

Red Dust Role Models Ltd

Red Dust Role Models Ltd
ABN 12118641777
For the year ended 30 June 2018

Prepared by Jones Louros & Associates

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Auditor's Independence Declaration

Red Dust Role Models Ltd For the year ended 30 June 2018

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Red Dust Role Models Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2018 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit;
and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Chris Wooden
Partner
Melbourne

Directors' Report

Red Dust Role Models Ltd For the year ended 30 June 2018

Your directors of Red Dust Role Models Ltd ("the Company") present their report on the Company for the financial year ended 30 June 2018 and auditor's report thereon.

Directors

The names of the directors in office at any time during, or since the end of the year are:

Mr Martin Phillip Hirons (Chairman)

Mr Paul Francis Guerra

Mr Raymond Clyde Minniecon

Mr Ben Lawrence (Resigned 22/02/2018)

Mr Austin Van Groningen

Mr William Gerald Minson

Mrs Tania Michelle Carlos (Appointed 22/08/2017)

Mrs Roslyn Johnson (Appointed 23/10/2017)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated. All have relevant experience and appropriate business, academic or social qualifications for their role as directors.

The Board held five meetings throughout the year. Each director attended all five meetings with the following exceptions; Raymond Minniecon (3); Ben Lawrence (0); Paul Guerra (2); Tania Carlos (4); Roslyn Johnson (4).

Principal Activities

The principal activity of the Company during the financial year was the promotion of health and well being of indigenous youth. Red Dust Role Models Ltd is a not for profit organisation.

Objectives and strategies

The objectives of the Company are to promote the health and well being of indigenous youth through the running of organised programs in remote communities.

To achieve these objectives the Company focuses on identifying sources of income and running the operations of the Company in a manner that maximises the amount that can be returned to the community through the provision of these programs.

The Company measures its performance through the setting of an annual budget and plan of programs which is agreed by the Board. Financial performance and other non-financial measures are monitored on a quarterly basis.

Significant Change in Affairs

No significant changes in the Company's state of affairs occurred during the financial year.

Subsequent Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Likely Developments

The Company will continue to promote the well being of Indigenous Youth in remote communities. There are no other significant developments in operations expected during the coming year.

Environmental Legislation

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Dividends

No dividends were declared or paid during the year. The directors do not recommend the payment of a dividend as at 30 June 2018.

Indemnities and Insurance

The Company held public liability insurance and professional indemnity insurance during the year ended 30 June 2018. No claims have been made during or since the end of the financial year for any person who is or has been an officer or auditor of the Company.

Non Audit Services

During the year to 30 June 2018, KPMG, the Company's auditor, has performed no other services in addition to their statutory duties.

Members Guarantee

The Company is limited by guarantee. In the event of winding up each member is required to contribute a maximum of \$50 towards meeting any outstanding obligations of the Company. As at 30 June 2018, there were 37 members and therefore total liability of the company is \$1,850 (2017: \$1,850).

Lead Auditor's Independence Declaration

A copy of the lead auditor's independence declaration which forms part of the Director's Report as set out on page 5.

Signed in accordance with a resolution of the Board of Directors:

Director: _____

Martin Phillip Hirons (Chairman)

1 November 2018

Statement of Comprehensive Income

Red Dust Role Models Ltd For the year ended 30 June 2018

| | NOTES | 2018 | 2017 |
|---|-------|------------------|------------------|
| Revenue | | | |
| Revenue | 3 | 1,172,534 | 1,221,158 |
| Interest Received | 3 | 811 | 569 |
| Profit/(Loss) on Sale of non-current Assets | 3 | - | 8,777 |
| Total Revenue and other income | | 1,173,344 | 1,230,504 |
| Total Income | | | |
| | | 1,173,344 | 1,230,504 |
| Expenses | | | |
| Employee Benefits | | 412,299 | 536,201 |
| KPMG Audit Fees | 11 | - | 3,000 |
| Consultancy & Professional Fees | | 102,880 | 79,453 |
| Depreciation | | 10,308 | 7,018 |
| Office Expenses | | 70,775 | 66,407 |
| Program Expenses | | 404,854 | 463,484 |
| Event Expenses | | 15,702 | 10,974 |
| Other Expenses | | 83,258 | 93,221 |
| Marketing | | 19,693 | 8,814 |
| Rates | | 4,964 | 4,145 |
| Total Expenses | | 1,124,733 | 1,272,716 |
| Total comprehensive income / (loss) for the year | | | |
| | | 48,611 | (42,212) |

The statement of comprehensive income is to be read in conjunction with the notes to the financial statements as set out on pages 10 to 21.

