

# 2018

## Annual Report





**Destiny Rescue Ltd.**

ABN: 16 394 284 169

ACN: 616 359 623

is a public company limited  
by guarantee incorporated  
under the Corporations  
Act. Its registered office is  
located at Premier Circuit,  
Warana QLD 4575.

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# A Message from our Founder **Tony Kirwan**



Thanks to you this has been our best year ever, we were able to rescue 1,074 individuals from some of the most horrific circumstances you could imagine.

As with every year there have been challenges to overcome, battles to fight, we had some losses but through it all we saw incredible victories! Being the reason another child steps into a life of freedom and hope is truly an honour that is hard to measure... and to do this journey with you has been a privilege.

Children being forced to have sex with adults is a blight on humanity that demands a response.

Thank you for standing beside me as we go into battle for these kids!

I look forward to rescuing and restoring even more young lives with you in 2019

A handwritten signature in black ink that reads "Tony Kirwan".

**Tony Kirwan**  
Founder & Chairman  
Destiny Rescue Limited









## INTRODUCTION

# A Message from **Michelle Winsor**



In 2018 we saw our biggest year yet! Working together as a team worldwide we were able to rescue 1,074 individuals from the most horrific circumstances you can imagine.

Thank you to each and every one of you who stood in this fight with us. Without you we cannot do what we do. As I sit here in reflection, we still have a huge fight ahead of us, as many more children are in the darkness waiting for us. But as Edmund Burke said "the only thing necessary for the triumph of evil is that good men do nothing" and I know that as we push forward we will never be silent.

This past 12 months I had the privilege of visiting our projects in Thailand. To see kids being kids, laughing and playing without a care in the world, filled me with incredible joy. There were many warm hugs and lots of smiling faces. I can say without a doubt that these children really are slaves in the truest form. The extreme poverty and disregard for human life saddened me greatly.

Our teams are working tirelessly to bring children into the light every day, restore their smiles and empower them to stay free.

As we celebrate the record-breaking numbers from 2018, I thank you all for the part you have played no matter how big or small. What you give these children is priceless – FREEDOM!

Whether you become a Rescue Partner, Rescue A Child, host a fundraising event, you make this possible. In partnership with YOU we are changing destinies.

A handwritten signature in black ink that reads "m Winsor".

**MICHELLE WINSER**

CEO - Destiny Rescue Australia



# Highlights





# 2018 Highlights

1,074

## INDIVIDUAL RESCUES

A record year for individual  
rescues across all Project Nations  
in 2018

834

## BENEFICIARIES CARED FOR

The amount of beneficiaries in  
Residential & Community Care  
throughout our Projects

32

## MAJOR RAIDS

2018 saw an increase of 160%  
of successful raids carried out  
across our Project Nations

349

## IN VOCATIONAL TRAINING

The amount of individual  
beneficiaries currently  
undergoing vocational training.



# 2018

## Rescue Numbers

### Breaking new ground!

We are excited to share with you the forward progress in our mission that you helped make possible in 2018.

**1,074 trafficking victims have been rescued during the 2018 year. Many new vocational and education opportunities were pursued as the survivors become empowered towards their true destinies.**

67 children were protected from exploitation through our prevention programs and we have more supporters than ever before using their voices to speak up for these young lives!







# 1,074

Documented  
Rescues



# About us





# Who **We Are**

Since 2011, we've rescued over 3,793 individuals enslaved around the world, helped keep hundreds more from entering the sex trade through our various prevention programs, ensured justice for those who have been wronged, and raised awareness to untold numbers. And we'll continue to expand to reach even more trafficked victims in the days ahead!

Destiny Rescue realises that human trafficking is a global problem. We are determined to respond to the cry for help and the call to help facilitate change; to set captives free worldwide. Until no more children are sold, forced or coerced into the sex trade, Destiny Rescue is fully committed to fighting for their freedom, their restoration and their futures.

## VISION

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To see child sex slavery abolished in our lifetime.

## MISSION

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Destiny Rescue exists to Rescue, Restore, Protect, and be a Voice for the Voiceless.

## VALUES

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We believe in God's call to 'set the captive free' - so this is exactly what we do.

# What **We Do**

## Rescue



## Restore



## Reintegrate







# How **We Rescue**

Our international front line teams venture into bars, massage parlors and brothels in S.E. Asia and Central America posing as customers. They work covertly right under the noses of mamasans and pimps to develop relationships of trust with the young girls, to gather intelligence, and to eventually facilitate raids. Larger 'raid rescues' are conducted in partnership with the, federal and local authorities. However, smaller 'covert rescues' also occur where brothel owners are paid a 'bar fine', allowing our agents to take the girls offsite. This provides the opportunity to whisk them away to safety, where our qualified aftercare staff await and welcome them. In their new safe environments, the children are given much love, respect and guidance. Each child is different but with a lot of patience, their individual needs are met and trusting friendships develop as they are accompanied on their journey to physical, mental and emotional recovery.

**We now work with the following to conduct raid & rescue operations:**

**Department of Special Investigations (DSI) Thailand.** (Destiny Rescue is now recognised as official informants for the DSI.)

**We also work with the Crime Suppression Division (CSD) Thailand and Anti-trafficking Police (ATP) Thailand. Philippines National Police (PNP) and the National Bureau of Investigation (NBI) Philippines.**



**"We Identify and remove Targets from the sex trade. We do this voluntarily and with the help of law enforcement agencies."**

DAMIEN MAY,  
Director of Rescues

## 1. Primary Target

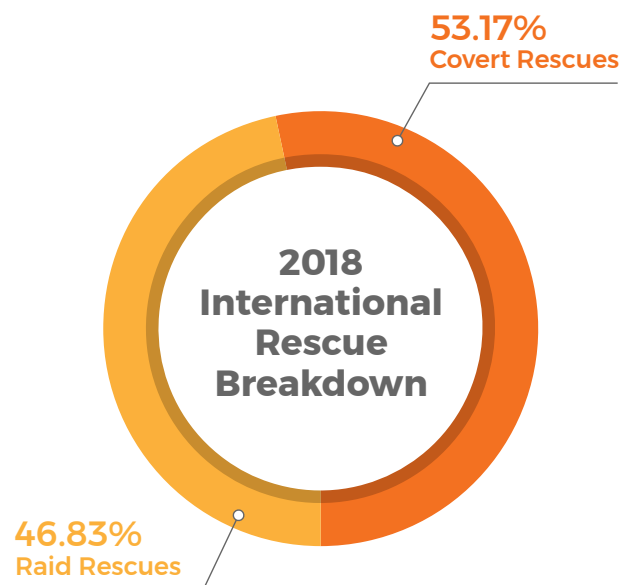
Under 18 years, from point of initial contact, in the sex trade.

## 2. Secondary Target

18 years & over when in a dependent/supportive relationship with the Primary Target and thus instrumental in the rescue of a Primary Target.

