

**AMNESTY
INTERNATIONAL**



AMNESTY INTERNATIONAL AUSTRALIA

ABN 64 002 806 233

ANNUAL FINANCIAL REPORT

2014

The Directors present their report together with the financial report of Amnesty International Australia (AIA) ("the company") for the year ended 31 December 2014 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	Date of Birth	Experience and Special Responsibilities
<p><i>Anthony Stuart Mitchell</i> BA (Pure Mathematics) BSc (Psychology)</p> <p>Director and President</p>	5/10/69	<p>Director, Bendelta P/L (strategic advisory firm) Amnesty International Australia member since 2005 New South Wales Branch President May 2008 – July 2010 and Branch Vice President May 2007 – May 2008 Member, New South Wales Branch Committee May 2006 – July 2010 Delegate, International Council Meeting 2011 Vice President July 2010 – 1/9/11 President from 1/9/11 Director appointed 17/5/08</p>
<p><i>Kathleen Marie Richards</i> BSc (Hons), MA</p> <p>Director and Vice President</p>	22/6/75	<p>Commonwealth Public Servant Member of Amnesty International Australia since 1991 Member ACT/South New South Wales Branch Committee since 2007 incl. Secretary 2008 and Vice President 2009 Delegate, International Council Meeting 2007, 2009 & 2011 Convenor ACT/SNSW Women's Rights Group (2005-2007), Mums & Bubs for Amnesty Group (2009-2011), School Group (1991) Vice-President 7/9/11 to 2/3/14 Director 19/5/10 – 2/3/14</p>
<p><i>Catherine Cooper</i> M Ed, BA, Grad Dip Ed</p> <p>Director and Company Secretary</p>	25/12/57	<p>Manager, Learning & Assessment Design, SACE Board of South Australia Member of Amnesty International Australia since 1994 South Australia/Northern Territory Branch Committee member 2005 - 2008 SA/NT Branch President October 2006 – May 2008 Company Secretary since 9/7/11 Director 31/10/06 – 10/5/08 and since 6/7/08</p>
<p><i>Giles Errol Gunsekera</i> MA App. Fin & Inv. B Comm, Cert. Workplace Training, SF Fin, AFAIM, MAITD</p> <p>Director and Treasurer</p>	3/11/73	<p>Director, Head of Third Party Sales, Principal Global Investors. Member of Amnesty International Australia since 1990 Member, Audit & Risk Committee since 2008 and Chair since 9/7/11 Member of the Speakers Network since 1999 Member of New South Wales Branch Committee 2005 – 2010 NSW Branch Committee Treasurer 2006 – 2010 Chair, Remuneration Committee July 2013 Treasurer since 9/7/11 Director appointed 20/7/10</p>

Name and Qualifications	Date of Birth	Experience and Special Responsibilities
<p><i>Gregory David Stitt</i></p> <p>Director</p>	<p>23/9/58</p>	<p>Self-employed Electrical Designer Australian Coordinator AI East African Regional Network 1995-1996 Rejoined Amnesty International Australia in 2000 Convenor, China Group 2008, Member SVAW group 2009 Member, 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>Sarah Ellen Holloway</i> <i>BA/LLB, Grad Dip Legal Practice</i></p> <p>Director</p>	<p>12/9/83</p>	<p>Lawyer Member of Amnesty International Australia since 2001 Member, Tasmanian Branch Committee 2005 – 2008 incl Secretary 2006, Vice President 2007, Branch President 2008 Member, Victorian Branch Committee 2010 – 2011 Director appointed 13/7/2011</p>
<p><i>Gabrielle Susan Mary Kavanagh</i> <i>B.International Studies</i></p> <p>Director</p>	<p>19/4/85</p>	<p>Campaigns Coordinator, Uniting Care Children, Young People and Families 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 and 2013 Director appointed 13/7/11 Vice President since 2/3/14</p>
<p><i>Simon Dominic Rumore</i> <i>B Comm, GAICD</i></p> <p>Director</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 Branch Committee since 2009 incl. Secretary 2010-2012 Convenor QLD Business Network. Deputy Volunteer Coordinator International Committee Meeting 2011 Director appointed 12/5/12</p>
<p><i>David Ralph Robertson</i> <i>Dip. Government, Dip. Office Administration</i></p> <p>Director</p>	<p>27/1/70</p>	<p>Public Servant, Parliament of Victoria Member of Amnesty International Australia since 1996 Member Victorian Branch Committee 2008 – 2012, Victorian Parliamentary group since 2010, International Criminal Court group 2012. Director appointed 8/7/12</p>
<p><i>Cassandra Devine</i> <i>BA(M&C), BPPM (Hons)</i></p> <p>Director</p>	<p>4/2/84</p>	<p>Researcher, ACTU Member of Amnesty International Australia since 2002 Member Victorian Branch Committee since 2009 incl. Treasurer 2010-2012 Member of Amnesty International Australia's Asia-Pacific Team 2004-2005, Indigenous Group 2010-2011 and Speakers Network 2011-current Director 12/6/12 – 25/11/14</p>