Statement of Financial Position

Red Dust Role Models Ltd As at 30 June 2018

| | NOTES | 30 JUN 2018 | 30 JUN 2017 |
|--------------------------------------|-------|----------------|----------------|
| Assets | | | |
| Current Assets | | | |
| Cash and cash equivalents | 4 | 186,765 | 264,433 |
| Trade and other receivables | 5 | 114,579 | 24,750 |
| Other current assets | 6 | 12,735 | 9,240 |
| Total Current Assets | | 314,079 | 298,422 |
| Non-Current Assets | | | |
| Property, plant and equipment | 7 | 34,419 | 45,530 |
| Total Non-Current Assets | | 34,419 | 45,530 |
| Total Assets | | 348,498 | 343,952 |
| Liabilities | | | |
| Current Liabilities | | | |
| Trade and other payables | 8 | 1,685 | 28,581 |
| Employee Benefits | 10 | 14,878 | 16,388 |
| Financial Liabilities | 9 | 17,173 | 14,022 |
| Total Current Liabilities | | 33,736 | 58,991 |
| Non-Current Liabilities | | | |
| Employee Benefits | 10 | 516 | 19,326 |
| Total Non-Current Liabilities | | 516 | 19,326 |
| Total Liabilities | | 34,251 | 78,317 |
| Net Assets | | 314,246 | 265,635 |
| Equity | | | |
| Retained Earnings | | 314,246 | 265,635 |
| Total Equity | | 314,246 | 265,635 |

The statement of financial position is to be read in conjunction with the notes to the financial statements as set out on pages 10 to 21.

Statement of Changes in Equity

Red Dust Role Models Ltd For the year ended 30 June 2018

| | 2018 | 2017 |
|--|----------------|-----------------|
| Equity Movements | | |
| Opening Balance | 265,635 | 307,848 |
| Change in equity 2018 | | |
| Total comprehensive income (loss) for the year | 48,611 | (42,212) |
| Total Change in equity 2018 | 48,611 | (42,212) |
| Total Equity Movements | 314,246 | 265,635 |
| Balance at 30 June 2018 | 314,246 | 265,635 |

The statement of changes in equity is to be read in conjunction with the notes to the financial statements as set out on pages 10 to 21

Statement of Cash Flows

Red Dust Role Models Ltd For the year ended 30 June 2018

| | 2018 | 2017 |
|--|-----------------|-----------------|
| Cash flows from Operating Activities | | |
| Cash receipts from other operating activities | 1,145,507 | 1,382,246 |
| Interest received | 811 | 569 |
| Payments to suppliers and employees | (1,224,445) | (1,342,188) |
| Total Cash flows from Operating Activities | (78,127) | 40,627 |
| Cash flows from Investing Activities | | |
| Proceeds from sales of property, plant and equipment | 803 | 15,045 |
| Payment for property, plant and equipment | - | (25,409) |
| Total Cash flows from Investing Activities | 803 | (10,364) |
| Cash flows from Financing Activities | | |
| Proceeds from/ (Repayment) of borrowings | 3,152 | (10,172) |
| Employee Loans | (3,495) | - |
| Total Cash flows from Financing Activities | (343) | (10,172) |
| Net increase/(decrease) in cash held | (77,668) | 20,092 |
| Cash Balances | | |
| Opening cash balance | 264,433 | 244,341 |
| Closing cash balance | 186,765 | 264,433 |
| Movement in cash | (77,668) | 20,092 |

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Notes to the Financial Statements

Red Dust Role Models Ltd For the year ended 30 June 2018

1. Statement of Significant Accounting Policies

The financial statements cover Red Dust Role Models Ltd (“the Company”) as an individual entity. Red Dust Role Models Ltd is a company limited by guarantee, incorporated and domiciled in Australia. The Company’s registered office and place of business is 168 Burwood Road, Hawthorn VIC 3122. The financial statements were approved by the board of directors on 1 November 2018

Statement of Compliance

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial statements containing relevant and reliable information about transactions, events and conditions. The financial report complies with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB). Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on a historical cost basis, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The financial report is presented in Australian dollars, which is the functional currency of the entity.

