

**DESTINY RESCUE OVERSEAS AID FUND
FINANCIAL STATEMENTS
FOR 6 Months to 31 December 2013**

DESTINY RESCUE OVERSEAS AID FUND

Financial Report for the 6 months ended 31 December 2013 COMMITTEE'S REPORT

Your committee members present this report on the fund for the 6 months ended 31 December 2013.

Committee Members

The names of each person who has been a committee member during the period and to the date of this report are:

Tony Kirwan – President
John Strange – Secretary/ Treasurer
Craig Anderson – Committee Member
Jennifer Kirwan – Committee Member

Members have been in office since the start of the period to the date of this report unless otherwise stated.

Principal Activities

The principal activity of the fund during the financial year was to rescue children from human trafficking and sexual exploitation.

Significant Changes

No significant changes in the nature of these activities have occurred during the year.


Operating Result

The operating surplus for the period ended 31 December 2013 amounted to \$161,186.

Auditor's Independence Declaration

The auditor's Independence declaration for the period ended 31 December 2013 has been received and can be found on page 3 of the financial report.

Signed in accordance with a resolution of the Committee Members.

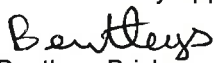


Tony Kirwan (President)
Dated this 15th day of January 2015

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER S60.40 OF THE AUSTRALIAN CHARITIES AND NOT FOR PROFITS COMMISSION ACT
2012 TO THE COMMITTEE MEMBERS OF DESTINY RESCUE OVERSEAS AID FUND**

I declare that, to the best of my knowledge and belief, during the six months ended 31 December 2013 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Australian Charities and Not for Profits Commission Act 2012* in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.


Bentleys Brisbane (Audit) Pty Ltd
Chartered Accountants



PM Power
Director
Brisbane

20 January 2015

DESTINY RESCUE OVERSEAS AID FUND

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 31 DECEMBER 2013

	Note	31 December 2013	30 June 2013
REVENUE			
Awareness/ Donations		863,554	1,028,215
Child Sponsorship		647,112	893,253
Interest		758	4,056
Other Income			-
Sales		2,006	4,225
TOTAL INCOME		<u>1,513,430</u>	<u>1,929,749</u>
EXPENDITURE			
Audit Fees		-	2,500
Fees & Charges		10,272	10,285
Donation to Destiny Rescue Inc		615,000	642,217
Fees & Charges		-	1,422
General Expenses		400	1,880
Other Expenses		35,798	-
Printing & Stationery		-	324
Program Distribution	2	690,774	1,497,853
Staff Amenities		-	710
Superannuation		-	421
Telephone		-	239
Travel, Accommodation & Conferences		-	1,311
Wages		-	5,536
TOTAL EXPENSES		<u>1,352,244</u>	<u>2,164,698</u>
Profit/ (Loss) for the year		<u>161,186</u>	<u>(234,949)</u>
Net Profit/(Loss)		<u>161,186</u>	<u>(234,949)</u>

The accompanying notes form part of these financial statements.

DESTINY RESCUE OVERSEAS AID FUND

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

	Note	31 December 2013	30 June 2013	1 July 2012
CURRENT ASSETS				
Cash and Cash Equivalents	3	236,515	100,229	345,952
Accounts Receivable		-	-	-
Other Receivables		31,434	5,254	57
TOTAL CURRENT ASSETS		267,949	105,483	346,009
TOTAL ASSETS		267,949	105,483	346,009
 CURRENT LIABILITIES				
Payables		4,630	2,500	2,500
ATO Creditor		-	850	-
PAYG Payable		-	-	7623
Superannuation Payable		-	-	1,869
TOTAL CURRENT LIABILITIES		4,630	3,350	11,992
TOTAL LIABILITIES		4,630	3,350	11,992
NET ASSETS		263,319	102,133	334,017
 MEMBER'S FUNDS				
Retained Profits from Previous Year		102,133	334,017	420,986
Prior Year Adjustments		-	3,065	10,928
Current Year Profit/(Loss)		161,186	(234,949)	(97,897)
TOTAL MEMBER'S FUNDS		263,319	102,133	334,017

The accompanying notes form part of these financial statements.

DESTINY RESCUE OVERSEAS AID FUND

STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS ENDED 31 DECEMBER 2013

	Note	Retained Surplus \$
Balance at 1 July 2012		350,549
Retrospective adjustment	1(i)	(16,532)
Balance at 1 July 2012 (restated)	1(i)	334,017
Comprehensive income		
Loss for the year attributable to members of the entity		(234,949)
Other comprehensive income for the year		-
Total comprehensive income attributable to members of the entity		(234,949)
Balance at 30 June 2013		99,068
Prior year adjustment		3,065
Balance at 30 June 2013 (restated)	1(l)	102,133
Comprehensive income		
Surplus for the year attributable to members of the entity		161,186
Other comprehensive income for the year		-
Total comprehensive income attributable to members of the entity		161,186
Balance at 31 December 2013		263,319

The accompanying notes form part of these financial statements.

DESTINY RESCUE OVERSEAS AID FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTHS ENDED 31 DECEMBER 2013

The financial statements cover Destiny Rescue Overseas Aid Fund as an individual entity, established and domiciled in Australia

The financial statements were authorised for issue on the date that the statement by the members of the committee was signed.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The committee has prepared the financial statements on the basis that the fund is a non-reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Queensland Incorporations Act* and the *Australian Charities and not-for-profits Commission Act 2012*. The fund is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Revenue

Non-reciprocal grant revenue is recognised in the profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised as it accrues 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 rendering of a service is recognised upon the delivery of the service to the customers.

