

**AMNESTY  
INTERNATIONAL**



# **ANNUAL FINANCIAL REPORT**

**2018**

**AMNESTY INTERNATIONAL AUSTRALIA**

**ABN 64 002 806 233**

The Directors present their report together with the financial report of Amnesty International Australia (AIA) ("the company") for the year ended 31 December 2018 and the auditor's report thereon.

**Directors**

The Directors, at any time during the financial year and until the date of this report are:

Name and Qualifications	Birth Date	Experience and Special Responsibilities
<p><i>Gabrielle Susan Mary Kavanagh</i> <i>B.International Studies</i></p> <p>Director and President</p>	<p>19/4/85</p>	<p>Strategy Coordinator, United Voice Member of Amnesty International Australia since 2005 Member, NSW Branch Committee since 2006 incl. Vice President 2008 – 2010 and President 2010 – 2011 Delegate, International Council Meeting 2011, 2013, 2015, 2016 and 2017. Director appointed 13/7/11 Vice President since 2/3/14 President since 03/07/16</p>
<p><i>Simon Dominic Rumore</i> <i>B Comm, GAICD</i></p> <p>Director and Vice President</p>	<p>13/10/68</p>	<p>Management Consultant Member of Amnesty International Australia since 1988 and AI Northern Ireland from 1992 – 1994 Member of Queensland &amp; Northern NSW Branch Committee from 2009 - 2017 Deputy Volunteer Coordinator International Committee Meeting 2011 Director appointed 12/5/12 Resigned 14/5/16 Elected Vice-President 03/07/16 Resigned 28/10/18</p>
<p><i>Ian Howard Gibson</i> <i>BA (Hons), BEd, LLM, MProfEthics, DOrgDyn, Barrister and Solicitor</i></p> <p>Director and Company Secretary</p>	<p>14/11/51</p>	<p>General Counsel, Victorian Government Solicitor's Office; Notary Public Member of Amnesty International Australia since 1979 Member of Victorian Branch Committee 1983 – 1992 (Branch President, Vice-President, President) Amnesty International Australia: Director 1991-2003 (Secretary 1992-2000, Vice-President 2000-03) Member, Governance Committee 2009-15 Delegate International Council Meeting 1983, 1987 (Rapporteur W-P-C), 1989, 1991, 1993, 1997, 1999 &amp; 2001 (Rapporteur WP-R-Research), 2003, 2005, 2007 Member and Chair of the Standing Committee on Human, Finance and Information Matters 1999-2003 Member of the International Executive Committee 2003-07 Chair of the Membership Appeals Committee 2009-15</p> <p>Director 17/5/91 – 21/9/03 and since 5/7/15 Company Secretary appointed 07/07/15 - 27/11/17 National Secretary appointed 07/07/15</p>

<p><i>Gregory David Stitt</i></p> <p>Director</p>	<p>23/9/58</p>	<p>Self-employed Software Developer/Electrical Designer          Australian Coordinator AI East African Regional Network 1995-1996          Re-joined Amnesty International Australia in 2000          Convenor, China Group 2008, Member SVAW group 2009          Co-convenor, Mt. Lawley local group          Member, West Australian Branch Committee since October 2007          Vice President, WA Branch 2008-2009          President, WA Branch May 2009 – May 2014          Director appointed 16/5/09</p>
<p><i>Katherine Claire Helen Morell          Bennett Waterford</i>          BA, LLB (Hons), M Comm (Acc), LLM</p> <p>Director</p>	<p>28/1/83</p>	<p>Special Counsel, Mailganis Edwards Johnson, Solicitors          Director, Physiotherapy Board of Australia (AHPRA)          Member of Amnesty International Australia since 2013          Member of ACT/Southern New South Wales Branch Committee since 2013          Director appointed 23/7/14          Director vacated in 20/7/16          Director re-appointed 29/03/17          Elected Vice President 28/10/18</p>
<p><i>Vicki Jacobs</i></p> <p>BA, Grad Dip Applied Psychology, Grad Dip Business Administration, Master of Business</p> <p>Director</p>	<p>28/3/55</p>	<p>Consultant Aboriginal Health, Country Health SA Local Health Network Inc.          Member of Amnesty International Australia since 1989          Member of Western Australian Branch Committee 1990 – 1996 including Branch President 1994 – 1996          Member of South Australia/Northern Territory Branch Committee 1996 to current, incl. Branch President 2004 – 2006 and 2014-2016          Convenor, Adelaide City Group since 2001          Director 30/5/92 – 26/11/94          Director 8/5/04 – 2/7/06          Director appointed 1/12/14</p>
<p><i>James George Milsom</i>          BA, LLB, LLM</p> <p>Director</p>	<p>20/7/82</p>	<p>Composer / producer          Member of Amnesty International Australia since 2011          Member of South Australian/Northern Territory Branch Committee 2011-2012          Member of Victorian Branch Committee since 2013          Delegate, International Council Meeting 2013 and 2016          Director 13/1/15 – 16/5/15 and since 5/7/15</p>
<p><i>Bethan Donnet Frake</i>          LLB (Hons), Grad Dip Legal Practice</p> <p>Director</p>	<p>14/3/77</p>	<p>Principal, BDF Law          Member of Amnesty International Australia since 2014          Member of Tasmanian Branch Committee 2014 to present including Secretary, May 2014 – May 2015          Director appointed 16/5/15</p>
<p><i>Susanna Petrovna Ritchie</i>          LLB (Hons), BA</p> <p>Director</p>	<p>27/9/84</p>	<p>Lawyer          Member of Amnesty International Australia since 2012          Member of Victorian Branch Committee 2012 to present including Branch President, 2013 - 2015          Director appointed 16/5/15</p>
<p><i>Katerina Isabelle Ayse Barbour</i>          LLB, BA (Hons)</p> <p>Director</p>	<p>21/12/87</p>	<p>Governance and Risk Officer, New South Wales Public Service          Member of Amnesty International Australia since 2009          Member, New South Wales Branch Committee since 2011          Member, Youth Advisory Group 2009 – 2012          Member, Governance Committee 2010 – 2013          Director appointed 31/8/2015</p>
<p><i>Paige Garland</i></p>	<p>22/06/67</p>	<p>Supply teacher and company director</p>

