

2019

Annual Report

Destiny Rescue Ltd.



Our Mission

We rescue children from
sex trafficking and
exploitation and help
them stay free.

A Letter From

Fiona Berkin

CEO, Destiny Rescue Australia

Thank you for sending our rescue agents and integration teams the help they need to rescue and love the kids we are serving! Your faith has made 2019 an extraordinary year full of breakthroughs.

Together, we rescued 1,426 victims of sexual exploitation including an 18 month old little girl. In both Thailand and the Philippines, we were honoured by the anti-trafficking authorities as a "valuable partner" in the war against child trafficking. Late in the year we expanded our work and began to rescue children as they were being trafficked across country borders. I have been to the shop fronts of the brothels where these vulnerable girls are forced to service customers night after night and it is no exaggeration when I say "we" spared the young girls we rescued from hell on earth. The very first establishment that I visited was raided three weeks later and remained shut down for many, many months. What a powerful message we send other venues - "do not have children in your establishment or this will happen to you!". And what a joy it was to visit the girls in their new found freedom.

Whether you are a monthly Rescue Partner, have supported us through Rescue A Child, joined us as a Church Rep and welcomed us to your church, or hosted a fundraising event, you made this possible. Together we are truly changing destinies!

God Bless.

A handwritten signature in black ink, appearing to read 'Fiona Berkin'.

Fiona Berkin

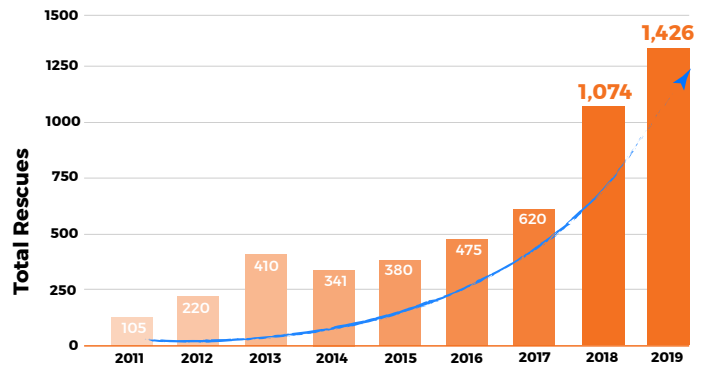
CEO, Destiny Rescue Australia

2019 Highlights

A RECORD-BREAKING YEAR!

Because of your faithful generosity, Destiny Rescue Ltd. is celebrating **1,258% growth in rescues over 9 years.**

Rescues per Year



1,426

INDIVIDUAL RESCUES

A record year for individual rescues across all Project Nations.

82

MAJOR RAIDS

2019 saw an increase of 156% of successful raids carried out across our Project Nations

574

BENEFICIARIES CARED FOR

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

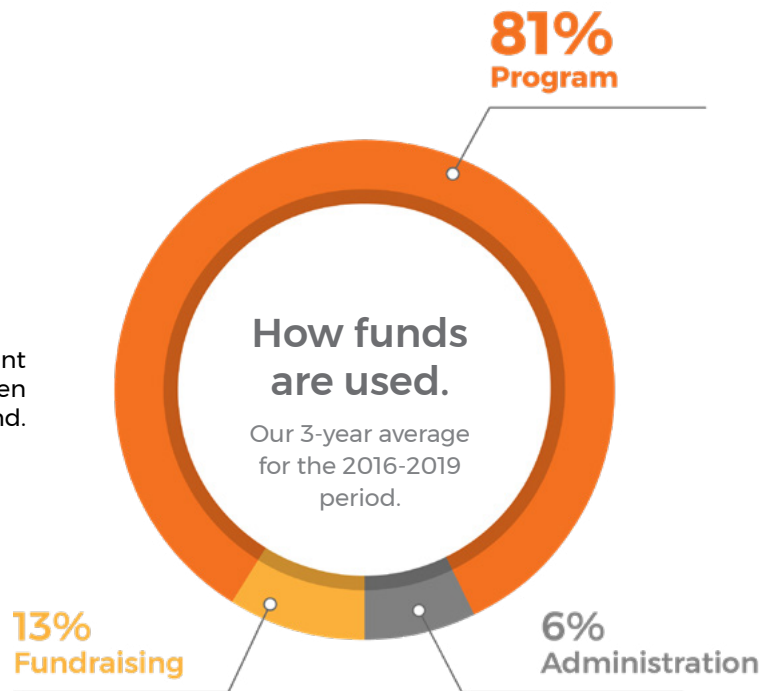
328

IN VOCATIONAL TRAINING

The amount of individual beneficiaries currently undergoing vocational training.

