

WORLD ASSEMBLY OF YOUTH

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WORLD ASSEMBLY OF YOUTH

STATEMENT BY THE COMMITTEE

WORLD ASSEMBLY OF YOUTH

The Board of Directors, consisting of the President and Secretary General, of the World Assembly of Youth do hereby state that all the

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STATEMENT BY THE PRESIDENT

EDWARD J. HANCOCK  
Secretary General

WORLD ASSEMBLY OF YOUTH  
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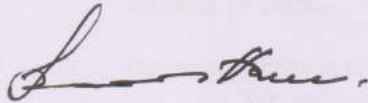
**WORLD ASSEMBLY OF YOUTH**

**STATEMENT BY THE COMMITTEE**

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We, **DATUK IR. HAJI IDRIS BIN HAJI HARON** and **EDIOLA PASHOLLARI**, being the President and Secretary General, respectively, of the WORLD ASSEMBLY OF YOUTH, do hereby state that, in the opinion of the Committee, the financial statements set out on pages 4 to 15 are properly drawn up in accordance with the Article of Organisation Charter, International Financial Reporting Standard and Malaysian Financial Reporting Standard so as to give a true and fair view of the state of affairs of the Company as at 31 December 2014 and of its results for the year then ended.

Signed on behalf of the Committee,



**DATUK IR. HAJI IDRIS BIN HAJI HARON**  
President



**EDIOLA PASHOLLARI**  
Secretary General

Melaka, Malaysia

Dated: **01 JUN 2015**



**KHAIRUDDIN  
HASYUDEEN  
& RAZI**

Chartered Accountants  
(AF 1161)

**REPORT OF THE AUDITORS  
TO THE MEMBERS OF WORLD ASSEMBLY OF YOUTH**

**Report on the Financial Statements**

We have audited the financial statements set of World Assembly of Youth, which comprise the balance sheet as at 31 December 2014, and the income statement and cash flow for the statement ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 4 to 12.

*Executive Committees' Responsibility for the Financial Statements*

Executive Committee are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, Malaysian Financial Reporting Standards and Article of Organisation Charter, and for such internal control determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit entity's preparation of financial statements that give a true and fair view 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 statements.

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 have been properly drawn up in accordance with International Financial Reporting Standards, Malaysian Financial Reporting Standards and Article of Organisation Charter so as to give a true and fair view of the financial position of the Association as of 31 December 2014 and of its financial performance and cash flows for the year then ended.

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**KHAIRUDDIN  
HASYUDEEN  
& RAZI**

Chartered Accountants  
(AF 1161)

**REPORT OF THE AUDITORS  
TO THE MEMBERS OF WORLD ASSEMBLY OF YOUTH**

**Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Article of Organisation Charter, we also report that in our opinion the accounting and other records and the registers required by the Article to be kept by the Association have been properly kept in accordance with the provisions of the Article.

**Other Matters**

As disclosed in Note 2 to the financial statements, World Assembly of Youth adopted the Malaysian Financial Reporting Standard on 1 January 2014 with a transaction date of 1 January 2014. The standard has been applied retrospectively by the directors for the comparative information in the financial statements. Our responsibility is to express an opinion of World Assembly Of Youth for the year ended 31 December 2014 and obtain sufficient audit evidence and in accordance with the initial balance of 1 January 2014 materially misstatements that affect the statement of financial position as at 31 December 2014 and its financial performance and cash flow for the year ended.

This report is made solely to the Members of Association, as body, in accordance with Article of Organisation Charter and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**Khairuddin Hasyudeen & Razi**  
AF 1161  
Chartered Accountants

