



## RedR Australia Limited

ABN 89 068 902 821

### Financial Statements for the year ended 30 June 2017

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**REDR AUSTRALIA LIMITED**  
**ABN 89 068 902 821**  
**CORPORATE DIRECTORY**

**Directors**

Elizabeth Taylor	Director
Michael Marley	Director
Andreas Marquardt	Director
Malcolm Ralston	Director
Andrew Stevenson	Director
David Swan	Director
Nicole Hahn	Director
Dinesh Jayasuriya	Director

**Company Secretary**

Kirsten Sayers

**Registered Office and Principal Place of Business**

55-61 Barry Street  
Carlton Victoria 3053

**Auditor**

BDO East Coast Partnership  
Level 18, Tower 4 Collins Square  
727 Collins Street  
Docklands Vic 3008

**Website address**

[www.redr.org.au](http://www.redr.org.au)

**REDR AUSTRALIA LIMITED**  
**ABN 89 068 902 821**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2017**

The Directors present their report with respect to the result of RedR Australia Limited as ("the company") for the year ended 30 June 2017 and the Independent Audit Report thereon.

**DIRECTORS**

The following persons were Directors of RedR Australia Limited during or since the end of the financial year.

<b>Name &amp; Qualification</b>	<b>Date of Appointment, Experience, and Other Directorships</b>	<b>Responsibility</b>
Emeritus Professor Elizabeth Taylor, AO, BE, LLB (Hons), Hon FIEAust, FAICD	12 June 1998 Chair - Board of Directors, Engineers Australia Pty Ltd (trading as Engineers Media) Chair - Board of Professional Engineers of QLD to Dec 2011	Engineers Australia (EA) nominee Chair 9 Dec 2010
Michael Marley BE, M Eng Sc, Hon FIEAust, FAICD, RPEQ	10 February 2009 Director, Principal, Golder A ssociates Pty Ltd	Consult Australia (CA) Nominee
Andreas Marquardt BE (Civil), ME, MBA, CPEng, FIEAust	21 March 2005 Treasurer, Manager Asset Management, ACTEW Water Canberra	APESMA Nominee
Malcolm Ralston B Leg Studies	22 October 2012 Director, Emergency/Disaster Response Advisor; RedR Australia Deployments - UNOPS, Iraq & WFP/UNJLC, Banda Aceh Indonesia	Elected by Financial Member
Andrew Stevenson BE (Civil) (Hon), Diploma of Management, Cert of Mediation, Cert of Arbitration Copland Leadership 2008 Board Orientation Series 2009 (Leadership Vic)	9 May 2011 Director, Principal, Alchimie Pty Ltd	Board nominee
David Swan BE (Civil), MBA, (Tech Man), CPEng, JP	5 April 2002 Director, Swan Environmental Project Management RedR Deployment - UNHCR, Yemen; AusAID - Yogyakarta	Institute of public Works Engineering Australia (IPWEA) nominee
Nicole Hahn	2 February 2015	Elected by Financial Member
Dinesh Jayasuriya	2 February 2015	Elected by Financial Member

REDR AUSTRALIA LIMITED  
ABN 89 068 902 821  
DIRECTORS' REPORT (CONT'D)

The number of meetings of Directors held during the year and the number of meetings attended by each is as follows

Name	Meetings	
	Possible	Attended
Elizabeth Taylor	4	4
Michael Marley	4	2
Andreas Marquardt	4	4
Malcolm Ralston	4	3
Andrew Stevenson	4	4
David Swan	4	4
Nicole Hahn	4	4
Dinesh Jayasuriya	4	4

**COMPANY SECRETARY**

Kirsten Sayers was appointed as Secretary on 29 April 2013.

**OBJECTIVES**

RedR Australia provides suitably trained and experienced personnel to relief agencies in order to help them relieve people from the debilitating conditions that occur when disasters disrupt the normal pattern of life.

*Short Term:*

To relieve suffering in disasters by selecting, training and providing competent and committed personnel to humanitarian relief agencies worldwide.