Financial Integrity

Over the last 3 years, 81% of every dollar we spent was used for programs that benefit the children we defend.



Destiny Rescue Ltd and Controlled Entity
Financial report for the year ended 31 December 2019

Director's Report

Your directors present their report on the company and its controlled entity for the financial year ended 31 December 2019.

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** – Treasurer
- **Michelle Winser** – Secretary, Director
– Left 4th Sep 2019
- **Jennifer Kirwan** – Director
– Left 30th Jan 2019
- **Joshua Evans** – Director
– Commenced 4th Sept 2019
- **Chris Lawley** – Director
– Commenced 4th Sep 2019

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 24 years. Member of the Australian Institute of Company Directors
Special Responsibilities	–	President & Chairman of Destiny Rescue International
<hr/>		
Lachlan Anderson	–	Treasurer
Experience & Expertise	–	Bachelor of Finance. Involvement in the financial services industry for over 9 years. Previous experience as member of management committee for ministry. Member of Financial Planning Association of Australia "FPAA".
Special Responsibilities	–	None
<hr/>		
Joshua Evans	–	Director
Experience & Expertise	–	Has served on a number of Boards, usually in Capacity of Company Secretary. The diversity of his experience and track record in helping teams succeed will no doubt be valuable in fulfilling our vision and meeting our ambitious goals.
Special Responsibilities	–	None
<hr/>		
Chris Lawley	–	Director
Experience & Expertise	–	Chris has had a connection with Destiny Rescue for a number of years as a donor and passionate supporter and accepted our invitation to join the Board in September 2019. He has held senior sales executive positions for over a decade, initially as Vice President of Sales at ANZ and, since 2017, as Vice President of Sales – Asia Pacific at the Diligent Corporation.
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	4	4
Lachlan Anderson	4	4
Michelle Winser	1	1
Joshua Evans	3	3
Chris Lawley	3	3

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 2019, the total amount that members of the company are liable to contribute if the company is wound up is \$40.

Operating Result

The operating surplus for the year ended 31 December 2019 amounted to \$44,264 (2018: \$94,859).

Auditor's Independence Declaration

A copy of the auditor's independence declaration for the year ended 31 December 2019 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)

29 April 2020



**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 2019 there have been:

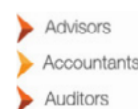
- (i) no contraventions of the independence requirements of the Australian Charities and Not-for-Profits Commission Act 2012 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Bentleys Brisbane (Audit) Pty Ltd
Chartered Accountants

Ashley Carle
Director
Brisbane
29 April 2020



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Destiny Rescue Ltd and Controlled Entity
Financial report for the year ended 31 December 2019

Profit or Loss

Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2019

	Note	Consolidated Group	
		2019	2018
		\$	\$
Revenue	3	2,797,868	3,000,406
Other income	3	164,065	247,936
Cost of sales	4	(28,703)	(7,533)
Employee benefits expense		(1,441,324)	(1,156,413)
Depreciation and amortisation		(62,178)	(37,766)
Fees and charges		(50,788)	(40,291)
Project expenses	4	(905,631)	(1,550,546)
Repairs and maintenance		(10,894)	(5,693)
Property Costs		(10,397)	(70,130)
Other expenses		(397,319)	(472,919)
Finance costs		(10,435)	(1,910)
Surplus/(Deficit) before income tax		44,264	(94,859)
Income tax (expense) benefit	1(a)	-	-
Surplus/(Deficit) for the year		44,264	(94,859)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		44,264	(94,859)

The accompanying notes form part of these financial statements.

Financial Position

Consolidated statement of financial position
as at 31 December 2019

	Note	Consolidated Group	
		2019	2018
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	313,573	291,201
Trade and other receivables	7	19,318	20,567
Inventories		-	13,640
Other Assets	8	-	4,717
TOTAL CURRENT ASSETS		332,891	330,125
NON-CURRENT ASSETS			
Property, plant and equipment	9	72,550	43,808
TOTAL NON-CURRENT ASSETS		72,550	43,808
TOTAL ASSETS		405,441	373,933
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	148,013	135,098
Current tax liabilities	11	(1,781)	5,246
Financial liabilities	12	38,128	24,972
TOTAL CURRENT LIABILITIES		184,360	165,316
NON-CURRENT LIABILITIES			
Financial liabilities	12	14,370	27,783
Provisions	13	14,010	32,397
TOTAL NON-CURRENT LIABILITIES		28,380	60,180
TOTAL LIABILITIES		212,740	225,496
NET ASSETS		192,701	148,437
MEMBER'S FUNDS			
Retained surplus		192,701	148,437
TOTAL MEMBER'S FUNDS		192,701	148,437

The accompanying notes form part of these financial statements.

