

# **WEC INTERNATIONAL**

**ABN 22 000 637 749**

Financial Statements and Reports for the  
Year Ended 31st December 2019

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

# WEC INTERNATIONAL

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**WEC INTERNATIONAL  
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**DIRECTORS' REPORT**

The Directors present their report on the company for the year ended 31st December 2019.

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

**Name**

Donald George	James F Lambie	
Coralie Preston	Janette C Boucher	
Stephen Preston	John Hallam	Retired July 2019
Rachel McNulty	Denise Jenner	Retired July 2019
Chris Laney	Lisa Laney	

**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 incurred an operating surplus of \$72,313 for the year ended 31st December 2019. This was after allowing for depreciation on assets of \$176,746.

**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.

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**DIRECTORS' REPORT**

**Information on Directors**

**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 2012 - present.  
Principal Worldview 2016 - 2019; 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;  
Cross-cultural 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 Graduate Certificate of School Business Leadership;  
Master of Arts (Christian Leadership); Bachelor of Commerce  
(Accounting & Information Systems); Trade Certificate Cooking.  
Experience Board member 2011 - present.  
WEC Company Secretary 2010 - present;  
Worldview Centre for Intercultural Studies staff member 2003-2010;  
Business Manager Christian School 2004-present; 9 years Executive  
Chef in motels / conference / restaurant kitchens in Australia and UK.

**Janette C Boucher**

Position Director  
Qualifications Post Graduate Diploma in Intercultural Studies; Bachelor of Nursing.  
Experience Board Member 2016 - present; Australian Leadership Team 2016 - present;  
Team Leader for Member Care Team for WEC Australia January 2015 -  
present; WEC Board Member 2011 - 2014; Co-leader of Mobilisation Team  
for WEC Australia 2009 - 2013; Mobiliser for WEC Australia January to  
December 2008; Cross Cultural Worker in South East Asia for ten years;  
Registered Nurse at St Margarets Rehabilitation Hospital SA 1996 - 1997;  
Registered Nurse on casual bank at Western Community Hospital  
concurrently, SA 1995 - 1996; Graduate Nurse Program at Royal Adelaide  
Hospital, SA August 1994 - July 1995.

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**DIRECTORS' REPORT**

**Stephen Preston**

Position Director  
Qualifications B.Mus. Education; AMusA Diploma of Piano (UTAS); B. Min. (Bible College of Victoria / Australian College of Theology); Diploma in Spanish (Alcalingua-University of Alcala de Henares).  
Experience Board Member & Australian Leadership Team 2015 - present.  
Cross Cultural Worker in Spain (2000 - 2013); WEC Spain Director (2007-2013); High School / Primary School /Private Piano Teacher (1989 - 1995 inc. 2014); ESL teacher - English Academy, Hernani (2002-2006); Youth Pastor - Ulverstone Baptist (2000).

**Coralie Preston**

Position Director  
Qualifications Bachelor of Education (UTAS); Graduate Diploma in Christian Studies (Bible College of Victoria / Australian College of Theology); Diploma in Spanish (Alcalingua - University of Alcala de Henares).  
Experience Board Member & Australian Leadership Team 2015 - present;  
Cross Cultural Worker in Spain (2000 - 2013); WEC Spain Director (2007-2013); ESL Teacher - English Academy - Hernani (2002 - 2006); Primary School Teacher (1991-1995 inc; 1997 - 1998, 2000).

**Rachel J McNulty**

Position Personal Development Co-ordinator & Centre Manager Perth  
Qualifications MA in Leadership with Mission; BSc Physiotherapy; Diploma of Intercultural Studies.  
Experience Board Member 2018 - present  
Personal Development Co-ordinator 2018 - Present and Centre Manager Perth 2017 - present; 6 years with WEC International; Research Assistant on BIONIC Head Injury Research Project, AUT New Zealand; 2 years in Children and Family support work in the UK; Physiotherapist, Stoke Mandeville Hospital in the UK.

