

The Australia Foundation in Support of Human Rights Watch Limited

ABN 90 153 747 954

Annual Report - 30 June 2022

**The Australia Foundation in Support of Human Rights Watch Limited
Directors' report
30 June 2022**

The directors present their report, together with the financial statements, on The Australia Foundation in Support of Human Rights Watch Limited (the 'Foundation') for the year ended 30 June 2022.

Directors

The following persons were directors of the Foundation during the whole of the financial year and up to the date of this report, unless otherwise stated:

Laura Thomas
Penelope Gerstle
Barbara Pirto (appointed on 8 July 2021)
Alan Feldstein (appointed on 9 November 2020 and resigned on 8 July 2021)

Objectives

Human Rights Watch is a leading defender of fundamental rights and freedoms working in more than 100 countries worldwide.

- We investigate wrongs, expose the facts, and pressure those with power to respect rights;
- We empower those claiming their rights, learn from partners, and engage the public;
- We seek a world in which all people live in dignity and can reach their potential.

We strive to realize dignity, equality, and justice for everyone, everywhere.

Strategy for achieving the objectives

- Ensure relevant and strategic research coverage;
- Use the most effective and inclusive information distribution strategies;
- Engage those with influence and locate ourselves close to them;
- Diversify and internationalize fundraising.

Principal activities

The principal activities of the Company during the financial year were:

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.

There were no significant changes in the nature of the Foundation's principal activities during the financial year.

Performance measures

The key performance measures are:

- promotion of the adoption of constitutions, conventions, treaties and other instruments and measures which guarantee human rights;
- support and make known the activities of, and collaborate with, international organisations and agencies that work for the observance of human rights;
- publication of cases of violations of human rights;
- make representations to international organisations and governments whenever it appears that there has been a violation of human rights.

Information on directors

Name:	Laura Thomas
Title:	Director
Qualifications:	BSc, LLB, LLM
Experience and expertise:	Barrister, NSW, since 2011; various roles in government and NGOs, 2007-2011.
Special responsibilities:	Nil

The Australia Foundation in Support of Human Rights Watch Limited

Directors' report

30 June 2022

Name: Penelope Gerstle
Title: Director
Qualifications: BA, MA (Japanese Business), MIL, MA (Development Studies, all from USYD, Migration Law UNSW)
Experience and expertise: Banking and finance for 10 years, Advocate in human rights space for 30 years, Director in various rights organisations for 8 years, former Registered Migration Agent.
Special responsibilities: Chair Sydney Committee

Name: Barbara Pirto (appointed on 8 July 2021)
Title: Finance Director
Qualifications: Certified Public Accountant
Experience and expertise: 29 years of leading the finance function of HRW Inc. USA; Oversee all the finance functions of HRW Inc including audit, financial planning and analytics, and financial operations.
Special responsibilities: Nil

Name: Alan Feldstein (appointed on 9 November 2020 and resigned on 8 July 2021)
Title: General Counsel For Operations
Qualifications: Lawyer (US)
Experience and expertise: Lawyer for over 25 years; General Principal of Broker-Dealer (US) for 15 years.
Special responsibilities: Nil

Company secretary

Elaine Pearson has held the role of Company Secretary since 2013.

Meetings of directors

The number of meetings of the Foundation's Board of Directors ('the Board') held during the year ended 30 June 2022, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Laura Thomas	1	1
Penelope Gerstle	1	1
Barbara Pirto	1	1

Held: represents the number of meetings held during the time the director held office.

Each Board member signed off on two Director's Resolutions during the year.

Contributions on winding up

In the event of the Foundation being wound up, ordinary members are required to contribute a maximum of \$1 each. Honorary members are not required to contribute.

The total amount that members of the Foundation are liable to contribute if the Foundation is wound up is \$35, based on 35 current ordinary members.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, is set out immediately after this directors' report.

The Australia Foundation in Support of Human Rights Watch Limited
Directors' report
30 June 2022

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



Penelope Gerstle
Director

6th December 2022

RSM Australia Pty Ltd

Level 13, 60 Castlereagh Street Sydney NSW 2000
GPO Box 5138 Sydney NSW 2001

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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 lead auditor for the audit of the financial report of The Australia Foundation in Support of Human Rights Watch Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) The auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) Any applicable code of professional conduct in relation to the audit.



RSM Australia Pty Ltd



Peter Kanellis

Director

Sydney, NSW

Dated: 6 December 2022

The Australia Foundation in Support of Human Rights Watch Limited

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General information

The financial statements cover The Australia Foundation in Support of Human Rights Watch Limited as an individual entity. The financial statements are presented in Australian dollars, which is The Australia Foundation in Support of Human Rights Watch Limited's functional and presentation currency.