Name and Qualifications	Date of Birth	<i>Experience and Special Responsibilities</i>
<p><i>Cetana Das</i> BSc, BA (Hons), Master of Applied Anthropology & Participatory Development</p> <p>Director</p>	11/10/79	<p>Commonwealth Public Servant Member of Amnesty International Australia since 2004 Volunteer, International Council Meeting 2011 Deputy Volunteer Coordinator, International Council Meeting 2013 Member of ACT/South New South Wales Branch Committee 2006/2007 and 2012/2013 incl. Vice President 2012-2013 Member for various terms of ACT/Southern New South Wales and the National Refugee Team, Grassroots Working Group and Governance Committee Director appointed 11/5/13</p>
<p><i>Raffaele Piccolo</i> B.Int.St. (Hons), Dip. Lang.</p>	15/10/88	<p>Student and member of the Law Society of SA Human Rights Committee Member of Amnesty International Australia since 2006 Member of South Australia/Northern Territory Branch Committee since 2010 incl. Vice President 2011-2012 Director 18/5/13 – 30/11/14</p>
<p><i>Colette Barbara Glazik</i> B.Bus, LLB</p>	6/8/88	<p>Public Servant, Tasmania, and exercise instructor for Barcode Member of Amnesty International Australia since 2011 Tasmanian Branch Committee since 2011 Director appointed 2/9/13</p>
<p><i>Sunil Raj Senthoran</i> BA (Hons), LLB (Hons)</p>	2/3/89	<p>Researcher, University of Sydney Member of Amnesty International Australia since 2008 Delegate, International Council Meeting 2013 Member of New South Wales Branch Committee since 2008 incl. Vice President 2010-2011, President 2011-2014, Regional Representative 2014- Member for various terms of University of Sydney Amnesty International Society, Amnesty's Refugee Casework Team, NSW Refugee Network, NSW LGBTIQ Network, Youth Advisory Group, Diversity Steering Committee and International Issues Committee. Director appointed 2/3/14</p>
<p><i>Katherine Claire Helen Morell Bennett Waterford</i> BA, LLB (Hons), M Comm</p>	28/1/83	<p>Member of Amnesty International Australia since 2013 Member of ACT/Southern New South Wales Branch Committee since 2013 Director appointed 23/7/14</p>
<p><i>Vicki Jacobs</i> BA, Grad Dip Applied Psychology, Grad Dip Business Administration, Master of Business</p>	28/3/55	<p>Public Servant 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 since 2014 Director 30/5/92 – 26/11/94 Director 8/5/04 – 2/7/06 Director appointed 1/12/14</p>

Name and Qualifications	Date of Birth	<i>Experience and Special Responsibilities</i>
<i>Dodi Ansell</i> <i>Dip T., B. Ed</i>	15/7/46	Temporary Relieving Teacher Member of Amnesty International Australia since 2001 South Australian/Northern Territory Branch, Secretary 2010 and 2013, Vice President 2004 Member National Refugee Team 2002 – 2010 Alternate Director 9/5/14 – 31/8/14

Unless otherwise indicated all Directors held their positions as Directors throughout the entire calendar year and up to the date of this report.

