

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

ABN: 90 153 747 954

**Financial Report
for the year ended 30 June 2019**

**The Australia Foundation in Support of Human Rights Watch
Limited**

ABN: 90 153 747 954

Financial Report for the year ended 30 June 2019

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

DIRECTORS' REPORT

Your directors present this report on the company for the financial year ended 30 June 2019.

Directors

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

Dinah Pokempner (appointed 14th October 2011)
Laura Thomas (appointed 14th October 2011)
Penelope Gerstle (appointed 29th May 2018)

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

Operating Results

The net profit of the Company for the year ended 30 June 2019 was \$347,854 (net profit for 2018: \$1,123,551). In the opinion of the directors, the operating result of the Company for the year ended 30 June 2019 was not affected by any item, transaction or event of a material or unusual nature.

Principal Activities

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

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

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

Significant Changes in State of Affairs

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

Events after the Reporting Period

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

Dividends Paid or Recommended

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

Options

No options were granted during the year ended 30 June 2019.

Environmental Reporting

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

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

DIRECTORS' REPORT

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2019 has been received and can be found on page 3 of the financial report.

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



Penelope Gerstle
Director

Dated this 23rd day of October 2019

RSM Australia Pty Ltd

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AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, and as lead auditor for the audit of the financial report of The Australia Foundation in Support of Human Rights Watch Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

A handwritten signature in blue ink that reads 'RSM'.

RSM Australia Pty Ltd

A handwritten signature in blue ink that reads 'C J Hume'.

C J Hume
Director

Sydney, NSW
Dated: 23 October 2019

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Interest income		7,607	6,068
Charitable income and fundraising		2,414,863	2,429,383
Funds to international programs		(975,000)	(295,000)
Salaries & employee benefits expense		(615,278)	(509,565)
Accountancy fees		(34,650)	(5,342)
Event costs		(184,848)	(263,970)
Marketing expenses		(342)	(40)
Office costs		(25,228)	(27,824)
Professional fees		(23,812)	(17,583)
Rental expenses		(96,292)	(92,930)
Travel expenses		(93,303)	(76,784)
Sundry expenses		(25,863)	(22,862)
Net surplus for the year		<u>347,854</u>	<u>1,123,551</u>
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>347,854</u>	<u>1,123,551</u>
Net surplus attributable to members of the entity		<u>347,854</u>	<u>1,123,551</u>
Total comprehensive income attributable to members of the entity		<u>347,854</u>	<u>1,123,551</u>

The accompanying notes form part of these financial statements.

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

STATEMENT OF FINANCIAL POSITION AS AT THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	2,130,122	1,548,427
Accounts receivable and other debtors	4	162,293	159,913
TOTAL CURRENT ASSETS		<u>2,292,415</u>	<u>1,708,340</u>
NON-CURRENT ASSETS			
Accounts receivable and other debtors	4	-	225,000
TOTAL NON-CURRENT ASSETS		<u>-</u>	<u>225,000</u>
TOTAL ASSETS		<u>2,292,415</u>	<u>1,933,340</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	5	26,406	21,227
Employee provisions	6	21,649	19,131
Deferred income		3,524	-
TOTAL CURRENT LIABILITIES		<u>51,579</u>	<u>40,358</u>
TOTAL LIABILITIES		<u>51,579</u>	<u>40,358</u>
NET ASSETS		<u>2,240,836</u>	<u>1,892,982</u>
EQUITY			
Retained surplus		<u>2,240,836</u>	<u>1,892,982</u>
TOTAL EQUITY		<u>2,240,836</u>	<u>1,892,982</u>

The accompanying notes form part of these financial statements.

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

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

	Retained Surplus \$	Total \$
Balance at 1 July 2017	769,431	769,431
Comprehensive Income		
Surplus for the year attributable to members of the entity	1,123,551	1,123,551
Other comprehensive income for the year	-	-
Total comprehensive income attributable to members of the entity	1,123,551	1,123,551
Balance at 30 June 2018	1,892,982	1,892,982
Balance at 1 July 2018	1,892,982	1,892,982
Comprehensive Income		
Surplus for the year attributable to members of the entity	347,854	347,854
Other comprehensive income for the year	-	-
Total comprehensive income attributable to members of the entity	347,854	347,854
Balance at 30 June 2019	2,240,836	2,240,836

The accompanying notes form part of these financial statements.