The Australia Foundation in Support of Human Rights Watch Limited is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 1106, Level 11
5 Hunter Street
Sydney NSW 2000

A description of the nature of the Foundation's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 22nd November 2022. The directors have the power to amend and reissue the financial statements.

The Australia Foundation in Support of Human Rights Watch Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Charitable income and fundraising	3	2,882,356	2,886,886
Other income	4	344,170	100,738
Expenses			
Salaries and employee benefits expense		(1,750,128)	(1,236,596)
Funds to international programs		(701,667)	(759,667)
Event costs		(209,660)	(64,116)
Rental expenses		(89,099)	(91,840)
Professional fees		(56,035)	(37,234)
Travel expenses		(51,765)	(17,001)
Sundry expenses		(42,646)	(34,522)
Office costs		(27,714)	(50,914)
Accountancy fees		(19,065)	(21,025)
Surplus for the year attributable to the members of The Australia Foundation in Support of Human Rights Watch Limited		278,747	674,709
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to the members of The Australia Foundation in Support of Human Rights Watch Limited		<u>278,747</u>	<u>674,709</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

The Australia Foundation in Support of Human Rights Watch Limited
Statement of financial position
As at 30 June 2022

	Note	2022 \$	2021 \$
Assets			
Current assets			
Cash and cash equivalents	5	3,255,952	3,708,027
Trade and other receivables	6	58,151	82,585
Other	7	512,145	-
Total current assets		<u>3,826,248</u>	<u>3,790,612</u>
Total assets		<u>3,826,248</u>	<u>3,790,612</u>
Liabilities			
Current liabilities			
Trade and other payables	8	37,822	259,121
Employee benefits	9	34,204	56,016
Total current liabilities		<u>72,026</u>	<u>315,137</u>
Total liabilities		<u>72,026</u>	<u>315,137</u>
Net assets		<u><u>3,754,222</u></u>	<u><u>3,475,475</u></u>
Equity			
Retained surpluses		<u>3,754,222</u>	<u>3,475,475</u>
Total equity		<u><u>3,754,222</u></u>	<u><u>3,475,475</u></u>

The above statement of financial position should be read in conjunction with the accompanying notes

The Australia Foundation in Support of Human Rights Watch Limited
Statement of changes in equity
For the year ended 30 June 2022

	Retained surplus \$	Total equity \$
Balance at 1 July 2020	2,800,766	2,800,766
Surplus for the year	674,709	674,709
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>674,709</u>	<u>674,709</u>
Balance at 30 June 2021	<u>3,475,475</u>	<u>3,475,475</u>
	Retained surplus \$	Total equity \$
Balance at 1 July 2021	3,475,475	3,475,475
Surplus for the year	278,747	278,747
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>278,747</u>	<u>278,747</u>
Balance at 30 June 2022	<u>3,754,222</u>	<u>3,754,222</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

The Australia Foundation in Support of Human Rights Watch Limited
Statement of cash flows
For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Cash flows from operating activities			
Receipts from donations, bequests and raffles		2,882,356	2,886,886
Payments to suppliers and employees		(2,600,259)	(2,313,313)
Interest received		1,948	6,238
JobKeeper received		-	94,500
		<u>284,045</u>	<u>674,311</u>
Net cash from operating activities			
Cash flows from investing activities			
Payments for term deposits		(512,145)	-
		<u>(512,145)</u>	<u>-</u>
Net cash used in investing activities			
Cash flows from financing activities			
(Repayment of)/proceeds from related parties		(223,975)	373,975
		<u>(223,975)</u>	<u>373,975</u>
Net cash (used in)/from financing activities			
Net (decrease)/increase in cash and cash equivalents		(452,075)	1,048,286
Cash and cash equivalents at the beginning of the financial year		<u>3,708,027</u>	<u>2,659,741</u>
Cash and cash equivalents at the end of the financial year	5	<u><u>3,255,952</u></u>	<u><u>3,708,027</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

The Australia Foundation in Support of Human Rights Watch Limited
Notes to the financial statements
30 June 2022

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Foundation has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Foundation.

The following Accounting Standards and Interpretations are most relevant to the Foundation:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The Foundation has adopted the revised Conceptual Framework from 1 July 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the Foundation's financial statements.