*Long term objective:*

The three year Strategic Framework provides targeted direction for RedR Australia's operations, highlighting our four primary goals of a strong, responsive and dynamic Standby Register; greater International Collaboration; Engagement and Visibility; and Accountability and Governance.

RedR Australia's strategic objectives required to achieve these targets revolve around the need to maintain and utilise skills and experience of personnel on our Standby Register; identify new partnerships and funding opportunities (including cost-sharing arrangements); increase our public profile; strengthen our engagement with partners, stakeholders, donors and the Australia public; remain a leader in the humanitarian space; continuously measure RedR Australia's impact of projects and programs; and to be best placed to respond to where there is the greater humanitarian need, with particular focus on operations in the Southern Hemisphere, and primarily in the Asia-Pacific region where we are best geographically placed to respond.

## STRATEGY FOR ACHIEVING THE OBJECTIVES

### Strategic Goals:

1. Enhance position of RedR Australia as an essential service within the international disaster/humanitarian emergency discipline.
2. Recruit, select and retain high calibre personnel on the Standby Register, primarily using information from UN agencies on anticipated needs.
3. Train and prepare personnel for RedR involvement and non-RedR roles.
4. Deploy and support personnel during and after deployment.
5. Ensure service delivery is backed by strong and efficient administration and finance support.
6. Communicate with all interested parties to lift awareness of RedR mission, needs, services and opportunities.

## PRINCIPAL ACTIVITIES

The principal activities of the company are the relief of suffering caused by disasters, through the selection, training and provision of competent and committed personnel to humanitarian programmes.

There is emphasis on assistance via engineering and related disciplines, together with delivery and distribution of relief supplies and shelter materials, and attention to water and sanitation needs among others.

## PERFORMANCE MEASURES

### Administration ratio

A useful measure of the entity's administrative efficiency is its administration cost ratio, which RedR Australia aims to keep below 10%. The ratio expresses administrative costs (including depreciation) as a percentage of total revenue.

### Deployments

Number of deployments and duration each year as a percentage of revenue.

## RESULTS AND REVIEW OF OPERATIONS

The net result of operations for 30 June 2017 was an operating surplus of \$129,445 compared to a surplus of \$190,715 for the year ended 30 June 2016.

The continued operations of the Company at the current level are dependent on continued funding support from Department of Foreign Affairs and Trade (DFAT). On Monday 28 August 2017 RedR Australia signed a seven year agreement with the Department of Foreign Affairs and Trade (DFAT), commencing 28 August 2017 and expiring 30 June 2024 for baseline funding; this agreement totals \$32,650,000 for an initial period to 30 June 2020.

In 25 March 2015 an agreement was reached with the Department for International Development (UK Aid) for funding through to 31 December 2017 for up to £600,000 to be made available to RedR Australia.

## MEMBERS' GUARANTEE

The company is a not for profit public company limited by guarantee. The total amount of members guarantee as at 30 June 2017 was \$7,238 based on a membership of 163 at a liability of \$45-\$50 per member. This guarantee would be called upon to contribute towards meeting any outstanding obligations of the Company in the event of it being wound up.

REDR AUSTRALIA LIMITED  
ABN 89 068 902 821  
DIRECTORS' REPORT (CONT'D)

**NON-MONETARY DONATIONS**

The value of pro bono services provided by advisors and volunteers during the financial year is \$578,386 (2016: \$392,495). Non-monetary contributions represent volunteer hours provided at a rate consistent with external costs should the company have paid for these services. This amount has been calculated by reference to the fair value of the assets received when the company gains control of the contribution.

The above amounts have not been included in the results of the Company as the related transactions would be recorded as revenue and a disbursement the same financial year and therefore the transaction has no effects on the results of the Company.

**MATTERS SUBSEQUENT TO THE END OF FINANCIAL YEAR**

On Monday 28 August 2017 RedR Australia signed a seven year agreement with the Department of Foreign Affairs and Trade (DFAT), commencing 28 August 2017 and expiring 30 June 2024 for baseline funding; this agreement totals \$32,650,000 for an initial period to 30 June 2020. No other matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the company's state of affairs in future financial years.

