

Human Rights Law Centre Ltd  
Financial Report  
For the Year Ended 30 June 2012

# Human Rights Law Centre Ltd

ACN 117 719 267

## Financial Report

For the Year Ended 30 June 2012

# Human Rights Law Centre Ltd

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# Human Rights Law Centre Ltd

ACN 117 719 267

## Directors' Report

As at 30 June 2012

The directors present their report to the members of the Human Rights Law Centre Ltd for the year ended 30 June 2012.

### Directors

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

Name	Position	Term of Office	Meetings Attended
Rosamund Grady Chief Executive Officer and Professor, Centre for International Finance and Regulation	Chairperson	23.11.11 -	5/5
Jamie Gardiner Vice-President, Liberty Victoria	Director	16.11.10 –	7/7
David Manne Executive Director, Refugee and Immigration Legal Centre	Director	11.12.06 –	5/7
Fiona McLeay Executive Director, Public Interest Law Clearing House	Director	10.10.08 –	6/7
Melanie Schleiger Senior Lawyer, Victoria Legal Aid	Director	10.10.08 –	6/7
Philip Lynch Executive Director, Human Rights Law Centre	Company Secretary	03.01.06 –	7/7
Michael Kingston Chief legal Officer, ASIC	Alternate Director	16.04.12	2/2
Jonathan Webster Partner, Allens	Alternate Director	23.03.12	2/2
Diane Sisely Director, Australian Centre for Human Rights Education * Resigned 13.08.12	Director	03.01.06 – 13.08.12	5/7
Robert Jamieson Partner, Blake Dawson * Resigned 23.11.11	Chairperson	10.10.08 – 23.11.11	1/2
Alexandra Richards QC Queen's Counsel, Victorian Bar * Resigned 23.11.11	Director	25.01.06 – 23.11.11	2/2

### Principal Activities

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

### Company Objectives

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

1. Strong legal and policy protection of human rights at the national, state and territory levels;
2. Comprehensive equality legislation which promotes substantive equality and addresses systemic discrimination;

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## Directors' Report (Cont'd)

As at 30 June 2012

### Company Objectives (cont'd)

3. Australia engages positively and constructively with United Nations human rights bodies and respects and implements its international legal obligations;
4. Detention is used only as a last resort and conditions of detention comply with international human rights standards;
5. The promotion and protection of human rights is a primary aim and instrument of Australian foreign policy;
6. The police use of force and the investigation of police related deaths at the national level and in all states and territories is consistent with international human rights standards;
7. Australian law, policy, practice and institutions are compatible with the United Nations Declaration on the Rights of Indigenous Peoples; and
8. Mechanisms and laws to prevent and respond to violence against women are informed by and give effect to international human rights obligations

### Company Strategies

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

### Limitation of Members Liability

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the company. At 30 June 2012 the collective liability of members was \$200 (2011: \$200)

### Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out at page 3.

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



Rosamund Grady  
Chairperson



Philip Lynch  
Company Secretary

Signed in Melbourne, this 12th day of October 2012.

## Human Rights Law Centre Ltd

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### Auditors' Independence Declaration under section 307C of the Corporations Act 2001

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2012, there have been:

1. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
2. no contraventions of any applicable code of professional conduct in relation to the audit.



Ian Duff  
Registered Company Auditor



MDHC Audit Assurance Pty Ltd

Signed in Hawthorn, this 12th day of October 2012.

# Human Rights Law Centre Ltd

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## Statement of Comprehensive Income

For the Year ended 30 June 2012

	<b>Note</b>	<b>2012</b> \$	<b>2011</b> \$
Revenue	2	587,207	658,126
<b>Expenses</b>			
Occupancy expenses		(36,087)	(36,875)
Administrative expenses		(70,300)	(183,176)
Employee benefits expense		(380,810)	(321,428)
Total Expenses		(487,197)	(541,479)
<b>Profit for the year</b>		<b>100,010</b>	<b>116,647</b>
Other Comprehensive Income		-	-
<b>Total comprehensive income for the year</b>		<b>100,010</b>	<b>116,647</b>
Total comprehensive income attributable to member of the entity		100,010	116,647