## 3. Future Targets

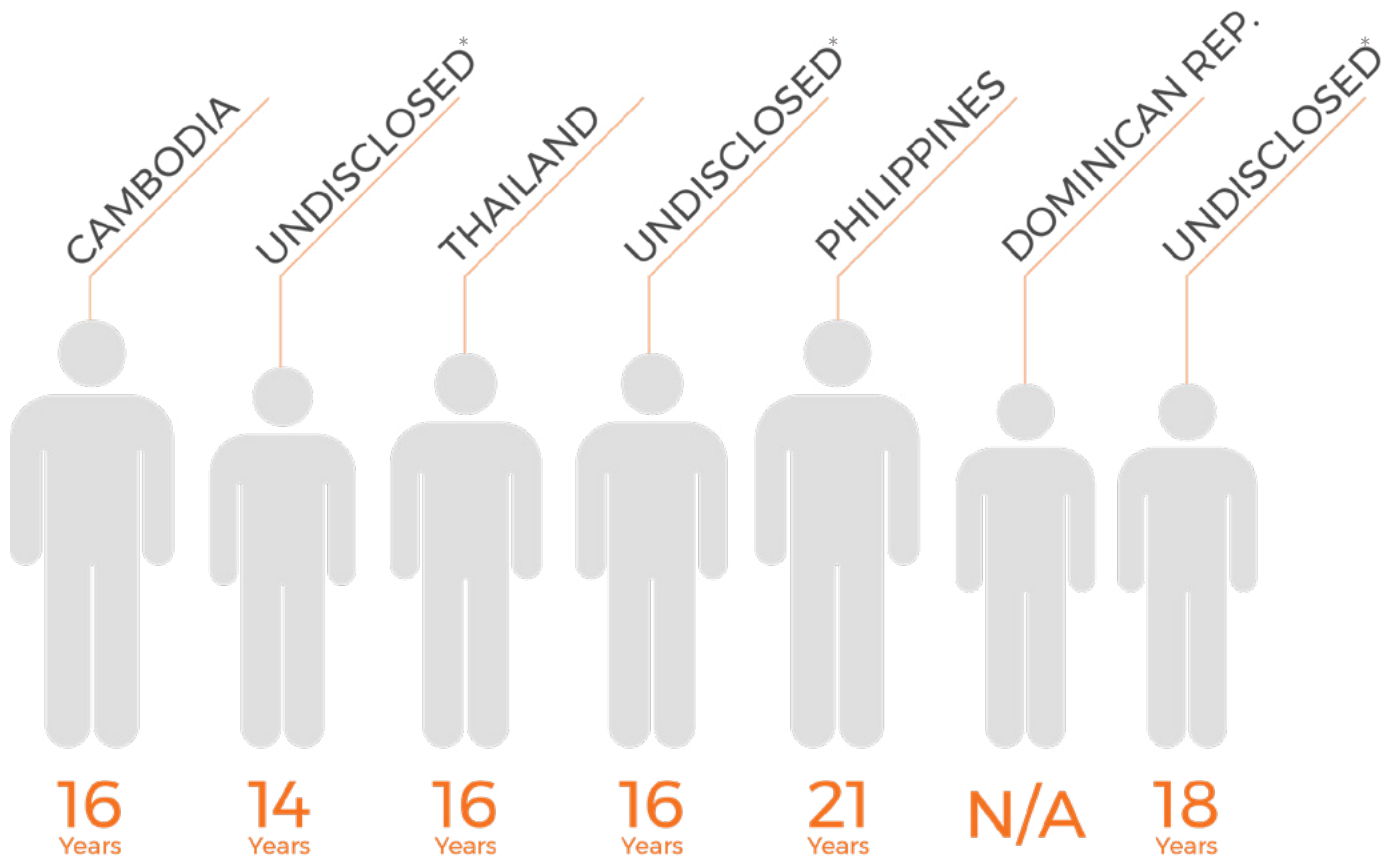
- Slave labour of children
- Trafficking of body parts
- Involvement of outside agencies"



Total Raid Rescues **503**  
Total Covert Rescues **571**

RESCUED

# Demographics



## Average age of rescued individual by country.

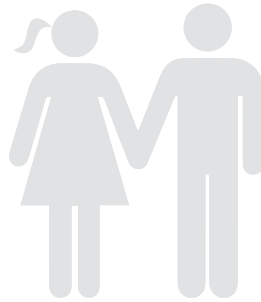
This year, the youngest child we rescued was a mere 17 months old. All rescued individuals are given age-appropriate care upon entering our aftercare programs.

\*for reasons of political sensitivity & security reasons, we don't name this country publicly



## Average Age

17



966 108

**In 2018, 108 Males were rescued.**

While the majority of the children we rescue are girls, Destiny Rescue's efforts bring boys to freedom as well.

89.4%

FEMALE RESCUES

10.6%

MALE RESCUES

60.6%

UNDER 18 YEARS  
RESCUED

39.4%

18 YEARS & OVER  
RESCUED

Destiny Rescue is continually seeking to rescue and defend children. In the midst of our efforts to help children, we encounter trafficked adults. Rescued adults are secondary targets 18+, who have a dependent or supportive relationship with a trafficked child that we are trying to rescue. Often the child will not leave without the secondary target, and so we rescue them both. We also set up raids to rescue trafficked children in places that include adult victims. In these situations, both will be rescued.

Our focus is rescuing children, but in the process, we often need to rescue adults in order to reach the next child. While 39.4% of rescues in 2018 were adults, this is not reflective in monetary value spent on these rescues: The funds used in these rescue operations were invested to enable the rescues of children. The rescue of these adults was simply supplementary to rescue operations that were focused on setting more children free.



# How **We Restore**

## **Reintegration takes place following Destiny Rescue Aftercare Services which currently operate under two basic models:**

With the implementation of placing a heavier focus on community care versus residential care we have seen smoother transitions into full reintegration across each of our countries. As a result the average length of time 'in care' is decreasing and will continue to do so as we tighten up the community care services we provide. In the coming 12 months we will be establishing a minimum standard of care for all beneficiaries in community care which will include delivery of both EMPOWER and GROW psycho-education programs. This will ensure all children and their families will have the best head start in their journey towards healing, sustainable living, and growth in the areas of mental health and physical health. In addition, a minimum standard of care is also in progress of being established regarding the provision of medical health services to each beneficiary across each project nation. This initiative has seen great progress over the last 12 months and will continue to be developed over the next 12 months.

### **RESIDENTIAL CARE**

A six-month program which places a large focus on providing education and information on the physical, emotional, and spiritual effects of trauma, soft skills learning, vocational training, and sexual health and wellbeing.

The goal of this program is to see each child not only heal from their past experiences but also to bounce back even higher than before by placing a focus on growth in the following areas:

1. Strengthened Relationships
2. Greater Appreciation for Life
3. A Sense of one's own inner strength
4. Deepening of Spiritual Life
5. Ability to identify new opportunities

### **COMMUNITY CARE**

With a heavier focus now placed on community care, our teams have been able to work with the children we rescue alongside their families to create care and reintegration plans with the family unit as a whole. This has opened many more doors for us to identify the needs of the family at a community level as well as provide us with the opportunity to equip and empower lives to live safely and sustainably, free from the vulnerability of exploitation in the future.

