



Australia for UNHCR

(A company limited by guarantee)

ABN 35 092 843 322

Annual Financial Report

Year ended 31 December 2020

Australia for UNHCR ABN 35 092 843 322
Financial Report – 31 December 2020

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Directors' Report

The directors present their report together with the financial statements of Australia for UNHCR ('the Company') for the year ended 31 December 2020 and the independent auditor's report thereon.

Directors

The directors, at any time during or since the end of the financial year to the date of this report, are:

Name	Qualifications, Experience & Occupation	Director since
Mr Michael Dwyer AM Chair	Dip of Superannuation Management, Advanced Dip of Financial Services (Superannuation), Dip of Public Administration, FASFA Retired from First State Super Trustee Corporation as CEO December 2018 Chair, TCorp NSW (Treasury Corporation) Director, Iress Director, Sydney Financial Forum Director, Bennelong Funds Management	July 2000
Mr John Boulton AM	BA, LLB (Hons), LLM Director, Crossing the Line Sport Ltd Director, JFB Superannuation Fund Pty Ltd Director, The Athlete Transition Advantage Pty Ltd CEO, National Sports Tribunal	November 2000
Mr Rick Millen	MA, Law Oxford University, UK Member Institute of Chartered Accountants Graduate Member of the Australian Institute of Company Directors Director, Woor Pty Ltd Director, Jamjeswin Pty Ltd Director, Palmera Projects Ltd	April 2012
Ms Kate Dundas	BA (Communications) Charles Sturt University Vincent Fairfax Fellow, University of Melbourne Graduate Member of the Australian Institute of Company Directors Director, Sydney Festival Executive Mentor, McCarthy Mentoring Consultant/SME (arts and culture) to government/sector	September 2015
Ms Zoe Ghani	BA Text and Writing (Communications) Western Sydney University Head of Product – Experience Platform, Atlassian	April 2017
Ms Lynn Dang	BA (Commerce), University of NSW HR Lead, Microsoft Singapore	March 2019
Prof. Peter Shergold AC	BA (Hull), MA (Illinois), PhD (LSE), Hon. DLitt (UNSW), FASSA, FANZSOG, FIPPA, FAICD, FAIM, FRSN Chair, Opal Aged Care Chair, Joblife Employment Chair, Centre for Social Impact Chair, AMP Foundation Chair, NSW Education Standards Authority NSW Coordinator-General for Settlement Patron, Good Things Foundation Chair, Crescent Institute Chancellor and Chair of Board of Trustees, Western Sydney University (appointed 27 April 2020)	April 2020

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

Directors' report (continued)

Directors' meetings

The number of directors' meetings and number of meetings attended by each of the directors during the financial year were:

	Board meetings		Audit, Finance & Risk Committee		Nominations & Leadership Development Committee	
	A	B	A	B	A	B
Mr Michael Dwyer AM	7	7	6	4	-	-
Mr John Boulton AM	7	7	-	-	4	4
Mr Rick Millen	7	7	6	6	-	-
Ms Kate Dundas	7	7	-	-	4	4
Ms Zoe Ghani	7	6	6	5	-	-
Ms Lynn Dang	7	7	-	-	4	4
Prof. Peter Shergold AC	4	4	3	2	-	-

Column A – indicates the number of meetings the Director was eligible to attend.

Column B – indicates the number of meetings attended.

The Program Committee, chaired by director Mr Michael Dwyer met twice during the year to support UNHCR projects and Australia for UNHCR's appeals by creating and facilitating opportunities for fundraising, promotion and public awareness activities which includes the annual World Refugee Day event.

Company Secretary

The Company Secretaries, at any time during or since the end of the financial year, are:

	Qualifications, Experience & Occupation	Company Secretary since
Ms Naomi Steer	BA (Hons), LLB UNSW MSc University of Leicester National Director	March 2017
Ms Tricia Keys	BOptom(Hons), MPH, GCertEval Head of Governance and Operations	December 2019

Principal Activities

The principal activity of the Company during the financial year was to raise funds from the private sector to support UNHCR's international humanitarian operations.

Short-term and Long-term Objectives

The Company's short term objectives are to:

- Continue growth of both the donor base and sustainable income;
- Maximise return on expenditure and lifetime value from existing channels and develop new channels;
- Enhance the Company's visibility, public awareness and advocacy about UNHCR's humanitarian work;
- Build greater support across women's sector for refugee women and girls; and
- Enhance staff engagement.

The Company's long term objectives are to:

- Embed a donor centric, innovative and evidence based focus in the Company operations;
- Promote donor experience to increase donor loyalty and value;
- Be recognised as an authoritative voice within Australia on international humanitarian issues;
- Create links between the Australian community and refugees locally and globally; and
- Embed a strong and positive workplace culture where staff are committed and engaged in achieving the objectives of the Company.

Directors' report (continued)

Strategies

To achieve its stated objectives the Company has adopted the following strategies:

- Develop sustainable and diversified income by promoting retention and long term value of donors, developing innovative products and looking for new sources of income;
- Invest in business intelligence and big data for evidence based insights;
- Invest in potential growth areas by creating new positions for bequests, corporate partnerships and major donors;
- Undertake payment transformation project to improve donor experience; and
- Increase the brand awareness and advocacy of the Company's work through leveraging events such as World Refugee Day, donor engagement events, publications and social media.

Key Performance Measures

The Company measures its own performance through the use of both quantitative and qualitative measures that are compared against benchmarks set annually.

	2020		2019	
	Actual	Budget	Actual	Budget
Fundraising income (000's)	\$32,981	\$32,086	\$31,474	\$33,999
National Growth Fund (000's)	\$6,434	\$5,433	\$7,292	\$8,714
New regular donors	8,835	10,836	13,536	17,405
New cash donors	15,478	12,784	11,234	16,935
Total donors	72,975	77,982	71,170	78,182
Transfer to UNHCR as a percentage of fundraising income	73.1%	72.0%	73.0%	75.0%

Review and result of operations

The operating surplus amounted to \$632,344 (2019 surplus: \$347,859). The current funds available for future use amount to \$4.1 million. Of this amount, \$2.5 million is in Reserves. Having taken into consideration the Company's requirements and reviewing the sufficiency of the Reserves, the Reserves remains unchanged at \$2.5 million.