Changes in Equity

Consolidated statement of changes in equity
for the year ended 31 December 2019

	Retained Earnings
	\$
Balance at 1 January 2018	243,296
Total comprehensive income/(loss) for the year	(94,859)
Balance at 31 December 2018	148,437
Balance at 1 January 2019	148,437
Total comprehensive income/(loss) for the year	44,264
Balance at 31 December 2019	192,701

The accompanying notes form part of these financial statements.

Cash Flows

Consolidated statement of cash flows
for the year ended 31 December 2019

	Note	Consolidated Group	
		2019	2018
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		2,990,954	3,299,835
Program payments and payments to suppliers and employees		(2,872,443)	(3,246,652)
Interest received		1,046	2,257
Interest paid		(10,435)	(1,910)
Net cash generated by/(used in) operating activities	19	109,122	53,530
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(26,883)	(7,797)
Net cash used in investing activities		(26,883)	(7,797)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(59,867)	(16,917)
Net cash used in financing activities		(59,867)	(16,917)
Net increase/(decrease) in cash and cash equivalents held		22,372	28,816
Cash and cash equivalents at beginning of financial year		291,201	262,385
Cash and cash equivalents at end of financial year	6	313,573	291,201

The accompanying notes form part of these financial statements.

Notes

Notes to the financial statements for the year ended 31 December 2019

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

The controlled entity is Destiny Rescue Overseas Aid Fund. This entity ceased operating on 1 January 2019, and transferred all of its assets and liabilities to Destiny Rescue Ltd on this date.

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 non-current assets, financial

assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. 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.

b. Inventories

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

c. 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 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.

Notes

Notes to the financial statements for the year ended 31 December 2019

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

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%

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.

d. Leased Assets

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Group where the Group is a lessee. However, all contracts classified as short-term leases (with a remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a

straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- Fixed lease payments less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be paid by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- Lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Notes

Notes to the financial statements for the year ended 31 December 2019

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

e. 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. 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.

f. 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.

g. 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 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's receive defined contribution superannuation entitlements, for

Notes

Notes to the financial statements for the year ended 31 December 2019

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

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.

h. 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.

i. 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.

j. Revenue and Other Income

Revenue from awareness/donations, sponsorship and team fees are recognised as revenue upon receipt.

Revenue from the sale of goods is recognised at the time the goods are supplied to customers. Grant revenue is recognised as revenue on receipt,

unless sufficiently specific performance obligations exist. In this case, the revenue is recognised when the obligations are satisfied.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

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

k. 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(e) for further discussion on determination of impairment losses.

l. 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.

m. 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 2019

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

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.

n. Comparative Figures

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

o. 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.

p. New and Amended Accounting Policies adopted by the Group

The Group has adopted the recognition and measurement criteria of the following accounting Standards during the year:

- AASB 15 Revenue from Contracts with Customers
- AASB 1058 Income of Not-for-Profit Entities
- AASB 16 Leases

The application of AASB 15 and AASB 1058 has not resulted in any changes to the Group's revenue recognition.

AASB 16 has resulted in changes to how the Group recognises leases. Previously, some leases were classified as operating leases and expensed when the lease payments were made. Now, all leases are treated, as disclosed in Note 1(d).

The Group has applied the modified retrospective approach in transitioning to AASB 16, which means that an adjustment is made at the date of transition to apply the standard, and comparative figures have not been restated. The Group has also applied a transition option available within the standard that allows the lease liability and right-of-use asset to be equal at date of transition. This resulted in a right-of-use asset and a lease liability being recognised at 1 January 2019 of \$64,037.

Notes

Notes to the financial statements for the year ended 31 December 2019

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.