This twelve-month program consists of social work support in order to provide education, gain access to available community resources, identify future pathways and establish goals in order to achieve both short and long term safety and success.









# How **We** **Reintegrate**

**Reintegration takes place following each program once the children have successfully met goals set in the care plan created by their caseworker and in some cases family members.**

**Some of these goals include:**

- 1. Demonstrates high levels of mental, emotional, and physical wellbeing**
- 2. Successful Graduation of Psychoeducation Programs**
- 3. Demonstrates Economic Empowerment and Education**
- 4. Established Social Support Networks**
- 5. Ensured Safety within the Community**





## Goals moving forward:

Currently, the delivery of our psychoeducation programs is predominantly taking place within a residential setting. With the majority of our children now part of our Community Care programs, we are looking at ways to deliver the same content to families across rural areas. This poses a challenge for our teams of social workers who travel long distances each day in order to meet with the children we rescue and their families. However, we are dedicated to identifying opportunities that will enable us to deliver content with consistency across each country as we continue to improve our service delivery methods.

In addition, we are also focusing our efforts this year on improving our methods of data collection in order to evaluate the effectiveness of the programs we are currently delivering. This will enable us to identify 'high risk' areas where communities are in need of rehabilitation support and prevention education. Our mission to end the sexual exploitation of children in our lifetime includes preventing children from ever being exploited in the first place. The data we have been collecting and continue to improve on this year and moving forward will be able to alert us to 'high risk' areas that will benefit from our prevention education programs.

The '2 Year Statistics' pie graph above is based on all beneficiaries who have been part of Destiny Rescue's aftercare rehabilitation programs prior to their reintegration back into the community.

**\*Note:** Destiny Rescue has chosen to omit countries that have outsourced services to rehabilitate and reintegrate clients in order to transparently communicate the effectiveness of our aftercare services. Moving forward, we aim to release data that also highlights the effectiveness of outside services in order to communicate the progress of ALL rescued children.

# Results

USA



Project Nations

Funding Nations





AUST

NZ

# International Program / Results

Destiny Rescue has 7 Project Nations where we are focusing  
our efforts to see children set free!



IN FOCUS

## Thailand

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173

Rescues  
in 2018

238

Children  
in Care

3

Aftercare  
Locations





IN FOCUS

## Cambodia

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154

Rescues  
in 2018

282

Children  
in Care

3

Aftercare  
Locations



IN FOCUS

## Undisclosed\*

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29

Rescues  
in 2018

0

Children  
in Care

0

Aftercare  
Locations

\*for reasons of political sensitivity & security reasons, we don't name this country publicly.

We currently have no aftercare facilities in this country, so the children are cared for by another trusted aftercare provider.





IN FOCUS

## Undisclosed\*

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109

Rescues  
in 2018

185

Children  
in Care

2

Aftercare  
Locations

\*for reasons of political sensitivity & security reasons, we don't name this country publicly

STORIES OF HOPE

# Radika's Story

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Radika\* aspires to start her own Tailoring shop and support her family with her income.



Radika\* from India is just 14 years old and in those short years she has experienced and witnessed more hardship and tragedy than most children her age will ever see in their lifetime. For Radika, there was a 'perfect storm' of circumstances that led her to work in the sex trade to support her family.

These circumstances are all too common in certain developing countries where children are often exploited and sex slavery is rampant. Poverty, lack of education, inequality and social discrimination all played a role for Radika to end up where she did. Her parents married very young and were from 2 different regions. Radika's mother was tortured by her father and she fled with her 2 children back to her hometown. She put Radika's eldest brother in a hostel and Radika attended school there until grade 6. This was the highest level of education that Radika received. Radika's mother and her 2 children eventually returned back to her husband in his home town, but he had married again and so they were all alone without any support system around them. Radika's mother then became ill and couldn't work herself, so Radika had to take care of her mother and did all the cooking and other household chores. Amidst of all this, more tragedy was to follow with her father committing suicide. Out of desperation she eventually took part in sex work to support her family.

Fortunately for Radika, she was rescued by Destiny Rescue and has experienced a whole new way of living. Her recovery has been remarkable considering the life she had led. It has taken time and her healing hasn't been easy as she receives counselling and care for the trauma she has been through; but she is doing exceedingly well in all the vocational training courses on offer by Destiny Rescue.

She has received certificates of excellence in all the courses provided – Tailoring, Beautician, Jewellery making, Computers and Spoken English. The DR Empower Program and the education and care she has now received have given her a strong sense of hope and courage and have paved the way for a much brighter future for her.





IN FOCUS

## Philippines

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465

Rescues  
in 2018

0

Children  
in Care

0

Aftercare  
Locations

We currently have no aftercare facilities in this country, so the children, whenever possible are reunited with family, otherwise are cared for by another trusted aftercare provider.



IN FOCUS

## Undisclosed\*

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144

Rescues  
in 2018

122

Children  
in Care

1

Aftercare  
Locations

\*for reasons of political sensitivity & security reasons, we don't name this country publicly.





IN FOCUS

## Dominican Rep.

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0

Rescues  
in 2018

7

Children  
in Care

1

Aftercare  
Locations

## The People



# Destiny Rescue Partnerships

Partnering with individuals and groups in many different ways, Destiny Rescue is empowered by supporters to actively and successfully make a positive difference in the lives of many trafficked and sexually exploited children.

In 2018, our partners included churches, schools, businesses, corporations, ambassadors and volunteers, as well as mums and dads, who are all fundamental in our mission to rescue, restore and reintegrate children, who have been enslaved in the sex industry.

## Fundraisers

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Destiny Rescue Ltd currently partners with two online fundraising services: Raisely and, to a lesser extent, EveryDay Hero, which allow supporters to create their own online fundraising presence via a dedicated fundraising page. In 2018 62 individuals chose to fundraise for Destiny Rescue, in a variety of ways including Rescue Challenges, beauty pageants, gala dinners, movie nights, beard shavings, inviting wedding guests to donate to Destiny Rescue in lieu of wedding gifts, fashion parades, jewellery parties – and many others.

The average amount raised by fundraisers and advocates was \$1,248.76. A total of \$77,423.08 was raised via their events and activities..

## Media

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Our Media Partners in 2018 included SBS who ran an Expose “How to Catch a Pimp” on their Dateline program. SBS presenter Amos Roberts and his film crew went undercover with Destiny Rescue agents to uncover the criminal predators and their child victims in Asian bars and brothels. This story was also picked up by Journeyman Pictures and enhanceTV. Steve Price interviewed Amos Roberts on the Alan Jones Breakfast Show to talk about his experiences while filming for Dateline. Gabrielle Bartlett (reality TV star of Married at First Sight and actress) was interviewed by Kyle & Jackie O on KISS FM to talk about her fundraising efforts on behalf of Destiny Rescue. Jo Bouris, from SALT FM Sunshine Coast interviewed our CEO Michelle Winsor to talk about her winning the International Nonprofit Professional of the Year Award. The Sunshine Coast Daily and Profile Magazine also ran stories on Michelle’s achievement.