OVERVIEW

In 2020, Australia for UNHCR raised \$33.0 million (2019: \$31.5 million) from the private sector. Despite the onset of COVID-19, this was a 4.8% increase on 2019 income as donors responded to several emergency appeals in 2020. The year also marked the organisation's 20th anniversary of raising funds and bringing awareness of refugees to the private sector, raising over \$325 million since its establishment in 2020.

In response to COVID-19's arrival in March 2020, the organisation developed its COVID-19 Business Sustainability and Growth Plan which helped the organisation re-prioritise its strategy focusing on increasing digital presence and donor retention. The safety and well-being of staff was paramount to the shift in strategy. Australia for UNHCR transitioned its workforce across Australia to work from home in late March. This was achievable due to the investments in technology and infrastructure that had previously been made. Senior Management also implemented a strong communications and engagement strategy to ensure the well-being, morale and productivity of the team.

Following the onset of COVID-19, the Australian Government initiated numerous stimulus packages to support businesses and not-for-profits. Australia for UNHCR welcomed the Federal Government's financial assistance of \$100,000 from the 'cash flow boost' initiative received by the organisation in 2020. Due to the Company surpassing the turnover test of the Federal Government's JobKeeper initiative, Australia for UNHCR was ineligible for the wage subsidy.

During the year, highlights of the Company's fundraising activities included:

- Responding to four emergency appeals: North East Syria Emergency Appeal, COVID-19, the Lebanon Emergency and Ethiopia Emergency. Responses to these four varied themed appeals were strongest amongst

Directors' report (continued)

the organisation's existing and newly acquired donors, with the COVID-19 appeal raising \$2.8 million and the Lebanon Emergency raising \$1.1 million. Both resonated strongly with donors;

- Growing Private Partnerships and Philanthropy to exceed 2020 target and increase year-on-year;
- Growing engagement with digital acquisition and retention;
- Prioritising donor retention strategy. As a result of new initiatives, regular giving donation cancellations and attrition were minimised;
- Launching a new initiative Leading Women Fund aimed at new audiences - engaging leading influential female donors and supporters;
- Launching a digital campaign in New Zealand to test the response to the COVID-19 activity; and
- Launching a new donor briefing and supporter engagement outreach product- the 'Frontline Club' featuring webinars with leading humanitarians, journalists, prominent Australians and UNHCR staff.

In addition to supporting the four emergencies in 2020, the Company also raised funds to support UNHCR projects such as:

- Water, sanitation and hygiene project in Ethiopian schools;
- Programs to address sexual and gender based violence and support maternal health in Democratic Republic of Congo;
- A livelihood project making face masks in Bangladesh, providing personal protective equipment to the most vulnerable during COVID-19;
- Ugandan women's keyring livelihood project which commenced in 2014. The Company purchases handmade keyrings which are given to donors as part of Australia for UNHCR's retention project; and
- Expansion of Ugandan women's livelihood project. The new craft group were engaged to produce face masks for a corporate supporter.

The Company's donor acquisition programs have been assisted by funding support (National Growth Fund) from UNHCR and further expansion is reliant on this support continuing.

MEDIA AND PUBLIC AWARENESS ACTIVITIES

Australia for UNHCR continued its public awareness and education activities with the support of its Board, staff, and Special Representatives and Ambassadors through digital platforms. Proactive communication and the work of the public affairs team amplified the organisation's voice with new initiatives and kept supporters connected and engaged:

- Connecting supporters to action through virtual events;
- Targeted media campaign opportunities through the launch of Cause Related Marketing (CRM) with Corporate partner Canva, Leading Women's Fund with Australia for UNHCR's Leading Women's Fund Ambassador Janine Allis and Ramadan campaign with Peter Gould (Australia for UNHCR's Islamic Philanthropy Ambassador); and
- Strong and growing social media engagement.

Attended by over 750 attendees, the Company held its first virtual World Refugee Day event - featuring UNHCR Goodwill Ambassador Cate Blanchett and Australia for UNHCR Special Representative Marta Dusseldorp with local refugee advocate and refugee community leader Mayor Chagai. The online event meant participants could join from any location, national and international. During the week-long media campaign, representatives from Australia for UNHCR, together with UNHCR field workers and refugee advocates delivered high profile coverage of the day.

In addition to the virtual World Refugee Day event, Australia for UNHCR launched its 'Frontline Club', a webinar briefing event discussing the impacts of refugee situations. By engaging UNHCR field leaders in Lebanon, DRC, Jordan and Yemen, the events gave supporters first-hand contact with staff on the ground. Supporter attendance was high with over 4,000 registrations.

The Company continued its regular communications to existing donors, supporters and other interested bodies and individuals. It also used social media, email newsletters and e-alerts to keep supporters informed and up-to-date about the Company's activities and areas of support.

Directors' report (continued)

KEY PEOPLE, STAFF AND OPERATIONS

The Company continued its focus on staff engagement and acknowledged its importance during the pandemic. Various staff engagement activities were undertaken virtually including regular all staff meetings, celebrating the Company's 20th anniversary and staff surveys to check-in on staff well-being.

During 2020, the Company continued its participation in the Emergency Action Alliance, a working group partnering with other key international aid agencies to develop a sector wide joint funding mechanism, which aims to broaden and mobilise Australian financial support for large scale crises and to allocate funds in order to maximise impact. In addition, Australia for UNHCR continues to be an observer on the Australian Council for International Development (ACFID) Humanitarian Reference Group which provides a mechanism for Australian agencies working in emergency relief and humanitarian assistance to share information, strengthen coordination, and engage in policy dialogue and advocacy.

Deductible Gift Recipient Status

The Company was granted 'indefinite' DGR status in June 2013.

Dividends

The Company is prohibited from paying dividends by its Constitution.

Partnership with UNHCR

The Company continues its partnership with UNHCR through a five-year Recognition Agreement (executed on 1 January 2017 and valid for five years). The Agreement sets out the general terms of the partnership:

- UNHCR supports the Company in its fundraising and awareness raising activities in Australia;
- The Company is UNHCR's principal partner to raise funds from the private sector in Australia; and
- UNHCR may provide financial contributions for fundraising activities to the Company. Such contributions to be agreed upon in an Annual Partnership Agreement and Project Funding Agreement.