**Mohd Arif Bin Yusa, CPA (Aust.), C.A(M)**  
1897/04/16(J)  
Partner of the Firm

Melaka, Malaysia

Dated: 01 JUN 2015

WORLD ASSEMBLY OF YOUTH

BALANCE SHEET FOR THE YEAR ENDED 31 DECEMBER 2014

	NOTE	2014 RM	2013 RM	1 January 2013 RM
PROPERTY, PLANT AND EQUIPMENT	6	6,022	20,925	36,739
<b>CURRENT ASSETS</b>				
Cash and bank balances	7	82,790	21,328	53,396
<b>CURRENT LIABILITIES</b>				
Sundry creditors and accruals		715,502	371,702	131,702
		<u>715,502</u>	<u>371,702</u>	<u>131,702</u>
NET CURRENT (LIABILITIES)		(632,712)	(350,374)	(126,306)
		<u>(626,689)</u>	<u>(329,449)</u>	<u>(89,567)</u>
<b>FINANCED BY:</b>				
Accumulated fund	8	(634,224)	(336,984)	(89,567)
Capital reserve	9	7,535	7,535	-
		<u>(626,689)</u>	<u>(329,449)</u>	<u>(89,567)</u>

The accompanying notes form an integral part of the financial statements.

WORLD ASSEMBLY OF YOUTH

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 RM	2013 RM
<b>INCOME:</b>		
Conference fees	36,675	-
Sponsorship	320,000	173,963
WAY General Assembly-Albania	581,306	-
Government Funding	-	150,390
Membership fees	46,701	1,551
	<u>984,682</u>	<u>325,904</u>
<b>OTHER INCOME:</b>		
Insurance reimbursement	789	5,352
Other income	500	-
Other Event (WIF)	-	870
	<u>1,289</u>	<u>6,222</u>
<b>EXPENDITURE:</b>		
Accounting fees	700	700
Audit fees	2,000	1,200
Bank charges	77	89
Depreciations	15,022	15,815
Fuel, tolls and parking	8,661	8,037
Insurance	8,142	6,418
Maintenance-motor vehicles	7,793	8,872
Maintenance-office equipment	6,140	7,759
Office expenses	3,744	4,210
Periodical and subscriptions	5,095	1,273
Postage and stamps	369	757
Printing and stationery	2,952	2,593
Rental	7,200	7,200
Salaries and wages	236,993	219,135
Staff claims	28,829	32,809
Travel allowances	35,242	27,006
Visitor & Refreshment	244	-
Utilities	16,960	15,949
WAY General Assembly XVI	183,734	-
WAY General Assembly-Albania	581,306	-
WAY conference and meeting	132,006	210,464
WAY Events & Workshop	-	9,258
	<u>1,283,210</u>	<u>579,544</u>
<b>NET (DEFICIT)</b>	<u><b>(297,239)</b></u>	<u><b>(247,418)</b></u>

**WORLD ASSEMBLY OF YOUTH**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014	2013
	RM	RM
<b>INFLOW:</b>		
Bank b/f	21,327	5,396
Capital reserve	-	7,535
Conference fees	36,675	-
Sponsorship	320,000	173,963
Government funds	-	150,390
Advance	343,800	240,000
Membership fees	46,701	1,551
WAY General Assembly-Albania	581,306	-
Other income- Insurance reimbursement	789	5,352
Other income-WIF	-	870
Other income	500	-
	<u>1,351,098</u>	<u>585,057</u>
<b>OUTFLOW:</b>		
Account fees	700	700
Purchase of asset	119	-
Audit fees	2,000	1,200
Bank charges	77	89
Fuel, tolls and parking	8,661	8,037
Insurances	8,142	6,418
Maintenance-motor vehicles	7,793	8,872
Maintenance-office equipment	6,140	7,759
Office expenses	3,744	4,210
Periodical and subscriptions	5,095	1,273
Postage and stamps	369	757
Printing and stationery	2,952	2,593
Rental	7,200	7,200
Salaries and wages	236,993	219,135
Staff claims	28,829	32,809
Travel allowances	35,242	27,006
Utilities	16,960	15,949
WAY-General Assembly XVI	183,734	-
WAY-General Assembly Albania	581,306	-
Visitor & Refreshment	244	-
WAY event and workshop	-	9,258
WAY conference and meeting	132,006	210,464
	<u>1,268,308</u>	<u>563,729</u>
<b>BANK BALANCES FOR THE YEAR</b>	<u><b>82,790</b></u>	<u><b>21,328</b></u>



**1. PRINCIPAL OBJECTIVES**

The Association is established under the International Coordinating Body of National Youth Council and Organisations. The principal objectives of the Organisation under the Articles are:

- a) Increase inter-ethnic respect and to foster inter-cultural and international understanding and co-operations.
- b) Facilitate the collection of information about the needs and problem of youth.
- c) Disseminate information about the methods, techniques and activities of youth organisations.
- d) Promote the interchanges of ideas between youth of all countries.
- e) Assist in the development of youth work activities and to promote, by mutual aid, the extension of the work of the voluntary youth organisations.
- f) Co-operate in the development of national youth organisations.
- g) Promote the democratic participation of young people both in their own organisation and in the work of the voluntary youth.
- h) Establish and maintain relations with the international organisations, both voluntary and governmental.
- i) Support and encourage the national movements of non self governing countries in their struggle for national liberations.
- j) Promote tolerance, understanding, solidarity and co-operation among young men and women irrespective of race, sex, language, religion or political orientations.
- k) Encourage the full participation of young men and women in the development process of their countries.
- l) Act as representative body of national youth councils to other appropriate governmental and non-governmental international bodies.

**2. BASIS FROM PREPARATION OF THE FINANCIAL STATEMENTS**

The financial statements of the Company have been prepared under the historical costs convention except as disclosed in summary of significant accounting policies, and are in compliance with the Article of Organisation Charter, the International Financial Reporting Standard and Malaysian Financial Reporting Standard.

The financial statements of the Association for the financial year ended 31 December 2014 are the first set of financial statements prepared in accordance with the MFRS, together with MFRS 1 that is the First-time Adoption of Malaysian Financial Reporting Standards'. The Association have consistently applied the same accounting policies in its opening MFRS statements of financial position at transition date 1 January 2014 and during all years presented, as if these policies had always been in effect.

Subsequent to the transition in the financial reporting framework to MFRS on 1 January 2014, the comparative information has not been audited under MFRS. However, the comparative statement of financial position as at 31 December 2013, comparative statements of comprehensive income, statement changes in equity and cash flows for the financial year then ended have been audited under the previous financial reporting framework, Financial Reporting Standards in Malaysia ("FRS").

The transition to MFRS does not have any impact on the reported statement of financial position, statement comprehensive income and cash flows of the Association. Therefore, no reconciliation from FRS to MFRS was prepared.

- a) Standards, amendments to published standards and interpretations to existing standards that are applicable to the Association but not yet effective.

The Association will apply the new standards, amendments to standards and interpretations in the following period:

i. Financial year beginning on and after 1 January 2015

- MFRS 13 - "Fair Value Measurement" (effective from 1 January 2013) purposely to improve consistency and reduce complexity by providing an accurate definition of fair value and a single source of fair value measurement and disclosure requirements for use throughout MFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards. The enhanced disclosure requirements are similar to those in MFRS 7, 'Financial Instruments: Disclosures', but apply to all assets and liabilities measured at fair value, not just financial ones. MFRS 13 defines fair value, sets out the measurement framework and stipulates the disclosure requirements. It explains how to measure fair value and does not change the measurement objective as established in existing FRSs.

- Amendment to MFRS 7 - "Financial Instruments: Disclosures" (effective from 1 January 2013) requires more extensive disclosures focusing on quantitative information about recognised financial instruments that are offset in the statement of financial position and those that are subject to master netting or similar arrangements irrespective of whether they are offset. It stipulates the disclosure requirements for all transferred financial assets that are not derecognised and also for any continuing involvement in a transferred financial asset.

- Amendment to MFRS 116 - "Property, Plant and Equipment" (effective from 1 January 2013) justifies that items such as spare parts, stand-by equipment and servicing equipment shall be recognised as property, plant and equipment when they meet the definition of property, plant and equipment. Otherwise, such items are categorized as inventory.