<p><i>BBus&amp;Com (Mangt), BA, Dpl of Teaching (Primary)</i></p> <p>Director</p>		<p>Member of Amnesty International Australia from Oct 2015 - Oct 2016, then from March 2017</p> <p>Director appointed 23/03/17</p>
<p><i>Sandra Creamer</i></p> <p>Director</p>	26/01/61	<p>Consultant, Sandra Creamer Consulting</p> <p>Member Indigenous Law Association Queensland</p> <p>Board Director International Indigenous Women's Funds</p> <p>Member of Amnesty International Australia since 2016</p> <p>Director appointed 19/7/16</p> <p>Resigned 11/7/18</p>
<p><i>Peter Robert James Kempster, B.Coms (Hons), MBA (Distinction), FAICD, FCA, FCPA</i></p> <p>Director and Treasurer</p>	31/01/59	<p>Member of Amnesty International Australia since 2017</p> <p>Director appointed 20/02/17</p> <p>Elected National Treasurer 02/07/17</p> <p>Resigned 25/11/18</p>
<p><i>Elizabeth Ruth Cohen B.Laws/B. Arts (International Studies), MBA, Masters in Business and Environmental Management, GAICD</i></p> <p>Director and Treasurer</p>	25/08/76	<p>Chief Risk and Compliance Officer, Sympli Pty Ltd</p> <p>Member of Amnesty International Australia since 2015</p> <p>External appointee to Amnesty International Australia Audit and Risk Committee since March 2016</p> <p>Director elected 02/07/17</p> <p>Elected Treasurer 25/11/18</p>
<p>Mario Santos</p> <p>Master in International Relations Asia-Pacific (with distinction), Master in Human Rights Law (HD)</p> <p>Director</p>	16/04/69	<p>Director elected 28/10/18</p> <p>Member of Amnesty International Australia since October 2014</p> <p>Member Audit &amp; Risk Committee since November 2018</p>
<p>Catherine Elizabeth Dalrymple Wood</p> <p>BA LLB, LLM (International Law), Dip.Leg.S</p> <p>Company Secretary</p>	21/02/69	<p>Legal Counsel, Amnesty International Australia</p> <p>Company Secretary appointed 27/11/17</p>

Directors' Attendance at Board Meetings – 2018

Director	Board Meetings		Audit and Risk Committee		Activism and Membership Committee	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Gabrielle Kavanagh	9	9	0	0	0	0
Simon Rumore	8	8	0	0	6	6
Ian Gibson	9	9	0	0	0	0
Peter Kempster	9	8	7	7	0	0
Paige Garland	9	9	0	0	0	0
Gregory Stitt	9	9	7	7	0	0
Kate Waterford	9	9	2	2	6	5
James Milsom	6	6	0	0	0	0
Vicki Jacobs	9	7	0	0	7	7
Bethan Frake	8	8	0	0	0	0
Susanna Ritchie	9	7	0	0	1	1
Katerina Barbour	9	9	0	0	0	0
Sandra Creamer	4	3	0	0	0	0
Liz Cohen	9	8	7	7	0	0
Mario Santos	1	1	0	0	0	0

Director	Governance Committee		International Issues Committee		Remuneration Committee	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Gabrielle Kavanagh	0	0	3	2	1	1
Simon Rumore	0	0	0	0	1	1
Ian Gibson	3	3	0	0	1	1
Peter Kempster	0	0	0	0	1	1
Paige Garland	0	0	0	0	0	0
Gregory Stitt	0	0	0	0	0	0
Kate Waterford	0	0	0	0	0	0
James Milsom	0	0	2	2	0	0
Vicki Jacobs	0	0	0	0	0	0
Bethan Frake	3	2	0	0	0	0
Susanna Ritchie	0	0	0	0	0	0
Katerina Barbour	3	3	3	3	0	0
Sandra Creamer	0	0	0	0	0	0
Liz Cohen	0	0	0	0	0	0
Mario Santos	0	0	0	0	0	0

The **Audit and Risk Committee** is responsible for, among other things, monitoring management's strategy for ensuring that the company has implemented appropriate internal controls to address business risks and that these controls are functioning effectively.

The **Governance Committee** is responsible for, among other things, assisting and advising the Board on the company's corporate governance responsibilities and practices. This includes such matters as; Director induction, training and development, Director recruitment and performance reviews.

The **Activism and Membership Committee** has responsibility for oversight for all AI Australia's policies, strategies and programs related to how supporters and members are encouraged, enabled and equipped to be fulfilled and effective participants in the life of the Amnesty International Australia and the movement.

The **International Issues Committee** is generally responsible for assisting and advising the National Board and the organisation about Amnesty International Australia's international engagement and contribution. It also advises the Board on changes and developments within Amnesty International.

The **Remuneration Committee** is generally responsible for assisting and advising the Board and the organisation about Amnesty International Australia's remuneration principles, policies and practices.

#### **Governance reform**

Amnesty International Australia undertook a review of its governance structures, processes and functions culminating in changes being approved at its general meetings in 2018. The changes included reducing the National Board from 14 members to 7, with an option to co-opt two additional members based on skills requirements. This new structure will transition into place over the course of 2019. Further reforms included reducing our membership fees to ensure membership was more accessible to all our supporters.

## Short and long-term objectives

### Our vision

Our Global Vision Statement underpins the work of the entire worldwide movement of Amnesty International and provides a framework for the operation of all local country Sections. The goals which Amnesty International works towards in Australia are set by our Board and Senior Leadership Team with vital input from our members, supporters and partner organisations.

### Our 2016-2020 goals

By 2020, Amnesty International Australia will:

- Protect and defend more lives
- Be an unstoppable movement
- Inspire outstanding passion and commitment.