Locally, the Company continues to collaborate closely with our Multi Country Office (MCO) colleagues in Canberra. Activities included joint appearance at events, shared contributions in UNHCR Global Trends report and briefings at Australia for UNHCR Board meetings. Australia for UNHCR senior management and the MCO Representative and colleagues held a joint off site meeting to learn more about each other's work, foster relationships and explore new ways to further collaborate and support each other.

Australia for UNHCR values its colleagues from UNHCR, and appreciates the collaboration to assist the Company in its efforts to raise awareness and funds for the work of UNHCR in Australia. During 2020, Australia for UNHCR worked closely with UNHCR on various projects and collaborated with the Deputy High Commissioner, UNHCR Jordan office, UNHCR DRC and Yemen plus many others for virtual donor briefing events.

The Company continued to build an effective working relationship with UNHCR, participating in and leading a number of projects coordinated by UNHCR's Private Sector Partnerships unit focused on implementing best practice fundraising and awareness raising. A key part of the relationship includes the National Director chairing the National Partnership Standing Group (NAPs) Council and co-chairing the UNHCR Global Partnership Council. This year, Australia for UNHCR's Strategic Development Director continued to lead UNHCR's Global Supporter Experience working group developing supporter engagement framework globally which has been identified as a key driver of UNHCR's strategy. Australia for UNHCR is also an active participant in UNHCR's new Data Strategy Project which aims to enable global and local data driven decisions and help deploy resources to optimise fundraising activities and supporter engagement.

As the Chair of the National Partnership Standing Group (NAPs) Council, the National Director was invited to represent National Partners as an Observer at the High Commissioner's informal briefing to Excom in April. During 2020, the UNHCR Partnership Council biannual meetings co-chaired by the National Director was held in June and December, to discuss:

- Strategic issues relevant to the partnership including ongoing engagement and alignment between NAPs and UNHCR;

Directors' report (continued)

- Collaboration on opportunities generated by COVID-19 by continuing to engage with the private sector and mobilise resources in support of refugees; and
- To develop a joint, long term vision of the partnership with UNHCR.

Australia for UNHCR's Chair participated in the Global Partnership Council Chairs meeting online in June.

Governance

Australia for UNHCR submitted its annual Exceptions Report of the Code of Conduct to Australian Council for International Development (ACFID) – the peak-body for Australian international development NGOs. The aim of the submission is to demonstrate the Company's compliance with the ACFID Code of Conduct which was confirmed by ACFID following the report's submission.

Technology projects

The Company successfully completed the implementation of its data warehouse project to develop a data repository in 2019. In 2020, the project delivered real-time dashboard reporting and analysis, and supported the Company's strategy to be a data-led organisation. The Company continued to refine the data warehouse and developed an array of new analysis reports and dashboards including regular and frequent reporting of donor sentiment and retention behaviours.

The payments transformation project continued to be rolled-out in 2020 with the objective to streamline and manage the organisation's various payments processes through a middleware adapter. The project will improve supporter experience and ensure greater choice in payment methods and generate additional revenue. It is anticipated that the project will be completed by April 2021.

Australia for UNHCR has continued to invest in technology and keep processes and practices up to date to enhance fundraising efforts and business operations. Investments made will provide a robust foundation to ensure continued and improved IT services for all current business processes and allows a platform for future growth.

Facilities

The Company has its head office in Sydney and also operated in Melbourne, Brisbane and Adelaide during the year.

State of affairs

In the opinion of the directors there were no significant changes in the state of affairs of the Company that occurred during the financial year under review.

Events subsequent to balance date

The ongoing impact of the COVID-19 pandemic on the public fundraising environment and economy is uncertain. The disruption to the economy and business cannot be determined at this time.

Except for COVID-19, the impacts of which on the business cannot be determined at this time, there has been no matter or circumstance, which has arisen since 31 December 2020 which has significantly affected or which may significantly affect:

- a) The operations, in financial years subsequent to 31 December 2020,
- b) The results of those operations, or
- c) State of affairs, in financial years subsequent to 31 December 2020.

The Company has also entered into the 2021 Annual Partnership Agreement and Project Funding Agreement with UNHCR. The agreements confirm the financial contributions from UNHCR for fundraising activities for the year.

Directors' report (continued)

Likely developments

The Company will continue to focus on acquiring new donors, improving its communications and services to existing donors, enhancing online capacity and delivery, and supporting UNHCR through increased financial support and the provision of fundraising expertise.

Directors' benefits

No director receives any remuneration for services provided to the Company. Further details are set out in Note 16 to the financial statements.

Indemnification and insurance of officers

INDEMNIFICATION

The Company has agreed to indemnify the current directors of the Company and former directors against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as directors of the Company, except where the liability arises out of conduct involving lack of good faith.

INSURANCE PREMIUMS

During the financial year the Company has paid insurance premiums on behalf of the Company in respect of directors' and officers' liability and legal expenses for current and former directors and officers.

Directors have not included details of the nature of the liabilities covered or the amount of the premium paid as such disclosure is prohibited under the terms of the contract.

Proceedings on behalf of the Company

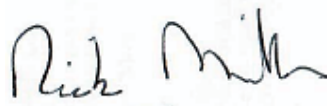
No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceeding to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under *the Australian Charities and Not-for-profits Commission Act 2012* is set out on page 8.

Signed in accordance with a resolution of the Directors:



Mr Michael Dwyer AM
Director

Mr Rick Millen
Director

Dated at Sydney this 29 March 2021

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201 Sussex Street
Sydney NSW 2000

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Sydney NSW 2001

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e. sydneypartners@pitcher.com.au

**Auditor's Independence Declaration
To the Directors of Australia for UNHCR
ABN 35 092 843 322**

I declare that to the best of my knowledge and belief, during the year ended 31 December 2020 there have been no contraventions of:

- i. the auditor's independence requirements as set out in the *Australian Charities and Not-for-Profits Commission Act 2012* in relation to the audit; and
- ii. APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Australia for UNHCR during the year.