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The Foundation has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel, related parties, tax and financial instruments.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 (Cth), the Charitable Fundraising Act 1991 (NSW) and the Fundraising Act 1998 (Vic), as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Foundation's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition

The Foundation recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Foundation is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Foundation: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

The Australia Foundation in Support of Human Rights Watch Limited
Notes to the financial statements
30 June 2022

Note 1. Significant accounting policies (continued)

Donations

Donations and bequests are recognised as revenue when received.

Interest

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

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

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

Income tax

As the Foundation is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Foundation's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Foundation's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

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

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Foundation has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Foundation prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

The Australia Foundation in Support of Human Rights Watch Limited
Notes to the financial statements
30 June 2022

Note 1. Significant accounting policies (continued)

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 tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows included in receipts from customers or payments to suppliers.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Foundation based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Foundation operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Foundation unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Note 3. Charitable income and fundraising

	2022	2021
	\$	\$
<i>Revenue from contracts with customers</i>		
Charitable income and fundraising	<u>2,882,356</u>	<u>2,886,886</u>

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	2022	2021
	\$	\$
<i>Geographical regions</i>		
Australia	<u>2,882,356</u>	<u>2,886,886</u>

Note 4. Other income

	2022	2021
	\$	\$
Interest income	1,948	6,238
JobKeeper	-	94,500
Other income	<u>342,222</u>	<u>-</u>
Other income	<u>344,170</u>	<u>100,738</u>

The Australia Foundation in Support of Human Rights Watch Limited
Notes to the financial statements
30 June 2022

Note 5. Cash and cash equivalents

	2022	2021
	\$	\$
<i>Current assets</i>		
Cash on hand	500	500
Cash at bank	3,255,452	3,707,527
	<u>3,255,952</u>	<u>3,708,027</u>

Note 6. Trade and other receivables

	2022	2021
	\$	\$
<i>Current assets</i>		
Contributions receivable	-	25,000
GST receivable	701	135
Security deposit - credit cards	36,000	36,000
Security deposit - rental premise	21,450	21,450
	<u>58,151</u>	<u>82,585</u>

Note 7. Other

	2022	2021
	\$	\$
<i>Current assets</i>		
Term deposits	512,145	-
	<u>512,145</u>	<u>-</u>

Note 8. Trade and other payables

	2022	2021
	\$	\$
<i>Current liabilities</i>		
Trade payables	19,550	7,236
Accruals	18,272	27,910
Related party payable	-	223,975
	<u>37,822</u>	<u>259,121</u>

Note 9. Employee benefits

	2022	2021
	\$	\$
<i>Current liabilities</i>		
Annual leave	34,204	56,016
	<u>34,204</u>	<u>56,016</u>

The Australia Foundation in Support of Human Rights Watch Limited
Notes to the financial statements
30 June 2022

Note 10. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the Foundation is set out below:

	2022	2021
	\$	\$
Aggregate compensation	<u>166,575</u>	<u>199,194</u>

Note 11. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the Foundation:

	2022	2021
	\$	\$
<i>Audit services - RSM Australia Partners</i>		
Audit of the financial statements	<u>17,940</u>	<u>17,590</u>

Note 12. Additional information to be furnished under the Charitable Fundraising Act 1991

Throughout the financial year ending 30 June 2022, the Foundation 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.

	2022	2021
	\$	\$
Gross proceeds from fundraising appeals	2,882,356	2,886,886
Less: direct fundraising costs	<u>(209,660)</u>	<u>(64,116)</u>
Net surplus from fundraising appeals	<u>2,672,696</u>	<u>2,822,770</u>
These were applied to the following charitable purpose:		
Producing research materials and undertaking general advocacy activities	<u>(2,738,119)</u>	<u>(2,248,799)</u>
(Deficit)/surplus from fundraising appeals	<u>(65,423)</u>	<u>573,971</u>

Note 13. Contingencies

In the opinion of those charged with governance, the Foundation did not have any contingencies at 30 June 2022 (30 June 2021: None).

Note 14. Commitments

The Foundation had no commitments for expenditure as at 30 June 2022 and 30 June 2021.

Note 15. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 10.

The Australia Foundation in Support of Human Rights Watch Limited
Notes to the financial statements
30 June 2022

Note 15. Related party transactions (continued)

Transactions with related parties

The following transactions occurred with related parties:

	2022	2021
	\$	\$
Sale of goods and services:		
In kind contributions	342,222	-
Payment for goods and services:		
Amounts paid to related entities	701,667	759,667

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2022	2021
	\$	\$
Current payables:		
Trade payables to other related party	-	223,975

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 16. Contributions on winding up

In the event of the Foundation being wound up, ordinary members are required to contribute a maximum of \$1 each. Honorary members are not required to contribute.