## Volunteers

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Destiny Rescue Ltd is blessed to be supported by a group of passionate volunteers, giving up their time and investing their skills to cover assistance predominantly with administration and event management tasks.

100 advocates and volunteers worked approx. 15,600 hours saving Destiny Rescue approx. \$315,789.40

## Community

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Community support was strong again in 2018, with a growing number of service clubs, women's clubs and schools requesting us to speak at events on the topic of "Human Trafficking". Our educational presentations have prompted numerous fundraising initiatives, sponsorships and direct donations to Destiny Rescue.

## Ministries

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Throughout Australia local churches are some of our most passionate supporters, helping us to spread awareness on the topic of child trafficking and exploitation, inviting us to have a presence at public events or to speak in front of their congregations. In 2018 77 engaged in some way with Destiny Rescue to raise a combined \$149,790.90.

Many hold Sponsorship Sundays raising funds for Destiny Rescue or book a team trip, sending members over to the projects.

## Business

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We saw an increased involvement by the business community in 2018, both through Workplace Giving and One-off donations, with the largest business contribution from Fienza Pty Ltd for \$40,000.

Workplace Giving contributions in Australia raised \$18,022.20 in total.

# Why We Exist

We exist because we believe no child should be forced to have sex with adults - ever!

With human trafficking being the fastest growing crime in the world - not far behind to the #1 crime of drug trafficking - with over one million children trafficked into situations of sexual exploitation, Destiny Rescue has made a commitment to be instrumental in helping to reverse these figures.

All children have the right to feel safe and should expect adults to protect them from harm. The reality, sadly, does not support this expectation. And while there are a variety of reasons that some adults victimise rather than protect children, Destiny Rescue has made it their mission to make a positive and lasting change.

Destiny Rescue for 17 years has waged war against traffickers and paedophiles, has increased awareness of the problem, has protected high-risk children from being snatched, rescued, restored many of the victims and will continue to do so until, it is our hope, child exploitation no longer exists.

The current statistics may seem overwhelming, but we are doing something in the midst of it...

## 40.3m

Current research estimate of people enslaved worldwide

## 10m

25% of all those enslaved are children under the age of 18

## FORCED LABOUR IN NUMBERS:

Types of Forced Labour	Millions	Adults/Children	Male/Female
Forced Labour Exploitation (Agriculture, Construction, Domestic Work or Manufacturing)	16 (64%)	81%/19%	42%/58%
Forced Sexual Exploitation	4.8 (20%)	79%/21%	1%/99%
State Imposed Forced Labour (Prisons, or in work imposed by the state military or by rebel armed forces)	4.1 (16%)	93%/7%	59%/41%
<b>TOTAL/AVERAGE</b>	<b>\$24.9m*</b>	<b>84%/16%</b>	<b>34%/66%</b>

\* Remainder of the 40.3 million enslaved today (15.4 million) are in Forced Marriage

SOURCES:

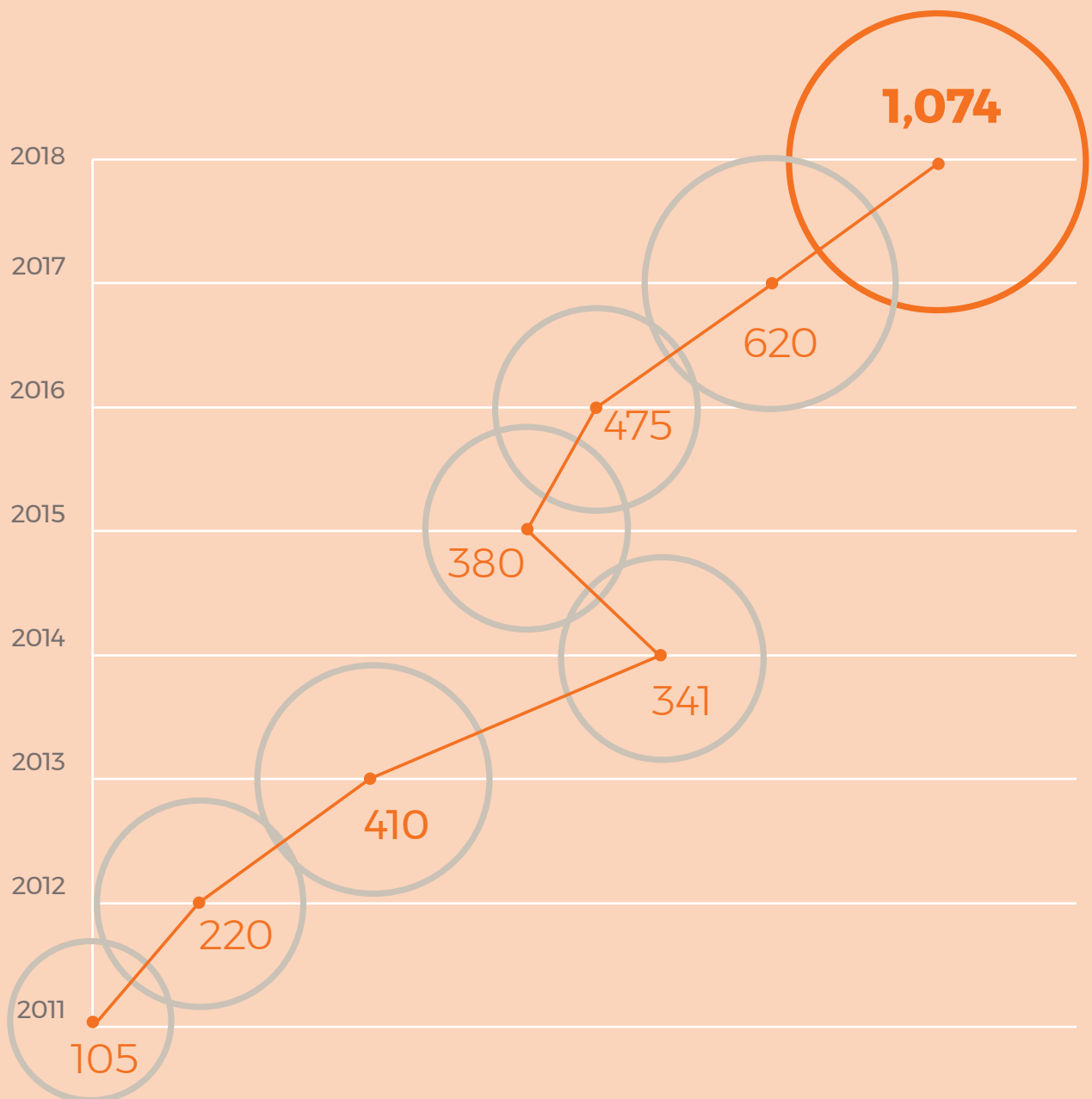
- [http://www.alliance87.org/global\\_estimates\\_of\\_modern\\_slavery-forced\\_labour\\_and\\_forced\\_marriage.pdf](http://www.alliance87.org/global_estimates_of_modern_slavery-forced_labour_and_forced_marriage.pdf)
- <http://www.humanrightsfirst.org/sites/default/files/TraffickingbytheNumbers.pdf>



# Organisational Goals

After eclipsing our previous rescue record of 620 with 1,074 in 2018, our goal for 2019 will be to rescue 1,250 individuals.

