

# **Human Rights Law Centre Ltd**

ACN 117 719 267

## **Financial Report**

For the Year Ended 30 June 2014

# Human Rights Law Centre Ltd

ACN 117 719 267

## CONTENTS

	<u>Page</u>
Directors' Report	1
Auditor's Independence Declaration	3
Statement of Profit or Loss and Other Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Directors' Declaration	12
Independent Auditor's Report	13

# Human Rights Law Centre Ltd

ACN 117 719 267

## Directors' Report

Your directors present this report on the company for the financial year ended 30 June 2014.

### 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
Rosamund Clare Grady Former Chief Executive Officer and Professor, Centre for International Finance and Regulation	Past Chairperson	23-11-2011 to 8-8-2013	N/A
James Morison Gardiner Vice-President, Liberty Victoria		16-11-2010	6/6
David Thomas Manne Executive Director, Refugee and Immigration Legal Centre		11-12-2006 to 11-6-2014	3/5
Fiona Ruth McLeay Chief Executive Officer, Justice Connect		23-11-2011	5/6
Melanie Schleiger Equality Law Program Manager, Victoria Legal Aid		10-10-2008	6/6
Edward Michael Kingston Chief Legal Officer, Australian Securities and Investments Commission	Chairperson	12-10-2012	6/6
Jonathan James Webster Partner, Allens		12-10-2012	3/6
Ilana Rachel Atlas Non-executive director		12-10-2012	5/6
Catherine Margaret Branson Former President Australian Human Rights Commission		09-08-2013	4/6
Hugh William de Kretser Executive Director	Company Secretary	12-04-2013	6/6

### 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 research, advocacy, litigation and education.

### 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:

# Human Rights Law Centre Ltd

ACN 117 719 267

## Directors' Report

### Company Objectives (cont'd)

- 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 Women;
  - 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.

### 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 Measures

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 2014 the collective liability of members was \$900 (2013: \$1,000).

### Auditors' 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 3.

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



Edward Michael Kingston  
Chairperson



Hugh William de Kretser  
Company Secretary

Signed in Melbourne, this 8th day of October 2014.

**Auditor's Independence Declaration**

**To the directors of Human Rights Law Centre Ltd**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2014 there have been no contraventions of:

- (i) the auditor independence requirements as set out in 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.



McLean Delmo Bentleys Audit Pty Ltd



Kevin P. Adams

Director

Signed in Hawthorn, this 8th day of October 2014.

# Human Rights Law Centre Ltd

ACN 117 719 267

## Statement of Profit or Loss and Other Comprehensive Income

For the Year ended 30 June 2014

	Note	2014 \$	2013 \$
Revenue	2	730,902	829,374
<b>Expenses</b>			
Occupancy expenses		(29,580)	(40,212)
Operational and administrative expenses		(142,878)	(172,644)
Employee benefits expense		(673,919)	(508,646)
Total expenses		(846,377)	(721,502)
<b>Surplus/ (loss) for the year</b>		<b>(115,475)</b>	<b>107,872</b>
Other Comprehensive Income		-	-
<b>Total comprehensive income/ (loss) for the year</b>		<b>(115,475)</b>	<b>107,872</b>

The accompanying notes form part of the financial statements

# Human Rights Law Centre Ltd

ACN 117 719 267

## Statement of Financial Position

As At 30 June 2014

	Note	2014 \$	2013 \$
<b>Current assets</b>			
Cash and cash equivalents	3	444,459	635,585
Trade and other receivables	4	41,976	27,636
Total current assets		486,435	663,221
<b>Total Assets</b>		<b>486,435</b>	<b>663,221</b>
<b>Current Liabilities</b>			
Trade and other payables	5	27,919	23,305
Provisions	6	53,764	56,434
Grants received in advance		34,997	95,978
Total current liabilities		116,680	175,717
<b>Non-Current Liabilities</b>			
Provisions	6	18,629	20,903
Total non-current liabilities		18,629	20,903
<b>Total Liabilities</b>		<b>135,309</b>	<b>196,620</b>
<b>Net Assets</b>		<b>351,126</b>	<b>466,601</b>
<b>Equity</b>			
Retained surplus		351,126	466,601
<b>Total Equity</b>		<b>351,126</b>	<b>466,601</b>

The accompanying notes form part of the financial statements

# Human Rights Law Centre Ltd

ACN 117 719 267

## Statement of Changes in Equity

For the Year ended 30 June 2014

	<b>Retained Surplus \$</b>
Balance as at 1 July 2012	358,729
Comprehensive surplus for the year	<u>107,872</u>
Balance as at 30 June 2013	466,601
Comprehensive loss for the year	<u>(115,475)</u>
<b>Balance as at 30 June 2014</b>	<b><u>351,126</u></b>

The accompanying notes form part of the financial statements



# Human Rights Law Centre Ltd

ACN 117 719 267

## Statement of Cash Flows

For the Year ended 30 June 2014

	2014	2013
Note	\$	\$
<b>Cash flows from operating activities</b>		
Receipts for grants, donations and other revenue	767,235	918,467
Payments to suppliers and employees	(980,785)	(866,792)
Interest received	22,424	21,141
	<hr/>	<hr/>
Net cash provided by/ (used in) operating activities	7 (191,126)	72,816
	<hr/>	<hr/>
<b>Net increase/ (decrease) in cash held</b>	<b>(191,126)</b>	<b>72,816</b>
Cash at the beginning of financial year	635,585	562,769
	<hr/>	<hr/>
<b>Cash at the end of financial year</b>	<b>3 444,459</b>	<b>635,585</b>
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of the financial statements

# Human Rights Law Centre Ltd

ACN 117 719 267

## Notes to the Financial Statements

For the Year ended 30 June 2014

### 1. Summary of Significant Accounting Policies

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 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.