Amnesty International Australia will work to achieve the following goals by 2020:

- End the over-representation of Indigenous young people in detention within a generation
- Refugees and asylum seekers fleeing conflict, crisis, torture or persecution across the globe are able to lead safe and stable lives
- The human rights of individuals at risk are defended and protected
- Civilians are protected during conflict and crisis.

The full 2020 Vision, and related performance indicators, is available on the Amnesty International Australia website.

### Approach to achieving short and long-term objectives

Amnesty International Australia achieves human rights impact through; researching human rights issues, raising awareness about human rights issues in the media, public and with governments and other decision-makers and mobilising people to pressure governments and others to respect human rights.

### Principal activities during the year

Amnesty International Australia's principal activities during the course of the financial year were human rights campaigning, awareness raising and fundraising. There have been no significant changes in the nature of these activities during the year.

In June Amnesty International Australia visited Cox's Bazar in Bangladesh, where close to 1 million Rohingya people have fled Myanmar's apartheid system and violence. While there, we met the Australian High Commission to share eyewitness accounts of the humanitarian disaster in Cox's Bazar, and asked Australia to commit more money to people in the camp. Days later, the government announced an additional \$18.4 million in aid, specifically for women and girls in the camp.

Amnesty International released extensive evidence implicating Myanmar's military in crimes against humanity. Tens of thousands of Australians joined our call for Australia to cease its ongoing support of the Myanmar military. Australia has now slapped targeted sanctions on five Myanmar generals, as have Canada, the US and the EU.

In regards to our long-standing work to protect the rights of refugees and asylum seekers, Amnesty supporters celebrated when Australia's humanitarian intake increased almost 40% from 13,750 to 18,750 places in 2018/19. In addition, 19 local governments publicly called for an improved community sponsorship program for Australia.

Through the #KidsOffNauru coalition, we helped put the situation of children languishing on Nauru on top the public agenda. Prime Minister Scott Morrison bowed to public pressure and announced all

refugee children and families will be off Nauru by December. We continue to deal with individual cases through our casework team and respond rapidly when these cases escalate.

In addition to our regular reports on the ongoing crises in offshore detention, our October 2018 report on the conditions experienced by those trapped on Manus Island, *Until When? The forgotten men on Manus Island*, will keep up pressure for the over 600 men who are still in limbo to receive safe and rapid resettlement.

Throughout the year we made great headway in our campaign to reduce the number of Indigenous kids behind bars. The latest data available in 2018 shows a reduction of 230 Indigenous children in detention over three years.

We launched our #RaiseTheAge campaign in Queensland and the Northern Territory, calling for their State Governments to raise the age a child can be locked up to at least 14 years and fund Indigenous-led alternatives to prison for children between 10 and 13 years old.

We've put the age that kids can be sent to prison on the political agenda through large scale public stunts, media conferences and grassroots mobilisation in target electorates. To influence politicians and the public service, we are feeding into policy discussions particularly through our September 2018 research report, *The Sky is the Limit: Keeping young children out of prison by raising the age of criminal responsibility*.

### **2018 Results – Fundraising**

Amnesty International Australia relies almost 100% on funds raised from the public and our supporters. To keep our independence and impartiality, we do not accept funds from governments or political groups. Almost 80% of our income comes from our committed regular donors who give us an average of \$34 every four weeks through our Human Rights Defender program.

2018 was a challenging year with external market forces, as well as internal system issues, seeing a mixed result from the fundraising program. Income declined year on year by 9%.

This decline in income was caused by growing costs to recruit new supporters through our third party suppliers, lower than expected funds from current donors and bequest income being significantly less than our long-term trends. We were notified that we would receive a large bequest in 2018, but this did not come through as expected and will now fall into a future year. In 2018 we fast tracked the implementation of a new database to support our fundraising and campaigning work, which had short term negative impact on our programs, but will significantly help our future efforts to grow.

In 2018 we undertook an independent review of the fundraising program and worked closely with our global colleagues in setting a new strategy for growth in income and supporters. In 2019 we will be focusing on quality recruitment, providing great supporter care and diversifying our forms of fundraising.

2019's identified focus areas will be on donor engagement, recruitment of long-term Human Rights Defenders and high-level individual gifts.



### **Significant Changes in the State of Affairs**

There are no significant changes in the state of affairs.

### **Environmental Regulations**

The company is not subject to any significant environmental regulations under either Commonwealth or State regulation.

### **Indemnification and insurance of directors and officers**

Amnesty International Australia has agreed to indemnify all the directors and executive officers for any breach to the extent and limitations of Amnesty International Australia ForeFront Portfolio insurance policy. The agreement provides for the Company to pay an amount not exceeding \$10,000,000 provided that:

- The liability does not arise out of conduct involving a lack of good faith
- The liability is for costs and expenses incurred by the director or officer in defending proceedings in which judgment is given in their favour or in which they are acquitted.

### **Indemnification of auditors**

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

### **Liability of Members**

The members are members of the public who have paid the annual membership fee. As at 31 December 2018 there were members 6,576 (2017: 6,716 members). A maximum amount of \$1 is guaranteed by each member in the event that the company is wound up.

### **Solicitors**

Minter Ellison  
Governor Macquarie Tower,  
1 Farrer Place,  
Sydney NSW 2000

DLA Piper  
Level 22/1 Martin Place,  
Sydney NSW 2000

Marque Lawyers  
343 George Street  
Sydney NSW 2000

Collin Biggers and Paisley  
Level 42, 2 Park Street  
Sydney NSW 2000

**Bankers**

Commonwealth Bank of Australia  
Level 12, 363 George Street  
Sydney NSW 2000

Westpac  
Level 2, 75-85 O'Riordan Street,  
Alexandria NSW 2016

At the end of 2018 Amnesty International Australia ceased working with Westpac for banking services.

**Auditors Independence**

A declaration of independence has been received from the company's auditors, Ernst & Young. A copy of this declaration is attached in this Annual Financial Report.