**With your help, we believe we can do it!**





DESTINY RESCUE LIMITED

# The Board and Governance

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The Board currently consists of four members each with unique skills and experience united by one passion; the rescue, restoration and reintegration of children and ultimately, the eradication of child exploitation.





## **Tony Kirwan**

President & Founder

Tony Kirwan has always had a heart to see children rescued from poverty and abuse, and after running his own electrical contracting company for ten years, he sold everything and began Destiny Rescue in 2001.

Tony believes in leading from the front. Residing in Thailand, he and his teams around the world are actively involved in the rescue of young children from the sex industry and building an organisation that combats this crime against humanity.



## **Jenni Kirwan**

Member

Jenni Kirwan has been instrumental in Tony's vision and his work. Since uprooting their then young family to move to Thailand in 2001, Jenni has not only been Tony's rock throughout the journey from humble beginnings to today's highly respected non-profit organisation with over 100 staff & volunteers but has also become a strong voice for Destiny Rescue. She is the perfect spokeswoman and makes appearances at a variety of events, including Women's Conferences.



## **Michelle Winser**

Company Secretary/CEO

Michelle has been involved in Business leadership for over 20 years. Her earlier career was based in merchant banking in Sydney's CBD. Michelle then went on to managing several businesses before running her own successful business for five years.

Michelle has a heart for children and a heart for Destiny Rescue and is excited to see slavery ended in our lifetime.



## **Lauchlan Anderson**

Treasurer

Lachlan has completed his Bachelor of Finance at Latrobe University in Melbourne and has been in the financial services industry since 2010. He is currently working as a Financial Planner in Melbourne, and believes this experience has helped provide insights and effective leadership for Destiny Rescue.

Lachlan has visited some of the projects of Destiny Rescue and personally believes we are making a real positive difference in the lives of those who need it the most!



# Financials



Destiny Rescue Ltd and Controlled Entity  
Financial report for the year ended 31 December 2018

# Director's Report

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Your directors present their report on the company and its controlled entity for the financial year ended 31 December 2018.

## Directors

The names of the each person who has been a director during the year and to the date of this report are:

- Tony Kirwan – Director
- Lachlan Anderson – Director
- Michelle Winser – Secretary, Director
- Jennifer Kirwan – Director

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

## Principal Activities

The principal activities of the consolidated group during the financial year were to rescue children from human trafficking and sexual exploitation. No significant change in the nature of these activities occurred during the year.

## Short-Term and Long-Term Objectives

The company's short-term objectives are to:

- provide mentoring and specialist children support services that develop wellbeing, resilience and transfer life skills;
- support underprivileged and at-risk children by engaging all sectors of the community in ongoing partnerships and support programs; and
- be a recognised leader in the provision of specialist children services as evidenced by the success of programs and practices.

The company's long-term objects are to:

- establish and maintain relationships that foster social inclusion and community reconnection for underprivileged and at-risk children; and
- be sustainable and strive for continuous improvement so as to offer the best possible outcomes for the children requiring its assistance.

## Strategies

To achieve its stated objectives, the company has adopted the following strategies:

- The company strives to attract and retain quality staff and volunteers who are committed to working with underprivileged and at-risk children. The directors consider that attracting and retaining quality staff and volunteers are essential for the company to continue providing the services that it does, and critical to it achieving all of its short-term and long-term objectives.
- The company establishes and fosters working partnerships with a range of community stakeholders.

By actively encouraging and facilitating stakeholder involvement in the entity's activities, the company will be able to achieve its short-term objectives of supporting children by engaging sectors from the community and being a recognised leader in the provision of children services.

## Key Performance Measures

The company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved.

## Information on Directors

### Tony Kirwan

	–	Director & Founder
Experience & Expertise	–	Involvement in business ownership & management for over 23 years. Member of the Australian Institute of Company Directors
Special Responsibilities	–	President & Chairman of Destiny Rescue International

### Lachlan Anderson

Experience & Expertise	–	Bachelor of Finance.  Involvement in the financial services industry for over 8 years. Previous experience as member of management committee for ministry. Member of Financial Planning Association of Australia "FPAA".
Special Responsibilities	–	None

### Michelle Winser

Experience & Expertise	–	Involvement in business ownership/management for over 21 years.  Member of the Australian Institute of Company Directors.
Special Responsibilities	–	CEO of Destiny Rescue Australia.

### Jennifer Kirwan

	–	Director
Experience & Expertise	–	Business involvement within either management or membership for over 23 years.
Special Responsibilities	–	None



## Meeting of Directors

During the financial year, 4 director's meetings were held. Attendances by each director were as follows:

	Director's Meetings	
	Number eligible to attend	Number attended
Tony Kirwan	5	5
Jennifer Kirwan	5	4
Michelle Winser	5	5
Lachlan Anderson	5	4

## Members' Guarantee

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity.

At 31 December 2018, the total amount that members of the company are liable to contribute if the company is wound up is \$40.

## Operating Result

The operating loss for the year ended 31 December 2018 amounted to \$94,859 (2017: \$70,552).

## Auditor's Independence Declaration

A copy of the auditor's independence declaration for the year ended 31 December 2018 is set out on the following page.

This director's report is signed in accordance with a resolution of the Board of Directors:



**Tony Kirwan** (President)

Date 23 April 2019



**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER S60-40 OF THE AUSTRALIAN CHARITIES  
AND NOT-FOR-PROFITS COMMISSION ACT 2012**

**TO THE DIRECTORS OF DESTINY RESCUE LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2018 there have been:

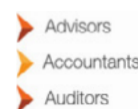
- (i) no contraventions of the independence requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Bentleys Brisbane (Audit) Pty Ltd  
Chartered Accountants

Ashley Carle  
Director  
Brisbane  
24 April 2019



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Destiny Rescue Ltd and Controlled Entity  
Financial report for the year ended 31 December 2018

# Profit or Loss

Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2018

	Note	Consolidated Group	
		2018	2017
		\$	\$
Revenue	3	3,000,406	2,950,445
Other income	3	247,936	179,191
Cost of sales	4	(7,533)	(6,654)
Employee benefits expense		(1,156,413)	(940,827)
Depreciation and amortisation		(37,766)	(19,841)
Fees and charges		(40,291)	(33,483)
Project expenses	4	(1,550,546)	(1,789,444)
Repairs and maintenance		(5,693)	(3,746)
Rent		(70,130)	(79,147)
Other expenses		(472,919)	(326,042)
Finance costs		(1,910)	(1,004)
<b>Surplus/(Deficit) before income tax</b>		<b>(94,859)</b>	<b>(70,552)</b>
Income tax (expense) benefit	1(b)	-	-
<b>Surplus/(Deficit) for the year</b>		<b>(94,859)</b>	<b>(70,552)</b>
<b>Other comprehensive income for the year</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>(94,859)</b>	<b>(70,552)</b>



