



Special Purpose Financial Statements

Human Rights Law Centre Ltd

A.C.N.117 719 267

30 June 2018

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Directors' Report

Your directors submit the financial statements of the company for the financial year ended 30 June 2018.

Directors

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

Name	Position	Date of Appointment	Meetings Attended / Eligible
James Morison Gardiner Vice-President, Liberty Victoria	Board Member	16-11-2010	6/6
Fiona Ruth McLeay Former Chief Executive Officer, Justice Connect	Board Member	23-11-2011 Retired 05-04-2018	5/5
Melanie Schleiger Equality Law Program Manager, Victoria Legal Aid	Board Member	10-10-2008	5/6
Jonathan James Webster Consultant, Allens	Board Member	12-10-2012	5/6
Ilana Rachel Atlas Non-executive director	Board Member	12-10-2012 Retired 14-12-2017	3/3
Catherine Margaret Branson Former President Australian Human Rights Commission	Chairperson	09-08-2013	6/6
Carolyn Creswell Founder & Managing Director, Carman's Fine Foods	Board Member	19-02-2015 Retired 14-06-2018	3/6
Padma Raman Executive Director, Australian Human Rights Commission	Board Member	08-02-2018	2/3
Christopher Sidoti Executive Director, Human Rights Council of Australia	Board Member	08-02-2018	2/3
Timothy Goodwin Barrister, Victorian Bar	Board Member	08-02-2018	2/3
Andrew Carriline Non-executive director	Board Member	14-12-2017	3/3
Susan Dorothy Woodward Director, National Projects, Justice Connect	Board Member	06-04-2018	2/2
Hugh William de Kretser Executive Director	Company Secretary	12-04-2013	6/6

Directors' Report

Principal Activities

The company is an independent, non-profit, non-government organisation which protects and promotes human rights. The company's work contributes to protecting human dignity, alleviating disadvantage, and advancing equality through a strategic combination of legal action, advocacy, research, education and UN engagement.

Company Objectives

The objectives of the company are to advance the following goals:

- 1** Promote, protect and contribute to the fulfilment of human rights in Australia, particularly the human rights of people who are disadvantaged or living in poverty, including those human rights contained in the:
 - 1.1 Universal Declaration of Human Rights
 - 1.2 International Covenant on Civil and Political Rights;
 - 1.3 International Covenant on Economic, Social and Cultural Rights;
 - 1.4 Convention on the Elimination of All Forms of Discrimination Against Woman;
 - 1.5 Convention on the Elimination of All Forms of Racial Discrimination
 - 1.6 Convention on the Rights of the Child;
 - 1.7 Convention on the Rights of Persons with Disabilities;
 - 1.8 Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment;
 - 1.9 Declaration on the Rights of Indigenous Peoples; and
 - 1.10 Customary international human rights law;
- 2** Contribute to the harmonisation of law, policy and practice in Australia with regard to human rights;
- 3** Empower people who are disadvantaged or living in poverty by operating within a human rights framework, including by:
 - 3.1 Treating people with fairness, dignity and respect;
 - 3.2 Promoting equality and freedom from discrimination;
 - 3.3 Promoting participation and the principle that people should have a say in processes and decisions that affect them; and
 - 3.4 Promoting social inclusion and community development.

Directors' Report

Company Strategies

To achieve these objectives, the company has undertaken a combination of principled, strategic, evidence-based research, advocacy, litigation and education. The company works in coalition with key partners, including community organisations, law firms and barristers, academics and experts, and international and domestic human rights organisations. The work of its dynamic, innovative and committed staff is fundamental to its achievement of these objectives.

Key Performance Indicators

The company measures its own performance through the use of quantitative and qualitative measures. These measures are used by the directors to assess the financial sustainability of the company and whether the company's objectives are being achieved.

Limitation of Members Liability

If the company is wound up, the constitution states that each member is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the company. At 30 June 2018 the collective liability of members was \$900 (2017: \$900).

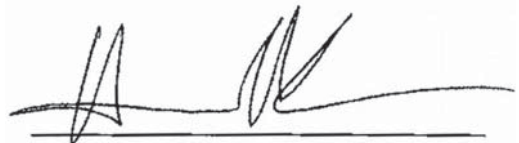
Auditor's Independence Declaration

A copy of the auditors' independence declaration as required under Australian Charities and Not-for-profits Commission Act 2012 is set out at page 6.