The total amount that members of the Foundation are liable to contribute if the Foundation is wound up is \$35, based on 35 current ordinary members.

Note 17. Events after the reporting period

The consequences of the Coronavirus (COVID-19) pandemic are continuing to be felt around the world, and its impact on the Foundation, if any, has been reflected in the results to date. Whilst it would appear that control measures and related government policies, including the roll out of the vaccine and boosters, have started to mitigate the risks caused by COVID19, it is not possible at this time to state that the pandemic will not subsequently impact the Foundation's operations going forward. The Foundation now has experience in the swift implementation of business continuation processes should future lockdowns of the population occur, and these processes continue to evolve to minimise any operational disruption. Management continues to monitor the situation both locally and internationally.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Foundation's operations, the results of those operations, or the Foundation's state of affairs in future financial years.

The Australia Foundation in Support of Human Rights Watch Limited
Directors' declaration
30 June 2022

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012 (Cth), the Charitable Fundraising Act 1991 (NSW) and the Fundraising Act 1998 (VIC);
- the attached financial statements and notes give a true and fair view of the Foundation's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Foundation 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 and is signed for and on behalf of the Board by:



Penelope Gerstle
Director

6th December 2022

**The Australia Foundation in Support of Human Rights Watch Limited
Fundraising Activities Declaration
30 June 2022**

The directors declare that in their opinion:

- 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 2022;
- 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 2022;
- 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 2022; and,
- 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:



Penelope Gerstle
Director

6th December 2022

RSM Australia Pty Ltd

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INDEPENDENT AUDITOR'S REPORT

To the Members of The Australia Foundation in Support of Human Rights Watch Limited

Opinion

We have audited the financial report of The Australia Foundation in Support of Human Rights Watch Limited ('the registered entity'), which comprises the statement of financial position as at 30 June 2022, 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 the directors' declaration.

Part (A) – Financial Report

In our opinion, the financial report of The Australia Foundation in Support of Human Rights Watch Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the registered entity's financial position as at 30 June 2022 and of its financial performance and cash flows for the year ended on that date; and
- b) complying with Australian Accounting Standards – *Simplified Disclosures* under AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and Division 60 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 2022.

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 2022;
- b) The financial report has been properly drawn up, and the associated records have been properly kept for the year ending 30 June 2022, 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 2022 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 Australia Foundation in Support of Human Rights Watch Limited in accordance with 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

The directors are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – *Simplified Disclosures* under AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and for such internal control as the responsible persons determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing The Australia Foundation in Support of Human Rights Watch 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 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of section 60-45(3)(b) of the ACNC Act, we are required to describe any deficiency, failure or shortcoming in respect of the matters referred to in paragraph 60-30(3)(b), (c) or (d) of the ACNC Act.

Our opinion on the financial report is not modified in respect of the following matter(s) because, in our opinion, it has been appropriately addressed by The Australia Foundation in Support of Human Rights Watch Limited and is not considered material in the context of the audit of the financial report as a whole.

Report on the Requirements of the *NSW Charitable Fundraising Act 1991* and *VIC Fundraising Act 1998*

We have audited the financial report as required by Section 24(2) of the *NSW Charitable Fundraising Act 1991* and Section 32 of the *VIC Charitable Fundraising Act 1998*. Our procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the *NSW Charitable Fundraising Act 1991* and the *VIC Fundraising Act 1998*.

Because of the inherent limitations of any assurance engagement, it is possible that fraud, error or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance with the requirements described in the above-mentioned Acts as an audit is not performed continuously throughout the period and the audit procedures performed in respect of compliance with these requirements are undertaken on a test basis. The audit opinion expressed in this report has been formed on the above basis.

Opinion

In our opinion:

- a) The financial report of The Australia Foundation in Support of Human Rights Watch Limited has been properly drawn up and associated records have been properly kept during the financial year ended 30 June 2022, in all material respects, in accordance with:
 - i) Sections 20(1), 22(1-2), 24(1-3) of the *NSW Charitable Fundraising Act 1991*; and
 - ii) Section 32(4) of the *VIC Fundraising Act 1998*;
- b) The money received as a result of fundraising appeals conducted by the entity during the financial year ended 30 June 2022 has been properly accounted for and applied, in all material respects, in accordance with the above mentioned Acts.



RSM Australia Pty Ltd



Peter Kanellis
Partner

Sydney, NSW
Dated: 6 December 2022