- Amendment to MFRS 132, "Financial Instruments: Presentation" (effective from 1 January 2014) does not change the current offsetting model in MFRS 132. It clarifies the meaning of 'currently has a legally enforceable right of set-off' that the right of set-off must be available today (not contingent on a future event) and legally enforceable for all counterparties in the normal course of business. It clarifies that some gross settlement mechanisms with features that are effectively equivalent to net settlement will satisfy the MFRS 132 offsetting criteria.



ii. Financial year beginning on and after 1 January 2015

- MFRS 9, "Financial Instruments Classification and Measurement of Financial Assets and Financial Liabilities"(effective from 1 January 2015) replaces the multiple classification and measurement models in MFRS 139 with a single model that has only two classification categories: amortised cost and fair value. The basis of classification depends on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

The accounting and presentation for financial liabilities and for de-recognising financial instruments has been relocated from MFRS 139, without change, except for financial liabilities that are designated at fair value through profit or loss ("FVTPL"). Entities with financial liabilities designated at FVTPL recognise changes in the fair value due to changes in the liability's credit risk directly in other comprehensive income ("OCI"). There is no subsequent recycling of the amounts in OCI to profit or loss, but accumulated gains or losses may be transferred within equity.

The guidance in MFRS 139 on impairment of financial assets and hedge accounting continues to apply.

MFRS 7 requires disclosures on transition from MFRS 139 to MFRS 9.

Except as disclosed, the adoption of the above will not result in any significant changes to the Association's results and financial position.

3. **DATE OF AUTHORISATION OF ISSUE**

The financial statements were authorised for issue by the Committee on 1 June 2015.

4. **FINANCIAL RISK MANAGEMENT POLICIES**

The Association has no formal risk management structure with respect to its financial assets. Risks are handled on case to case basis by the directors as and when issues arise.

The main areas of financial risks faced by the Association and in respect of the major areas of treasury activity are set out as follows:

(a) **Foreign currency risk**

The Association does not have material foreign currency transactions, assets or liabilities and hence are not exposed to any significant or material currency risks.

(b) **Interest rate risk**

The Association does not have any borrowings or cash deposits and hence is not exposed to interest rate risks.

(c) **Market risk**

The Association does not have any quoted investments and hence is not exposed to market risks.

(d) **Credit risk**

The Association's exposure to credit risks, or the risk of counterparties defaulting, arises mainly from cash deposits. The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet reduced by the effects of any netting arrangements with counterparties.

The Association does not have any major concentration of credit risk related to any individual customer or counterparty.

The Association manages its exposure to credit risk by investing its cash assets safely and profitably, and by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis.

(e) **Liquidity and cash flow risks**

The Association's exposure to liquidity and cash flow risks arises mainly from general funding and business activities.

It practices prudent liquidity risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

5. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Unless otherwise stated, the following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) **Income recognition**

Membership subscription is payable annually at the beginning of the financial year. Only subscription which is received to the current financial year is recognised as income. Other income is from corporate donations and government funds.

(b) **Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation. The policy for recognition and measurement of impairment losses is in accordance with Note 4 (g).

Depreciation of other property, plant and equipment is provided for on a straight line basis to write off the cost of each asset to its residual value over the estimated useful life at the following rates:



<u>Property, plant and equipment</u>	<u>Rate</u>
Air conditioner	10%
Computer	20%
Furniture and Fitting	10%
Kitchen Equipment	10%
Motor Vehicles	20%
Office Equipment	10%

Where an indication of impairment exists, the carrying amount of the property, plant & equipment is assessed and written down immediately to its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in the income statement or revenue account.

(c) **Cash and cash equivalents**

Cash and cash equivalents comprise of cash at bank.

(d) **Liabilities**

Trade and other payables are stated at cost.

(e) **Income taxes**

Tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly to equity, in which case it is recognised directly in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred taxation is provided for under the liability method for all temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements. Temporary differences are not recognised for the initial recognition of assets or liabilities that is not a business combination and that at the time of the transaction affects neither accounting nor taxable profits. The amount of deferred tax provided is based on the expected manner or realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

(f) **Financial instruments**

(i) **Description**

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instrument with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is a liability that is contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

(ii) **Financial instruments recognized on the balance sheet**

The particular recognition method adopted for financial instruments recognized on the balance sheet is disclosed in the individual policy statements associated with each item.

