

**THE AUSTRALIA FOUNDATION IN  
SUPPORT OF HUMAN RIGHTS WATCH  
LIMITED**

**ABN: 90 153 747 954**

**Financial Report For The Year Ended  
30 June 2017**

# The Australia Foundation in Support of Human Rights Watch Limited

ABN: 90 153 747 954

## Financial Report For The Year Ended 30 June 2017

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**THE AUSTRALIA FOUNDATION IN SUPPORT OF HUMAN RIGHTS WATCH LIMITED**  
**ABN: 90 153 747 954**  
**DIRECTORS' REPORT**

Your directors present this report on the company for the financial year ended 30 June 2017.

**Directors**

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

- Dinah Pokempner appointed (14/10/2011)
- Laura Thomas appointed (14/10/2011)
- Julian Knights appointed (14/03/2016)

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

**Operating Results**

The net profit of the Company for the year ended 30 June 2017 was \$188,965 (net profit for 2016: \$276,335). In the opinion of the directors, the operating result of the Company for the year ended 30 June 2017 was not affected by any item, transaction or event of a material or unusual nature.

**Principal Activities**

The principal activity of the company during the financial year was:

To promote the human rights of people around the world, including the elimination of the infringement of these rights and the promotion of effective remedies following any infringement, for the benefit of the public, by:

- advancing education in human rights by producing materials and by conducting or commissioning research (and publishing the result of such research);
- raising public awareness and cultivating a sentiment in favour of human rights by the use of publications, lecturers, human rights
- promoting the protection of human rights through good governance and sound administration of law and policy; and
- promoting the enforcement of human rights law.

**Significant Changes in State of Affairs**

There were no significant changes in the state of affairs during the year.

**Events after the Reporting Period**

The Directors are not aware of any significant events since the end of the reporting period.

**Dividends Paid or Recommended**

The Directors recommend that no dividends be paid as the Company is a not-for-profit and the payment of dividends is in contravention of the Company's principal activities and objectives.

**Options**

No options were granted during the year ended 30 June 2017.

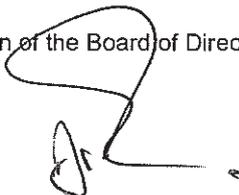
**Environmental Reporting**

The Company is not subject to significant environmental regulation, other than the general environmental regulations operational in Australia.

**Auditor's Independence Declaration**

The lead auditor's independence declaration for the year ended 30 June 2017 has been received and can be found on page 2 of the financial report.

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



Director

\_\_\_\_\_  
*Julian Knights*

Dated this

8/11/17

day of

2017

## AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the requirements of section 60-40 of the *Australian Charities and Not for Profits Commission Act 2012*, and as auditor for the audit of The Australia Foundation In Support of Human Rights Watch Limited for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of The Australia Foundation In Support of Human Rights Watch Limited during the year.

**Assura Group Pty Ltd**  
**Chartered Accountants**



**Hanoze Udachia**  
**Director**

Sydney, 8 November 2017

**THE AUSTRALIA FOUNDATION IN SUPPORT OF HUMAN RIGHTS WATCH LIMITED**  
**ABN: 90 153 747 954**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2017	2016
		\$	\$
Interest income		3,905	4,546
Charitable income and fundraising		1,074,046	933,266
Debt forgiveness by parent		-	298,678
Salaries & employee benefits expense		(497,214)	(454,297)
Accountancy fees		(7,458)	(10,270)
Event costs		(144,594)	(149,387)
Marketing expenses		(12)	(1,055)
Office costs		(28,931)	(18,452)
Professional fees		(50,113)	(59,248)
Research expenses		-	(110,000)
Rental expenses		(71,288)	(82,202)
Travel expenses		(64,819)	(68,835)
Sundry expenses		(24,557)	(6,409)
<b>Net current year surplus</b>		<b>188,965</b>	<b>276,335</b>
Other comprehensive income for the year		-	-
<b>Total comprehensive income for the year</b>		<b>188,965</b>	<b>276,335</b>
Net current year surplus attributable to members of the entity		188,965	276,335
Total comprehensive income attributable to members of the entity		<b>188,965</b>	<b>276,335</b>

The accompanying notes form part of these financial statements.