C I Chandran
Partner

Pitcher Partners
Sydney

29 March 2021

Statement of Comprehensive Income

For the year ended 31 December 2020

	Note	2020 \$	2019 \$
Revenue			
Donations and gifts - monetary		32,439,705	30,861,329
Grants			
- Overseas UNHCR		6,434,538	7,292,838
Bequest and legacy income		144,700	306,195
Investment income - interest		45,334	136,535
Other income		497,209	307,303
Total revenue		39,561,486	38,904,200
Expenses			
International aid and development programs expenditure:			
International programs:			
Funds to international programs paid		19,185,378	17,324,500
Funds to international programs accrued		4,933,257	5,640,899
Community education		618,567	497,603
Fundraising costs:			
Funded by UNHCR		6,434,538	7,292,838
Public		3,517,406	3,421,214
Accountability and administration		4,239,997	4,379,287
Total expenses		38,929,142	38,556,341
Excess of revenue over expenses	2	632,344	347,859
Other comprehensive income		-	-
Total comprehensive income		632,344	347,859

For the year ended 31 December 2020, there were no amounts earned or incurred by Australia for UNHCR for the following categories: non-monetary donations and gifts, other Australian grants, revenue from international political or religious adherence promotional programs, international program support costs, non-monetary expenditure, international political or religious adherence promotion programs expenditure and domestic programs expenditure.

The Statement of Comprehensive Income is to be read in conjunction with the notes to the financial statements set out on pages 13 to 25.

Statement of Financial Position

As at 31 December 2020

	Note	2020 \$	2019 \$
Current assets			
Cash and cash equivalents	3	3,321,921	2,369,979
Financial assets – term deposits	4	5,649,704	6,715,436
Receivables	5	1,423,418	235,510
Prepayments		295,598	329,830
Total current assets		10,690,641	9,650,755
Non-current assets			
Plant and equipment	6	237,455	333,534
Intangible assets	7	131,262	235,105
Right-of-use asset	8	376,817	757,233
Financial assets - security deposits	4	343,294	343,294
Total non-current assets		1,088,828	1,669,166
Total assets		11,779,469	11,319,921
Current liabilities			
Payables	9	6,585,405	6,509,873
Lease liabilities	10	372,158	411,550
Provisions	11	539,593	407,253
Total current liabilities		7,497,156	7,328,676
Non-current liabilities			
Lease liabilities	10	59,071	420,077
Provisions	11	82,249	62,519
Total non-current liabilities		141,320	482,596
Total liabilities		7,638,476	7,811,272
Net assets		4,140,993	3,508,649
Members' funds			
Retained surplus		1,590,993	958,649
Reserves		2,550,000	2,550,000
Total members' funds		4,140,993	3,508,649

At the end of the financial year, Australia for UNHCR had no balances in the following categories: inventories, assets held for sale, investment property, other non-current assets, current and non-current borrowings, current tax liabilities, current and non-current financial liabilities, and current and non-current other liabilities.

The Statement of Financial Position is to be read in conjunction with the notes to the financial statements set out on pages 13 to 25.

Statement of Changes in Members' Funds

For the year ended 31 December 2020

	Reserves \$	Retained Surplus \$	Total \$
	(Note 1r)		
Funds available for future use at 1 January 2019	2,550,000	610,790	3,160,790
Shortfall of revenue over expenses for the year	-	347,859	347,859
Funds available for future use at 31 December 2019	2,550,000	958,649	3,508,649
Excess of revenue over expenses for the year	-	632,344	632,344
Funds available for future use at 31 December 2020	2,550,000	1,590,993	4,140,993

The Statement of Changes in Members' Funds is to be read in conjunction with the notes to the financial statements set out on pages 13 to 25.

Statement of Cash Flows

For the year ended 31 December 2020

	Note	2020 \$	2019 \$
Cash flows from operating activities			
Cash receipts of grant from UNHCR		5,196,369	6,959,383
Cash receipts of donations, gifts and bequests		32,584,405	31,167,524
Cash payments to suppliers and employees		(13,135,786)	(15,204,113)
Cash payments to UNHCR for overseas projects		(24,826,277)	(22,734,771)
Interest received		60,388	144,039
Other income		497,209	307,303
Finance costs paid		(42,444)	(63,721)
Net cash provided by operating activities	14	333,864	575,644
Cash flows from investing activities			
Payment for plant and equipment		(34,848)	(180,180)
Payment for intangible assets		-	(165,100)
Net movement in financial assets – term deposits		1,065,732	(4,003,409)
Net cash provided / (used) in investing activities		1,030,884	(4,348,689)
Cash flows from financing activities			
Repayment of lease liabilities		(412,806)	(343,922)
Net cash used in financing activities		(412,806)	(343,922)
Net increase / (decrease) in cash held		951,942	(4,116,967)
Cash at the beginning of the financial year		2,369,979	6,486,946
Cash at the end of the financial year	3	3,321,921	2,369,979

The Statement of Cash Flows is to be read in conjunction with the notes to the financial statements set out on pages 13 to 25.

Notes to the Financial Statements

For the year ended 31 December 2020

Note 1 Summary of significant accounting policies

Australia for UNHCR ("the Company") is a company limited by guarantee, incorporated and domiciled in Australia.

The financial statements were authorised for issue by the directors on 29 March 2021.

(a) Statement of compliance

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (AASBs) – Reduced Disclosure Requirements, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, *the Australian Charities and Not-for-profits Commission Act 2012*, *the Charitable Fundraising (NSW) Act 1991* and the *Australian Council for International Development Code of Conduct (Section 5)*. A statement of compliance with International Financial Reporting Standards cannot be made due to the organisation applying the not-for-profit sector specific requirements contained in the Australian Accounting Standards.

(b) Basis of preparation

The financial statements are presented in Australian dollars.

The financial statements are prepared on an accruals basis and are based on historical cost, modified, where applicable. They do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The accounting policies set out below have been applied consistently to all periods presented in the financial statements unless otherwise stated.

(c) Revenue recognition

DONATIONS AND FUNDRAISING

Australia for UNHCR is a non-profit organisation and receives a significant amount of funds from donations and appeals.