Signed in accordance with a resolution of the directors:



Gabrielle Kavanagh  
Sydney  
Director

Dated: 18/05/2019

**Directors' Declaration**

In accordance with a resolution of the directors of Amnesty International Australia, I state that in the opinion of the directors:

- (a) the financial statements and notes of the Company are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
  - (i) giving a true and fair view of the Company's financial position as at 31 December 2018 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Commission Regulation 2013*; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the National Board



Gabrielle Kavanagh  
Sydney  
Director

Dated: 18/05/2019

**Statement of Comprehensive Income for the Year Ended 31 December 2018**

	2018	Restated 2017
	\$	\$
<i>Revenue from operating activities</i>		
Donations/fundraising		
Human rights defender pledges	20,389,961	22,150,300
Non-regular donations	2,513,016	2,344,391
Other donations	1,410,209	1,492,496
Fundraising events	24,891	72,076
Bequests	895,349	2,111,534
Membership fees	236,371	332,152
<i>Other revenue</i>		
Pro Bono other	662,703	63,481
Interest and other	23,833	54,589
<b>Total revenue</b>	<b>26,156,333</b>	<b>28,621,019</b>
<i>Expenditure on Operating Activities</i>		
Human rights campaigning in Australia	(5,006,856)	(6,469,851)
Pro Bono	(99,838)	-
International campaigning and research	(6,441,651)	(8,870,727)
Pro Bono	(112,829)	-
Building our supporter base	(7,337,298)	(6,702,772)
Pro Bono	(138,516)	-
Fundraising	(6,572,008)	(5,934,496)
Pro Bono	(125,772)	(1,050)
Governance and democracy	(769,053)	(705,016)
Pro Bono	(84,842)	(20,033)
Administration and other	(622,472)	(622,502)
Pro Bono	(100,906)	(42,397)
<b>Total expenses</b>	<b>(27,412,042)</b>	<b>(29,368,844)</b>
<b>Operating Surplus/(Deficit)</b>	<b>(1,255,709)</b>	<b>(747,825)</b>
<b>Other comprehensive income/(loss) for the period</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>(1,255,709)</b>	<b>(747,825)</b>

2017 figures have been restated to reflect income categorisations which align with Amnesty International's global accounting structure and to remove immaterial categories, as well as reflect shares gifted to the organisation during 2017. The organisation was not notified of the shares at the time, which totalled \$134,730 and appear in Bequests income above.

Building our supporter base includes costs relating to the acquisition of new donors, members and activists. Governance and democracy includes costs relating to the Annual General Meeting, International Council Meeting, Board of Directors and other governance expenditure.

**Statement of Financial Position as at 31 December 2018**

	Note	2018 \$	Restated 2017 \$
<b>Assets</b>			
<i>Current Assets</i>			
Cash and cash equivalents	4	3,934,731	2,781,547
Trade and other receivables	5	810,986	1,579,620
Inventories	7	55,855	99,240
Other current assets	6	270,295	433,984
<b>Total Current Assets</b>		<b>5,071,867</b>	<b>4,894,391</b>
<i>Non-Current Assets</i>			
Other Assets	8	264,278	226,697
Property, plant and equipment	9	430,570	643,817
Intangible assets	10	251,359	0
<b>Total Non-Current Assets</b>		<b>946,206</b>	<b>870,514</b>
<b>Total Assets</b>		<b>6,018,073</b>	<b>5,764,905</b>
<b>Liabilities</b>			
<i>Current Liabilities</i>			
Trade and other payables	11	2,217,010	740,157
Provisions	13	1,069,279	1,066,593
<b>Total Current Liabilities</b>		<b>3,286,289</b>	<b>1,806,750</b>
<i>Non-Current Liabilities</i>			
Provisions	14	287,787	258,448
<b>Total Non-Current Liabilities</b>		<b>287,787</b>	<b>258,448</b>
<b>Total Liabilities</b>		<b>3,574,076</b>	<b>2,065,198</b>
<b>Net Assets</b>		<b>2,443,998</b>	<b>3,699,707</b>
<b>Accumulated Surplus</b>			
Retained surplus		<b>2,443,998</b>	<b>3,699,707</b>
<b>Accumulated Surplus</b>		<b>2,443,998</b>	<b>3,699,707</b>

2017 figures have been restated to include shares which were gifted to the organisation without notification during the year (\$134,730, shown within Other Current Assets), and to reclassify existing shares from cash and cash equivalents to other assets.

This has decreased Cash and Cash Equivalents by \$43,055 from \$2,824,602 to \$2,781,547 and increased Other Current Assets by \$177,785 from \$256,199 to \$433,984 for 2017. Retained Surplus has increased for 2017 by \$134,730 from \$3,564,977 to \$3,699,707.

**Statement of Cash Flows for the Year Ended 31 December 2018**

		2018	Restated 2017
		\$	\$
<b>Cash Flows from Operating Activities</b>	<b>Note</b>		
Cash receipts in the course of operations		25,476,153	28,366,439
Payments to employees and suppliers		(22,108,795)	(20,825,739)
Interest received		17,280	19,975
Payments to the International Secretariat and other Amnesty International sections		(1,858,602)	(8,391,669)
<b>Net Cash Flows provided by/(used in) Operating Activities</b>		<b>1,526,036</b>	<b>(830,994)</b>
<b>Cash Flows from Investing Activities</b>			
Purchase of property, plant and equipment		(372,852)	(478,255)
<b>Net Cash Flows provided by/(used in) Investing Activities</b>		<b>(372,852)</b>	<b>(478,255)</b>
Net increase/(decrease) in cash held		1,153,184	(1,309,249)
Cash at the beginning of the financial year		2,781,547	4,090,796
<b>Cash at the end of the financial year</b>	<b>4</b>	<b>3,934,731</b>	<b>2,781,547</b>

2017 figures have been restated to declassify shares as cash and cash equivalents. This has reduced cash receipts by \$43,055 from \$28,409,494 to \$28,366,439 and Cash at the end of the financial year has decreased by \$43,055 from \$2,824,602 to \$2,781,547.