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

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from donations, bequests and raffles		2,414,863	2,429,383
Payments to suppliers and employees		(2,115,775)	(1,444,935)
Interest received		7,607	6,068
Net cash generated from operating activities	8	<u>306,695</u>	<u>990,516</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from / (payments) to related parties		<u>275,000</u>	<u>(300,000)</u>
Net cash generated from / (used) in financing activities		<u>275,000</u>	<u>(300,000)</u>
Net increase in cash held		<u>581,695</u>	<u>690,516</u>
Cash and cash equivalents at beginning of the financial year		<u>1,548,427</u>	<u>857,911</u>
Cash and cash equivalents at end of the financial year	3	<u>2,130,122</u>	<u>1,548,427</u>

The accompanying notes form part of these financial statements.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

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

Note 1: Summary of Significant Accounting Policies

Basis of Preparation

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

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

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

Accounting Policies

(a) Revenue

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised on receipt.

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

(b) Fair Value of Assets and Liabilities

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

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 1: Summary of Significant Accounting Policies (continued)

(c) Leases

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

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

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

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

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

(d) Employee Provisions

Short-term employee provisions

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

(e) Cash on Hand

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

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(g) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(h) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

(i) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

THE AUSTRALIA FOUNDATION IN SUPPORT OF HUMAN RIGHTS WATCH LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 2: Surplus for the year

	2019	2018
	\$	\$
Expense		
Salaries and employee benefits expense	615,278	509,565
Audit fees	16,250	15,500

Note 3: Cash and Cash Equivalents

	2019	2018
	\$	\$
CURRENT		
Cash on hand	500	500
Westpac Banking Corporation	2,129,622	1,547,927
	<u>2,130,122</u>	<u>1,548,427</u>

Note 4: Accounts Receivable and Other Debtors

	2019	2018
	\$	\$
CURRENT		
Related party receivables	25,000	75,000
Contributions receivable	55,000	-
Security deposit – rental premise	21,450	21,450
GST refundable	24,843	27,463
Security deposit – credit cards	36,000	36,000
Total current accounts receivable and other debtors	<u>162,293</u>	<u>159,913</u>
NON-CURRENT		
Related party receivables	-	225,000

Note 5: Accounts Payable and Other

	Note	2019	2018
		\$	\$
CURRENT			
Accounts payable		9,252	19,024
Accruals		17,154	2,203
	Note 5(a)	<u>26,406</u>	<u>21,227</u>

	2019	2018
	\$	\$
a) Financial liabilities at amortised cost classified as trade and other payables		
Accounts payable and other payables:		
– Total current	26,406	21,227
Financial liabilities as trade and other payables	<u>26,406</u>	<u>21,227</u>

Note 6: Employee Provisions

	2019	2018
	\$	\$
CURRENT		
Provision for employee benefits: annual leave	21,649	19,131
	<u>21,649</u>	<u>19,131</u>
Analysis of total provisions:		
Opening balance at 1 July	19,131	20,529
Net movement during the year	2,518	(1,398)
Balance at 30 June	<u>21,649</u>	<u>19,131</u>

THE AUSTRALIA FOUNDATION IN SUPPORT OF HUMAN RIGHTS WATCH LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Employee Provisions

Employee provisions represents amounts accrued for annual leave.

Note 7: Events After the Reporting Period

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

Note 8: Cash Flow Information

	2019 \$	2018 \$
Reconciliation of Cash Flow from Operating Activities with Current Year Surplus		
Profit after income tax	347,854	1,123,551
Non-cash flows:		
Changes in assets and liabilities:		
Increase in accounts receivable and other debtors	(52,380)	(3,169)
Increase/(decrease) in accounts payable and other payables	8,703	(128,468)
Increase/(decrease) in employee provisions	2,518	(1,398)
	306,695	990,516

Note 9: Contingent Liability

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

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

Throughout the financial year ending 30 June 2019, the Australia Foundation in Support of Human Rights Limited conducted various appeals in order to raise funds to support its operational activities. In accordance with section 20 of the Charitable Fundraising Act 1991 (NSW), monies received in the course of fundraising appeals were applied according to the objects and purposes of the appeal net of proper and appropriate expenses.