The Company is dependent on grants and donations from partners in order to continue to meet commitments to current programmers and to meet liabilities as they fall due. On the basis of cash flow forecasts over the next twelve months, management believe that the risk of the Company not being able to meet liabilities as they fall due is low, and the Company will continue as a going concern for the foreseeable future.

Accounting Policies

Plant and equipment

Plant and equipment are measured on the cost basis less accumulated depreciation and impairment losses.

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 Company and the cost of the item can be measured reliably. All other costs are charged to the statement of comprehensive income during the financial period in which they are incurred.

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 included in the statement of comprehensive income.

Depreciation

The depreciable amount of all fixed assets including plant and equipment, but excluding freehold land, is depreciated on a straight line basis.

The depreciation rates used for each class of depreciable assets in the current and comparative period are:

| Class of Fixed Asset | Depreciation Rate |
|----------------------|-------------------|
| Motor Vehicles | 18.75% - 25% |
| Plant and equipment | 6.67% – 66% |

Financial Instruments

Initial Recognition and Measurement

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

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. Bank overdrafts are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

Loan and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Revenue and Other Income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

- Donations are measured at the fair value of the consideration received or receivable.
- Unconditional Government grants are recognised in the statement of comprehensive income as income when the grant becomes receivable.
- Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

Expenses

Expenses are recognised on an accruals basis, to the extent that it is probable that economic cost will result in an outflow from the Company and that these can be reliably measured.

Taxation

Red Dust Role Models Ltd has designated gift recipient status. As a consequence the Company is not subject to income tax.

Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Employee benefits

Long-term service benefits

The Company's net obligation in respect of long-term service benefits, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to the Commonwealth Government bonds at the balance sheet date that have maturity dates approximating to the terms of the Company's obligations.

Wages, salaries, annual leave, sick leave and non-monetary benefits

Liabilities for employee benefits for wages, salaries, annual leave and sick leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date, calculated at undiscounted amounts based on remuneration wage and salary rates that the Company expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.

Trade and other payables

Trade and other payables are recognised at amortised cost when the Company becomes obliged to make future payments resulting from the purchase of service or goods.

Use of estimates and judgements

The preparation of financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The Company has no critical accounting estimates.

2. Financial Risk Management

The Company has exposure to the following risks:

- Credit risk
- Liquidity risk
- Interest rate risk

This note presents information about the Company's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included in note 14 of this financial report.

The Board of Directors has overall responsibility for the oversight and management of risk. The Company maintains a strong control environment in which all employees understand their roles and obligations. In addition, programs are planned and operated on the level of funding that has been provided.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The operations of the entity are dependent on future funding and, therefore, ongoing programs are based on the level of funding received. This is reported on regularly and overseen by the Board of Directors.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will affect the Company's income. The exposure of the Company to interest rate risk is limited to its cash and cash equivalents and financial liabilities that are used for operating cashflow purposes.

Capital Management

The Company manages its capital based on forecasted levels of donations and grants. An annual plan of programs is approved by the Board. The Company's capital structure consists of cash and cash equivalents, and retained earnings from operations.