Signed in accordance with a resolution of the Responsible Persons

  
\_\_\_\_\_  
Signature

Name: E TAYLOR

Date: 17 SEPT 2017

  
\_\_\_\_\_  
Signature

Name: A. MARQUARDT

Date: 24 SEPT 2017

**REDR AUSTRALIA LIMITED**  
**ABN 89 068 902 821**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	2017 \$	2016 \$
<b>REVENUE</b>		
Donations and gifts	35,000	188,524
DFAT grant	6,502,710	5,790,090
Other overseas	913,860	1,012,878
Investment income	117,797	138,997
Membership	7,207	9,638
Training	1,043,215	673,019
Sundry	57,391	4,317
Foreign exchange gain	4,937	74,072
<b>TOTAL REVENUE</b>	<u>8,682,117</u>	<u>7,891,535</u>
<b>EXPENSES</b>		
International Programs		
Funds expended on international programs	(3,862,017)	(4,000,313)
Program support costs	(433,292)	(433,259)
Training	(1,777,137)	(1,241,222)
Government, multilaterals & private sector	(69,030)	(67,874)
Staffing costs	(1,503,582)	(1,221,946)
Bad and doubtful debts	-	(23,000)
Other administrative costs	(907,613)	(713,206)
<b>TOTAL EXPENSES</b>	<u>(8,552,671)</u>	<u>(7,700,820)</u>
<b>SURPLUS FOR THE YEAR ATTRIBUTABLE TO THE MEMBERS OF REDR AUSTRALIA LTD</b>	129,445	190,715
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>	-	-
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO THE MEMBERS OF REDR AUSTRALIA LTD</b>	<u>129,445</u>	<u>190,715</u>

The accompanying notes form part of these financial statements.

REDR AUSTRALIA LIMITED  
ABN 89 068 902 821  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2017

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	3	4,798,386	5,677,272
Trade and other receivables	4	274,469	255,214
Other current assets	5	222,734	202,099
<b>Total Current Assets</b>		<b>5,295,589</b>	<b>6,134,585</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	6	149,801	215,257
Intangibles	7	49,600	62,000
<b>Total Non-Current Assets</b>		<b>199,401</b>	<b>277,257</b>
<b>TOTAL ASSETS</b>		<b>5,494,990</b>	<b>6,411,842</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	8	511,301	580,795
Unearned income	9	1,818,942	2,863,086
Provisions	10	267,477	245,869
<b>Total Current Liabilities</b>		<b>2,597,720</b>	<b>3,689,750</b>
<b>Non-Current Liabilities</b>			
Provisions	10	84,293	38,560
<b>Total Non-Current Liabilities</b>		<b>84,293</b>	<b>38,560</b>
<b>TOTAL LIABILITIES</b>		<b>2,682,013</b>	<b>3,728,310</b>
<b>NET ASSETS</b>		<b>2,812,977</b>	<b>2,683,532</b>
<b>EQUITY</b>			
Reserves		1,743,781	937,381
Retained earnings		1,069,196	1,746,151
<b>TOTAL EQUITY</b>		<b>2,812,977</b>	<b>2,683,532</b>

The accompanying notes form part of these financial statements.



REDR AUSTRALIA LIMITED  
ABN 89 068 902 821  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2017

	Retained Surplus \$	Overseas Aid Fund Reserve \$	Special Purpose Reserve <sup>^</sup> \$	Total \$
Balance at 1 July 2015	1,555,436	-	937,381	2,492,817
Net surplus for the year	190,715	-	-	190,715
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income for the Year	129,445	-	-	129,445
Balance at 30 June 2016	1,746,151	-	937,381	2,683,532
Balance at 1 July 2016	1,746,151	-	937,381	2,683,532
Net surplus for the year	129,445	-	-	129,445
Other Comprehensive Income	-	-	-	-
Transfer to reserve	(806,400)	806,400	-	-
Total Comprehensive Income for the Year	129,445	-	-	129,445
Balance at 30 June 2017	1,069,196	806,400	937,381	2,812,977

<sup>^</sup> The special purpose reserve represents an unconditional grant allocation which has been designated for on-going working capital use.