The accompanying notes form part of the financial statements

# Human Rights Law Centre Ltd

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## Statement of Financial Position

As at 30 June 2012

	Note	2012 \$	2011 \$
<b>Current assets</b>			
Cash and cash equivalents	3	562,769	451,951
Trade and other receivables	4	57,038	7,757
Total Current assets		619,807	459,708
<b>Total Assets</b>		<b>619,807</b>	<b>459,708</b>
<b>Current Liabilities</b>			
Trade and other payables	5	23,128	30,407
Provisions	6	72,421	48,391
Grants received in advance		164,107	121,012
Total current liabilities		259,656	199,810
<b>Non-Current Liabilities</b>			
Provisions	6	1,422	1,179
Total Non-Current liabilities		1,422	1,179
<b>TOTAL LIABILITIES</b>		<b>261,078</b>	<b>200,989</b>
<b>NET ASSETS</b>		<b>358,729</b>	<b>258,719</b>
<b>Equity</b>			
Retained earnings		358,729	258,719
<b>TOTAL EQUITY</b>		<b>358,729</b>	<b>258,719</b>

The accompanying notes form part of the financial statements

# Human Rights Law Centre Ltd

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## Statement of Changes in Equity

For the Year ended 30 June 2012

	<b>Retained Earnings \$</b>
Balance as at 1 July 2010	142,072
Profit for the year	<u>116,647</u>
Balance as at 30 June 2011	258,719
Profit for the year	<u>100,010</u>
<b>Balance as at 30 June 2012</b>	<b><u>358,729</u></b>

The accompanying notes form part of the financial statements



# Human Rights Law Centre Ltd

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## Statement of Cash Flows

For the Year ended 30 June 2012

	Note	2012 \$	2011 \$
<b>Cash flows from operating activities</b>			
Receipts for grants, donations and other revenue		575,587	652,726
Payments to suppliers and employees		(483,759)	(600,451)
Interest received		18,990	18,118
Net cash provided by operating activities	7	<u>110,818</u>	<u>70,393</u>
<b>Net increase in cash held</b>		<b>110,818</b>	<b>70,393</b>
Cash and cash equivalents at the beginning of the financial year		<u>451,951</u>	<u>381,558</u>
<b>Cash and cash equivalents at the end of the financial year</b>	3	<b><u>562,769</u></b>	<b><u>451,951</u></b>

The accompanying notes form part of the financial statements

# Human Rights Law Centre Ltd

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## Notes to the Financial Statements

For the Year ended 30 June 2012

The financial statements cover Human Rights Law Centre Ltd as an individual entity, incorporated and domiciled in Australia. Human Rights Law Centre Ltd is a company limited by guarantee.

### 1. Summary of Significant Accounting Policies

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared in order to meet the requirements of the Corporations Act 2001.

The financial report has been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Corporations Act 2001 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 the previous period unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 12 October 2012 by the directors of the company.

#### (a) *Cash and cash equivalents*

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

#### (b) *Grants*

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

#### (c) *Revenue*

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

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

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

#### (d) *Accounts Payable and Other Payables*

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

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## Notes to the Financial Statements

For the Year ended 30 June 2012

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

#### (e) *Accounts Receivable and Other Debtors*

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

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

#### (f) *Goods and Services Tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the statement of financial position are shown inclusive of GST.

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) *Provisions*

Provisions are recognised when the Company 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.

#### (h) *Employee Entitlements*

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

Contributions are made by the company to an employee superannuation fund and are charged as expenses when incurred.

#### (i) *Comparative Figures*

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

#### (j) *Income Tax*

No provision for income tax has been raised as the Company is exempt from income tax.