2018 2017

3. Revenue and Other Income

Revenue

Donations

| | | |
|------------------------|----------------|----------------|
| ACMF | - | 8,400 |
| Christ Church School | 40,829 | 20,200 |
| Coles Corporation | 50,000 | - |
| Coles Express | 49,500 | 90,750 |
| Danone Nutricia | 200,000 | 50,000 |
| Donation Other | 136,758 | 96,501 |
| Drink Wise | 119,318 | 113,636 |
| IOOF | 60,000 | 120,000 |
| Johnson & Johnson | 6,605 | 100,000 |
| Medibank Private | - | 126,000 |
| MPC Group | 3,232 | - |
| Newline Insurance | 20,000 | - |
| Nike | 132,449 | 90,527 |
| St Gregory | - | 4,000 |
| Telco Together | 75,000 | 119,545 |
| Wood Group | 4,545 | - |
| Total Donations | 898,237 | 939,560 |

Other

| | | |
|--------------------|----------------|---------------|
| Fundraising Events | 174,198 | 63,600 |
| Other Revenue | 99 | 17,998 |
| Total Other | 174,297 | 81,598 |

| | | |
|----------------------|------------------|------------------|
| Government Grants | 100,000 | 200,000 |
| Total Revenue | 1,172,534 | 1,221,158 |

| | | |
|---------------------------------------|------------------|------------------|
| Interest Received | 811 | 569 |
| Other income | - | 8,777 |
| Total Revenue and Other Income | 1,173,344 | 1,230,504 |

2018 2017

4. Cash & Cash Equivalents

Bank Accounts

| | | |
|----------------------------|----------------|----------------|
| CMT | 90,876 | 130,266 |
| Gift Fund | 68,676 | 95,719 |
| Operating Account | 27,213 | 38,448 |
| Total Bank Accounts | 186,765 | 264,433 |

| | | |
|--|----------------|----------------|
| Total Cash & Cash Equivalents | 186,765 | 264,433 |
|--|----------------|----------------|

| | 2018 | 2017 |
|--|----------------|---------------|
| 5. Trade and Other Receivables | | |
| Current | | |
| Accounts Receivable | 114,579 | 24,750 |
| Total Current | 114,579 | 24,750 |
| Total Trade and Other Receivables | 114,579 | 24,750 |

The Company does not hold any financial assets whose terms have been renegotiated, or are considered to be past due or impaired. Normal terms and conditions of accounts receivable are 30 days.

| | 2018 | 2017 |
|-----------------------------------|---------------|--------------|
| 6. Other Current Assets | | |
| Current | | |
| Loan - Karyn | 3,495 | - |
| Rental Bond | 9,240 | 9,240 |
| Total Current | 12,735 | 9,240 |
| Total Other Current Assets | 12,735 | 9,240 |

7. Property Plant and Equipment

| | 2018 | 2017 |
|---|---------------|---------------|
| Plant and Equipment | | |
| Plant and equipment at cost | 97,337 | 99,100 |
| Accumulated depreciation of plant and equipment | (87,019) | (85,182) |
| Total Plant and Equipment | 10,318 | 13,919 |
| Vehicles | | |
| Vehicles at cost | 71,235 | 71,235 |
| Accumulated depreciation of vehicles | (47,134) | (39,624) |
| Total Vehicles | 24,101 | 31,611 |
| Total Property Plant and Equipment | 34,419 | 45,530 |

Movements in Carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

| | Plant & Equipment | Motor Vehicles | Total |
|--------------------------------|-------------------|----------------|----------|
| Balance at 1 July 2016 | 18,072 | 15,335 | 33,407 |
| Additions | - | 25,409 | 25,409 |
| Gain on Sale | - | 8,777 | 8,777 |
| Disposals | - | (15,045) | (15,045) |
| Depreciation expense | (4,153) | (2,865) | (7,018) |
| Balance at 30 June 2017 | 13,919 | 31,611 | 45,530 |
| Balance at 1 July 2017 | 13,919 | 31,611 | 45,530 |
| Additions | - | - | - |
| Gain on Sale | - | - | - |
| Disposals | (803) | - | (803) |
| Depreciation expense | (2,797) | (7,510) | (10,308) |
| Balance at 30 June 2018 | 10,319 | 24,101 | 34,419 |

2018 2017

8. Trade and Other Payables

Current

| | | |
|---------------------------------------|--------------|---------------|
| Accounts Payable | 4,879 | 29,477 |
| PAYG Withholdings Payable | 5,344 | 7,042 |
| GST | (8,539) | (7,939) |
| Total Current | 1,685 | 28,581 |
| Total Trade and Other Payables | 1,685 | 28,581 |