<sup>o</sup> The overseas aid fund reserve represents unspent donations to RedR. The donations are quarantined in the Overseas Aid Fund for a humanitarian aid project to be identified.

The accompanying notes form part of these financial statements.

REDR AUSTRALIA LIMITED  
ABN 89 068 902 821  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Government grants and other receipts		6,416,544	7,692,181
Payments to suppliers and employees		(7,341,738)	(6,764,780)
Interest received		117,797	138,997
Net cash (used in)/from operating activities		<u>(807,397)</u>	<u>1,066,398</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payments for plant and equipment		<u>(71,489)</u>	<u>(268,882)</u>
Net cash used in investing activities		<u>(71,489)</u>	<u>(268,882)</u>
Net movement in cash and cash equivalents		(878,886)	797,516
Cash and cash equivalents at beginning of year		5,677,272	4,879,756
Cash and cash equivalents at end of year	3	<u>4,798,386</u>	<u>5,677,272</u>

The accompanying notes form part of these financial statements.

**REDR AUSTRALIA LIMITED**  
**ABN 89 068 902 821**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements issued by the Australian Accounting Standards Board ('AASB') and the Australian Charities and Not-for-Profits Commission Act 2012 and the Australian Council for International Development (ACFID) reporting requirements as appropriate for non-profit entities. The financial report has been prepared in Australian dollars on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Any new Accounting Standards that have been issued but are not yet effective at balance date have not been applied in the preparation of this financial report.

The financial report covers RedR Australia Limited ("the Company") as an individual entity. The Company is a public company, limited by guarantee, incorporated in Australia and registered under the Australian Charities and Not-for-Profits Commission Act 2012.

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

The following is a summary of the significant accounting policies adopted by the Company in the preparation of this financial report. The accounting policies have been consistently applied, unless otherwise stated.

**(a) Comparative figures**

Where necessary, comparative figures have been adjusted to conform to changes in presentation in this financial report.

**(b) Critical accounting estimates and judgements**

The Company evaluates estimates and judgements incorporated into the financial report 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 Company.

REDR AUSTRALIA LIMITED  
ABN 89 068 902 821  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
<b>NOTE 2: SURPLUS FROM ORDINARY ACTIVITIES</b>		
<i>Net surplus has been determined after:</i>		
Depreciation and amortisation of non-current assets:		
- plant and equipment	136,945	68,073
- software	12,400	-
Rental expense on operating leases	168,090	140,396
Payments to defined contribution superannuation plans	391,904	308,592

**NOTE 3: CASH AND CASH EQUIVALENTS**

Petty cash	2,000	2,000
Cash at bank	1,425,845	478,512
Cash on deposit	3,370,541	5,196,760
	<u>4,798,386</u>	<u>5,677,272</u>

*Recognition and measurement*

Cash and cash equivalents comprise cash on hand, cash at bank and call deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, normally when they have a maturity of three months or less from the date of acquisition. The fair value at the reporting date of cash and cash equivalents is the same as their carrying amount.

	2017 \$	2016 \$
<b>NOTE 4: TRADE AND OTHER RECEIVABLES</b>		
<b>CURRENT</b>		
Trade and other debtors	274,469	278,214
Less: allowance for impairment	-	(23,000)
	<u>274,469</u>	<u>255,214</u>

*Recognition and measurement*

Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less an allowance for impairment.

*Key estimate and judgement*

A provision is made for doubtful debts (if there are any) when there is objective evidence that the debts may not be collected and bad debts are written off when identified.