**Statement of Changes in Equity for the Year Ended 31 December 2018**

	Accumulated surplus	Total
	\$	\$
At 1 January 2017	4,447,532	4,447,532
Surplus/(Deficit) for the period	(747,825)	(747,825)
<b>At 31 December 2017</b>	<b>3,699,707</b>	<b>3,699,707</b>
At 1 January 2018	3,699,707	3,699,707
Surplus/(Deficit) for the period	(1,255,709)	(1,255,709)
<b>At 31 December 2018</b>	<b>2,443,998</b>	<b>2,443,998</b>

## 1. CORPORATE INFORMATION

The financial report of Amnesty International Australia for the year ended 31 December 2018 was issued in accordance with a resolution of the directors on the 18th day of May 2019.

Amnesty International Australia is a not-for-profit company limited by guarantee. The registered office is Level 1, 79-83 Myrtle Street, Chippendale, NSW, 2009. The nature of the operations and principal activities are described in the Directors' Report.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### a. Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012*, *Australian Accounting Standards- Reduced Disclosure Requirements*, the *Australian Charities and Not-for-profit Commission Regulations 2013* and other authoritative pronouncements of the Australian Accounting Standards Board. It has been prepared on the basis of historical costs (except shares). The accounting policies have been consistently applied, unless otherwise stated. The financial report is presented in Australian dollars, unless otherwise stated. The accounts have been rounded to the nearest dollar.

### b. Statement of compliance

The financial report complies with Australian Accounting Standards Reduced Disclosure Requirements.

### c. Income tax

Amnesty International Australia is exempt from income tax in Australia under Division 50 of the Income Tax Assessment Act 1997.

### d. Revenue recognition

#### *Fundraising, bequests, donations and membership fees*

Contributions from individuals, local groups and networks of Amnesty International Australia are treated as fundraising revenue and are recognised when received.

#### *Sale of merchandise and publications*

Revenue is recognised when the significant risks and rewards of ownership have passed to the buyer and can be measured reliably. Risks and rewards are considered passed to the buyer at the time of delivery of the goods to the customer.

#### *Interest revenue*

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

### e. Cash and cash equivalents

For the purposes of the statement of financial position and cash flows, cash includes cash on hand, at-call or short-term deposits with a maturity date of three months or less, and are with banks or financial institutions.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### f. Trade and other receivables

Trade receivables are recognised initially at fair value, and subsequently measured less an allowance for uncollectible amounts. The collectability of debts is assessed at the balance sheet date and specific provision is made for any doubtful accounts.

### g. Inventories

Inventories are carried at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows: Finished goods – cost of direct materials, on a weighted average basis.

Net realisable value is the estimated selling price in the normal course of operations, less estimated costs necessary to make the sale.

### h. Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

Assets are depreciated over their estimated useful lives, using the straight-line method, from the date of acquisition.

Depreciation rates used for each class of asset, for the current and previous years, are as follows:

	2018	2017
IT equipment	33.3%	33.3%
Plant and equipment	25%	25%
Leasehold improvements	term of lease	term of lease

#### *Derecognition*

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the year the item is derecognised.

### i. Intangible Assets

Intangible assets comprise software which was acquired separately and initially measured at cost. Following initial recognition intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets with finite lives are amortised over the useful life of 4 years and the amortisation expense is recognised in the income statement.

### j. Recoverable amounts of assets

At each reporting date, assets are reviewed to determine whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, and where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amounts are determined for individual assets, unless the value in use cannot be estimated independently from other assets. In this case, the recoverable amount is determined for the cash-generating group of assets to which it belongs.



**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**k. Leases**

Lease payments for premises, equipment and software, where substantially all the risks and benefits remain with the lessor, are charged on a straight-line basis as expenses over the lease term. Operating lease incentives are recognised as a liability when received and subsequently released over the term of the lease to the income statement.

**l. Trade and other payables**

Trade and other payables are carried at amortised cost and are recognised for amounts to be paid in the future for goods or services received, whether billed to the company or not. Trade payables are normally settled within normal trading terms.

**m. Provisions**

Provisions are recognised when Amnesty International Australia has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where Amnesty International Australia expects some or all of the provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**n. Employee benefits**

*Wages, salaries and annual leave*

Liabilities for employee benefits for wages, salaries and annual leave, represent present obligations resulting from employees' services provided up to the balance sheet date, calculated at undiscounted amounts based on remuneration rates that the company expects to pay, expected to be settled within 12 months. Leave entitlements expected to be settled after 12 months are measured at the present value of the estimated future cash out flow.

*Long service leave*

Liabilities for employee benefits for long service leave represent the present value of the estimated future cash outflows to be made by the employer resulting from employees' services provided up to the balance sheet date. The provision is calculated using expected future increases in wage and salary rates, including related on-costs and proportion rates based on expected settlement dates and on turnover history. Leave entitlements expected to be settled after 12 months measured at the present value of the estimated future cash out flow.

*Superannuation plans*

Contributions are made by Amnesty International Australia to defined contribution superannuation funds and are charged as expenses when incurred.

**o. Foreign currency translations**

Both the functional and presentation currency of Amnesty International Australia is Australian dollars.

Foreign currency transactions are converted to Australian dollars at the rates of exchange ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies at the balance sheet date are converted at the rates of exchange ruling at that date. Gains and losses from conversion of assets and liabilities, whether realised or unrealised, are included in the income statement in the year in which the exchange rates change.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**p. 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 Tax 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 are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

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

**q. Pro bono services and in-kind support**

Amnesty International Australia receives pro bono services or goods from a range of providers including legal, information technology, strategy and human resource specialists.

Amnesty International Australia has assessed the fair or market value of these professional services or goods at \$662,703 (2017: \$63,481). The value of these services goods are recognised in the accounts as income with an equivalent expense.

Amnesty International Australia also receives considerable in-kind support from other individual supporters. No assessment of the value of this support has been attempted as the fair value of this support cannot be reliably determined.

**r. Disposal of surplus**

Rule 7.1 of Amnesty International Australia's Memorandum of Association prohibits the distribution of any surplus to Members. All income must be applied towards the promotion of the objects of Amnesty International Australia.