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.

The financial statements were authorised for issue on 8 October 2014 by the directors of the company.

#### Accounting Policies

##### (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

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.

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

##### (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.

# Human Rights Law Centre Ltd

ACN 117 719 267

## Notes to the Financial Statements

For the Year ended 30 June 2014

### 1. Summary of Significant Accounting Policies (cont'd)

#### (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 (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) 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 government bonds with terms to maturity that match the expected timing of cash flows attributable to employee provisions.

#### (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.

#### (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.

##### Key Estimates – Impairment

No impairment has been recognised in respect of any assets for the year ended 30 June 2014.

# Human Rights Law Centre Ltd

ACN 117 719 267

## Notes to the Financial Statements

For the Year ended 30 June 2014

### 1. Summary of Significant Accounting Policies (cont'd)

#### (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 for Application in Future Periods

The AASB has issued new, revised and amended Standards and Interpretations that have mandatory applicable dates for future reporting periods and which the company has decided not to early adopt. Due to the nature of the company's activities, it does not expect them to have any material effect in the company's financial statements.

	2014 \$	2013 \$
<b>2. Revenue</b>		
Operating grants	348,865	472,122
Event registrations	13,081	35,300
Donations	327,323	275,029
Interest	20,806	21,053
Other revenue	20,827	25,870
Total revenue	<u>730,902</u>	<u>829,374</u>
<b>3. Cash and Cash Equivalents</b>		
Cash at bank	<u>444,459</u>	<u>635,585</u>
<b>4. Trade and Other Receivables</b>		
<b>Current</b>		
Trade receivables	13,130	26,018
Other receivables and prepayments	28,846	1,618
Total trade and other receivables	<u>41,976</u>	<u>27,636</u>
<b>5. Trade and Other Payables</b>		
<b>Current</b>		
Trade payables	8,811	630
Other payables and accruals	19,108	22,675
Total trade and other payables	<u>27,919</u>	<u>23,305</u>

# Human Rights Law Centre Ltd

ACN 117 719 267

## Notes to the Financial Statements

For the Year ended 30 June 2014

	2014	2013
	\$	\$
<b>6. Provisions</b>		
<b>Current</b>		
Employee benefits	53,764	56,434
<b>Non-current</b>		
Employee benefits	18,629	20,903
<b>7. Cash Flow Information</b>		
Reconciliation of cash flow from operations with surplus/ (loss)		
Surplus/ (loss) for the year	(115,475)	107,872
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(14,340)	29,402
Increase/(decrease) in trade and other payables	4,614	177
Increase/(decrease) in provisions	(4,944)	3,494
Increase/(decrease) in grants received in advance	(60,981)	(68,129)
Cash flow from operations	(191,126)	72,816

## 8. Related Party Transactions

Justice Connect is related by membership, co-location and a similar range of activities. Justice Connect paid for expenses on behalf of the company, which were reimbursed by the company for the year ended 30 June 2014 amounting to \$101,876 (2013: \$115,066).

Included in other receivables as at financial year end is an amount of \$20,827 (2013: \$Nil) owing by Justice Connect.

## 9. Company Details

The registered office and principal place of business, of the company is:

Human Rights Law Centre Ltd  
Level 17, 461 Bourke Street  
Melbourne VIC 3000

## Human Rights Law Centre Ltd

ACN 117 719 267

### Directors' Declaration

In accordance with a resolution of the directors of Human Rights Law Centre Ltd, the directors declare that:

1. The financial statements and notes, as set out on pages 4 to 11, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
  - a) comply with Australian Accounting Standards applicable to the company; and
  - b) give a true and fair view of the financial position of the company as at 30 June 2014 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 of the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company is able to pay all of its debts as and when they become due and payable.



Edward Michael Kingston  
Chairperson



Hugh William de Kretser  
Company Secretary

Signed in Melbourne, this 8<sup>th</sup> day of October 2014.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUMAN RIGHTS LAW CENTRE LTD**

We have audited the accompanying financial report of Human Rights Law Centre Ltd, being a special purpose financial report, which comprises the statement of financial position as at 30 June 2014 and 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, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

### **Directors' Responsibility for the Financial Report**

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

### **Independence**

In conducting our audit, we have complied with the independence requirements of the Accounting Professional and Ethical Standards Board and the Australian Charities and Not-for-profits Commission Act 2012.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF HUMAN RIGHTS LAW CENTRE LTD (Continued)**

**Opinion**

In our opinion, the financial report of Human Rights Law Centre Ltd is in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:


- (i) Giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards to the extent described in Note 1 and the Australian Charities and Not-for-profits Commission Regulation 2013.

**Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 to 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 under the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose.



**McLean Delmo Bentleys Audit Pty Ltd**



**Kevin P. Adams  
Director**

Hawthorn  
8 October 2014