**Christopher Laney**

Position Australian Deputy Director  
Qualifications TAFE Certificate: Management ; Diploma of Intercultural Studies  
Experience Board Member & Australian Leadership Team 2018 - present.  
WEC International member; 15 years living in West Central Asia (12 years Church Leaders, 4 years Branch Committee, 5 years Branch Director), 4 years Management Hayman Industries Pty Ltd (Metal Fabrication plant).

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**DIRECTORS' REPORT**

**Lisa Laney**

Position Australian Deputy Director

Qualifications Diploma of Education (Primary Teaching); Diploma of Theology; Diploma of Intercultural Studies; TESOL Certificate (CELTA)

Experience Board Member 2018 - present  
15 years overseas mission experience - 2003 - 2018 (13 years local church leadership and 5 years as field leader together with Chris Laney); Deputy Branch Leader June 2018 - present; WEC International member 2002 - present; 4 years teaching at Tyndale Christian School, Blacktown, NSW; 2 years teaching at Newstead Christian School, Launceston, TAS; 1 year teaching English as a second language, Launceston University, TAS.

**Meetings of Directors**

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

<b>Name</b>	<b>Eligible to Attend</b>	<b>Meetings Attended</b>
James F Lambie	4	4
Donald George	4	4
Coralie Preston	4	4
Stephen Preston	4	4
John Hallam	2	2
Denise Jenner	2	2
Janette Boucher	2	1
Chris Laney	4	4
Lisa Laney	4	4
Rachel McNulty	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.

**WEC INTERNATIONAL**  
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**DIRECTORS' REPORT**

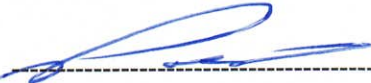
**Auditor's Independence**

The auditors independence declaration is set out in this report and forms part of the Directors' report for the year ended 31 December 2019. 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**

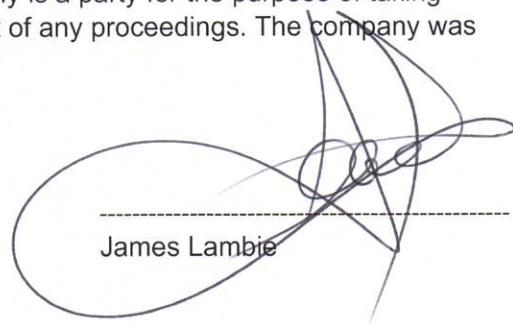
No person has applied for leave of the Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of any proceedings. The company was not a part to such proceedings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

On behalf of the Board,



Stephen Preston

Dated this 13th day of March 2020



James Lambie

**WEC INTERNATIONAL  
ABN 22 000 637 749**

**DIRECTORS' DECLARATION**

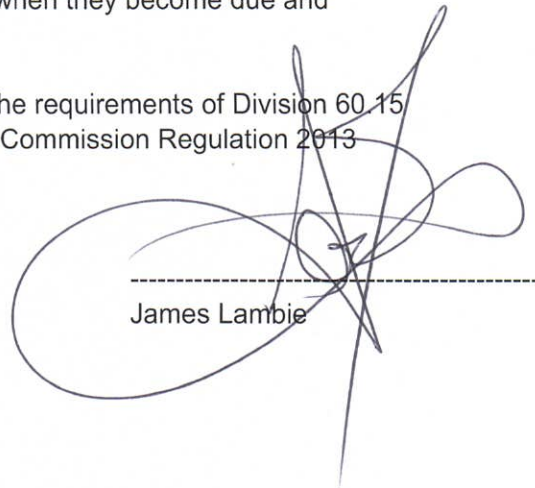
The Directors of the Company declare that:

- 1 The financial statements and notes:
  - a) comply with the Australian Accounting Standards - Reduced Disclosure, Standard and the requirements of the Australian Charities and Not for Profits Commission 2013;
  - b) give a true and fair view of the financial position as at 31st December 2019 and the performance and cash flows of the company for the year ended on that date;
- 2 In the Directors' opinion there are reasonable grounds to believe the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with the requirements of Division 60.15 of the Australian Charities and Not for Profits Commission Regulation 2013