	2019	2018
	\$	\$
Statement of Financial Position		
ASSETS		
Current assets	332,891	134,814
Non-current assets	72,550	43,809
TOTAL ASSETS	405,441	178,623
LIABILITIES		
Current liabilities	184,360	165,316
Non-current liabilities	28,380	60,180
TOTAL LIABILITIES	212,740	225,496
EQUITY		
Retained surplus	192,701	(46,873)
TOTAL EQUITY	192,701	(46,873)
Statement of Profit or Loss and Other Comprehensive Income		
Total surplus / (deficit)	239,574	(51,365)
Total comprehensive income	239,574	(51,365)

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 2019 Destiny Rescue Ltd did not have any contingent liabilities relating to

guarantees provided to its controlled entities (2018: Nil).

Contractual Commitments

At 31 December 2019 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 2019

NOTE 3: REVENUE AND OTHER INCOME

	Consolidated Group	
	2019	2018
	\$	\$
Revenue		
- Awareness/Donations	1,376,494	1,856,517
- Sponsorship	1,398,144	1,039,414
- Team fees	23,230	104,475
	2,797,868	3,000,406
Other income:		
- Sales	138,941	217,293
- Interest received	1,046	2,257
- Grants received	-	6,849
- Other income	24,078	21,537
	164,065	247,936
Total revenue	2,961,933	3,248,342

NOTE 4: SURPLUS/(DEFICIT) FOR THE YEAR

	Consolidated Group	
	2019	2018
	\$	\$
The surplus/(deficit) for the year has been determined after charging the following costs:		
Cost of sales:		
Opening stock on hand	13,640	7,400
Purchases	11,042	8,265
Other direct costs	4,021	5,508
Less Closing stock	-	(13,640)
Total cost of sales	28,703	7,533

Notes

Notes to the financial statements
for the year ended 31 December 2019

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

	Consolidated Group	
	2019	2018
	\$	\$
Project expenses:		
Program distributions:		
Thailand	288,105	357,580
Cambodia	40,043	526,219
India	12,627	38,937
Laos	-	1,930
Philippines	206,000	18,405
Nepal	20,000	-
Destiny Rescue International	298,252	299,858
Program distribution fees	521	162,033
	865,548	1,404,962
Other Project Expenses:		
Fundraising platform fees	23,432	12,681
Project expenses	951	40,526
Team expenses	6,829	84,739
General expenses	8,871	7,638
	40,083	145,584
	905,631	1,550,546

Notes

Notes to the financial statements for the year ended 31 December 2019

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:

	2019	2018
	\$	\$
Key management personnel compensation	342,279	302,786

This remuneration was paid by the parent entity to the KMP.
During 2019, 6 staff were categorised as key management personnel (2018: 4).

NOTE 6: CASH AND CASH EQUIVALENTS

	Consolidated Group	
	2019	2018
	\$	\$
CURRENT		
Cash at bank	308,717	288,055
Cash on hand	4,856	3,146
	313,573	291,201

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	313,573	291,201
	313,573	291,201

Notes

Notes to the financial statements
for the year ended 31 December 2019

NOTE 7: TRADE AND OTHER RECEIVABLES

	Consolidated Group	
	2019	2018
	\$	\$
CURRENT		
Trade receivables	-	1,249
Rental bond	19,318	19,318
Total current trade and other receivables	19,318	20,567

NOTE 8: OTHER ASSETS

	Consolidated Group	
	2019	2018
	\$	\$
CURRENT		
Prepayments	-	4,717
Total other assets	-	4,717

Notes

Notes to the financial statements
for the year ended 31 December 2019

NOTE 9: PROPERTY, PLANT AND EQUIPMENT

	Consolidated Group	
	2019	2018
	\$	\$
Plant and equipment:		
At cost	6,383	6,383
Accumulated depreciation	(5,889)	(5,162)
	494	1,221
Office equipment:		
At cost	73,058	46,175
Accumulated depreciation	(44,856)	(40,737)
	28,202	5,438
Furniture and fixtures:		
At cost	704	704
Accumulated depreciation	(704)	(704)
	-	-
Motor vehicles:		
At cost	144,288	144,288
Accumulated depreciation	(116,447)	(107,139)
	27,841	37,149
Right of Use Asset	64,037	-
Right of Use - Accum Dep	(48,024)	-
	16,013	-
Total net carrying amount	72,550	43,808

(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 2019

NOTE 9: PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Plant and equipment	Office equipment	Furniture & fixtures	Motor vehicles	Right of Use asset – (Lease)	Total
	\$	\$	\$	\$	\$	\$
2019						
Carrying amount opening balance	1,221	5,438	-	37,149	-	43,808
Add: additions	-	26,883	-	-	64,037	90,920
Less: depreciation expense	(727)	(4,119)	-	(9,308)	(48,024)	(62,178)
Carrying amount closing balance	494	28,202	-	27,841	16,013	72,550

