

WORLD HELP
Forest, Virginia

Financial Statements
For years ended
December 31, 2012 and 2011

(Including Independent Auditor's
Report Thereon)

Not-for-Profit Organization

WORLD HELP

Officers

F. Vernon Brewer	President
Lester E. "Skip" Taylor	Chairman
David Day	Chief Operating Officer
D. Tom Thompson	Vice President
Noel Yeatts	Secretary
Chad Mather	Treasurer

Board of Directors

F. Vernon Brewer	Johnnie Moore
Kristen Chambers	Jane Nelson
Robin Chilton	Peter Nelson
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Scott Griffin	Harvey Saarloos
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Kirk Litton	J. J. Thomason
John A. Lloyd	D. Tom Thompson
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WORLD HELP

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Independent Auditor's Report

The Board of Directors
World Help
Forest, Virginia

I have audited the accompanying financial statements of World Help (a nonprofit organization), which comprise the statements of financial position as of December 31, 2012 and 2011, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

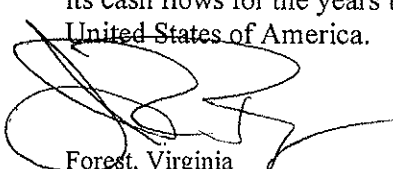
My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of World Help as of December 31, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Forest, Virginia
April 10, 2013

WORLD HELP
Statements of Financial Position
December 31, 2012 and 2011

	Assets	
	2012	2011
Current assets		
Cash and cash equivalents	\$ 499,036	\$ 401,292
Investments	680,723	646,251
Accounts receivable		
Government grants	555,765	100,000
Pledges receivable	654,300	559,018
Employee receivable	5,082	5,647
Prepaid expenses	106,570	39,862
Inventory	4,680,129	861,650
Total current assets	7,181,605	2,613,720
Property and equipment	1,963,742	2,214,141
Less accumulated depreciation	1,083,769	1,299,344
Net property and equipment	879,973	914,797
Other assets		
Endowment	61,953	63,134
Total assets	\$ 8,123,531	\$ 3,591,651
	Liabilities and net assets	
Current liabilities		
Accounts payable	\$ 743,011	\$ 749,366
Current maturities of notes payable	86,424	58,152
Notes payable – Short-term	200,000	299,501
Accrued payroll and payroll taxes	148,193	71,680
Accrued expense-other	15,622	17,042
Deferred revenue	5,229,506	798,577
Total current liabilities	6,422,756	1,994,318
Long-term debt		
Notes Payable (net of current maturities)	318,517	276,138
Net assets		
Unrestricted	(642,655)	(55,897)
Temporarily restricted	1,960,613	1,312,792
Permanently restricted	64,300	64,300
Total net assets	1,382,258	1,321,195
Total liabilities and net assets	\$ 8,123,531	\$ 3,591,651

See Accompanying Notes and Independent Auditor's Report.

WORLD HELP
Statements of Activities
Years ended December 31, 2012 and 2011

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2012 Permanently Restricted</u>	<u>Total</u>
Revenue and other support				
Contributions				
Cash	\$ 10,145,710	\$ 1,960,613	\$ 0	\$ 12,106,323
Gifts-in-kind	4,132,078	0	0	4,132,078
Grants				
Cash	350,398	0	0	350,398
Gifts-in-kind	8,404,143	0	0	8,404,143
Product sales	134,722	0	0	134,722
Investment income	19,343	0	0	19,343
Net realized/unrealized gains (loss) on investments	41,493	0	0	41,493
Net assets released from restrictions	1,312,792	(1,312,792)	0	0
Total revenue and support	<u>24,540,679</u>	<u>647,821</u>	<u>0</u>	<u>25,188,500</u>
Expenses				
Program services				
International ministries	20,385,165	0	0	20,385,165
Outreach ministries	1,408,811	0	0	1,408,811
Grants and donations	0	0	0	0
Supporting services				
General and administrative	2,500,540	0	0	2,500,540
Fundraising	832,921	0	0	832,921
Total expenses	<u>25,127,437</u>	<u>0</u>	<u>0</u>	<u>25,127,437</u>
Increase (decrease) in net assets	(586,758)	647,821	0	61,063
Net assets at beginning of year	<u>(55,897)</u>	<u>1,312,792</u>	<u>64,300</u>	<u>1,321,195</u>
Net assets at end of year	<u>\$ (642,655)</u>	<u>\$ 1,960,613</u>	<u>\$ 64,300</u>	<u>\$ 1,382,258</u>

See Accompanying Notes and Independent Auditor's Report.