These amounts by their nature can only be recognised when received. They are banked into a separate bank account which consists only of money received as a result of fundraising in accordance with the *Charitable Fundraising Act (NSW) 1991*.

GRANT INCOME

The Company receives grants from UNHCR. Grant revenue that do not impose specific performance obligations on the Company are recognised as income when the Company obtains control of those funds which is usually on receipt. Where there are specific conditions attached to grant revenue, it is recognised in the Statement of Comprehensive Income as and when the Company satisfies its performance obligations. A contract liability is recognised for unspent grant funds for which a refund obligation exists in relation to the funding period.

INTEREST INCOME

Interest income is recognised when earned.

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

Note 1 Summary of significant accounting policies (continued)

(d) Classification of expenses

Expenses have been classified in accordance with the format specified in the ACFID Code of Conduct for Non-Government Development Organisation.

(e) Income tax

The Company has been endorsed as an exempt charitable body for income tax purposes within the provisions of section 50-50 of the *Income Tax Assessment Act 1997*. Accordingly, no income tax expense is required to be recognised.

The Company has been granted 'indefinite' Deductible Gift Recipient (DGR) status under section 30-80 of the *Income Tax Assessment Act 1997*.

(f) Financial instruments

RECOGNITION

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligation exist. Subsequent to initial recognition these instruments are measured as set out below.

FINANCIAL ASSETS AT AMORTISED COST

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Impairment of financial assets

The Company assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets are impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the expected credit loss allowance is recognised within other comprehensive income. In all other cases, the expected credit loss allowance is recognised in profit or loss.

(g) Impairment of assets valued on cost basis

The carrying amounts of all assets valued on the cost basis are reviewed at balance date to determine whether there is any indication of impairment. If any such condition exists, the asset is written down to its estimated recoverable amount. The write-down is recognised as an expense in the reporting period in which it occurs.

Note 1 Summary of significant accounting policies (continued)

In assessing recoverable amounts of non-current assets the relevant cash flows have not been discounted to their present value.

(h) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation or amortisation. These assets are depreciated using the straight-line method over their useful lives, taking into account their estimated residual values.

Assets are depreciated from the date of acquisition. Depreciation rates and methods are reviewed annually for appropriateness. Depreciation is expensed. The depreciation rates and methods used for each class of asset for the current year, is as follows:

	Depreciation rate	Depreciation method
Leasehold improvement	20%	Straight-line
Office equipment	20 – 40%	Straight-line
Furniture and fittings	10 – 30%	Straight-line

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(i) Intangibles

Intangibles relate to website costs and development of the data warehouse, and are stated at cost less accumulated amortisation and impairment losses. This asset is amortised using the straight-line method over its useful life. The website and data warehouse have estimated useful lives of four and five years respectively and are assessed annually for impairment.

(j) Employee benefits**WAGES, SALARIES AND ANNUAL LEAVE**

The provision for employees' entitlements to wages, salaries and annual leave expected to be settled within 12 months of the year-end represent present obligations resulting from employees' services provided to reporting date, calculated at undiscounted amounts based on remuneration wage and salary rates that the entity expects to pay as at reporting date including related on-costs.

PERSONAL LEAVE

Personal leave is not payable on termination of employment and therefore no liability has been recognised in the accounts.

LONG SERVICE LEAVE

A liability for long service leave is first recognised for an employee after five years of continuous service with the Company and is 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 Milliman's G100 Discount Rates with terms to maturity that match the expected timing of cash flows.

SUPERANNUATION PLAN

Contributions to employee superannuation funds are charged against expenses when incurred.

Note 1 Summary of significant accounting policies (continued)

(k) 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 the reporting date.

(l) Trade and Other Payables

Trade 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.

(m) Remittances to UNHCR

The Company remits a percentage of donations received to UNHCR in accordance with the Annual Partnership Agreement.

Contributions due to UNHCR under this agreement, and which have not been remitted at balance date, are calculated and accrued as a liability.

(n) Cash and cash equivalents

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank. Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position.

(o) Goods and Services Tax

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 Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of the asset or as part of the expense.

Receivables and payables are stated with GST included.

The net amount of GST recoverable from the ATO is included as a current asset in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(p) Comparatives

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

(q) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is considered to contain a lease if it allows the Company the right to control the use of an identified asset over a period of time in return for consideration.

Where a contract or arrangement contains a lease, the Company recognizes a right-of-use asset and a lease liability at the commencement date of the lease.

A right-of-use asset is initially measured at cost, which is the present value of future lease payments adjusted for any lease payments made at or before the commencement date, plus any make-good obligations and initial direct costs incurred. Lease assets are depreciated using the straight-line method over the shorter of their useful

Note 1 Summary of significant accounting policies (continued)

life and the lease term. Periodic adjustments are made for any re-measurements of the lease liabilities and for impairment losses.

Lease liabilities are initially measured at the present value of future minimum lease payments, discounted using the Company's incremental borrowing rate if the rate implicit in the lease cannot be readily determined, and are subsequently measured at amortised cost using the effective interest rate. Minimum lease payments include fixed payments, amounts expected to be paid under a residual value guarantee, the exercise price of purchase options for which the Company is reasonably certain to exercise and incorporate the Company's expectations of lease extension options.

The lease liability is remeasured when there are changes in future lease payments arising from a change in rates, index or lease terms from exercising an extension or termination option. A corresponding adjustment is made to the carrying amount of the lease assets.

Short term leases (lease term of 12 months or less) and leases of low value assets (\$10,000 or less) are recognised as incurred as an expense in the Statement of Comprehensive Income.

(r) Reserves

The Reserves Policy of the Company specifies that the Reserve amount cannot exceed four months of the current year's running costs. The policy seeks to provide sufficient funds to cover expenses in the event the Company is wound down.

(s) New or amended Accounting Standards and Interpretations adopted

ADOPTION OF NEW AND REVISED AUSTRALIAN ACCOUNTING STANDARDS

No accounting standard has been adopted earlier than the application date as stated in the standard. No new accounting standards, amendments to standards and interpretations issued, that are applicable in the current period, have had a material effect on the Company.