(g) **Impairment of assets**

The carrying values of assets are reviewed for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount is the higher of an asset's net selling price and its value in use, which measured by reference to discounted future cash flows. Recoverable amounts are estimated for individual assets, or if it is not possible, for the cash-generating unit.

An impairment loss is charged to the income statement immediately, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of previously recognised revaluation surplus for the same asset.

Subsequent increase in the recoverable amount of an asset is treated as reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately, unless the asset is carried at revalued amount. A reversal of an impairment loss on a revalued asset is credited directly to revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the income statement, a reversal of that impairment loss is recognised as income in the income statement.

6. PROPERTY, PLANT AND EQUIPMENT

	COST			
	Balance at 01.01.2014	Additions	Disposals	Balance at 31.12.2014
	RM	RM	RM	RM
Air conditioner	29,500	-	-	29,500
Computer	12,733	-	-	12,733
Furniture and Fitting	70,810	-	-	70,810
Kitchen Equipment	500	-	-	500
Motor Vehicles	107,500	-	-	107,500
Office Equipment	8,868	119	-	8,987
	<u>229,911</u>	<u>119</u>	<u>-</u>	<u>230,030</u>

	ACCUMULATED DEPRECIATION			
	Balance at 01.01.2014	Additions	Disposals	Balance at 31.12.2014
	RM	RM	RM	RM
Air conditioner	26,250	2,950	-	29,200
Computer	12,386	346	-	12,732
Furniture and Fitting	63,669	7,081	-	70,750
Kitchen Equipment	450	44	-	494
Motor Vehicles	98,499	4,500	-	102,999
Office Equipment	7,733	101	-	7,834
	<u>208,987</u>	<u>15,022</u>	<u>-</u>	<u>224,009</u>

	CARRYING VALUE		DEPRECIATION
	2014	2013	2013
	RM	RM	RM
Air conditioner	300	3,250	2,950
Computer	2	348	347
Furniture and Fitting	60	7,141	7,081
Kitchen Equipment	6	50	50
Motor Vehicles	4,501	9,001	4,500
Office Equipment	1,154	1,135	887
	<u>6,022</u>	<u>20,925</u>	<u>15,815</u>



WORLD ASSEMBLY OF YOUTH

NOTES TO THE FINANCIAL STATEMENT-31 DECEMBER 2014

	ACCUMULATED DEPRECIATION			
	Balance at	Additions	Disposals	Balance at
	01.01.2013			31.12.2013
	RM	RM	RM	RM
Air conditioner	23,300	2,950	-	26,250
Computer	12,039	347	-	12,386
Furniture and Fitting	56,588	7,081	-	63,669
Kitchen Equipment	400	50	-	450
Motor Vehicles	93,999	4,500	-	98,499
Office Equipment	6,846	887	-	7,733
	<u>193,172</u>	<u>15,815</u>	<u>-</u>	<u>208,987</u>

	CARRYING VALUE		DEPRECIATION	
	2014	2013	1 January 2013	2013
	RM	RM	RM	RM
Air conditioner	300	3,250	23,300	2,950
Computer	2	348	12,039	347
Furniture and Fitting	60	7,141	56,588	7,081
Kitchen Equipment	6	50	400	50
Motor Vehicles	4,501	9,001	93,999	4,500
Office Equipment	1,154	1,135	6,846	887
	<u>6,022</u>	<u>20,925</u>	<u>193,172</u>	<u>15,815</u>

7. CASH AND CASH EQUIVALENT

	2014	2013	1 January 2013
	RM	RM	RM
Cash and bank balances	<u>82,790</u>	<u>21,328</u>	<u>5,396</u>

8. ACCUMULATED FUND

	2014	2013
	RM	RM
Opening balance brought forward	(336,985)	(89,566)
(Deficit) for the period	<u>(297,239)</u>	<u>(247,418)</u>
Closing balance carried forward	<u>(634,224)</u>	<u>(336,984)</u>



9. **CAPITAL RESERVE**

The capital reserve are funds and donations received in previous year.

10. **FAIR VALUE**

The carrying values of financial assets and financial liabilities of the Company at the balance sheet date approximate their fair values due to the relatively short term maturity of these financial instruments.