**s. Volunteer workers**

Amnesty International Australia receives considerable services from its many volunteers. No assessment of the value of this support has been attempted as the fair value of this support cannot be reliably determined

**t. Significant accounting judgements, estimates and assumptions**

The preparation of the financial report requires the making of estimates and assumptions that affect the recognised amounts of assets, liabilities, revenues and expenses. The estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

*Significant estimates*

The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period or in the period of revision and future periods if the revision effects both current and future periods.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**u. Investments and other financial assets**

**(i) Financial assets**

Financial assets in the scope of AASB 9 *Financial Instruments* are classified as subsequently measured at amortised cost, fair value through profit and loss or fair value through other comprehensive income on the basis of both the entity's business model for managing the financial asset and the whether the contractual cash flows are solely payments of principal and interest. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As the business model for cash and trade and other receivables are "held to collect" these assets are measured at amortised cost. As share investments are not held for long term strategic purposes these are recognised at fair value through profit and loss. There were no material changes in classifications or values on transition to the new accounting standard AASB 9 on 1 January 2018. These are included in current assets, except for those with maturities greater than 12 months after balance date, which are classified as non-current.

**v. Fundraising activities**

As a Charitable Institution and with Fundraising Authority issued by the NSW Government and deductible recipient status per Section 30-15 of the Income Tax Assessment ACT 1997, Amnesty International Australia is subject to various state legislation and their reporting requirements as detailed below.

*Charitable Fundraising Act 1991*

This Act and supporting regulations prescribe the manner in which fundraising appeals are to be conducted, controlled and reported in NSW.

The amounts shown in Note 19 are in accordance with S23 (3) of the Act, Sections 5, 7 and 8 of the Regulations and Authority Condition 7.

*Donations and bequests*

Donations and bequests are recognised as income as and when received in Amnesty International Australia's offices or deposited in Amnesty International Australia's bank account. As specified in the Act, unsolicited donations, members' donations and bequests are not treated as fundraising income when determining information required under the Act.

*Costs of fundraising*

Costs in Note 19 include all direct fundraising costs in accordance with the Act. The inclusion of indirect costs is discretionary. Indirect costs include overheads such as rent, light, power, insurance and the time spent by accounting and office staff administering appeals and receipting but not directly involved in appeals. Indirect costs have not been included in Note 19.

*Mail appeals donations and cost allocation*

Mail appeals are targeted at both members and non-members. When determining what constitutes fundraising activities as required under the Act, revenue received from members is excluded and a comparable share of costs attributed to members is also excluded.

No costs were attributed to members for a share of raffle, or event costs even though some members would have supported both. The impact on results is not material.

*Donor acquisition*

Bank charges incurred in receiving income from face to face approaches to the public through designated fundraising organisations and mass media appeals are recognised as a direct cost of fundraising. All donations with purchases of merchandise and one-off donations from non-members are assumed to be the result of general campaigns and are reported as such.



### 3. OPERATING SURPLUS

The operating surplus/ (deficit) has been arrived at after charging the following items:

	2018 \$	2017 \$
Amortisation expense	15,751	480,497
Depreciation expense	319,345	372,283
Write-down of inventory to net realisable value	46,293	16
Operating lease / rental expense	936,224	888,130
Cost of goods sold	9,091	2,761
Contributions to the International Secretariat of AI	4,132,207	7,451,827
Employee benefit expense	9,248,091	9,050,127

### 4. CASH AND CASH EQUIVALENTS

#### Reconciliation of cash

For the purposes of the cash flow statement, cash includes cash on hand and at bank and short term deposits at call. Cash at the end of the financial year as shown in the cash flow statement and is reconciled to the related item in the statement of financial position as follows:

	2018 \$	2017 \$
Cash on hand	4,612	3,255
Group bank accounts	14,261	13,548
Cash at bank	3,903,483	2,030,977
At call deposit	12,375	733,767
<b>Cash assets</b>	<b>3,934,731</b>	<b>2,781,547</b>

Cash at bank and on hand earns interest at floating rates based on daily bank deposit rates.

### 5. TRADE AND OTHER RECEIVABLES

	2018 \$	2017 \$
Trade receivables	3,274	3,063
Receivable from Amnesty International (UK)	387,742	1,156,574
Accrued income	95,704	21,770
GST receivable	317,030	383,500
Other receivables	7,235	425
	<b>810,986</b>	<b>1,579,620</b>

The carrying values of receivables are a reasonable approximation of fair value.

**6. OTHER CURRENT ASSETS**

	2018 \$	2017 \$
Prepayments	147,686	225,406
Shares	121,398	177,785
Other Assets	1,210	30,793
	<u>270,295</u>	<u>433,984</u>

**7. INVENTORIES**

	2018 \$	2017 \$
Finished goods	9,285	54,827
Campaign materials	46,570	44,413
	<u>55,855</u>	<u>99,240</u>

Finished goods represent inventories available for sale.

**8. NON-CURRENT ASSETS**

	2018 \$	2017 \$
Other Assets (Leasehold Bonds)	264,278	226,697
	<u>264,278</u>	<u>226,697</u>

**9. PROPERTY, PLANT AND EQUIPMENT**

	2018 \$	2017 \$
Plant and equipment, at cost	2,277,716	2,237,302
Less: accumulated depreciation	(2,134,792)	(1,939,932)
<b>Net Plant and equipment</b>	<u>142,923</u>	<u>297,370</u>
Leasehold improvements, at cost	2,315,651	2,250,322
Less: accumulated depreciation	(2,028,005)	(1,903,875)
<b>Net Leasehold improvements</b>	<u>287,646</u>	<u>346,447</u>
Total cost	4,593,367	4,487,624
Total accumulated depreciation	(4,162,797)	(3,843,807)
<b>Total Property, plant and equipment</b>	<u>430,570</u>	<u>643,817</u>

Reconciliations of the carrying amounts for each class of property, plant and equipment are set out below:

	2018 \$	2017 \$
<b>Plant and equipment:</b>		
Carrying amount at beginning of the year	297,370	254,510
Additions	40,413	249,323
Disposal & adjustments	356	(1,793)
Depreciation	(195,216)	(204,670)
<b>Carrying amount at the end of the year</b>	<b>142,923</b>	<b>297,370</b>
<b>Leasehold improvements:</b>		
Carrying amount at beginning of the year	346,447	285,128
Additions	65,329	228,932
Disposal	-	-
Depreciation	(124,130)	(167,613)
<b>Carrying amount at the end of the year</b>	<b>287,646</b>	<b>346,447</b>
<b>Total Property, plant and equipment:</b>		
Carrying amount at beginning of the year	643,817	539,637
Additions	105,742	478,255
Disposal	356	(1,793)
Depreciation	(319,345)	(372,283)
<b>Total carrying amount at the end of the year</b>	<b>430,570</b>	<b>643,817</b>

#### 10. INTANGIBLE ASSETS

	2018 \$	2017 \$
Intangible assets, at cost	2,132,517	1,865,407
Less: accumulated amortisation	(1,881,158)	(1,865,407)
<b>Total Intangible assets</b>	<b>251,359</b>	<b>-</b>

Reconciliations of the carrying amounts for each class of intangibles are set out below:

##### **Software Intangibles:**

Carrying amount at beginning of the year	-	480,497
Additions	267,110	-
Disposal	-	-
Amortisation	(15,751)	(480,497)
<b>Carrying amount at the end of the year</b>	<b>251,359</b>	<b>-</b>

As part of the 2016 management decision to replace the current database in 2017, the remaining value of the database was fully amortised in 2017.

**11. TRADE AND OTHER PAYABLES**

	2018	2017
	\$	\$
Trade payables	225,275	321,547
Payable to Amnesty International (UK)	1,528,947	24,173
Employee benefits payable	285,703	243,008
Other payables & accruals	177,086	151,428
	<u>2,217,010</u>	<u>740,157</u>

The carrying values of payables are a reasonable approximation of fair value, due to the short term nature.

**12. EMPLOYEE BENEFITS – SUPERANNUATION**

Amnesty International Australia makes contributions to defined contribution superannuation funds.

The amount recognised as an expense in the statement of comprehensive income is \$835,520: (2017 \$802,345).

**13. CURRENT LIABILITIES – PROVISIONS**

	2018	2017
	\$	\$
Long service leave	532,092	559,624
Annual leave	537,188	506,969
	<u>1,069,279</u>	<u>1,066,593</u>

**14. NON-CURRENT LIABILITIES – PROVISIONS**

	2018	2017
	\$	\$
Make good	113,000	113,000
Long service leave	174,787	145,448
	<u>287,787</u>	<u>258,448</u>

(a) *Nature and timing of provisions*

(i) The Make good provision relates to operating leased fit-out restorations in

*Queensland 2019*  
*South Australia 2020*  
*Australian Capital Territory 2020*  
*Victoria 2022*

Movement in the make good provision for the year is set out as follows:

	2018 \$	2017 \$
At 1 January	113,000	40,000
Arising/(Utilised) during the year	-	73,000
<b>At 31 December</b>	<b>113,000</b>	<b>113,000</b>

(ii) Long service leave

Refer to note 2(n) for the relevant accounting policy.

	2018	2017
Number of employees (Full time equivalent at year end)	82.8	82.3



## 15. OPERATING LEASE COMMITMENTS

Amnesty International Australia has entered into commercial leases on certain buildings and items of office equipment, as well as a maintenance contract for software support.

Lease payments for 2018 totalled \$936,224 (2017: \$873,608)

The leases on buildings have an average life of between 1 and 7 years with renewal terms included in the contracts. Renewals are at the option of Amnesty International Australia. Most lease contracts provide for escalating lease payments based on general inflationary indices.

The leases for office equipment have an average life of between 2 and 5 years with renewal terms included in the contracts. Renewals are at the option of Amnesty International Australia.

There are no restrictions placed upon the lessee by entering into these leases.

Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:

	2018	2017
	\$	\$
Within one year	967,961	856,263
After one year but not more than 5 years	2,421,889	3,006,433
More than 5 years	-	-
	<u>3,389,851</u>	<u>3,862,696</u>

## 16. SEGMENT INFORMATION

Amnesty International Australia operates in the human rights industry, specifically human rights campaigning, awareness raising and fundraising in one geographical area - Australia.

## 17. DIRECTORS' REMUNERATION

All directors at both national and regional level provide their services free of charge. No remuneration was paid to directors except for some reimbursement of expenses incurred in the course of their duties.

**18. RELATED PARTIES**

**a) Directors**

There were no loans to Directors at any time in the year ended 31 December 2018. If a Director from time to time purchases goods from the company it is on the same terms and conditions as available to employees.

**b) Key management personnel remuneration**

Compensation totalling \$830,061 was paid to 4 employees (2017: 5 employees) on the Senior Leadership Team (SLT) during the year for their contributions as employees of the company and for conducting and directing services. There are four permanent roles on the SLT.

	2018	2017
	\$	\$
Total remuneration	830,061	797,599

**c) Transactions with the international movement of Amnesty International and other Amnesty sections.**

Based on Amnesty International Australia's financial results from prior periods, the organisation contributes to the international movement via the International Secretariat. The 2018 assessment amount was \$5,179,936 (2017: \$7,451,827) and was partially paid during the year. Amnesty International Australia also received a waiver of \$1.1 million which was applied to the assessment payable, reducing it to \$4.1 million.

During the year Amnesty International Australia purchased publications and campaign materials from the International Secretariat (IS). The company also incurred costs of \$421,653 for IS staff located in Australia (2017: \$343,599) on behalf of the international movement which were deducted from assessment payments.

As at 31 December 2018, there is \$387,742 of receivables due from the international movement (2017: \$1,156,574) and there is \$1,299,417 (2017: \$24,173) owing to the international movement in 2018.