(t) Critical accounting estimates and judgements

The Directors evaluate estimates and judgement incorporated into the financial report based on historical 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.

IMPAIRMENT

The Directors assess impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates. There is no impairment for the year ended 31 December 2020.

ALLOWANCE FOR EXPECTED CREDIT LOSS

The Directors believe that the full amount of receivables is recoverable and no allowance for expected credit loss of receivables has been made at 31 December 2020.

INCREMENTAL BORROWING RATE

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Note 2	Excess of revenue over expense	2020	2019
		\$	\$
Excess of revenue over expenses has been arrived at after charging the following items:			
	Depreciation and amortisation of plant and equipment and intangibles	234,770	196,068
	Amortisation of right-of-use assets	392,824	363,593
	Payments for short term and low value asset leases	16,853	26,641
	Interest expense on lease liabilities	42,444	63,721
	Employee benefits expense (salaries & super)	6,222,782	6,762,026

Note 3	Cash and cash equivalents	2020	2019
		\$	\$
	Cash and bank balances	3,321,611	2,369,669
	Cash on hand	310	310
		3,321,921	2,369,979

The weighted average interest rate on interest bearing bank accounts for 2020 was 0.1% (2019: 0.06%).

Note 4	Financial assets	2020	2019
		\$	\$
	Current financial asset - term deposits	5,649,704	6,715,436
	Non-current financial asset - security deposit	343,294	343,294

The weighted average interest rate at 31 December 2020 on the term deposits was 0.3% (2019: 1.5%).

The term deposit amounting to \$343,294 was not available for use by the Company at reporting date due to those funds being used as security for a rental guarantee. This term deposit will mature on 30 May 2021. All term deposits will mature in less than one year.

Note 5	Receivables	2020	2019
		\$	\$
	Trade and other receivables	7,606	43,506
	Overseas grant receivable, UNHCR, Geneva	1,120,666	-
	Net GST receivable	295,146	192,004
		1,423,418	235,510

Receivables are non-interest bearing and are unsecured with payment terms of 14 days.

Note 6	Plant and equipment			Total
	Leasehold Improvements	Office equipment	Furniture and fittings	\$
	\$	\$	\$	\$
At 31 December 2020				
	209,246	547,520	176,795	933,561
	(161,608)	(407,196)	(127,302)	(696,106)
	47,638	140,324	49,493	237,455
At 31 December 2019				
	209,246	512,673	176,795	898,714
	(119,759)	(349,683)	(95,738)	(565,180)
	89,487	162,990	81,057	333,534

Note 6 Plant and equipment (continued)

	Leasehold Improvements \$	Office equipment \$	Furniture and fittings \$	Total \$
Year ended 31 December 2020				
Opening net book amount	89,487	162,990	81,057	333,534
Additions at cost	-	34,847	-	34,847
Depreciation expense	(41,849)	(57,513)	(31,564)	(130,926)
Closing net book amount	47,638	140,324	49,493	237,455
Year ended 31 December 2019				
Opening net book amount	131,337	57,553	87,593	276,483
Additions at cost	-	155,848	24,332	180,180
Depreciation expense	(41,850)	(50,411)	(30,868)	(123,129)
Closing net book amount	89,487	162,990	81,057	333,534

Note 7 Intangible assets

	Website \$	Data warehouse \$	Total \$
At 31 December 2020			
Cost	221,718	175,100	396,818
Accumulated amortisation	(213,026)	(52,530)	(265,556)
Net book amount	8,692	122,570	131,262
At 31 December 2019			
Cost	221,718	175,100	396,818
Accumulated amortisation	(144,203)	(17,510)	(161,713)
Net book amount	77,515	157,590	235,105
Year ended 31 December 2020			
Opening net book amount	77,515	157,590	235,105
Amortisation expense	(68,823)	(35,020)	(103,843)
Closing net book amount	8,692	122,570	131,262
Year ended 31 December 2019			
Opening net book amount	132,944	10,000	142,944
Additions at cost	-	165,100	165,100
Amortisation expense	(55,429)	(17,510)	(72,939)
Closing net book amount	77,515	157,590	235,105

Note 8 Right-of-use assets

	Office premises \$	Office equipment \$	Total \$
At 31 December 2020			
Cost	1,033,158	100,076	1,133,234
Accumulated amortisation	(727,734)	(28,683)	(756,417)
Net book amount	305,424	71,393	376,817
At 31 December 2019			
Cost	1,020,750	100,076	1,120,826
Accumulated amortisation	(354,925)	(8,668)	(363,593)
Net book amount	665,825	91,408	757,233
Year ended 31 December 2020			
Opening net book amount	665,825	91,408	757,233
Additions at cost	12,408	-	12,408
Amortisation charge	(372,809)	(20,015)	(392,824)
Closing net book amount	305,424	71,393	376,817

Note 8 Right of use assets (continued)

	Office premises \$	Office equipment \$	Total \$
Year ended 31 December 2019			
Opening net book amount	-	-	-
Additions at cost	1,020,750	100,076	1,120,826
Amortisation charge	(354,925)	(8,668)	(363,593)
Closing net book amount	665,825	91,408	757,233

The Company leases premises for its offices under agreements up to five years, in one case with an option to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated. The Company also leases office equipment under agreements of five years.

The Company also leases other premises for its offices under agreements with the remaining term of the leases being less than 12 months. These leases are short-term and low-value, so have been expensed as incurred and not capitalised as right-of-use assets.

Note 9 Payables

	2020 \$	2019 \$
Trade creditors and accruals	1,609,126	629,285
Credit cards	20,692	70,144
Accrued distributions to UNHCR, Geneva	4,933,257	5,640,899
Contract liabilities – unspent grant	22,330	169,545
	6,585,405	6,509,873

Trade creditors are non-interest bearing and are unsecured with payment terms of 14 to 30 days. Credit cards pertain to the credit facility disclosed in Note 15. They are paid on time and did not incur interest.