**THE AUSTRALIA FOUNDATION IN SUPPORT OF HUMAN RIGHTS WATCH LIMITED**  
**ABN: 90 153 747 954**  
**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017**

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash on hand	3	857,911	576,628
Accounts receivable and other debtors	4	69,197	81,019
<b>TOTAL CURRENT ASSETS</b>		927,108	657,647
<b>TOTAL ASSETS</b>		927,108	657,647
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable and other payables	5	38,647	36,355
Employee provisions	6	20,529	40,826
Deferred income		98,501	-
<b>TOTAL CURRENT LIABILITIES</b>		157,677	77,181
<b>TOTAL LIABILITIES</b>		157,677	77,181
<b>NET ASSETS</b>		769,431	580,466
<b>EQUITY</b>			
Retained surplus		769,431	580,466
<b>TOTAL EQUITY</b>		769,431	580,466

The accompanying notes form part of these financial statements.

**THE AUSTRALIA FOUNDATION IN SUPPORT OF HUMAN RIGHTS WATCH LIMITED**  
**ABN: 90 153 747 954**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017**

	Note	Retained Surplus \$	Total \$
<b>Balance at 1 July 2015</b>		304,131	304,131
<b>Comprehensive Income</b>			
Surplus for the year attributable to members of the entity		276,335	276,335
Other comprehensive income for the year			
<b>Total comprehensive income attributable to members of the entity</b>		<u>276,335</u>	<u>276,335</u>
<b>Balance at 30 June 2016</b>		<u><b>580,466</b></u>	<u><b>580,466</b></u>
<b>Balance at 1 July 2016</b>		<u><b>580,466</b></u>	<u><b>580,466</b></u>
<b>Comprehensive Income</b>			
Surplus for the year attributable to members of the entity		188,965	188,965
Other comprehensive income for the year			
<b>Total comprehensive income attributable to members of the entity</b>		<u><b>188,965</b></u>	<u><b>188,965</b></u>
<b>Balance at 30 June 2017</b>		<u><u><b>769,431</b></u></u>	<u><u><b>769,431</b></u></u>

The accompanying notes form part of these financial statements.

**THE AUSTRALIA FOUNDATION IN SUPPORT OF HUMAN RIGHTS WATCH LIMITED**  
**ABN: 90 153 747 954**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2017 \$	2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from donations, bequests and raffles		1,074,046	938,266
Payments to suppliers and employees		(796,668)	(959,887)
Interest received		3,905	4,546
Net cash generated from operating activities	8	281,283	(17,075)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds of loans from related parties		-	136,822
Net cash used in financing activities		-	136,822
Net increase in cash held		281,283	119,747
Cash on hand at beginning of the financial year		576,628	456,881
Cash on hand at end of the financial year	3	857,911	576,628

The accompanying notes form part of these financial statements.

**THE AUSTRALIA FOUNDATION IN SUPPORT OF HUMAN RIGHTS WATCH LIMITED**  
**ABN: 90 153 747 954**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017**

The financial statements cover The Australia Foundation in Support of Human Rights Watch Limited as an individual entity, incorporated and domiciled in Australia. The Australia Foundation in Support of Human Rights Watch Limited is a company limited by guarantee.

**Note 1            Summary of Significant Accounting Policies**

**Basis of Preparation**

The directors have prepared the financial report on the basis that the entity is a non-reporting entity because there are no users who are dependent on its general purpose financial report. This financial report is therefore a special purpose financial report that has been prepared in order to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 (Cth), the Charitable Fundraising Act 1991 (NSW) and the Fundraising Act 1998 (Vic) . The entity is a not-for-profit entity for financial reporting purposes under the Australian Accounting Standards.

The financial report has been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Australian Charities and Not-for-profits Commission Act 2012 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous period unless otherwise stated below.

The financial report has been prepared on an accruals basis and is based on historical costs unless otherwise state in the notes. The accounting policies that have been adopted in the preparation of the report are as follows:

**Accounting Policies**

**(a) Revenue**

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised on receipt.

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

**(b) Fair Value of Assets and Liabilities**

The company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

**(c) Leases**

Leases of property, plant and equipment where substantially all the risks and benefits incidental to the ownership of the asset but not the legal ownership are transferred to the entity, are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

**THE AUSTRALIA FOUNDATION IN SUPPORT OF HUMAN RIGHTS WATCH LIMITED**  
**ABN: 90 153 747 954**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017**

**Note 1 Summary of Significant Accounting Policies (continued)**

**(c) Leases (continued)**

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

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

**(d) Employee Provisions**

**Short-term employee provisions**

Provision is made for the company'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.

**(e) Cash on Hand**

Cash on hand includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments.

**(f) 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.

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.