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Stephen Preston



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James Lambie

Dated this 13th day of March 2020



**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 2019 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 2020

**WEC INTERNATIONAL**  
**ABN 22 000 637 749**  
**COMPREHENSIVE STATEMENT OF INCOME FOR THE**  
**YEAR ENDED 31ST DECEMBER 2019**

	Note	2019 \$	2018 \$
Operating Revenues	2a	893,804	709,101
Less Expenditure:			
Administration		90,346	85,353
Depreciation		176,746	178,823
Gifts and Donations		122,941	62,204
Property Expenses		297,918	349,607
Events & Ministry		91,021	80,402
Other Expenses from Operating Activities		<u>42,519</u>	<u>43,078</u>
Operating Surplus (Deficit)		<u><u>72,313</u></u>	<u><u>(90,366)</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, 2019**

	Note	2019 \$	2018 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	4	282,464	197,132
Receivables	5	37,788	62,589
Inventory	6	4,978	5,922
Financial Assets	7	<u>500,000</u>	<u>1,734,119</u>
Total Current Assets		<u>825,230</u>	<u>1,999,762</u>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	8	<u>30,433,837</u>	<u>26,854,012</u>
Total Non-current Assets		<u>30,433,837</u>	<u>26,854,012</u>
<b>TOTAL ASSETS</b>		<u>31,259,067</u>	<u>28,853,774</u>
<b>CURRENT LIABILITIES</b>			
Payables	9	<u>62,184</u>	<u>36,273</u>
Total Current Liabilities		<u>62,184</u>	<u>36,273</u>
<b>NON-CURRENT LIABILITIES</b>			
Payables	10	<u>327,301</u>	<u>378,057</u>
<b>TOTAL LIABILITIES</b>		<u>389,485</u>	<u>414,330</u>
<b>NET ASSETS</b>		<u>30,869,582</u>	<u>28,439,444</u>
<b>EQUITY</b>			
Reserves	12	24,558,368	22,200,543
Retained Surplus	13	<u>6,311,214</u>	<u>6,238,901</u>
<b>TOTAL EQUITY</b>		<u>30,869,582</u>	<u>28,439,444</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 2019**

	<b>Reserves</b>	<b>Accumulated Funds</b>	<b>Accumulated Funds</b>
Balance at 1st January 2018	22,200,543	6,329,267	28,529,810
Movement / Surplus for the year	<u>-</u>	<u>(90,366)</u>	<u>(90,366)</u>
Balance at 31st December 2018	22,200,543	6,238,901	28,439,444
Movement / Surplus for the year	<u>2,357,825</u>	<u>72,313</u>	<u>2,430,138</u>
Balance at 31st December 2019	<u><u>24,558,368</u></u>	<u><u>6,311,214</u></u>	<u><u>30,869,582</u></u>

**WEC INTERNATIONAL**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2019**

<b><u>STATEMENT OF CASH FLOWS</u></b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>1. Cash flows from Operating Activities</b>		
Receipts from Supporters & Activities	<b>891,246</b>	640,550
Interest	<b>27,359</b>	46,004
Payments to Suppliers	<b>(617,890)</b>	(627,948)
<b>Net Cash from Operating Activities</b>	<b>300,715</b>	58,606
<b>2. Cash used in Investing Activities</b>		
Payments for Property, Plant and Equipment	<b>(1,421,929)</b>	(43,293)
Transfer (to) from Investments & Trust Funds	<b>1,206,546</b>	(1,027)
<b>Net Cash used in Investing Activities</b>	<b>(215,383)</b>	(44,320)
Net Increase in Cash Held (1+2+3)	<b>85,332</b>	14,286
Cash at beginning of the Financial Year	<b>197,132</b>	182,846
<b>Cash at end of the Financial Year</b>	<b>282,464</b>	197,132
<b>Reconciliation of Net Cash provided by Operating Activities to Operating Surplus</b>		
Operating Surplus (Deficit)	<b>72,313</b>	(90,366)
Depreciation	<b>176,746</b>	178,823
Decrease (Increase) in Stock on hand	<b>944</b>	369
Increase (Decrease) in Creditors	<b>25,911</b>	(7,673)
Decrease (Increase) in Receivables	<b>24,801</b>	(22,547)
<b>Net Cash from Operating Activities</b>	<b>300,715</b>	58,606
<b>Reconciliation of Cash Funds</b>		
Cash at Bank	<b>282,464</b>	197,132
	<b>282,464</b>	197,132