WORLD HELP
Statements of Activities
Years ended December 31, 2012 and 2011

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2011 Permanently Restricted</u>	<u>Total</u>
Revenue and other support				
Contributions				
Cash	\$ 10,484,442	\$ 1,312,792	\$ 0	\$ 11,797,234
Gifts-in-kind	1,619,249	0	0	1,619,249
Grants				
Cash	324,709	0	0	324,709
Gifts-in-kind	3,439,285	0	0	3,439,285
Product sales	142,734	0	0	142,734
Investment income	19,712	0	0	19,712
Net realized/unrealized gains (loss) on investments	(47,075)	0	0	(47,075)
Net assets released from restrictions	1,251,130	(1,251,130)	0	0
	<u>17,234,186</u>	<u>61,662</u>	<u>0</u>	<u>17,295,848</u>
Expenses				
Program services				
International programs	12,231,792	0	0	12,231,792
Domestic programs	1,335,947	0	0	1,335,947
Grants and donations	0	0	0	0
Supporting services				
General and administrative	2,753,392	0	0	2,753,392
Fundraising	753,694	0	0	753,694
	<u>17,074,825</u>	<u>0</u>	<u>0</u>	<u>17,074,825</u>
Increase (decrease) in net assets	159,361	61,662	0	221,023
Net assets at beginning of year	<u>(215,258)</u>	<u>1,251,130</u>	<u>64,300</u>	<u>1,100,172</u>
Net assets at end of year	<u>\$ (55,897)</u>	<u>\$ 1,312,792</u>	<u>\$ 64,300</u>	<u>\$ 1,321,195</u>

See Accompanying Notes and Independent Auditor's Report.

WORLD HELP
Statements of Functional Expenses
Years ended December 31, 2012 and 2011

	International Programs	Domestic Programs	Total Program Services	Management and General	Fundraising	Total
Printing/Mailing	\$ 73,312	\$ 24,949	\$ 98,261	\$ 1,860	\$ 180,337	\$ 280,458
Postage/Freight	243,106	9,039	252,145	17,646	117,161	386,952
Payroll and payroll tax	1,080,181	604,915	1,685,096	1,463,626	290,249	3,438,971
Employee benefits	59,422	33,277	92,699	80,516	15,967	189,182
Rent	26,257	10,745	37,002	29,929	4,519	71,450
Office expense	115,794	71,829	187,623	76,366	16,919	280,908
Telephone	25,303	8,052	33,355	37,569	0	70,924
Utilities	18,536	5,775	24,311	5,198	578	30,087
Ministry projects	5,881,143	370,038	6,251,181	171,625	43,426	6,466,232
Product costs	78,879	81	78,960	38,701	0	117,661
Humanitarian Aid	12,536,221	0	12,536,221	0	0	12,536,221
Accounting fees	8,481	4,749	13,230	11,491	2,279	27,000
Professional fees	154,235	67,928	222,163	132,737	161,250	516,150
Promotional items	0	0	0	28,336	0	28,336
Insurance	8,866	2,125	10,991	31,672	236	42,899
Repairs/Maintenance	9,525	84,306	93,831	73,923	0	167,754
Taxes and Licenses	9,594	15,562	25,156	17,714	0	42,870
Dues/Publications	7,327	2,037	9,364	29,259	0	38,623
Interest expense	8,433	5,216	13,649	11,573	0	25,222
Depreciation	40,550	87,891	128,441	25,005	0	153,446
Convention	0	0	0	214,504	0	214,504
Miscellaneous	0	297	297	1,290	0	1,587
Total expenses	\$ 20,385,165	\$ 1,408,811	\$ 21,793,976	\$ 2,500,540	\$ 832,921	\$ 25,127,437
			Donations and Grants			0
			Total Expenses			<u>\$ 25,127,437</u>

See Accompanying Notes and Independent Auditor's Report.

WORLD HELP
Statements of Functional Expenses
Years ended December 31, 2012 and 2011
2011