Directors' Attendance at Board Meetings – 2014

Director	Board Meetings		Audit & Risk Committee		Public Fund Committee		Governance Committee	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Anthony Mitchell	7	7						
Kathleen Richards	1	1					2	2
Catherine Cooper	7	7			1	1	10	10
Giles Gunsekera	7	6	5	5	1	1		
Gregory Stitt	7	6	5	5				
Sarah Holloway	7	6	5	4	1	1		
Gabrielle Kavanagh	7	7					10	9
Simon Rumore	7	7					10	9
David Robertson	7	7						
Cassandra Devine	6	6						
Cetana Das	7	7					8	8
Raffaele Piccolo	5	3					8	3
Colette Glazik	7	7	1	1				
Sunil Raj Senthoran	6	5						
Katherine Waterford	3	3						
Vicki Jacobs	0	0						
Dodi Ansell	3	3						

The Audit and Risk Committee assists and advises the Board in relation to identifying and managing business risk within the organisation and also in relation to financial management and reporting.

The Public Fund Committee oversees the correct administration of gifts and donations.

The Governance Committee is responsible, among other things, for 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.

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 Amnesty International Sections. The goals which Amnesty International Australia works towards in Australia are set by our Board with advice from the Senior Management Team considering the vital input from our supporters.

Amnesty International Australia will protect and defend the human rights of more people by:

- Inspiring over 500,000 people every year to take action for human rights.
- Positively influencing and informing opinion formers and decision makers.
- Being an inclusive, authoritative, relevant and bold organisation.
- Playing a leading role in Amnesty International, particularly in the Asia Pacific.

Our goals

In 2015 Amnesty International Australia will:

- Respond rapidly to international crises and support individuals at risk.
- Grow our income to deliver increased impact globally.
- Work with partners to reduce Indigenous youth incarceration
- Strengthen our community presence and grassroots support.
- Champion the rights of refugees and asylum seekers.

Approach to Achieving Short and Long Term Objectives

Amnesty International Australia identifies opportunities to achieve human rights impact through building strong campaigns and using those campaigns to empower our activists, reach out to new audiences, recruit new supporters and achieve the required pressure that results in positive change.

In 2014 our dedicated supporters spread awareness of refugee and asylum seeker rights, including letter-boxing approximately 200,000 homes with flyers about the Manus Island detention centre. After pressure through Amnesty International Australia's community activism, advocacy and media work, in August the Australian Government announced new bridging visa arrangements for young children and their families in onshore detention.

Our ongoing work alongside individuals at risk saw intense campaigning by Amnesty International and other organisations, and in March 2014 the Japanese authorities ordered the release of death-row inmate Hakamada Iwao. And in June, the Sudanese authorities released Meriam Ibrahim, a Christian woman sentenced to death for apostasy. More than a million Amnesty International supporters worldwide took action for Meriam.

Throughout 2014 Amnesty also campaigned for three Al Jazeera journalists including Australian Peter Grete, unfairly imprisoned in Egypt. Amnesty achieved great public support for the campaign, and in early 2015 we saw the three journalists released pending a retrial.

We achieved success with our ongoing Indigenous rights campaigning. In August the Australian Government scrapped the proposed changes to the Racial Discrimination Act. The proposed amendments would have made it much harder for a person to complain about racial hatred.

Amnesty International Australia also focused on ending police torture in the Philippines, drawing media and public attention to the issue. In late 2014, after sustained campaigning and advocacy in partnership with other organisations, the Philippines Senate opened an enquiry into police torture.

In December 2014 the UN Arms Trade Treaty (ATT) came into force. Amnesty International's global campaign for an ATT was instrumental in achieving this win, and as a result of our domestic campaign, the Australian Government was one of the strongest advocates for a treaty.

Principal Activities during the Year

The principal activities of the company 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.

Results

In difficult conditions the operating surplus for 2014 amounted to \$9,778 (2013: surplus \$476,013). The final surplus figure was achieved through an unplanned reduction in our payments to the International Secretariat of Amnesty International of \$583,333. This was still down on our planned surplus of \$500,000.

Fundraising in 2014 did not meet its budgeted revenue by 5%. This was broadly due to un-forecast attrition of our regular supporter base. Income from these donors makes up the largest part of our income accounting for around 80% of total revenue. Gifts from our major donors and our bequest income were also down against budget by 23%.