REDR AUSTRALIA LIMITED  
ABN 89 068 902 821  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
<b>NOTE 5: OTHER CURRENT ASSETS</b>		
Prepayments	147,413	118,833
Other Debtors	75,321	83,266
	<u>222,734</u>	<u>202,099</u>

**NOTE 6: PROPERTY, PLANT AND EQUIPMENT**

Office Equipment - at cost	381,955	320,650
Accumulated depreciation	(317,092)	(202,337)
	<u>64,863</u>	<u>118,313</u>
Deployment Assets - at cost	72,427	72,427
Accumulated depreciation	(72,386)	(72,386)
	<u>41</u>	<u>41</u>
Leasehold Improvements - at cost	122,073	111,888
Accumulated depreciation	(37,176)	(14,985)
	<u>84,897</u>	<u>96,903</u>
<b>Total Property, Plant and Equipment</b>	<u><b>149,801</b></u>	<u><b>215,257</b></u>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Office Equipment \$	Deployment Assets \$	Leasehold Improvements \$	Total \$
Balance at 1 July 2016	118,313	41	96,903	215,257
Additions	61,305	-	10,185	71,490
Depreciation expense	(114,755)	-	(22,191)	(136,946)
Balance at 30 June 2017	<u>64,863</u>	<u>41</u>	<u>84,897</u>	<u>149,801</u>

REDR AUSTRALIA LIMITED  
ABN 89 068 902 821  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017

**NOTE 6: PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

*Recognition and measurement*

Each class of plant and equipment is carried at cost less, where applicable any accumulated depreciation and impairment losses. Plant and equipment are measured on the cost basis. All other non-current assets are carried at cost.

The carrying amount of property, plant and equipment is reviewed annually by management to ensure it is not in excess of the remaining service potential of these assets.

*Key estimate and judgement*

The depreciation amount of all assets are depreciated on a straight line basis over the useful lives of the assets to the Company commencing from the time the asset is held ready for use.

All classes of property, plant and equipment are depreciated using the straight line method.

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

Class of fixed assets	Depreciation rates
Office equipment and fittings	25% - 50%
Equipment used on overseas deployments	Dependant on length of overseas deployment
Leasehold Improvements	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

**NOTE 7: INTANGIBLES**

	2017 \$	2016 \$
Computer Software	62,000	58,000
Amortisation	(12,400)	4,000
	<u>49,600</u>	<u>62,000</u>

*Recognition and measurement*

Computer Software represents identifiable non-monetary assets without physical substance. Salesforce software was developed over a number of years and was ready for use in the current financial period.

*Key estimate and judgement*

The in-house software is being amortised over a period of 5 years. Amortisation begins when the asset is ready for use, that is, when it is in the condition necessary for it to be capable of operating in the manner intended by management.

REDR AUSTRALIA LIMITED  
ABN 89 068 902 821  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
<b>NOTE 8: TRADE AND OTHER PAYABLES</b>		
<b>CURRENT</b>		
<i>Unsecured liabilities:</i>		
Accrued expenses	375,658	278,877
Sales tax liability	55,579	164,435
Trade creditors	80,064	137,483
	<u>511,301</u>	<u>580,795</u>

**NOTE 9: UNEARNED INCOME**

Unexpended project grants	1,712,474	2,820,251
Membership fees in advance	3,677	-
Unexpended training income	102,791	42,835
	<u>1,818,942</u>	<u>2,863,086</u>

**NOTE 10: PROVISIONS**

<b>CURRENT</b>		
Annual leave	184,400	127,659
Long service leave	83,077	99,473
Make good provision	-	18,737
	<u>267,477</u>	<u>245,869</u>

**NON-CURRENT**

Long service leave	<u>84,293</u>	<u>38,560</u>
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*Recognition and measurement*

Employee benefits comprise wages and salaries, annual, non-accumulating sick and long service leave and contributions to superannuation plans.

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year, together with benefits arising from wages and salaries and annual leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Long service leave benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Company to employees' superannuation funds and are charged as recognised when they are due. Liabilities for employee benefits expected to be settled within 12 months of balance date are recognised in current payables. The liability for long service leave is recognised in non-current provisions.

REDR AUSTRALIA LIMITED  
ABN 89 068 902 821  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017

**NOTE 11: KEY MANAGEMENT PERSONNEL COMPENSATION**

Key management received compensation in the form of short term benefits totalling \$773,369 during the financial year (2016: short term benefits totalling \$546,797). The Responsible Persons are comfortable that funds in place are sufficient to continue operations 12 months from the date of issue of the Financial Statements.