# Financial Position

Consolidated statement of financial position  
as at 31 December 2018

	Note	Consolidated Group	
		2018	2017
		\$	\$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	6	291,201	262,385
Trade and other receivables	7	20,567	45,747
Inventories		13,640	7,400
Other Assets	8	4,717	-
TOTAL CURRENT ASSETS		330,125	315,532
NON-CURRENT ASSETS			
Property, plant and equipment	10	43,808	29,460
TOTAL NON-CURRENT ASSETS		43,808	29,460
TOTAL ASSETS		373,933	344,992
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	11	135,098	69,303
Current tax liabilities	12	5,246	12,472
Financial liabilities	13	24,972	19,921
TOTAL CURRENT LIABILITIES		165,316	101,696
NON-CURRENT LIABILITIES			
Financial liabilities	13	27,783	-
Provisions	14	32,397	-
TOTAL NON-CURRENT LIABILITIES		60,180	-
TOTAL LIABILITIES		225,496	101,969
NET ASSETS		148,437	243,296
<b>MEMBER'S FUNDS</b>			
Retained surplus		148,437	243,296
<b>TOTAL MEMBER'S FUNDS</b>		<b>148,437</b>	<b>243,296</b>

# Changes in Equity

Consolidated statement of changes in equity  
for the year ended 31 December 2018

Consolidated Group	
Retained Earnings	
\$	
<b>Balance at 1 January 2017</b>	313,848
Total comprehensive income/(loss) for the year	(70,552)
<b>Balance at 31 December 2017</b>	243,296
<b>Balance at 1 January 2018</b>	243,296
Total comprehensive income/(loss) for the year	(94,859)
<b>Balance at 31 December 2018</b>	<b>148,437</b>

# Cash Flows

Consolidated statement of cash flows  
for the year ended 31 December 2018

	Note	Consolidated Group	
		2018	2017
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		3,299,835	3,172,524
Program payments and payments to suppliers and employees		(3,246,652)	(3,203,166)
Interest received		2,257	1,980
Interest paid		(1,910)	(1,004)
Net cash generated by/(used in) operating activities	20	53,530	(29,666)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(7,797)	(4,444)
Net cash used in investing activities		(7,797)	(4,444)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings		(16,917)	(12,563)
Net cash used in financing activities		(16,917)	(12,563)
Net increase/(decrease) in cash and cash equivalents held		28,816	(46,673)
Cash and cash equivalents at beginning of financial year		262,385	309,058
<b>Cash and cash equivalents at end of financial year</b>	<b>6</b>	<b>291,201</b>	<b>262,385</b>



# Notes

## Notes to the financial statements for the year ended 31 December 2018

The consolidated financial statements and notes represent those of Destiny Rescue Ltd and Controlled Entity (the “consolidated group” or “group”).

The financial statements were authorised for issue on the date that the director’s declaration was signed.

### **NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **Basis of Preparation**

Destiny Rescue Ltd applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB1053: *Application of Tiers of Australian Accounting Standards*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the *Australian Charities and Not-for profits Commission Act 2012*.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected noncurrent assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

#### **Accounting Policies**

##### **a. Principles of Consolidation**

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Destiny Rescue Ltd) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 8.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non-controlling interests”. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary’s net assets on liquidation at either fair value or at the non-controlling interests’ proportionate share of the subsidiary’s net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of profit or loss and other comprehensive income.

# Notes

## Notes to the financial statements for the year ended 31 December 2018

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### b. Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

#### c. Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on the basis of weighted average costs.

#### d. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

#### Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment). Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

#### Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a

diminishing value basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Depreciation is recognised in profit or loss.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	10-66%
Office machinery	50-66%
Furniture and fixtures	20%
Motor vehicles	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

#### e. Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to entities in the consolidated group, are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

# Notes

## Notes to the financial statements for the year ended 31 December 2018

Leased assets are depreciated on a diminishing value basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

### **f. Impairment of Assets**

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information, and internal sources of information, including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

### **g. Foreign Currency Transactions and Balances**

Functional and presentation currency  
The functional currency of each group entity is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars, which is

the parent entity's functional and presentation currency. There has been no change in the functional and presentation currency of the Group.

### **h. Employee Benefits**

#### **Short-term employee benefits**

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

#### **Other long-term employee benefits**

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense.

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right



# Notes

## Notes to the financial statements for the year ended 31 December 2018

to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

### **Retirement benefit obligations**

#### **Defined contribution superannuation benefits**

All employees of the Group receive defined contribution superannuation entitlements, for which the Group pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable.

The Group's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Group's statement of financial position.

#### **i. Provisions**

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

#### **j. Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

#### **k. Revenue and Other Income**

Donations and bequests are recognised as revenue when received. Interest revenue is recognised

using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the sale of goods or rendering of a service is recognised upon the delivery of the goods or services to the customers.

All revenue is stated net of the amount of goods and services tax.

#### **l. Trade and Other Receivables**

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(f) for further discussion on determination of impairment losses.

#### **m. Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the Group that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

#### **n. Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

# Notes

## Notes to the financial statements for the year ended 31 December 2018

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Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

### **o. Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

### **p. Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

### **Key estimates**

#### **(i) Impairment – general**

The Group assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the company that may be indicative of impairment triggers.

# Notes

## Notes to the financial statements for the year ended 31 December 2018

### NOTE 2: PARENT INFORMATION

The following information has been extracted from the books and records of the parent Destiny Rescue Limited and has been prepared in accordance with Australian Accounting Standards.

	Consolidated Group	
	2018	2017
	\$	\$
<b>Statement of Financial Position</b>		
<b>ASSETS</b>		
Current assets	134,814	136,431
Non-current assets	43,809	44,858
TOTAL ASSETS	178,623	181,289
<b>LIABILITIES</b>		
Current liabilities	165,316	103,485
Non-current liabilities	60,180	13,114
TOTAL LIABILITIES	225,496	116,599
<b>EQUITY</b>		
Retained surplus	(46,873)	64,690
TOTAL EQUITY	(46,873)	64,690
<b>Statement of Profit or Loss and Other Comprehensive Income</b>		
Total surplus	(51,365)	(45,192)
<b>Total comprehensive income</b>	<b>(51,365)</b>	<b>(45,192)</b>

#### Guarantees

Destiny Rescue Ltd has not entered into any guarantees in the current or previous financial years, in relation to the debts of its subsidiaries.

#### Contingent Liabilities

At 31 December 2018 Destiny Rescue Ltd did not have any contingent liabilities relating to guarantees provided to its controlled entities (2017: Nil).