	International Programs	Domestic Programs	Total Program Services	Management and General	Fundraising	Total
Printing/Mailing	\$ 44,807	\$ 11,227	\$ 56,034	\$ 960	\$ 147,018	\$ 204,012
Postage/Freight	188,457	17,089	205,546	24,061	92,896	322,503
Payroll and payroll tax	738,077	487,495	1,225,572	1,552,695	259,086	3,037,353
Employee benefits	48,656	32,137	80,793	102,357	17,080	200,230
Rent	28,584	9,870	38,454	24,979	3,872	67,305
Office supplies	119,644	72,752	192,396	87,573	14,071	294,040
Telephone	31,076	6,845	37,921	37,235	0	75,156
Utilities	15,981	4,951	20,932	4,456	495	25,883
Ministry projects	5,648,655	371,547	6,020,202	188,709	41,283	6,250,194
Product cost	145,403	85,314	230,717	8,860	0	239,577
Humanitarian aid	5,058,533	0	5,058,533	0	0	5,058,533
Accounting fees	5,540	3,659	9,199	11,655	1,945	22,799
Professional fees	58,558	22,853	81,411	293,490	173,750	548,651
Promotional items	8,924	5,930	14,854	23,420	659	38,933
Insurance	2,788	11,191	13,979	27,232	1,243	42,454
Repairs/Maintenance	12,846	77,267	90,113	88,138	0	178,251
Taxes and Licenses	11,218	7,551	18,769	12,522	0	31,291
Dues/Publications	11,232	2,661	13,893	39,398	296	53,587
Interest expense	8,526	12,834	21,360	12,382	0	33,742
Depreciation	44,284	92,220	136,504	31,117	0	167,621
Convention	0	0	0	181,759	0	181,759
Miscellaneous	3	554	557	394	0	951
Total expenses	<u>12,231,792</u>	<u>1,335,947</u>	<u>13,567,739</u>	<u>2,753,392</u>	<u>753,694</u>	<u>17,074,825</u>
			Donations and Grants			0
			Total Expenses			<u>\$ 17,074,825</u>

See Accompanying Notes and Independent Auditor's Report.

WORLD HELP
Statements of Cash Flows
Years ended December 31, 2012 and 2011

	2012	2011
Cash flows from operating activities		
Change in net assets	\$ 61,063	\$ 221,023
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities		
Net realized/unrealized (gain) loss on investments	(61,563)	61,197
Net (gain) loss on sale of equipment	20,070	(14,122)
Depreciation	153,446	167,621
(Increase) decrease in receivables	(550,482)	(310,506)
(Increase) decrease in inventory	(3,818,479)	(764,925)
(Increase) decrease in prepaid expenses	(66,708)	(26,537)
Increase (decrease) in accounts payable	(6,355)	(330,333)
Increase (decrease) in accrued payroll and payroll taxes	76,513	33,361
Increase (decrease) in accrued expense –other	(1,420)	(39,165)
Increase (decrease) in deferred revenue	4,430,929	798,577
Net cash provided by (used in) operating activities	237,014	(203,809)
Cash flows from (used in) investing activities		
Net proceeds from (purchases) and sales of investments	28,272	(92,771)
Net proceeds from sale of equipment	22,375	14,122
Purchase of equipment	(161,067)	(63,214)
Net cash provided by (used in) investing activities	(110,420)	(141,863)
Cash flows from financing activities		
Proceeds from short-term debt	325,000	422,068
Proceeds from long-term debt	136,770	0
Payment of short-term debt	(424,501)	(247,567)
Payment of long-term debt	(66,119)	(367,854)
Net cash provided by (used in) financing activities	(28,850)	(193,353)
Net increase (decrease) in cash and cash Equivalents	97,744	(539,025)
Cash and cash equivalents at beginning of year	401,292	940,317
Cash and cash equivalents at end of year	\$ 499,036	\$ 401,292

See Accompanying Notes and Independent Auditor's Report.

WORLD HELP
Notes to Financial Statements
December 31, 2012 and 2011

Note 1 – Nature of organization and summary of significant accounting policies

Nature of organization

World Help (the “Organization”) was established as an unincorporated not-for-profit association in 1990. The purpose of the organization is to promote the gospel of Jesus Christ by establishing a network of evangelical churches and Christian ministries worldwide and to support and provide evangelism, food, clothing, medical relief and literature distribution.

Basis of financial statement presentation

The Organization’s financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The financial statements follow the provisions of Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*, under SFAS No. 117, the Association is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulations or by law. When a restriction expires (that is, when a stipulated time restriction ends or purpose is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Contributions

In accordance with SFAS No. 116, *Accounting for Contributions Received and Contributions Made*, contributions are recognized when the donor makes an unconditional promise to give and are recorded as restricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire during the year in which the contributions are recognized. Contributions other than cash are recorded at the estimated fair market values as of the date of the contribution.

WORLD HELP
Notes to Financial Statements
December 31, 2012 and 2011

Note 1 – Nature of organization and summary of significant accounting policies (continued)

Fair Value of Financial Instruments

The Organization's financial instruments are cash, investments, accounts receivable, inventory, accounts payable and accrued liabilities. The recorded values of cash, accounts receivable, inventory, accounts payable and accrued liabilities approximate their fair values based on their short-term nature.