Note 10 Lease liabilities

	2020 \$	2019 \$
Current		
Office lease	353,007	393,685
Office equipment	19,151	17,865
	372,158	411,550
Non-current		
Office lease	3,385	345,240
Office equipment	55,686	74,837
	59,071	420,077
Total Lease liabilities	431,229	831,627

Note 11 Provisions

	2020 \$	2019 \$
Current		
Employee benefits	539,593	407,253
	539,593	407,253
Non-current		
Employee benefits	63,249	43,519
Others	19,000	19,000
	82,249	62,519
Total Provisions	621,842	469,772

The total number of employees at the end of the year is 101 (2019: 119).

Note 12 Auditor's remuneration

	2020	2019
	\$	\$
Audit of the financial statements	16,200	15,600

Note 13 Additional note disclosures required under the *Charitable Fundraising (NSW) Act 1991*

Fundraising appeals conducted during the financial year included mail appeals, telephone appeals, and various other fundraising projects and receipt of indirectly solicited donations.

In accordance with Section 20 of the *Charitable Fundraising (NSW) Act 1991*, monies received in the course of fundraising appeals are applied according to the objects or purposes of the appeal net of proper and appropriate expenses.

DIRECT FUNDRAISING COSTS AND UNHCR GRANT

The organisation receives a grant from UNHCR for costs associated with the development of its fundraising programs. Certain fundraising programs are only undertaken on the basis that grant funds will be received from the UNHCR to subsidise their costs. Refer to Note 16 for details of transfer to UNHCR.

Of the total proceeds collected from fundraising appeals \$24,118,635 or 73.1% (2019: \$22,965,399 or 73.0%) was distributed in relation to programs according to the objects and purposes of the appeal.

Information on material matters

	2020	2019
	\$	\$
(A) Results of Fundraising Appeals		
Gross proceeds from fundraising appeals	32,584,405	31,167,524
Less: Direct fundraising costs	(9,951,944)	(10,714,052)
Net surplus obtained from fundraising appeals	22,632,461	20,453,472
UNHCR grant to subsidise direct fundraising costs	6,434,538	7,292,838
Other income	542,544	443,838
Total revenue net of direct fundraising costs	29,609,543	28,190,148
(B) Application of Net Surplus Obtained from Fundraising Appeals		
Amounts disbursed and disburseable in relation to programs	24,737,202	23,463,002
Administration expenses	4,239,997	4,379,287
Transfers to/(from) reserves and retained surplus	632,344	347,859
	29,609,543	28,190,148
(C) Comparison of Certain Monetary Figures and Percentages (Excluding Impact of UNHCR Grant)		
Total cost of fundraising over gross income from fundraising	31%	34%
Net surplus from fundraising over gross income from fundraising	69%	66%
Total cost of programs funded over total expenditure	64%	61%
Total cost of programs funded over total income	63%	60%
(D) Comparison of Certain Monetary Figures and Percentages (Including Impact of UNHCR Grant)		
Total cost of fundraising (public) over gross income from fundraising	11%	11%
Total cost of programs funded over total expenditure (excluding subsidised)	76%	75%
Total cost of programs funded over total income (excluding grant subsidy)	75%	74%
(E) Details of Gross Income and Aggregate Expenses of Appeals Conducted Jointly With Traders		
Gross income received from fundraising appeals conducted with traders	1,054,333	1,489,227
Total expenditure incurred	(1,823,354)	(2,533,786)
Application of UNHCR grant	1,384,234	1,473,145
Gross contribution	615,213	428,586

Note 14 Commitments	2020	2019
	\$	\$
Non-cancellable rental arrangements not provided for in the financial statements and payable:		
Not longer than one year	4,831	12,271
Longer than one year but not longer than five years	-	-
	4,831	12,271

Note 15 Reconciliation of non-distributed funds to net cash used on operating activities	2020	2019
	\$	\$
Excess of revenue over disbursements	632,344	347,859
Add non cash items:	-	
- Depreciation and amortisation	627,594	559,661
Net cash (used)/provided by operating activities before change in assets and	1,259,938	907,520
Change in assets and liabilities:		
- (Increase)/decrease in receivables	(1,187,908)	83,314
- (Increase)/decrease in prepayments	34,232	(143,854)
- (Decrease)/increase in payables	75,532	(179,878)
- (Decrease)/increase in current provisions	132,340	(77,601)
- (Decrease)/increase in non-current provisions	19,730	(13,857)
Net cash inflow from operating activities	333,864	575,644

CREDIT STANDBY ARRANGEMENTS WITH BANKS

	2020	2019
Credit facility	20,000	20,000
Amount utilised	(1,596)	(8,830)
	18,404	11,170

Note 16 Related party disclosures

KEY MANAGEMENT PERSONNEL

Key management personnel of Australia for UNHCR include the Directors and Senior Executives, being the National Director and the Deputy Director.

DIRECTORS

The names of each person holding the position of director of Australia for UNHCR during the financial year are Messrs M Dwyer, J Boulton, R Millen, Ms K Dundas, Ms Z Ghani, Ms L Dang and Prof P Shergold.

The Company's constitution prevents any director receiving any remuneration for his or her services as a director or member.

No director has entered into a material contract with the Company during the period and there were no material contracts involving directors' interests subsisting at period end. For a list of directors and their appointment dates refer to the Directors' Report.

SENIOR EXECUTIVES

Details of remuneration of Senior Executives, including compulsory superannuation contributions and non-cash benefits (salary packaged items), are set out below:

	Salary and fees \$	Super- annuation \$	Non-cash Benefits \$	Total \$
2020 total compensation	486,598	41,185	34,912	562,695
2019 total compensation	503,224	41,786	45,266	590,276

RELATED PARTY TRANSACTIONS

The Company's operations are subject to performance in accordance with agreements with UNHCR. Under those agreements, funds raised by Australia for UNHCR are remitted to UNHCR. Certain amounts are used to meet the Company's costs prior to remittance to UNHCR in accordance with the agreements with UNHCR.

Total contributions from income raised in 2020 remitted to UNHCR during the year amounted to \$19,185,378 (2019: \$17,324,500). The aggregate amounts payable to UNHCR at balance date were \$4,933,257 (2019: \$5,640,899).

During the year UNHCR remitted cash grants totalling \$6,434,538 (2019: \$7,462,383) to Australia for UNHCR for costs associated with fundraising growth programs. Of the 2020 grant received, \$22,330 was not expended by 31 December. The unspent grant will be returned to UNHCR and is accounted for as a current liability (note 9).