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2019**

**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 (AASB) and the requirements of the Australian Charities and Not for Profits Commission Act 2012. The financial report has been prepared on an accruals basis and is based on historical cost 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.

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**d) Property, Plant and Equipment**

Freehold land and building are shown at their fair value, based on periodic 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:

<b>Class of Asset</b>	<b>Rate</b>
Building additions & improvements	2%
Plant & Equipment	10-33%
Motor Vehicles	15%

**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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**i) AASB 9 Financial Instruments**

AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement. AASB 9 brings together all three aspects of the accounting for financial instruments project: classification and measurement, impairment and hedge accounting. The new standard makes potentially major changes to the previous guidance on the classification and measurement of financial assets and introduces an "expected credit loss" model for impairment of financial assets.

When adopting AASB 9, the company has applied to adopt transitional relief and opted not to restate prior years.

The company has assessed there to be no significant impact on its balance sheet or equity on applying the classification, measurement and impairment requirements of AASB 9

**(a) Recognition and Initial Measurement**

Financial instruments, incorporating financial assets and liabilities, are recognised when the entity becomes a party to contractual provisions of the instruments. Trade date accounting is adopted for financial assets that are delivered within time frames established by market place convention.

Financial instruments are initially measured at fair value plus transaction costs on trade date.

**(b) Classification and subsequent measurement of financial assets**

The purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories:

- \* financial assets at fair value (FVTPL)
- \* loans and receivables
- \* held-to-maturity investments (HTM)
- \* available-for-sale financial assets (AFS)

The category determined subsequent measurement and whether any resulting income and expense is recognised in the profit and loss statement.

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of assets is impaired. Different criteria to determine impairment are applied for each category of financial asset, which are described below.

All income and expenses relating to financial assets that are recognised in the profit and loss are presented within finance costs or finance income, except for impairment of trade receivables which is presented within other expenses.



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**(c) Financial assets held at fair value**

A financial asset is classified in this category if acquired principally for selling in the short term or that meet certain conditions and are designated at FVTPL upon initial recognition. Realised and unrealised gains and losses arising from changes at fair value of these assets are recognised in the profit and loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

We may use derivative financial instruments such as forward exchange contracts and cross currency swaps to hedge risks associated with foreign currency fluctuations. Any gains or losses on remeasuring forward exchange contracts to fair value that are not in a designated hedging relationship are recognised directly in the income statement in the period in which they occur within other expenses or other income.

**(d) Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The entity's cash equivalents trade and most other receivables fall in to this category of financial instruments. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed in groups. The impairment loss estimate is then based on historical default rates for each identified group.

**(e) Held to maturity investments**

These investments are non-derivative financial assets, have fixed maturities, and it is the entities intention to hold these to maturity. Any held to maturity investments held by the entity are stated at amortised cost using the effective interest rate method.

**(f) Available for sale financial assets**

Available for sale financial assets include any non-derivative financial assets not included in the above categories.

Available for sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are recognised in other comprehensive income and reported within equity.