Fair Value Measurements

The Fair Value Measurements and Disclosures topic of the FASB Accounting Standards Codification establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consists of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Foundation measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs would be used only when Level 1 or Level 2 inputs were not available.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Investments

Investments are carried at fair market value as of year end.

Inventories

Inventories are stated at the lower of cost (principally first-in, first-out) or market.

Property and depreciation

Property and equipment are stated in the financial statements at cost. Depreciation is computed using the straight-line method over estimated useful lives as follows:

<u>Classification</u>	<u>Estimated Useful Life</u>
Office equipment & computers	3-5 years
Office furniture	7 years
Vehicle	5 years

WORLD HELP
Notes to Financial Statements
December 31, 2012 and 2011

Note 1 - Nature of organization and summary of significant accounting policies (continued)

Income taxes

The Organization is exempt from Federal income taxes under section 501(c)(3) of the Internal Revenue Code except to the extent of unrelated business income. There was \$0 and \$0 income tax due on unrelated business income for the years ended December 31, 2012 and 2011 respectively.

Related party transactions

In the regular course of its operations, the Organization receives contributions from individuals serving on its Board of Directors.

Functional expenses

The costs of providing the Organization's programs and supporting services have been summarized on a functional basis in the accompanying statements of activities and functional expenses. The functional expenses of the Organization's program and supporting services include those costs directly attributable to its program as well as an allocation of supporting service expenditures, which, in the estimation of management, are indirectly attributable to its programs.

In 2012 and 2011, World Help incurred joint costs of \$4,282,644 and \$3,561,686, respectively for informational materials and activities that included fund-raising appeals. Of those costs, \$372,926 and \$570,687 was allocated to fund-raising expense and \$2,287,314 and \$1,335,947 was allocated to program services and \$1,622,404 and \$1,655,052 was allocated to management and general for the years ended December 31, 2012 and 2011, respectively.

Gifts-in-kind

The Organization receives donations and grants of food, medical and orphanage supplies for use in World Help's humanitarian aid programs. Gifts-in-kind are recorded at their estimated fair value at the date of donation or grant. Fair value is determined using the market approach. This approach uses prices and other relevant information generated for market transactions involving identical or comparable assets. Gifts-in-kind included in total contributions received were approximately \$12,500,000 and \$5,100,000 for the years ended December 31, 2012 and 2011, respectively.

Gifts-in-kind distributed through World Help amounted to approximately \$12,500,000 and \$5,100,000 for the years ended December 31, 2012 and 2011, respectively.

WORLD HELP
Notes to Financial Statements
December 31, 2012 and 2011

Note 1 - Nature of organization and summary of significant accounting policies (continued)

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 – Investments

Investments are reported at fair value (quoted market prices, level 1) for the years ended December 31, 2012 and 2011. They consist of the following:

	<u>2012</u>			<u>2011</u>
	Unrestricted	Permanently Restricted	Total	Total
Note receivable	\$ 0	\$ 0	\$ 0	\$ 62,647
Cash equivalents	14,229	0	14,229	0
Mutual Funds	108,275	0	108,275	238,333
REIT	0	61,953	61,953	63,134
Equity portfolio	558,219	0	558,219	345,271
Total investments	<u>680,723</u>	<u>61,953</u>	<u>742,676</u>	<u>709,385</u>

Investment income from the above investments is summarized as follows:

	<u>2012</u>	<u>2011</u>
Interest and dividends	\$ 19,343	\$ 19,712
Net realized and unrealized gain (loss)	<u>61,563</u>	<u>(61,196)</u>
Total	<u>\$ 80,906</u>	<u>\$ (41,484)</u>

Note 3 –Inventories

The major components of inventories at December 31, 2012 and 2011 consist of the following:

	<u>2012</u>	<u>2011</u>
CD's, cassettes, books and t-shirts at cost	\$ 109,015	\$ 63,073
Government grant of medical equipment and supplies at fair market value	<u>4,571,114</u>	<u>798,577</u>
Total	<u>\$ 4,680,129</u>	<u>\$ 861,650</u>

WORLD HELP
Notes to Financial Statements
December 31, 2012 and 2011

Note 4 – Property and equipment

The cost and accumulated depreciation of the various classes of property and equipment at December 31, 2012 and 2011 were as follows:

	<u>2012</u>		<u>2011</u>	
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>
Land	\$ 144,406	\$ 0	\$ 144,406	\$ 0
Building	622,994	212,373	622,994	193,695
Office Equipment	521,064	390,707	775,367	589,257
Office Furniture	74,504	63,901	83,271	75,632
Transportation Equipment	600,774	416,788	588,103	440,760
	<u>\$ 1,963,742</u>	<u>\$ 1,083,769</u>	<u>\$ 2,214,141</u>	<u>\$ 1,299,344</u>

Depreciation expense for the years ended December 31, 2012 and 2011 was \$153,446 and \$167,621 respectively.