Note 17 Financial risk management

FINANCIAL RISK MANAGEMENT POLICIES

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, accounts receivable and payable. The Company does not have any derivative instruments at 31 December 2020.

(a) Treasury risk exposure

The Finance Committee meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

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

(b) Financial risk exposures and management

The main risks the Company is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

i. Interest rate risk

The Company is subject to normal commercial interest rate fluctuations on its bank accounts and term deposits. Cash and cash equivalent balances totalling \$3,321,921 (2019: \$2,369,979) are subject to floating interest rates. The weighted average interest rate for the year was 0.01% (2016: 0.06%). Term deposits balances totalling \$5,992,998 (2019: \$7,058,730) are subject to various interest rates. The weighted average interest rate for the year was 0.3% (2019: 1.6%)

ii. Foreign currency risk

In 2020 the grant income from UNHCR was agreed in Australian dollars eliminating foreign currency risk.

The Company will continue to encourage future grant income agreements with UNHCR to be stated in Australian dollars to reduce foreign currency risk.

iii. Liquidity risk

The Company manages liquidity risk by monitoring forecast cash flows and cash in excess of liability requirements are invested in higher interest yielding bank accounts or term deposits.

iv. Credit risk

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the Statement of Financial Position. Credit risk on financial assets is minimized by dealing with recognised financial institutions and parties with acceptable credit ratings.

The Company does not have any material credit risk exposure to any single receivable or group of receivables under financial arrangements entered into by the Company.

v. Credit risk exposure

Credit risk on financial assets is minimised by dealing with recognised financial institutions and parties with acceptable credit ratings.

vi. Price risk

The Company is not exposed to any material commodity price risk.

Note 18 Members' liability

Australia for UNHCR is a company limited by guarantee and was incorporated on 4 July 2000. In the event of the Company being wound up, each member of the Company undertakes to contribute an amount up to \$20. Directors are the members of the Company at 31 December 2020.

Note 19 Events subsequent to reporting period

The ongoing impact of the COVID-19 pandemic on the public fundraising environment and economy is uncertain. The disruption to the economy and business cannot be determined at this time.

Except for COVID-19, the impacts of which on the business cannot be determined at this time, there has been no matter or circumstance, which has arisen since 31 December 2020 which has significantly affected or which may significantly affect:

- a) The operations, in financial years subsequent to 31 December 2020,
- b) The results of those operations, or
- c) State of affairs, in financial years subsequent to 31 December 2020.

The Company has also entered into the 2021 Annual Partnership Agreement and Project Funding Agreement with UNHCR. The agreements confirm the financial contributions from UNHCR for fundraising activities for the year.

Note 20 Economic dependency

During the year ended 31 December 2020 the Company was entitled to a grant of \$6,434,538 (2019: \$7,292,838) from UNHCR and is dependent on this entity for financial support in respect of developing its fundraising activities and donor acquisition, and special projects as assigned by UNHCR. A similar arrangement has been agreed for 2020 through the Annual Partnership Agreement and Project Funding Agreement.

Note 21 Contingent liabilities

No contingent liabilities to report for 2020 (2019: \$ nil).

Note 22 Company details

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


Australia for UNHCR
Level 8
120 Sussex Street
Sydney NSW 2000

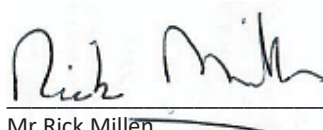
DIRECTORS' DECLARATION

In the opinion of the directors of Australia for UNHCR ("the Company"):

1. the financial statements and notes, set out on pages 9 to 25, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (a) giving a true and fair view of the financial position of the Company as at 31 December 2020 and of its performance, as represented by the results of its operations and its cash flows for the year ended on that date; and
 - (b) complying with Australian Accounting Standards, the Accounting Interpretations and the *Australian Charities and Not-for-profits Commission Act 2012*; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
3. the Statement of Comprehensive Income gives a true and fair view of all income and expenditure of the Company with respect to fundraising appeals;
4. the Statement of Financial Position gives a true and fair view of the state of affairs of the Company with respect to fundraising appeals;
5. the provisions of the *Charitable Fundraising Act (NSW) 1991* and the *NSW Charitable Fundraising Regulations 2015* and the conditions attached to the fundraising authority have been complied with by the Company;
6. the requirements of the Australian Council for International Development Code of Conduct have been complied with by the Company; and
7. the internal controls exercised by the Company are appropriate and effective in accounting for all income received and applied by the Company from any of its fundraising appeals.

This declaration is made in accordance with a resolution of the directors and is signed for and on behalf of the directors:


Mr Michael Dwyer AM
Director


Mr Rick Millen
Director

Dated at Sydney this 29 March 2021

**Independent Auditor's Report
To the Directors of Australia for UNHCR
ABN 35 092 843 322****Report on the Audit of the Financial Report**

We have audited the financial report of Australia for UNHCR ("the Company"), which comprises the statement of financial position as at 31 December 2020, the statement of comprehensive income, statement of changes in members' funds 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.

Opinion

In our opinion:

- a) The financial report of the Company has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* ("ACNC Act"), including:
 - i) giving a true and fair view of the Company's financial position as at 31 December 2020 and of its financial performance for the year then ended; and
 - ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations) and Division 60 of the ACNC Act; and
 - iii) complying with the Australian Council for International Development (ACFID) Code of Conduct.
- b) The accounting and associated records have been properly kept during the year in accordance with the *Charitable Fundraising Act (NSW) 1991* and the *NSW Charitable Fundraising Regulation 2015*.
- c) Money received as a result of fundraising appeals conducted during the year has been properly accounted for and applied in accordance with the *Charitable Fundraising Act (NSW) 1991* and the *NSW Charitable Fundraising Regulation 2015*.

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 ACNC Act and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* ("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 Company's directors report for the year ended 31 December 2020, 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 Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations) and the ACNC Act, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, 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 directors either intends to liquidate the Company or to cease operations, or has 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 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 the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of the directors' 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 Company'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 report or, 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 Company 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



C I Chandran
Partner



Pitcher Partners
Sydney

29 March 2021