**(g) Financial liabilities**

Non-derivative financial liabilities are subsequently recognised at amortised cost, comprising original debt less principal repayments and amortisation. The entities financial liabilities include trade and other payables.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
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**AASB 16 Leases**

It is noted that the new accounting standard on leases AASB 16, which first applies to the entity for the year ended 31 December 2019, has not resulted in any significant additional asset and liability changes or income statement changes arising from any leases as the quantum of leases entered into is not significant.

**AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-For-Profit Entities**

This new Standard also first applies to the Entity for the year ended 31st December 2019. AASB 15 outlines a single comprehensive model for entities to use in accounting for revenue from contracts with customers and replaces AASB 111. AASB 118 and interpretations 13,15 and 131. The core principle is that an entity recognises revenue so as to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

AASB 1058 Income of Not-For-Profit Entities also applies to the entity for the first time for the year ended 31st December 2019 clarifying the income recognition requirements applying to Not-For-Profit entities in conjunction with AASB 15 establishing principles applying to transactions where the consideration to acquire an asset is significantly less than fair value principally to enable a Not-For-Profit entity to further its objectives and the receipt of volunteer services. A deferral of the adoption of this standard has been implemented by the entity for peppercorn arrangements as permitted under AASB 2018-8 regarding the Right of Use Assets of Not-For-Profit entities. Adoption of the new standards has not had any significant impact on the assets, liabilities or income statement.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2019**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>2 REVENUE</b>		
<b>Note 2a : Revenue from Operating Activities</b>		
Support Donations & Bequests	<b>209,129</b>	25,011
Rents, Contributions and Events	<b>647,583</b>	627,865
Interest	<b>27,359</b>	46,004
Other Revenues	<b>9,733</b>	10,221
	<u><b>893,804</b></u>	<u>709,101</u>
<b>3 OPERATING SURPLUS / (DEFICIT)</b>		
Operating Surplus / (Deficit) has been arrived after charging:		
Auditors Remuneration	<b>7,150</b>	6,380
Depreciation	<b>176,746</b>	178,823
	<u><b>183,896</b></u>	<u>185,203</u>
<b>4 CASH AND CASH EQUIVALENTS</b>		
Cash at Bank	<u><b>282,464</b></u>	<u>197,132</u>
	<u><b>282,464</b></u>	<u>197,132</u>
<b>5 RECEIVABLES (CURRENT)</b>		
Debtors	<b>589</b>	14,716
Deposits Held	<b>6,145</b>	9,674
Prepayments	<b>31,054</b>	31,658
Other Receivables	<b>-</b>	6,541
	<u><b>37,788</b></u>	<u>62,589</u>

**WEC INTERNATIONAL**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2019**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>6 INVENTORY</b>		
Books & Literature	<u>4,978</u>	<u>5,922</u>
<b>7 FINANCIAL ASSETS</b>		
Term Deposits, Maxi Accounts and Managed Funds	<u>500,000</u>	<u>1,734,119</u>
<b>8 PROPERTY, PLANT AND EQUIPMENT</b>		
Freehold Land & Buildings - Fair Value	<b>31,457,000</b>	27,300,000
Additions & Improvements at Cost	-	456,850
Less Accumulated Depreciation	<u>(1,222,617)</u>	<u>(1,108,064)</u>
	<b>30,234,383</b>	26,648,786
<p>Land &amp; Buildings were revalued by the Directors in 2019 using market appraisals and independent valuations to assess fair value. Additions and improvements were for the 2017 to 2019 years. During the year another property was acquired at Ringwood Victoria.</p>		
Plant and Equipment - at Cost	<b>743,271</b>	719,574
Additions - at Cost	<b>55,907</b>	31,953
Less Disposals /Adjustments	<b>(34,841)</b>	(8,256)
Less Accumulated Depreciation	<u>(564,883)</u>	<u>(538,045)</u>
	<b>199,454</b>	205,226
Total Property, Plant and Equipment	<u><b>30,433,837</b></u>	<u>26,854,012</u>
<b>9 PAYABLES (CURRENT)</b>		
Trade Creditors & Accruals	<b>61,654</b>	34,853
Deposits in Advance	<u>530</u>	<u>1420</u>
	<u><b>62,184</b></u>	<u>36,273</u>