Note 5 – Long-term debt, Notes payable

Long-term debt at December 31, 2012 and 2011 consisted of the following notes payable:

	<u>Final Maturity</u>	<u>12/31/12</u>	<u>12/31/11</u>
Note payable, bank @ 4.60% due in monthly installments of \$5,833, secured by a Deed of Trust on the land and building.	2017	\$ 278,538	\$ 334,290
Note payable, bank @ 4.20%, due in monthly installments of \$2,535, secured by RV	2017	<u>126,403</u>	<u>0</u>
Total long-term debt		\$ 404,941	\$ 334,290
Less current maturities		<u>86,424</u>	<u>58,152</u>
		<u>\$ 318,517</u>	<u>\$ 276,138</u>

Aggregate principal payments on notes payable are scheduled as follows: 2013-\$86,424; 2014-\$90,318; 2015-\$95,533; 2016-\$101,057; 2017-\$31,609 and thereafter-\$0.

At December 31, 2012 and 2011 collateral for notes payable consisted of property and equipment, which amounted to approximately \$900,000.

WORLD HELP
Notes to Financial Statements
December 31, 2012 and 2011

Note 6 - Operating leases

The Organization has several non-cancelable operating leases for housing and equipment that expires at various dates through 2017. Rental expenses for those leases consisted of \$71,450 and \$67,305 for the years ended December 31, 2012 and 2011, respectively.

A majority of World Help's operating leases are currently on a month to month basis. The following is a schedule of the future minimum lease payments required under all operating leases that have non-cancelable terms in excess of one year:

Year ended December 31,	2013	\$ 29,559
	2014	18,576
	2015	18,576
	2016	18,576
	2017	3,096
	Thereafter	<u>0</u>
	Total	<u>\$ 88,383</u>

Note 7 – Endowment

For the years ended December 31, 2012 and 2011, the endowment had permanently restricted contributions totaling \$64,300 and \$64,300, respectively. The endowment had a fair market value at December 31, 2012 and 2011 of \$61,953 and \$63,134, respectively.

The components of net realized and unrealized gains for the year are as follows:

	<u>2012</u>		<u>2011</u>
Realized gains (losses)	\$ (7,446)	\$	0
Unrealized gains (losses)	59,424		(21,385)
Net realized and unrealized gains on endowment	<u>\$ 51,978</u>	\$	<u>(21,385)</u>

World Help's endowment fund was established to provide assurance of future economic stability. The endowment fund requires the net earnings to be reinvested for the first three years, thereafter becoming available to World Help for unrestricted use.

Unrestricted net assets of \$0 have been designated by the Board of Directors as endowment funds. This amount represents the earnings on the permanently restricted net assets.

Note 8 – Income tax status

World Help is exempt from income tax under Section 501(a) of the Internal Revenue Code and has been determined to be a charitable organization under Section 501(c)(3) of the Code, which qualifies contributions, bequests, and legacies as deductions by the donor for income, estate, and gift tax purposes. An annual information return is filed with the Internal Revenue Service.

WORLD HELP
Notes to Financial Statements
December 31, 2012 and 2011

Note 9 – Cash flow information

Cash paid for interest and income taxes was as follows:

	<u>2012</u>	<u>2011</u>
Interest expense	<u>\$25,222</u>	<u>\$33,742</u>
Income taxes	<u>\$ 0</u>	<u>\$ 0</u>

Note 10 – Retirement Plan

World Help has established a SIMPLE IRA retirement plan covering all employees who are reasonably expected to receive at least \$5,000 in compensation for the calendar year. The plan allows for employee contributions to the plan up to the maximum amount allowed by the Internal Revenue Service. The organization matches 100% of each employee's contributions up to a maximum of 3% of gross wages. World Help contributed \$41,483 and \$36,528 for December 31, 2012 and 2011, respectively.

Note 11 - Subsequent Events

Management has evaluated subsequent events through April 10, 2013, the date on which the financial statements were available to be issued.

There were no subsequent events requiring adjustments to the December 31, 2012 financial statements or disclosures as stated herein.

Note 12 - Comparative Statements

Management elected to restate the financial statements for the year ended December 31, 2011. The restated financial statements, dated April 8, 2013, reduced the value of noncash gifts received and noncash goods shipped. The reductions were the result of problems with verifying values and/or ownership.

The effect to net assets for the December 31, 2011 year was zero.