NOTE 10: TRADE AND OTHER PAYABLES

	Consolidated Group	
	2019	2018
	\$	\$
CURRENT		
Trade payables	127,591	96,007
Employee provisions	20,422	39,091
	148,013	135,098

NOTE 11: TAX LIABILITIES

	Consolidated Group	
	2019	2018
	\$	\$
CURRENT		
GST payable / (receivable)	(9,151)	(9,689)
PAYG payable	7,370	14,935
	(1,781)	5,246

Notes

Notes to the financial statements
for the year ended 31 December 2019

NOTE 12: FINANCIAL LIABILITIES

Consolidated Group		
	2019	2018
	\$	\$
CURRENT		
Hire purchase	13,411	12,731
Credit card	7,814	12,241
Lease Liability	16,903	-
	38,128	24,972
NON-CURRENT		
Hire purchase	14,370	27,783
	14,370	27,783
Total financial liabilities	52,498	52,755

NOTE 13: PROVISIONS

Consolidated Group		
	2019	2018
	\$	\$
NON-CURRENT		
Long Service Leave	14,010	32,397
Total oProvisions	14,010	32,397

NOTE 14: CAPITAL AND LEASING COMMITMENTS

Consolidated Group		
	2019	2018
	\$	\$
a. Lease Commitments – On Statement of Financial Position		
Payable – minimum lease payments:		
– not later than 12 months	33,619	14,539
– between 12 months and five years	14,595	29,134
Minimum lease payments	48,214	43,673
Less: finance cost	(3,530)	(3,159)
	44,684	40,514

Notes

Notes to the financial statements for the year ended 31 December 2019

NOTE 14: CAPITAL AND LEASING COMMITMENTS (CONT'D)

	Consolidated Group	
	2019	2018
	\$	\$
b. Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements.		
Payable - minimum lease payments:		
- not later than 12 months	-	64,670
- between 12 months and five years	-	21,972
- later than five years	-	-
	-	86,642

NOTE 15: EVENTS AFTER THE REPORTING PERIOD

The Group has been monitoring the potential impact of COVID-19 on its operations. The Group has plans in place to minimise the impact. Given the uncertainty over the situation, the Group is not in a position to determine the full impact that COVID-19 will have on its operations or quantify any financial impact.

NOTE 16: 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 2019

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.

Others than remuneration paid to key management personal as disclosed in Note 5, and the transfer of net assets of the controlled entity to the parent entity as disclosed in Note 1, there have been no related party transactions.

NOTE 17: 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	
		2019	2018
		\$	\$
Financial assets			
Cash and cash equivalents	6	313,573	291,201
Loans and receivables	7	19,318	20,567
		332,891	311,768
Total financial assets		332,981	311,768
Financial liabilities			
Financial liabilities at amortised cost:			
– trade payables	10	127,591	96,007
– current tax liabilities	11	(1,781)	5,246
– borrowings	12	54,498	52,755
Total financial liabilities		178,308	154,008

Notes

Notes to the financial statements for the year ended 31 December 2019

NOTE 18: 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 19: RECONCILIATION OF SURPLUS/(DEFICIT) AFTER INCOME TAX TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	Consolidated Group	
	2019	2018
	\$	\$
Surplus/(deficit) for the year	44,264	(94,859)
Add/(deduct) non-cash items:		
Depreciation	62,178	37,766
Changes in operating assets and liabilities:		
(Increase)/Decrease in trade and other receivables	1,249	25,180
(Increase)/Decrease in other assets	4,717	(4,717)
(Increase)/Decrease in inventories	13,640	(6,240)
Increase/(Decrease) in trade and other payables	1,461	64,003
Increase/(Decrease) in provisions	(18,387)	32,397
Net cash inflow/(outflow) from operating activities	109,122	53,530

Director's Declaration

Destiny Rescue Ltd and Controlled Entity
Financial report for the year ended 31 December 2019

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

1. The financial statements and notes, as set out herein, 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 2019 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 29th of April 2020

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 statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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 2019 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 confirm that the independence declaration, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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 2019, 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 Company 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.

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.

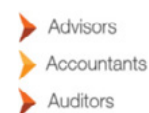
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Bentleys Brisbane (Audit) Pty Ltd
Chartered Accountants

Ashley Carle
Director
Brisbane
07 May 2020



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