**WEC INTERNATIONAL**  
**ABN 22 000 637 749**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2019**

	2019	2018
	\$	\$
<b>10 PAYABLES (NON-CURRENT)</b>		
Trust Funds - International Projects	-	23,615
Trust Funds - Missionary Account	<b>124,542</b>	140,985
Special Purpose Funds	<b>102,759</b>	113,457
Refundable Security Deposit	<b>100,000</b>	100,000
	<u><b>327,301</b></u>	<u><b>378,057</b></u>

Special Purpose Funds are amounts designated from Estates and held by WEC In Trust for specific purposes. Mission Trust Funds are received on behalf of WEC members from third party donors. All funds are re-directed to the respective WEC members in accordance with the donors directions, usually within one month.

International 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

**11 RESERVES**

Movements during the year

**Asset Revaluation Reserve**

- Balance at the Beginning of the Year	<b>22,200,543</b>	22,200,543
- Net Increment (Decrement) for the Year	<b>2,357,825</b>	-
	<u><b>24,558,368</b></u>	<u>22,200,543</u>
- Balance at the End of the Year	<b>24,558,368</b>	22,200,543
<b>Total Reserves</b>	<u><b>24,558,368</b></u>	<u><b>22,200,543</b></u>

**12 ACCUMULATED FUNDS**

Retained Surplus at Beginning of the Year	<b>6,238,901</b>	6,329,267
Net Surplus (Deficit) for the Year	<b>72,313</b>	(90,366)
	<u><b>6,311,214</b></u>	<u><b>6,238,901</b></u>
Retained Surplus at End of the Year	<b>6,311,214</b>	6,238,901

**13 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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**FOR THE YEAR ENDED 31ST DECEMBER, 2019**

**14 SEGMENT REPORTING**

WEC International operates as independent organisations within a number of countries around the world with headquarters in Singapore. WEC International (Australia) is incorporated as a company limited by guarantee and is registered with the ACNC and primarily operates 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.

**15 COMMITMENTS & CONTINGENCIES**

Future commitments for capital works relating to property improvements as at balance date amount to approximately \$30,000.

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.

**16 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.

**17 RELATED PARTIES**

"WEC International Australia" is an independent company in Australia that operates within the accepted practices of the worldwide group WEC International, represented in over 50 countries throughout the world. WEC International has its leadership team and headquarters based in Singapore.

Worldview Centre for Intercultural Studies is a company Limited by Guarantee. Its purpose is to provide training for cross cultural ministry. Members of the company are required to be members of WEC International, as are the majority of the Board. The Worldview Board of Directors is the final legal authority for the company. Worldview operates as a campus of the Melbourne School of Theology (MST), delivering courses accredited through the Australian College of Theology. Worldview's accredited academic program is under the governance of the MST Academic Council which monitors academic standards and overseas development of academic policy. The WEC International Leadership Team approves the appointment of the Worldview Principal or leadership team. WEC International is the owner of the property on which the College is situated.

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**FOR THE YEAR ENDED 31ST DECEMBER, 2019**

**17 RELATED PARTIES (Continued)**

Betel Australia Ltd is a company Limited by Guarantee that operated independently from WEC International Australia. Its purpose is to provide rehabilitation for people with problems of addiction. It is intricately linked by relationship and by organisation with other Betel entities in 24 countries and with the WEC International area denominated as "Betel". Betel Australia Ltd's relationship with WEC International Australia is best described as fraternal. Members of the Board do include members of WEC International Australia.

**18 EMPLOYEES**

WEC International does not have any employees.