#### Contractual Commitments

At 31 December 2018 Destiny Rescue Ltd had not entered into any contractual commitments for the acquisition of property, plant and equipment.



# Notes

Notes to the financial statements  
for the year ended 31 December 2018

## NOTE 3: REVENUE AND OTHER INCOME

	Consolidated Group	
	2018	2017
	\$	\$
<b>Revenue</b>		
- Awareness/Donations	1,856,517	1,743,585
- Sponsorship	1,039,414	1,105,934
- Team fees	104,475	100,926
	3,000,406	2,950,445
<b>Other income:</b>		
- Sales	217,293	137,998
- Interest received	2,257	1,980
- Grants received	6,849	30,209
- Other income	21,537	9,004
	247,936	179,191
<b>Total revenue</b>	<b>3,248,342</b>	<b>3,129,636</b>

## NOTE 4: SURPLUS/(DEFICIT) FOR THE YEAR

	Consolidated Group	
	2018	2017
	\$	\$
The surplus/(deficit) for the year has been determined after charging the following costs:		
<b>Cost of sales:</b>		
Opening stock on hand	7,400	8,352
Purchases	8,265	-
Other direct costs	5,508	5,702
Less Closing stock	(13,640)	(7,400)
<b>Total cost of sales</b>	<b>7,533</b>	<b>6,654</b>

# Notes

## Notes to the financial statements for the year ended 31 December 2018

### NOTE 4: SURPLUS/(DEFICIT) FOR THE YEAR (CONT'D)

	Consolidated Group	
	2018	2017
	\$	\$
<b>Project expenses:</b>		
<b>Program distributions:</b>		
Thailand	357,580	474,497
Cambodia	526,219	660,465
India	38,937	114,685
Laos	1,930	5,595
Philippines	18,405	5,845
Destiny Rescue International	299,858	239,773
Program distribution fees	162,033	164,085
	1,404,962	1,664,945
<b>Other Project Expenses:</b>		
Fundraising platform fees	12,681	13,859
Project expenses	40,526	43,429
Team expenses	84,739	61,472
General expenses	7,638	5,739
	145,584	124,499
	<b>1,550,546</b>	<b>1,789,444</b>

The payments for Cambodia, India, Thailand, Laos, Philippines and Destiny Rescue International were made to Global Development Group Pty Ltd (Registered Charity No 1385, ABN: 57 102 400 993) for forwarding to the applicable programs.

# Notes

## Notes to the financial statements for the year ended 31 December 2018

### NOTE 5: KEY MANAGEMENT PERSONNEL COMPENSATION

The totals of remuneration paid to key management personnel (KMP) of the Group during the year are as follows:

	2018	2017
	\$	\$
Key management personnel compensation	302,786	394,130

This remuneration was paid by the parent entity to the KMP.  
During 2018, 4 staff were categorised as key management personnel (2017: 6).

#### Other KMP transactions

For details of other transactions with KMP, refer to Note 17.

### NOTE 6: CASH AND CASH EQUIVALENTS

	Consolidated Group	
	2018	2017
	\$	\$
<b>CURRENT</b>		
Cash at bank	288,055	258,581
Cash on hand	3,146	3,804
	291,201	262,385

#### Reconciliation of cash and cash equivalents

Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows are reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	291,201	262,385
	291,201	262,385



# Notes

Notes to the financial statements  
for the year ended 31 December 2018

## NOTE 7: TRADE AND OTHER RECEIVABLES

	Consolidated Group	
	2018	2017
	\$	\$
<b>CURRENT</b>		
Trade receivables	1,249	26,429
Rental bond	19,318	19,318
<b>Total current trade and other receivables</b>	<b>20,567</b>	<b>45,747</b>

## NOTE 8: OTHER ASSETS

	Consolidated Group	
	2018	2017
	\$	\$
<b>CURRENT</b>		
Prepayments	4,717	-
Total other assets	4,717	-

## NOTE 9: INTERESTS IN SUBSIDIARY

### a. Information about Subsidiary

The subsidiary listed below is controlled and owned directly by the parent entity. The assets, liabilities, income and expenses of the subsidiary have been consolidated on a line-by-line basis in the consolidated financial statements of the Group. The subsidiary's principal place of business is also its country of incorporation or registration.

Name of Subsidiary	Principal Place of Business	Ownership Interest Held by the Group*	
		2018	2017
		%	%
Destiny Rescue Overseas Aid Fund	Australia	100	100

\* Percentage of voting power in proportion to ownership

Subsidiary financial statements used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Group's financial statements.

### b. Significant Restrictions

There are no significant restrictions over the Group's ability to access or use assets, and settle liabilities, of the Group.

# Notes

Notes to the financial statements  
for the year ended 31 December 2018

## NOTE 10: PROPERTY, PLANT AND EQUIPMENT

	Consolidated Group	
	2018	2017
	\$	\$
<b>Plant and equipment:</b>		
At cost	6,383	10,626
Accumulated depreciation	(5,162)	(9,856)
	1,221	770
<b>Office equipment:</b>		
At cost	46,175	60,179
Accumulated depreciation	(40,737)	(54,471)
	5,438	5,708
<b>Furniture and fixtures:</b>		
At cost	704	5,185
Accumulated depreciation	(704)	(5,185)
	-	-
<b>Motor vehicles:</b>		
At cost	144,288	99,971
Accumulated depreciation	(107,139)	(76,989)
	37,149	22,982
Total net carrying amount	<b>43,808</b>	<b>29,460</b>

(b) Reconciliation of carrying amounts at the beginning and end of the period

# Notes

Notes to the financial statements  
for the year ended 31 December 2018

## NOTE 10: PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Plant and equipment	Office equipment	Furniture and fixtures	Motor vehicles	Total
	\$	\$	\$	\$	\$
<b>2018</b>					
Carrying amount opening balance	770	5,708	-	22,982	29,460
Add: additions	1,375	6,421	-	44,318	52,114
Less: depreciation expense	(924)	(6,691)	-	(30,151)	(37,766)
<b>Carrying amount closing balance</b>	<b>1,221</b>	<b>5,438</b>	<b>-</b>	<b>37,149</b>	<b>43,808</b>

## NOTE 11: TRADE AND OTHER PAYABLES

	Consolidated Group	
	2018	2017
	\$	\$
<b>CURRENT</b>		
Trade payables	96,007	31,816
Employee provisions	39,091	37,487
	<b>135,098</b>	<b>69,303</b>

## NOTE 12: TAX LIABILITIES

	Consolidated Group	
	2018	2017
	\$	\$
<b>CURRENT</b>		
GST payable / (receivable)	(9,689)	3,288
PAYG payable	14,935	9,184
	<b>5,246</b>	<b>12,472</b>