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

b. Cash on Hand

Cash on hand equivalents includes 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. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

c. Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from donors and any outstanding grant receipts. 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.

DESTINY RESCUE OVERSEAS AID FUND

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

d. 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.

e. 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*.

f. Comparative Figures

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

Where the fund retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements must be presented.

g. Accounts Payable and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the fund during the reporting period which remain unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

h. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments 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 fund.

DESTINY RESCUE OVERSEAS AID FUND

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i. Change in Accounting Policy

During the period, the committee decided to change its accounting policy relating to the accounting for funds advanced to Destiny Rescue Incorporated (DRI). Under the Public Ancillary Fund guidelines (2011), the fund is allowed to contribute reasonable expenses back to DRI. These amounts were originally classified as a loan receivable from DRI. The committee is of the opinion that these amounts will not be repaid and therefore to provide more relevant information, reclassification to an expense will result in more accurate information. The impact of this change on prior financial reports is as follows:

	Published Figure	Adjustment \$	Adjusted Figure \$
2012			
Profit/(Loss) from 2012	(81,365)	(16,532)	(97,897)
Retained Earnings 1 July 2012	350,549	(16,532)	334,017
Contra – DRI	16,532	(16,532)	-
2013			
Profit/(Loss) at 30 June 2013	407,268	(642,217)	(234,949)
Retained Earnings	760,882	(658,749)	102,133
Contra – DRI	658,749	(658,749)	-

DESTINY RESCUE OVERSEAS AID FUND

NOTES TO THE FINANCIAL STATEMENTS (contd)

	31 December 2013	30 June 2013
	\$	\$
Note 2: PROGRAM DISTRIBUTIONS		
Cambodia	54,401	41,600
India	2,516	4,500
Mozambique	-	-
Thailand	633,857	1,451,753
Team Expenses	-	-
Overseas Program Expenses	-	-
	<u>690,774</u>	<u>1,497,853</u>

The payments for Cambodia, India, Mozambique and Thailand were made to Global Development Group Pty Ltd (Registered Charity No 1385, ABN:57 102 400 993) for forwarding to the applicable programs. We are not the auditors for this organisation.

NOTE 3: CASH AND CASH EQUIVALENTS

Cash at bank	236,515	100,229
Cash float	-	-
	<u>236,515</u>	<u>100,229</u>

NOTE 4: CHANGE IN REPORTING PERIOD

The fund changed its financial year end during the course of the period. As a result the Financial Statements cover the 6 months from 1 July 2013 to 31 December 2013. The prior year figures noted cover the normal 12 month period from 1 July 2012 to 30 June 2013.

The fund applied to the Australian Taxation Office to change the year end, and at the date of this report this was still pending. The reporting period has been changed from 30 June to 31 December in order to align with reporting periods of funding providers.


As a result, the prior period information is not comparable for the statement of profit and loss and other comprehensive income, statement of changes in equity, statement of changes in cash flows and the notes to the financial statements.

DESTINY RESCUE OVERSEAS AID FUND

STATEMENT BY MEMBERS OF THE COMMITTEE

We, being members of the committee of Destiny Rescue Overseas Aid Fund, certify that :-

The statements attached to this certificate give a true and fair view of the financial position and performance of Destiny Rescue Overseas Aid Fund during and at the end of the six months ended 31 December 2013 and complies with the requirements of the *Queensland Incorporations Act* and the *Australian Charities and not-for-profits Commission Act 2012*.

Signed: 
Dated: 15/01/2015

Signed: 
Dated: 15/01/15

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DESTINY RESCUE OVERSEAS AID FUND

We have audited the accompanying financial report, being a special purpose financial report, of Destiny Rescue Overseas Fund (the fund), which comprises the statement of financial position as at 31 December 2013, the statement of profit and loss and other comprehensive income for the six month period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of Destiny Rescue Overseas Aid Fund is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the *Queensland Incorporations Act* and the *Australian Charities and not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation and fair presentation of the financial report, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied in the independence requirements of the *Australia Charities and Not-for-profits Commission Act 2012*.

Basis for Qualified Audit Opinion

The financial report includes the results and financial position for the comparative period being year ended 30 June 2013. We were not the appointed auditors of the entity for this period and we have been unable to satisfy ourselves regarding the accuracy and reliability of the amounts presented for that period. Consequently, we are unable to determine whether any adjustments are necessary in respect of the financial position as at 30 June 2013 or financial performance for the year ended as reported in the Statement of Financial Position and Statement of Profit and Loss and Other Comprehensive Income.

Since the opening balances enter into the determination of the financial performance, we are unable to determine whether adjustments might have been necessary in respect of the financial performance for the six months ended 31 December 2013, as reported in the Statement of Profit and Loss and Other Comprehensive Income.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Audit Opinion paragraph, the financial report of Destiny Rescue Overseas Aid Fund is in accordance with *Queensland Incorporations Act*, including

- a) Giving a true and fair view of the association's financial position as at 31 December 2013 and of its performance for the period ended on that date, and
- b) Complying in accounting policies described in Note 1 to the financial statements and *Queensland Incorporations Act* and the *Australian Charities and not-for-profits Commission Act 2012*.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist Destiny Rescue Overseas Aid Fund to meet the requirements of the *Queensland Incorporations Act* and the *Australian Charities and not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.



Bentleys Brisbane (Audit) Pty Ltd
 Chartered Accountants



PM Power
 Director
 Brisbane

20 January 2015