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



Catherine Margaret Branson
Chairperson



Hugh William de Kretser
Company Secretary

Dated this 9th day of October 2018

Auditor's Independence Declaration

To the Directors of Human Rights Law Centre Limited

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Human Rights Law Centre Limited for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



Grant Thornton Audit Pty Ltd
Chartered Accountants



E W Passaris
Partner – Audit & Assurance

Melbourne, 9 October 2018

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Statement of Profit and Loss and Other Comprehensive Income

For the year ended 30 June 2018

	Note	2018 \$	2017 \$
Revenue	2	3,124,378	2,668,146
Expenses			
Employee benefits expense		(1,773,362)	(1,355,474)
Occupancy expenses		(32,984)	(17,984)
Operational and administrative expenses		(1,197,153)	(1,039,883)
Total Expenses		(3,003,499)	(2,413,341)
Surplus for the year		120,879	254,805
Other Comprehensive Income		-	-
Total comprehensive income for the year		120,879	254,805

Statement of Financial Position

As at 30 June 2018

	Note	2018 \$	2017 \$
ASSETS			
Current assets			
Cash and cash equivalents	3	2,056,422	2,148,534
Trade and other receivables	4	103,999	44,975
Total current assets		2,160,421	2,193,509
Non-current assets			
Property, plant and equipment	5	200,414	6,691
Total non-current assets		200,414	6,691
TOTAL ASSETS		2,360,835	2,200,200
LIABILITIES			
Current liabilities			
Trade and other payables	6	88,712	75,153
Provisions	7	258,180	138,353
Grants received in advance		1,137,154	1,211,147
Total current liabilities		1,484,046	1,424,653
Non-current liabilities			
Provisions	7	26,112	45,749
Total non-current liabilities		26,112	45,749
TOTAL LIABILITIES		1,510,158	1,470,402
NET ASSETS		850,677	729,798
Equity			
Retained earnings		850,677	729,798
TOTAL FUNDS		850,677	729,798

Statement of Changes in Equity

For the year ended 30 June 2018

	Retained Earnings \$
Balance as at 1 July 2016	474,993
Surplus for the year	254,805
Total comprehensive income (loss) for the year	<u>254,805</u>
Balance as at 30 June 2017	<u>729,798</u>
Balance as at 1 July 2017	729,798
Surplus for the year	120,879
Total comprehensive income (loss) for the year	<u>120,879</u>
Balance as at 30 June 2018	<u>850,677</u>

Statement of Cash Flows

For the year ended 30 June 2018

	Note	2018 \$	2017 \$
Cash flows from operating activities			
Receipts from grants, donations and other revenue		2,955,378	2,720,759
Payments to suppliers and employees		(2,871,835)	(2,377,563)
Interest received		27,022	26,092
Net cash provided by operating activities	8	<u>110,564</u>	<u>369,288</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(202,676)	(7,235)
Net cash used in investing activities		<u>(202,676)</u>	<u>(7,235)</u>
Net increase in cash and cash equivalents		(92,112)	362,053
Cash and cash equivalents at beginning of financial year		2,148,534	1,786,481
Cash and cash equivalents at end of financial year	8	<u>2,056,422</u>	<u>2,148,534</u>

Notes to the financial statements

For the year ended 30 June 2018

1. Statement of significant accounting policies

General information

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial reports. 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. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements were authorised for issue on 11 October 2018 by the directors of the company.

Basis of preparation

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 stated otherwise.

Reporting basis and conventions

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Significant accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

(a) 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.

(b) Grants - received in advance

The company receives grant monies to fund projects. These are treated as unexpended grants in the statement of financial position where there are conditions attached to grant revenue relating to the use of these grants for specific purposes. It is recognised in the statement of financial position as a liability until such conditions are met or services provided. Once the conditions are met or services provided, it is disclosed in the statement of comprehensive income as revenue.

(c) Revenue

Donations are recognised as revenue when received unless they are designated for a specific purpose, where they are carried forward as income in advance in the statement of financial position until such time as that purpose is fulfilled.

Revenue from the rendering of services is recognised upon the delivery of the service to the customers.

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

Notes to the financial statements

For the year ended 30 June 2018

1. Statement of significant accounting policies (continued)

(d) Trade and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(e) Trade and Other Receivables

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment.

(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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(g) Employee Entitlements

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee provisions payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national corporate bonds with terms to maturity that match the expected timing of cash flows attributable to employee provisions.

Included in the 2018 employee entitlements is a provision for parental leave of \$55,828 (2017: \$50,614). Pursuant to Australian Accounting Standard AASB 119 Employee Benefits, parental leave is a non-accumulating paid absence that should only be recognised when the absences occur. The recognition of the provision for parental leave is a departure from AASB 119. The Directors have resolved that it is prudent and desirable to provide for future parental leave due to the nature of the business and its gender composition and age of its workforce.

(h) Leases

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

Notes to the financial statements

For the year ended 30 June 2018

1. Statement of significant accounting policies (continued)

(i) 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.

(j) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statement 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 from within the Company.

There are no significant estimates or judgements incorporated into the financial statements.