# Notes

Notes to the financial statements  
for the year ended 31 December 2018

## NOTE 13: FINANCIAL LIABILITIES

		Consolidated Group	
		2018	2017
		\$	\$
<b>CURRENT</b>			
Hire purchase		12,731	13,114
Credit card		12,241	6,807
		<b>19,921</b>	<b>24,972</b>
<b>NON-CURRENT</b>			
Hire purchase		27,783	-
Credit card		27,783	-
<b>Total financial liabilities</b>		<b>52,755</b>	<b>19,921</b>

## NOTE 14: PROVISIONS

		Consolidated Group	
		2018	2017
		\$	\$
<b>NON-CURRENT</b>			
Long Service Leave		32,397	-
Total Provisions		32,397	-

## NOTE 15: CAPITAL AND LEASING COMMITMENTS

		Consolidated Group	
		2018	2017
		\$	\$
<b>a. Finance Lease Commitments</b>			
<b>Payable - minimum lease payments:</b>			
- not later than 12 months		14,539	13,529
- between 12 months and five years		29,134	-
Minimum lease payments		43,673	13,529
Less: finance cost		(3,159)	(415)
		<b>40,514</b>	<b>13,114</b>



# Notes

## Notes to the financial statements for the year ended 31 December 2018

### NOTE 15: CAPITAL AND LEASING COMMITMENTS (CONT'D)

	Consolidated Group	
	2018	2017
	\$	\$
<b>b. Operating Lease Commitments</b>		
Non-cancellable operating leases contracted for but not capitalised in the financial statements.		
<b>Payable - minimum lease payments:</b>		
- not later than 12 months	64,670	62,867
- between 12 months and five years	21,972	86,642
- later than five years	-	-
	<b>86,642</b>	<b>149,509</b>

The property lease is a non-cancellable lease with a 5 year term, with rent payable monthly in advance. Contingent rental provisions within the lease agreement require that the minimum lease payments shall be increased by 4.5% per annum. An option exists to renew the lease at the end of the term for an additional term of 1 year. The lease disallows for subletting of all lease areas.

### NOTE 16: EVENTS AFTER THE REPORTING PERIOD

On 1 January 2019, the operations of the subsidiary, Destiny Rescue Overseas Aid Fund, were transferred into the parent's operations. It is anticipated that the subsidiary will be wound up in the next 12 months.

### NOTE 17: RELATED PARTY TRANSACTIONS

#### Related Parties

The Group's main related parties are as follows:

#### a. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise), are considered key management personnel.

For details of disclosures relating to key management personnel, refer to Note 5.

#### b. Other related parties

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel, individually or collectively with their close family members.

# Notes

## Notes to the financial statements for the year ended 31 December 2018

### c. Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

During the year, the Group made program distributions of \$299,858 (2017: \$239,773) to Destiny Rescue International via Global Development Group Pty Ltd (refer Note 4). Destiny Rescue International is based in United States and is a related party because they are the umbrella organisation which provides policy, guidance and oversight of Destiny Rescue Ltd and Destiny Rescue Overseas Aid Fund as of the 22nd June 2015. Tony Kirwan is also the President of Destiny Rescue International.

During the year, the Group made loans to Key Management personnel of \$5,922 (2017: \$0). These loans are on interest free terms and are required to be repaid within the next 12 months.

### NOTE 18: FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans to and from subsidiaries, bills, leases, preference shares and derivatives.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9: Financial Instruments: Recognition and Measurement as detailed in the accounting policies to these financial statements, are as follows:

	Note	Consolidated Group	
		2018	2017
		\$	\$
<b>Financial assets</b>			
Cash and cash equivalents	6	291,201	262,385
Loans and receivables	7	20,567	26,429
		316,485	288,814
<b>Total financial assets</b>		<b>311,768</b>	<b>288,814</b>
<b>Financial liabilities</b>			
Financial liabilities at amortised cost:			
– trade payables	11	96,007	31,816
– current tax liabilities	12	5,246	12,472
– borrowings	13	52,755	19,921
<b>Total financial liabilities</b>		<b>154,008</b>	<b>64,209</b>

# Notes

## Notes to the financial statements for the year ended 31 December 2018

### NOTE 19: FAIR VALUE MEASUREMENTS

The Group does not subsequently measure any liabilities at fair value on a recurring basis and has no assets or liabilities that are measured at fair value on a non-recurring basis.

### NOTE 20: RECONCILIATION OF SURPLUS/(DEFICIT) AFTER INCOME TAX TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	Consolidated Group	
	2018	2017
	\$	\$
Surplus/(deficit) for the year	(94,859)	(70,552)
<b>Add/(deduct) non-cash items:</b>		
Depreciation	37,766	19,841
<b>Changes in operating assets and liabilities:</b>		
(Increase)/Decrease in trade and other receivables	25,180	22,433
(Increase)/Decrease in other assets	(4,717)	-
(Increase)/Decrease in inventories	(6,240)	952
Increase/(Decrease) in trade and other payables	64,003	(2,340)
Increase/(Decrease) in provisions	32,397	-
<b>Net cash inflow/(outflow) from operating activities</b>	<b>53,530</b>	<b>(29,666)</b>

# Director's Declaration

Destiny Rescue Ltd and Controlled Entity  
Financial report for the year ended 31 December 2018

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**The directors of Destiny Rescue Ltd declare that, in the directors' opinion:**

1. The financial statements and notes, as set out on pages 43 to 62, are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012 and:
  - a. comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
  - b. give a true and fair view of the financial position of Destiny Rescue Ltd and Controlled Entity as at 31 December 2018 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that Destiny Rescue Ltd will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-Profits Commission Regulation 2013.



**Tony Kirwan** (President)

Dated this .....27th... day of April 2019



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DESTINY RESCUE LIMITED



### Report on the Audit of the Financial Report

#### Opinion

We have audited the accompanying financial report of Destiny Rescue Limited (the Company and its controlled entities (the "Group")), which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion the consolidated financial report of the Group is 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 Group's financial position as at 31 December 2018 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards (Reduced Disclosure Requirements), and Division 60 of the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

#### Basis for Opinion

We conducted our 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 Group in accordance with the ethical requirements of the Australian 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.

#### Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2018, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibility of the Directors' for the Financial Report

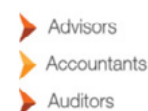
The directors of the Group are responsible for the preparation and fair presentation in accordance with Australian Accounting Standards and of the financial report the *Australian Charities and Not-for-Profits Commission Act 2012*. The directors' responsibility also includes such internal control as the directors 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 directors are responsible for assessing the Group'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 directors intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Group's financial reporting process.



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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF DESTINY RESCUE LIMITED (CONT'D)**



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

Our 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 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 procedure that are appropriate in the circumstances, but not for the purpose of an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of the directors' 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

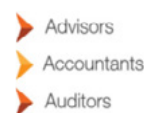
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Bentleys Brisbane (Audit) Pty Ltd  
Chartered Accountants

Ashley Carle  
Director  
Brisbane  
24 April 2019



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**Destiny Rescue  
Overseas Aid Fund**  
ABN: 15 454 771 860

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ABN: 16 394 284 169  
ACN: 616 359 623



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