u>312,550</u>	<u>322,819</u>
Depreciation	166,467	160,538
Impairment of Fixed Assets	-	32,190
Gifts & Donations	117,274	94,522
Events		
Mobilisation, Team Preparation, Trek Expenses	49,833	45,252
Other		
Book Purchases	6,217	20,524
Conferences & Training	6,305	1,724
General Expenses	6,770	6,482
Household Expenditure	1,869	1,874
Media - Web Design	-	106
Sundries	68	4,664
Travel and Entertainment	33,375	85,814
	<u>54,604</u>	<u>121,188</u>
Total Expenses	<u>786,078</u>	<u>869,597</u>
Net Surplus (Deficit) for the year	<u>(13,815)</u>	<u>(13,028)</u>

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF WEC INTERNATIONAL

Report on the Financial Report

We have audited the accompanying financial report of WEC International which comprises the statement of financial position as at 31st December 2014 and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting and other explanatory notes and the directors' declaration

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, 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 report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of WEC International, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In our opinion:

- (a) the financial report of WEC International is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's financial position as at 31st December 2014 and of their performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements (including Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

Tyndale KSG Pty Limited
Authorised Audit Company

Dated: 13th March 2015


David C. Shedden FCA