(k) Comparative Figures

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

(l) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2018 reporting periods. The Company's assessment of the impact of these new standards and interpretations is set out below:

(i) AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities and includes a forward-looking 'expected loss' impairment model and a substantially-changed approach to hedge accounting. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The entity is yet to undertake a detailed assessment of the impact of AASB 9. However, based on the entities' preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2019;

(ii) AASB 15 Revenue from Contracts with Customers, effective for annual reporting periods beginning on or after 1 January 2019. The entity is yet to undertake a detailed assessment of the impact of AASB 15. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2020.

(iii) AASB 1058 Income of Not-for-Profit Entities, effective for annual reporting periods beginning on or after 1 January 2019. AASB 1058 clarifies and simplifies the income recognition requirements that apply to Not-for-profit entities, in conjunction with AASB 15 Revenue from Contracts with Customers. The entity is yet to undertake a detailed assessment of the impact of AASB 1058. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2020.

(iv) AASB 16 Leases effective for reporting periods beginning on or after 1 January 2019 replaces AASB 117 Leases and some lease-related Interpretations. The standard requires all leases to be accounted for 'on-balance sheet' by lessees. The entity does not believe that the adoption of this Standard will have a material impact on the operating reports.

Notes to the financial statements

For the year ended 30 June 2018

	2018 \$	2017 \$
2. Revenue		
Operating grants	2,381,496	2,100,611
Event Registrations	92,659	75,957
Donations	607,064	454,175
Interest income	27,022	26,092
Other revenue	16,137	11,311
Total revenue	<u>3,124,378</u>	<u>2,668,146</u>
3. Cash and cash equivalents		
Cash at bank	2,056,422	2,148,534
	<u>2,056,422</u>	<u>2,148,534</u>
4. Trade and other receivables		
CURRENT		
Trade receivables	86,574	6,318
Other receivables and prepayments	17,425	38,657
	<u>103,999</u>	<u>44,975</u>
5. Property, plant and equipment		
Computer Equipment - at cost	19,819	7,235
Accumulated depreciation – computer equipment	(3,163)	(544)
Furniture and Fittings - at cost	190,092	-
Accumulated depreciation – furniture and fittings	(6,334)	-
	<u>200,414</u>	<u>6,691</u>
6. Trade and other payables		
CURRENT		
Trade payables	55,353	60,332
Other payables and accruals	33,359	14,821
	<u>88,712</u>	<u>75,153</u>
7. Provisions		
CURRENT		
Employee benefits	<u>258,180</u>	<u>138,353</u>
NON CURRENT		
Employee benefits	<u>26,112</u>	<u>45,749</u>

Notes to the financial statements

For the year ended 30 June 2018

	2018 \$	2017 \$
8. Cash flow information		
Reconciliation of cash and cash equivalents		
Cash at bank	2,056,422	2,148,534
	<u>2,056,422</u>	<u>2,148,534</u>
Surplus (loss) for the year:	120,879	254,805
Non-cash flows in profit		
Depreciation and Amortisation	8,953	544
Changes in assets and liabilities		
Increase in trade and other receivables	(59,024)	76,363
Increase in trade and other payables	13,559	(487)
Increase in provisions	100,190	42,509
Increase in grants received in advance	(73,993)	(4,447)
Net cash provided by operating activities	<u>110,564</u>	<u>369,287</u>
9. Auditor's remuneration		
Remuneration of the auditor for:		
- Auditing the financial statements	<u>3,463</u>	<u>1,900</u>

10. Limitation of members' liability

If the company is wound up, the constitution states that each member is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the company. At 30 June 2018 the collective liability of members was \$900 (2017: \$900).

11. Company details

Registered office

The registered office of and principal place of business of Human Rights Law Centre Ltd is:
Level 17, 461 Bourke Street
Melbourne VIC 3000

This special purpose financial report covers Human Rights Law Centre Ltd as an individual entity. The special purpose financial report is presented in the Australian currency.

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 described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 7 to 15, present fairly the company's financial position as at 30 June 2018 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements, and have been prepared in accordance with the requirements of the Australian Charities and Not-for-Profits Commission Act 2012.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Catherine Margaret Branson
Chairperson



Hugh William de Kretser
Company Secretary

Dated this 9th day of October 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HUMAN RIGHTS LAW CENTRE LIMITED

Report on the audit of the financial report

Opinion

We have audited the accompanying financial report of Human Rights Law Centre Limited (the Company), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Company.

In our opinion, the financial report of Human Rights Law Centre 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 Company's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- b Complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – basis of accounting

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 Company's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors' for the financial report

The Directors of the Company are responsible for the preparation of the financial report and have determined that the accounting policies used and described in Note 1 to the financial report which form part of the financial report, are appropriate to meet the needs of the Members. This responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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



Grant Thornton Audit Pty Ltd
Chartered Accountants



E W Passaris
Partner – Audit & Assurance

Melbourne, 9 October, 2018