**(g) 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*.

**(h) Provisions**

Provisions are recognised when the entity 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 recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

**(i) 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 company.

**Note 2 Surplus for the year**

	2017	2016
	\$	\$
<b>(a) Expenses</b>		
Salaries and employee benefits expense	497,214	454,297
Total salaries and employee benefits expense	497,214	454,297
 Audit fees		
— audit services	5,800	5,800
Total Audit Remuneration	5,800	5,800

**Note 3 Cash on Hand**

	2017	2016
	\$	\$
<b>CURRENT</b>		
Cash on hand	500	500
Westpac Banking Corporation	857,411	576,128
Total cash on hand as stated in the statement of financial position and statement of cash flows	857,911	576,628
	857,911	576,628

**THE AUSTRALIA FOUNDATION IN SUPPORT OF HUMAN RIGHTS WATCH LIMITED**  
**ABN: 90 153 747 954**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017**

**Note 4 Accounts Receivable and Other Debtors**

	2017	2016
	\$	\$
Security deposit - rental premise	21,450	21,450
GST Refundable	11,747	23,569
Security deposit - credit cards	36,000	36,000
Total current accounts receivable and other debtors	69,197	81,019

**Note 5 Accounts Payable and Other Payables**

	<b>Note</b>	2017	2016
		\$	\$
<b>CURRENT</b>			
Accounts payable		6,260	17,346
ATO Integrated Client Account		(12,547)	(11,948)
Accruals		12,100	11,000
FBT payable		32,834	-
	Note 5(a)	38,647	36,355
<b>(a) Financial liabilities at amortised cost classified as trade and other payables</b>			
Accounts payable and other payables:			
— Total current		38,647	36,355
Financial liabilities as trade and other payables		38,647	36,355

**Note 6 Employee Provisions**

	2017	2016
	\$	\$
<b>CURRENT</b>		
Provision for employee benefits: annual leave	10,862	17,000
PAYG Payable	9,667	23,826
	20,529	40,826
<b>Analysis of total provisions:</b>		
Opening balance at 1 July 2016	40,826	
Net movement during the year	(20,297)	
Balance at 30 June 2017	20,529	

**Employee Provisions**

Employee provisions represents amounts accrued for annual leave.

**Note 7 Events After the Reporting Period**

The directors are not aware of any significant events since the end of the reporting period.

**THE AUSTRALIA FOUNDATION IN SUPPORT OF HUMAN RIGHTS WATCH LIMITED**  
**ABN: 90 153 747 954**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017**

**Note 8 Cash Flow Information**

	2017	2016
	\$	\$
<b>Reconciliation of Cash Flow from Operating Activities with Current Year Surplus</b>		
Profit after income tax	188,965	276,335
Non-cash flows:		
Debt forgiveness by head entity	-	(298,678)
Changes in assets and liabilities:		
(Increase)/decrease in accounts receivable and other debtors	(14,159)	(36,318)
Increase/(decrease) in accounts payable and other payables	112,614	34,321
Increase/(decrease) in employee provisions	(6,138)	7,265
	281,282	(17,075)

**Note 9 Contingent Liability**

There are no contingent liabilities of a material nature known to the directors.

**Note 10 Additional information to be furnished under the Charitable Fundraising Act 1991**

Throughout the financial year ending 30 June 2017, the Australia Foundation in Support of Human Rights Limited conducted various appeals in order to raise funds to support its operational activities. In accordance with section 20 of the Charitable Fundraising Act 1991 (NSW), monies received in the course of fundraising appeals were applied according to the objects and purposes of the appeal net of proper and appropriate expenses.

	2017	2016
	\$	\$
(1) Gross proceeds from fundraising appeals	1,074,046	933,266
(Less) Direct fundraising costs	(144,594)	(149,387)
Net surplus from fundraising appeals	929,452	783,879
(2) These were applied to the following charitable purpose:		
Producing research materials and undertaking general advocacy activities	744,392	810,768
Surplus/(deficit) from fundraising appeals	185,060	(26,889)

**Note 11 Entity Details**

The registered office and principal place of business of the entity is:

The Australia Foundation in Support of Human Rights Watch Limited  
Suite 1106 Level 11, 5 Hunter Street SYDNEY NSW 2000

**THE AUSTRALIA FOUNDATION IN SUPPORT OF HUMAN RIGHTS WATCH LIMITED**

**ABN: 90 153 747 954**

**DIRECTORS' DECLARATION**

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

1. In accordance with a resolution of the directors of The Australia Foundation In Support of Human Rights Watch Limited, the directors declare that:
  - a. the financial statements and notes, as set out on pages 3 to 10, present fairly, in all material respects, the company's financial position as at 30 June 2017 and its performance for the year ended on that date, in accordance with the accounting policies outlined in Note 1 to the financial statements; and,
  - b. the financial statements are in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012 (Cth), the Charitable Fundraising Act 1991 (NSW) and the Fundraising Act 1998 (VIC).
2. In the director's opinion, there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Board of Directors and with subsection 60.15(2) of the Australian Charities and Not for Profit Commission Regulation 2013 is signed for and on behalf of the Board by:



Director

*Julian Knights*

Dated this

*8*

day of

*November*

2017



**THE AUSTRALIA FOUNDATION IN SUPPORT OF HUMAN RIGHTS WATCH LIMITED**  
**ABN: 90 153 747 954**  
**FUNDRAISING ACTIVITIES DECLARATION**

The directors declare that in their opinion:

1. the financial report presents fairly, in all material respects all income and expenditure of the association with respect to fundraising appeal activities for the financial year ended 30 June 2017;
2. the statement of financial position presents fairly, in all material respects the state of affairs of the association with respect to fundraising appeal activities as at 30 June 2017;
3. the provisions of the Charitable Fundraising Act 1991 (NSW), and Regulations and the conditions attached to the authority under that Act, and the Fundraising Act 1998 (VIC) and Regulations under that Act have been complied with during the year ended 30 June 2017; and,
4. the internal controls exercised by the association are appropriate and effective in accounting for all income received and applied by the association from any of its fundraising appeals.

This statement is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Board by:



Director

\_\_\_\_\_  
*Julian Knights*

Dated this



day of



2017

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
THE AUSTRALIA FOUNDATION IN SUPPORT OF HUMAN RIGHTS WATCH LIMITED** t 1300 55 33 38  
www.assuragroup.com.au

**Report on the Audit of the Financial Report**

**Auditor's Opinion**

We have audited the accompanying financial report, being a special purpose financial report of The Australia Foundation In Support of Human Rights Watch Limited, which comprises the statement of financial position as at 30 June 2017, 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 ended, and notes to the financial statements, including a summary of significant accounting policies, and directors' declaration.

**Part (A) – Financial Report**

In our opinion, the accompanying financial report of The Australia Foundation In Support of Human Rights Watch Limited for the year ended 30 June 2017 is prepared, in all material respects, in accordance with the accounting policies described in Note 1 to the financial report, including satisfying the requirements of subdivision 60-C (Annual financial reports) of the Australian Charities and Not-for-profits Commission Act 2012.

**Part (B) – Compliance Report**

In our opinion, The Australia Foundation In Support of Human Rights Watch Limited has complied, in all material respects with the requirements of the Charitable Fundraising (NSW) Act 1991 and Fundraising Act 1998 (VIC) for the year ended 30 June 2017.

In our opinion –

- a) The financial report presents fairly, in all material respects, the financial result of fundraising appeal activities for the financial year ended 30 June 2017;
- b) The financial report has been properly drawn up, and the associated records have been properly kept for the year ending 30 June 2017, in accordance with the Charitable Fundraising (NSW) Act 1991, Fundraising Act 1998 (VIC) and the relevant regulations;
- c) Money received as a result of fundraising appeal activities conducted during the year ending 30 June 2017 has been properly accounted for and applied in accordance with the Charitable Fundraising (NSW) Act 1991, Fundraising Act 1998 (VIC) and the relevant regulations; and
- d) There are reasonable grounds to believe that The Australia Foundation In Support of Human Rights Watch Limited will be able to pay its debts as and when they fall due.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as 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 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
THE AUSTRALIA FOUNDATION IN SUPPORT OF HUMAN RIGHTS WATCH LIMITED** t 1300 55 33 38  
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### **Emphasis of Matter - Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for The Australia Foundation In Support of Human Rights Watch Limited and should not be distributed to or used by parties other than The Australia Foundation In Support of Human Rights Watch Limited.

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

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Auditing Standards and for such internal control as the directors determine is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Entity'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 management either intends to liquidate The Australia Foundation In Support of Human Rights Watch Limited or to cease operations, or has no realistic alternative but to do so.

### **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.

As part of an audit in accordance with the 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 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
THE AUSTRALIA FOUNDATION IN SUPPORT OF HUMAN RIGHTS WATCH LIMITED**

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**Auditor's Responsibilities for the Audit of the Financial Report (cont'd)**

- Conclude on the appropriateness of the management's 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 Entity'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 reporter, 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 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.

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

We also provide the management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the management, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Assura Group Pty Ltd  
Chartered Accountants**



**Hanoze Udachia  
Director**

Date: 8 November 2017