Normal terms and conditions of accounts payable are 30 days

2018 2017

9. Financial Liabilities

Current

| | | |
|------------------------------------|---------------|---------------|
| NAB Business Visa | 17,173 | 14,022 |
| Total Current | 17,173 | 14,022 |
| Total Financial Liabilities | 17,173 | 14,022 |

| | 2018 | 2017 |
|------------------------------------|---------------|---------------|
| 10. Employee Benefits | | |
| Current | | |
| Provision for Annual Leave | 14,878 | 16,388 |
| Total Current | 14,878 | 16,388 |
| Non Current | | |
| Provision for Long Service Leave | 516 | 19,326 |
| Total Non Current | 516 | 19,326 |
| Total Employee Benefits | 15,394 | 35,714 |
| | 2018 | 2017 |
| 11. Auditors Remuneration | | |
| KPMG Audit Fees | - | 3,000 |
| Total Auditors Remuneration | - | 3,000 |

No other fees were paid to the auditor for audit or other services

12. Related Parties

The following persons were directors of Red Dust Role Models Ltd at the end of the financial year:-

| | | |
|-------------------------------------|----------------------------|------------------------|
| Mr Martin Phillip Hirons (Chairman) | Mr Raymond Clyde Minniecon | Mr Paul Francis Guerra |
| Mr William G Minson | Mr Austin Van Groningen | Mrs Roslyn Johnson |
| Mrs Tania Michelle Carlos | | |

No remuneration was paid to the Directors in their role as directors during the year.

Transactions with Related Parties

The Company entered into no transactions with Directors, or their related parties, during the course of the year.

13. Key Management Personnel

Key Management Personnel ('KMP') include persons with responsibility for planning, directing and controlling activities of the Company, directly or indirectly during the financial year. In July 2017, Scott Stirling was appointed to the role of Chief Executive Officer ('CEO'), and is determined to be the only Key Management Personnel at 30 June 2018.

Other key management personnel

There were no other persons with responsibility for planning, directing and controlling activities of the Company, directly or indirectly during the financial year.

Key management personnel compensation

The key management personnel compensation included in employee benefits expense is as follows:

2018 2017

Key management personnel compensation

| Short-term employee benefits | | |
|--|----------------|----------|
| Wages and Salaries | 125,000 | - |
| Superannuation contributions | 11,372 | - |
| Total Short-term employee benefits | 136,372 | - |
| Long-term employee benefits | | |
| Annual Leave | 4,882 | - |
| Long Service Leave | 117 | - |
| Total Long-term employee benefits | 4,999 | - |
| Total Key management personnel compensation | 141,371 | - |

14. Financial Risk Management

Financial Risk Management Policies

The Company's financial instruments consists primarily of deposits with banks, short-term investments, accounts receivable and payable, bills and leases.

The directors' overall risk management strategy seeks to assist the Company in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These include future cash flow requirements.

The main purpose of non-derivative financial instruments is to raise finance for Company operations.

The Company does not have any derivative instruments at 30 June 2018.

Interest rate risk

Interest rate risk is linked to cash and cash equivalents and financial liabilities. Cash and cash equivalents are held at banks with interest rates ranging from 0.05% to 5.1%. The impact on the profit and loss of a change of interest rate by 1% is +/- \$1,480.

Credit Risk

The Company is not exposed to any significant credit risk. Credit risk is limited to the value of receivables held in the balance sheet.

Liquidity Risk

The Company is not exposed to significant liquidity risk. The Program schedule is based on funding received. The contractual maturities of the Company's financial liabilities are as follows:

2018 2017

15. Cash Flow Information

| Reconciliation of Cash Flow from Operations with Profit after Income Tax | | |
|---|---------------|-----------------|
| Profit (loss) after income tax | 48,712 | (42,212) |
| Total Reconciliation of Cash Flow from Operations with Profit after Income Tax | 48,712 | (42,212) |

2018

2017

Non-cash flows in profit:

| | | |
|--|---------------|----------------|
| Depreciation | 10,308 | 7,018 |
| Sale of Non Current Asset | - | (8,777) |
| Total Non-cash flows in profit: | 10,308 | (1,759) |