**NOTE 12: RELATED PARTIES**

Related parties include its key management personnel as described above.

**NOTE 13: EVENTS OCCURRING AFTER THE REPORTING PERIOD**

On Monday 28 August 2017 RedR Australia signed a seven year agreement with the Department of Foreign Affairs and Trade (DFAT), commencing 28 August 2017 and expiring 30 June 2024, for baseline funding; this agreement totals \$32,650,000 for an initial period to 30 June 2020. No other matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the company's state of affairs in future financial years.

**NOTE 14: CONTINGENT LIABILITIES**

The Company had no contingent liabilities as at 30 June 2017.

**NOTE 15: OTHER ACCOUNTING POLICIES**

**(a) Income Tax**

As the Company is a not-for-profit entity in terms of subsection 50-5 of the Income Tax Assessment Act of 1997, as amended, it is exempt from paying income tax.

**(b) Leases**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**(c) Revenue Recognition**

*Fee for service income:*

Fee for service income including income received as project grants is brought to account as revenue in the year in which the related services are performed. Any revenue which has been received but which is unearned at balance date is carried forward as unearned fee for service income (current liability) at year end. Grant income for which the conditions of the grant are not met and therefore the company does not control the revenue are deferred.

*Sponsorship income and donations:*

Sponsorship income is recognised as income in full when the sponsorship funds have been formally committed by the sponsor. Where the value can be reliably estimated, non-monetary donations and gifts are recognised as income, with an equal amount of expenditure being brought to account.



REDR AUSTRALIA LIMITED  
ABN 89 068 902 821  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017

**NOTE 16: OTHER ACCOUNTING POLICIES (CONT'D)**

*Other income:*

All other sources of income are brought to account as income when the related goods or services have been provided and the income earned. Interest is accrued as it is earned.

**(d) Foreign Currency Transactions and Balances**

Foreign currency transactions during the year are converted to Australian Currency at the rates of exchange applicable at the dates of the transactions. Amounts receivable and payable in foreign currencies at balance date are converted at the rates of exchange ruling at that date.

*Goods and Services Tax*

All revenue and expenses are stated net of the amount of goods and services tax, except where in the amount of goods and services tax incurred is not recoverable from the Australian Taxation Office. In these circumstances the goods and services tax is recognised as part of the cost acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of goods and services tax.

**(e) Impairment**

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. As a not-for-profit entity, value in use for the Company according to Accounting Standard AASB 136 Impairment of Assets, is depreciated replacement cost. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

**(f) Financial Instruments**

*Recognition*

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

REDR AUSTRALIA LIMITED  
ABN 89 068 902 821  
DIRECTORS' DECLARATION

The directors declare that in their opinion:

- (a) There are reasonable grounds to believe that RedR Australia Limited is able to pay all of its debts, as and when they become due and payable; and
- (b) The financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*



Signature

Name: E TAYLOR

Date: 17 SEPT 2017



Signature

Name: A. MARQUARDT

Date: 24 Sept 2017

## INDEPENDENT AUDITOR'S REPORT

To the members of RedR Australia Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of RedR Australia Limited, which comprises the statement of financial position as at 30 June 2017, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors declaration.

In our opinion the accompanying financial report of RedR Australia Limited, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the RedR Australia Limited financial position as at 30 June 2017 and of its financial performance for the year ended on that date; and
- (ii) 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 Entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting 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

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the directors report, 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 on the other information obtained prior to the date of this auditor's report, 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.





### **Responsibilities of directors for the Financial Report**

The directors of RedR Australia Limited are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, directors are responsible for assessing RedR Australia Limited's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the RedR Australia Limited's financial reporting process.

### **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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf)

This description forms part of our auditor's report.

### **BDO East Coast Partnership**

A handwritten signature in blue ink, appearing to read 'Richard Dean', is written over the BDO logo.

**Richard Dean**  
**Partner**

Melbourne, 17 September 2017