#### (k) *Critical Accounting Estimates and Judgements*

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

# Human Rights Law Centre Ltd

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## Notes to the Financial Statements

For the Year ended 30 June 2012

	2012 \$	2011 \$
<b>2. Revenue</b>		
Operating grants	336,008	535,465
Event registrations	26,198	22,944
Donations	135,243	29,645
Interest	20,696	18,118
Other revenue	69,062	51,954
Total revenue	<u>587,207</u>	<u>658,126</u>
<b>3. Cash and Cash Equivalents</b>		
Cash at bank	<u>562,769</u>	<u>451,951</u>
<b>4. Trade and Other Receivables</b>		
Trade receivables	34,071	5,268
Other receivables	22,967	1,235
Deposits paid	-	580
GST receivable	-	674
Total trade and other receivables	<u>57,038</u>	<u>7,757</u>
<b>5. Trade and Other Payables</b>		
Trade payables	5,612	21,910
Other payables	9,664	6,147
Accrued audit fees	4,000	2,350
GST payable	3,852	-
Total trade and other payables	<u>23,128</u>	<u>30,407</u>
<b>6. Provisions</b>		
<b>Current</b>		
Employee benefits	<u>72,421</u>	<u>48,391</u>
<b>Non-current</b>		
Employee benefits	<u>1,422</u>	<u>1,179</u>

# Human Rights Law Centre Ltd

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## Notes to the Financial Statements

For the Year ended 30 June 2012

	2012 \$	2011 \$
<b>7. Cash Flow Information</b>		
<i>Reconciliation of Cash Flow from Operations with Operating Profit</i>		
Net profit for the year	100,010	116,647
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(49,281)	12,043
Increase/(decrease) in trade and other payables	(7,279)	(10,089)
Increase/(decrease) in provisions	24,273	5,770
Increase/(decrease) in grants received in advance	43,095	(53,978)
Cash flow from operations	<u>110,818</u>	<u>70,393</u>

## 8. Related Party Transactions

### (a) Trade receivable / payable

Public Interest Law Clearing House (Victoria) Inc. is related by membership, co-location and a similar range of activities.

Included in trade receivables as at financial year end is an amount of \$21,261 (2011: \$3,189) owing by an affiliated entity - Public Interest Law Clearing House (Victoria) Inc.

Included in trade payables as at financial year end is an amount of \$5,612 (2011: \$6,238) owing to an affiliated entity - Public Interest Law Clearing House (Victoria) Inc. This amount is part of the amount noted in 8(b).

### (b) Associated Companies/Entities

Public Interest Law Clearing House Inc. paid for expenses on behalf of the company, which were reimbursed by the company except as noted in 8(a), for the year ended 30 June 2012 amounting to \$89,056 (2011: \$116,834).

## 9. Company Details

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

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

# Human Rights Law Centre Ltd

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## Directors' Declaration

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

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

1. The financial statements and notes, as set out on pages 4 to 11, are in accordance with the Corporations Act 2001 and:
  - a. comply with Accounting Standards; and
  - b. give a true and fair view of the financial position as at 30 June 2012 and of the performance for the year ended on that date in accordance with the accounting policies described in Note 1 of the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.



Rosamund Grady  
Chairperson



Philip Lynch  
Company Secretary

Signed in Melbourne, this 12th day of October 2012.

## Independent Auditor's Report to the members of Human Rights Law Centre Ltd

We have audited the financial report, being a special purpose financial report, of Human Rights Law Centre Ltd (the company) which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

### Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report and have determined that the accounting policies described in Note 1 to the financial report are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. The directors' responsibility also includes such internal controls as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement whether due to fraud or error.

### Auditor's Responsibility

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

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

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

### Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

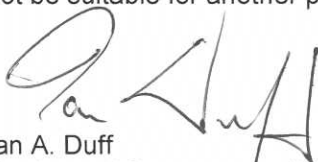
### Auditor's Opinion

In our opinion the financial report of Human Rights Law Centre Ltd is in accordance with the Corporations Act 2001, including:

- a) giving a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards to the extent described in Note 1 and the Corporations Regulations 2001.

### Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose.

  
Ian A. Duff  
Registered Company Auditor

  
MDHC Audit Assurance Pty Ltd

Signed in Hawthorn, this 15<sup>th</sup> day of October 2012.