Changes in assets and liabilities, net of the effects of purchase and disposals

| | | |
|--|------------------|---------------|
| (Increase) Decrease in current receivables | (89,828) | 99,288 |
| Increase (Decrease) in sundry creditors | (24,709) | (13,668) |
| Increase (Decrease) in other creditors | (2,290) | (650) |
| Increase (Decrease) in employee benefit provisions | (20,320) | (371) |
| Total Changes in assets and liabilities, net of the effects of purchase and disposals | (137,147) | 84,599 |

Total Cash Flow Information

| | | |
|--|-----------------|---------------|
| | (78,127) | 40,628 |
|--|-----------------|---------------|

| 30-Jun-18 | Carrying amount | Contractual cash flows | 6 mths or less | 6-12 mths | 1-2 years | 2-5 years | More than 5 years |
|---|------------------------|-------------------------------|-----------------------|------------------|------------------|------------------|--------------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Non-derivative financial liabilities | | | | | | | |
| Other financial liabilities | 17,173 | (17,173) | 17,173 | - | - | - | - |

| 30-Jun-17 | Carrying amount | Contractual cash flows | 6 mths or less | 6-12 mths | 1-2 years | 2-5 years | More than 5 years |
|---|------------------------|-------------------------------|-----------------------|------------------|------------------|------------------|--------------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Non-derivative financial liabilities | | | | | | | |
| Other financial liabilities | 14,022 | (14,022) | 14,022 | - | - | - | - |

16. Members guarantee

The Company is limited by guarantee. If the Company is wound up the Constitution states that each member is required to contribute a maximum of \$50 towards meeting any outstanding obligations of the entity. As at 30 June 2018 there were 37 members (2017: 37 members).

17. Commitments or Contingencies

There are no commitments of contingencies as at 30 June 2018(2017: Nil).

18. Subsequent Events

No matters or circumstance have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the result of those operations, or the state of affairs of the Company in future financial years.

Directors' Declaration

Red Dust Role Models Ltd For the year ended 30 June 2018

1. In the opinion of the directors of Red Dust Role Models Ltd ('the Company'):

(a) the financial statements and notes that are set out on pages **10 to 21** are in accordance with the Australian Charities and Not-for-profit Commission Act 2012, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2018 and of its performance, for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and

2. The directors draw attention to note 1 to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors:

Dated in Melbourne on 1 November 2018

Martin Phillip Hirons
Chairman

Independent Auditor's Report

Red Dust Role Models Ltd For the year ended 30 June 2018

Independent auditor's report to the members of Red Dust Role Models Limited

Report on the financial report

We have audited the accompanying financial report of Red Dust Role Models Ltd (the Company), which comprises the statement of financial position as at 30 June 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes 1 to 18 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 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 note 1, the directors also state, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing 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 judgement, 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 entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001 and Australian Accounting Standards, a true and fair view which is consistent with our understanding of the Company's financial position and of its performance.

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 with the independence requirements of the *Corporations Act 2001*.

Basis for Qualified Auditors Opinion

Red Dust Role Models Ltd receives public donation revenue. The Company has determined that it is impractical to establish controls over the collection of public donations prior to entry into its financial records.

Accordingly, as the evidence available to us regarding revenue from this source was limited, our audit procedures with respect to public donation had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion on whether the public donation revenue the Company has obtained is complete.

Qualified Auditor's opinion

In our opinion, except for the effects on the financial report of such adjustments, if any, as might have been required had the limitations on our audit procedures referred to in the qualification paragraph not existed, the financial report of Red Dust Role Models Ltd is in accordance with:

(a) the *Corporations Act 2001*, including;

(i) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001

(b) the financial report also complies with International Financial Reporting Standards as disclosed in note 1.

Emphasis of Matter – Going Concern

Without further modification of our opinion, in Note 1 of the financial statements the Directors note that the ongoing viability of the Company is dependent on grants and donations from partners in order to continue to meet commitments to current programs and to meet liabilities as they fall due. Because of this there is material uncertainty regarding the ability of the Company to continue as a going concern. Should the Company be unable to continue as a going concern, the Company may not realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

KPMG

Chris Wooden
Partner
Melbourne