19. CHARITABLE FUNDRAISING ACT (NSW) 1991

a) Details of aggregated gross income and total expenses of fundraising appeals:

	2018	2017
	\$	\$
Gross income	26,156,333	28,486,289
Less: Proceeds not received from appeals	(1,004,017)	(4,810,786)
<b>Gross proceeds from fundraising appeals</b>	<b>25,152,316</b>	<b>23,675,503</b>
Gross proceeds from fundraising appeals	25,152,316	23,675,503
Less: Direct costs of fundraising appeals	(8,653,521)	(8,961,556)
<b>Net surplus from fundraising appeals</b>	<b>16,498,796</b>	<b>14,713,947</b>

b) Fundraising appeals conducted during the financial year:

Fundraising appeals were conducted during the financial year by mail, telephone, online and through face to face recruitment. In addition, funds were raised by donations from non-members and fundraising events.

Donations and fundraising in this note follow the definition in the Charitable Fundraising Act. As such, there are some differences in the classification of items compared to the statement of comprehensive income, but the overall totals remain the same.

c) Details of Results of Fundraising Appeals

Types of appeal	Fundraising: Revenue/Expense Comparison					
	2018			Restated 2017		
	Revenue	Expenses	Ratio of cost to revenue	Revenue	Expenses	Ratio of cost to revenue
Regular Giving	21,200,470	7,766,638	37%	20,890,110	7,360,840	35%
Major Donors	1,100,374	526,491	48%	1,028,129	339,156	33%
Corporations	116,680	-	-	202,121	7,999	4%
Non-Regular donations	2,709,725	355,255	13%	1,496,895	1,232,115	82%
Events	25,069	5,136	20%	58,248	21,446	37%
<b>Total</b>	<b>25,152,316</b>	<b>8,653,521</b>	<b>34%</b>	<b>23,675,503</b>	<b>8,961,556</b>	<b>38%</b>

2017 figures have been restated to reflect income categorisations which align with Amnesty International's global accounting structure and to remove immaterial categories.

For 2018 the ratio of costs to revenue overall is within the 50% guideline.

## 20. Contingent Liability

Amnesty International Australia (AIA) entered into a Memorandum of Understanding (MOU) with Amnesty International Limited (AIL) in 2014. The MOU outlines the arrangements between AIA and AIL including contributions AIA makes to AIL.

The purpose of this MOU is to vary the arrangements between AIA and AIL regarding financial contributions for 2016 to 2022. An amount totalling \$4,416,667 was waived by AIL on the contributions AIA was to make during 2016.

The MOU also goes on to state that, from calendar years 1 January 2017 to 31 December 2018, if AIA has cash less short-term liabilities in excess of \$4,000,000, AIA will make an additional contribution to AIL of an amount equal to the excess, up to an accumulated maximum of \$2,516,667. This additional contribution is payable in the following calendar year of assessment. No payment was made in 2018 for 2017 as per the terms of the MOU as AIA had cash less short-term liabilities less than \$4,000,000.

In the event that funds are received from a particular estate, these will be due and payable at the time of receipt to the IS. The estimated payment is \$1,500,000 should the payment be received. As it is currently not certain as to the amount of payment and it is only possible, not probable, no provision for any liability has been made in these financial statements.

	2018	2017
	\$	\$
Contingent Liability	1,500,000	2,336,088

## 21. Events Subsequent to Balance Date


Amnesty International Australia underwent a restructuring of its operations in early 2019, in order to further improve its organisational sustainability, effectiveness and impact. The estimated direct immediate cost of this transition is \$800,566.



I, Gabrielle Kavanagh, a Director of Amnesty International Australia, declare that in my opinion:

- (a) the financial report gives a true and fair view of all income and expenditure of Amnesty International Australia with respect to fundraising appeal activities for the financial year ended 31 December 2018
- (b) the statement of comprehensive income gives a true and fair view of the state of affairs with respect to fundraising appeal activities as at 31 December 2018
- (c) the provisions of the Charitable Fundraising Act 1991 and Regulations and the conditions attached to the authority have been complied with during the period from 1 January 2018 and 31 December 2018
- (d) the provisions of the Charitable Collections Act 1946 (WA) and Regulations and the conditions attached to the authority have been complied with during the period from 1 January 2018 and 31 December 2018
- (e) the internal controls exercised by Amnesty International Australia are appropriate and effective in accounting for all income received and applied from any fundraising appeals, although it is not always practicable for the company to establish accounting control over all sources of fundraising appeal activities prior to receipt of these funds by employees of the company.

Dated at Sydney this 18th day of May 2019

  
Gabrielle Kavanagh  
Sydney  
Director

# Independent Auditor's Report to the Members of Amnesty International Australia

## Report on the Financial Report

### Opinion

We have audited the financial report of Amnesty International Australia (the Company), which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- a) giving a true and fair view of the Company's financial position as at 31 December 2018 and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the 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.

### Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

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

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

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

## **Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Commission Act 2012* 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 Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have 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\\_files/ar3.pdf](http://www.auasb.gov.au/auditors_files/ar3.pdf). This description forms part of our auditor's report.

## **Report on the requirements of the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2015* and the requirements of the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)***

We have audited the financial report as required by Section 24(2) of the *NSW Charitable Fundraising Act 1991* and the *WA Charitable Collections Act (1946)*. 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 *NSW Charitable Fundraising Regulations 2015* and the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)*.

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 and Regulations 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 Amnesty International Australia has been properly drawn up and associated records have been properly kept during the financial year ended 31 December 2018, 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. sections 10(6) and 11 of the NSW Charitable Fundraising Regulations 2015;
  - iii. the WA Charitable Collections Act (1946); and
  - iv. the WA Charitable Collections Regulations (1947).
- b) the money received as a result of fundraising appeals conducted by the company during the financial year ended 31 December 2018 has been properly accounted for and applied, in all material respects, in accordance with the above mentioned Acts and Regulations.

*Ernst + Young*

Ernst & Young

*Gamini Martinus*

Gamini Martinus  
Partner  
Sydney  
18 May 2019





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## Auditor's Independence Declaration to the Directors of Amnesty International Australia

In relation to our audit of the financial report of Amnesty International Australia for the financial year ended 31 December 2018, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of any applicable code of professional conduct.

Ernst & Young

Gamini Martinus  
Partner  
18 May 2019