	2019 \$	2018 \$
(1) Gross proceeds from fundraising appeals	2,414,863	2,429,383
(Less) Direct fundraising costs	(184,848)	(263,970)
Net surplus from fundraising appeals	2,230,015	2,165,413
(2) These were applied to the following charitable purpose:		
Producing research materials and undertaking general advocacy activities	(1,889,768)	(1,047,930)
Surplus from fundraising appeals	340,247	1,117,483

Note 11: Entity Details

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

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

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

DIRECTORS' DECLARATION

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

1. In accordance with a resolution of the directors of The Australia Foundation in Support of Human Rights Watch Limited, the directors declare that:
 - a. the financial statements and notes, as set out on pages 4 to 11, present fairly, in all material respects, the company's financial position as at 30 June 2019 and its performance for the year ended on that date, in accordance with the accounting policies outlined in Note 1 to the financial statements; and,
 - b. the financial statements are in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012 (Cth), the Charitable Fundraising Act 1991 (NSW) and the Fundraising Act 1998 (VIC).
2. In the directors' opinion, there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

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



Penelope Gerstle
Director

Dated this 23rd day of October 2019

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

FUNDRAISING ACTIVITIES DECLARATION

The directors declare that in their opinion:

1. the financial report presents fairly, in all material respects all income and expenditure of the association with respect to fundraising appeal activities for the financial year ended 30 June 2019;
2. the statement of financial position presents fairly, in all material respects the state of affairs of the association with respect to fundraising appeal activities as at 30 June 2019;
3. the provisions of the Charitable Fundraising Act 1991 (NSW), and Regulations and the conditions attached to the authority under that Act, and the Fundraising Act 1998 (VIC) and Regulations under that Act have been complied with during the year ended 30 June 2019; and,
4. the internal controls exercised by the association are appropriate and effective in accounting for all income received and applied by the association from any of its fundraising appeals.

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



Penelope Gerstle
Director

Dated this 23rd day of October 2019

INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the financial report of The Australia Foundation in Support of Human Rights Watch Limited, which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

Part (A) – Financial Report

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

- a) giving a true and fair view of the registered entity's financial position as at 30 June 2019 and of its financial performance and cash flows for the year ended on that date; 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*.

Part (B) – Compliance Report

In our opinion, The Australia Foundation in Support of Human Rights Watch Limited has complied, in all material respects with the requirements of the Charitable Fundraising (NSW) Act 1991 and Fundraising Act 1998 (VIC) for the year ended 30 June 2019.

In our opinion –

- a) The financial report presents fairly, in all material respects, the financial result of fundraising appeal activities for the financial year ended 30 June 2019;
- b) The financial report has been properly drawn up, and the associated records have been properly kept for the year ending 30 June 2019, in accordance with the Charitable Fundraising (NSW) Act 1991, Fundraising Act 1998 (VIC) and the relevant regulations;
- c) Money received as a result of fundraising appeal activities conducted during the year ending 30 June 2019 has been properly accounted for and applied in accordance with the Charitable Fundraising (NSW) Act 1991, Fundraising Act 1998 (VIC) and the relevant regulations; and
- d) There are reasonable grounds to believe that The Australia Foundation in Support of Human Rights Watch Limited will be able to pay its debts as and when they fall due.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of The Australia Foundation in Support of Human Rights Watch Limited in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist The Australia Foundation in Support of Human Rights Watch Limited to meet the requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing The Australia Foundation in Support of Human Rights Watch Limited's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate The Australia Foundation in Support of Human Rights Watch Limited or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

Opinion

In our opinion:

- a) the financial report of The Australia Foundation in Support of Human Rights Watch Limited has been properly drawn up and associated records have been properly kept during the financial year ended 30 June 2019, in all material respects, in accordance with:
 - i) sections 20(1), 22(1-2), 24(1-3) of the *NSW Charitable Fundraising Act 1991*;
 - ii) section 32(4) of the *VIC Fundraising Act 1998*;
- b) the money received as a result of fundraising appeals conducted by the entity during the financial year ended 30 June 2019 has been properly accounted for and applied, in all material respects, in accordance with the above mentioned Acts.

A handwritten signature in blue ink that reads 'RSM'.

RSM Australia Pty Ltd

A handwritten signature in blue ink that reads 'C J Hume'.

C J Hume
Director

Sydney, NSW
Dated: 24 October 2019