**19 PROPERTY LEASES**

WEC has previously re-negotiated a licence agreement to rent the property held at the Yarabah Conference Centre Morisset, on an annual basis at a value of \$380,000 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 2019**

	<b>2019</b>	<b>2018</b>
	\$	\$
<b>Income</b>		
Events	22,763	18,037
Gifts and Donations	27,333	24,732
Reimbursements	-	449
Rents & Contributions Received	624,820	609,828
Interest Received	27,359	46,004
Bequests	181,796	279
Training & Orientation	7,570	7,125
Book & Literature Sales	2,163	2,647
	<u>893,804</u>	<u>709,101</u>
<b>Less Expenditure:</b>		
<b>Administration</b>		
Audit	7,150	6,380
Bad Debts	496	364
Bank Charges	2,343	2,252
Capital Equipment	8,676	13,995
Computer Expenses	3,050	2,913
Legal & Professional Fees	5,336	1,561
Licences & Registrations	213	367
Loss on Disposal of Equipment	-	256
Motor Vehicles	3,790	1,104
Postage and Delivery	1,606	1,430
Printing and Reproduction	38,290	32,946
Office Supplies, Stationery	889	1,464
Subscriptions & Licenses	4,239	3,467
Telephone & Communications	14,268	16,854
	<u>90,346</u>	<u>85,353</u>
<b>Property</b>		
Property & Equipment Maintenance	85,640	101,137
Rates & Rent	110,878	145,835
Electricity & Gas	40,971	43,628
Insurance	60,429	59,007
	<u>297,918</u>	<u>349,607</u>
<b>Depreciation</b>	176,746	178,823
<b>Gifts &amp; Donations</b>	122,941	62,204
<b>Events</b>		
Strategic Meetings & Team Preparation	91,021	80,402
<b>Other</b>		
Book Purchases	2,609	2,224
Conferences & Training	14,196	8,647
General Expenses	4,000	4,000
Household Expenditure	-	1,483
Write Back Provision IT Fund	6,514	-
Sundries	750	1,087
Travel and Fares	14,450	25,637
	<u>42,519</u>	<u>43,078</u>
<b>Total Expenses</b>	<u>821,491</u>	<u>799,467</u>
<b>Net Surplus (Deficit) for the year</b>	<u>72,313</u>	<u>(90,366)</u>



## **INDEPENDENT AUDIT REPORT**

**To: The Members of WEC International**

### **Report on the Audit of the Financial Report**

#### **Opinion**

We have audited the financial report of WEC International, which comprises the Statement of Financial Position as at 31<sup>st</sup> December 2019, and the Statement of Comprehensive Income, Statement of Changes in Equity Funds and Reserves and the Cash Flow Statement for the twelve months ended on that date, a summary of significant accounting policies, other explanatory notes and the Directors' Declaration of the consolidated entity comprising the Society and the entities it controlled at 31<sup>st</sup> December.

In our opinion:

- (1) The financial report of WEC International has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
  - (a) giving a true and fair view of the registered entity's financial position as at 31<sup>st</sup> December 2019 and of its financial performance and cashflows for the six months then ended; and
  - (b) complying with Australian Accounting Standards – Reduced Disclosure Standards, and Division 60 the *Australian Charities and Not-for-Profits Commission Regulation 2013*.
- (2) Money (including any proceeds of a benefit) received during or for the purposes of the collection has been properly accounted for and applied in accordance with the Charitable Collections Act;
- (3) The accounts and records for the collection have been properly kept; and
- (4) The accounts show a true and fair view of income and expenditure in relation to the collection.

#### **Basis for Opinion**

We conducted the audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Responsibility of Those Charged with Governance for the Financial Report**

The responsible entities of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation of the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The responsible entities' responsibility also includes such internal control as the

responsible entities determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, the responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the responsible entities either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

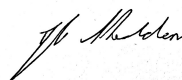
The audit objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of responsible entities' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the audit opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

**Tyndale KSG Pty Limited**  
Authorised Audit Company



**David C Shedden FCA, Director**

Dated: 13<sup>th</sup> March 2020  
Sydney