The organisation has set key performance indicators (KPIs) to monitor overall performance against the vision of Amnesty International Australia. These are in addition to KPIs and other measuring tools utilised for individual project, campaigns and work plans. The organisational KPIs and our 2014 performance are listed below:

- 1 - KPI: The number of people taking action in the preceding 12 months
2014 Target: 500,000 people take action to support human rights in the year.
2014 Result: 460,278 people took action in the year 2014.
- 2 - KPI: The number of supporters taking more than one action
2014 Target: 30% of our current supporters take more than one action in the year.
2014 Result: 27% of our current supporters took more than one action during 2014
- 3 - KPI: The audience reach of AIA's media
2014 Target: 220 million people estimated to be reached in 2014 calendar year
2014 Result: 284 million people reached
- 4 - KPI: AIA's prompted awareness
2014 Target: 90%
2014 Result: (2013 result 87%) This survey is conducted every two years.
- 5 - KPI: The representativeness of age, gender and ATSI profile of AIA's supporter
2014 Target: Supporter profile is consistent with the broader Australian population, as published by the ABS
2014 Result: Supporter database reporting indicates that this target was achieved.
- 6 - KPI: AIA's income growth
2014 Target: AIA annual gross income of \$30.0 million in 2014.
2014 Result: Gross income \$29.6m including Pro Bono Gross Income of \$1.3m
- 7 - KPI: AIA's ability to meet our global financial commitments
2014 Target: AIA meets International Secretariat determined assessment of \$7 million
2014 Result: \$6.4 million in assessment paid

- 8 - KPI: The role AIA plays in regional / global governance and operational bodies
2014 Target: Number of pivotal roles in formal bodies as self-assigned (Board / ND)
2014 Result: AIA's board has determined that AIA staff and activists have played several pivotal roles.

Significant Changes in the State of Affairs

There are no significant changes in the state of affairs.

In previous years Amnesty International Australia has reported the implications of the decision of the International Council Meeting of Amnesty International, to increase the contributions paid by member sections, such as Amnesty International Australia, from a base of approximately 30% towards a goal of 40%. This was expected to change the financial position of Amnesty International Australia quite significantly. However, it now appears more likely that the contributions will stabilise closer to the current levels of contribution.

Events Subsequent to Balance Date

In the interval between the end of the financial year and the date of this report, there has not been any transaction or event of a material and unusual nature likely, in the opinion of the directors of the company, to affect significantly the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Environmental Regulations

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

Liability of Members

The members are members of the public who have paid the annual membership fee. As at 31 December 2014 there were 9,078 members (2013: 9,720 members). A maximum amount of \$100 is guaranteed by each member in the event that the company is wound up.

Solicitors

Clayton Utz
1 Bligh Street
Sydney NSW 2000

Thomson Geer
Level 25
1 O'Connell Street
Sydney NSW 2000

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

Marque Lawyers
343 George 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 2015

HSBC
Level 31 580 George Street
Sydney 2000

Bendigo
The Bendigo Centre
Bendigo Victoria 3550

Auditors Independence

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

Signed in accordance with a resolution of the directors:



Giles Gunesequera
Sydney
Director

Dated: 25th Day of March, 2015

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 *Corporations Act 2001* and 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 2014 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements, the *Corporations Regulations 2001* 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 Board



Giles Gunesequera
Sydney
Director

Dated: 25th day of March, 2015

Financial Statements for the Year Ended 31 December 2014



Statement of Comprehensive Income for the Year Ended 31 December 2014

	2014	2013
	\$	\$
<i>Revenue from operating activities</i>		
Donations/fundraising		
Human rights defender pledges	22,778,012	21,404,390
Mail appeals	954,025	1,153,922
Other donations	2,298,886	2,015,755
Fundraising events	765,288	667,265
Bequests	841,419	1,155,257
Membership fees	391,708	419,444
Merchandising	236,683	245,265
<i>Other revenue</i>		
• Pro Bono Deaths in Custody report	1,258,033	2,959,264
• Pro Bono other	80,416	501,702
Interest and other	49,908	61,750
Total revenue	29,654,378	30,584,014
<i>Expenditure on Operating Activities</i>		
Human rights campaigning in Australia	(5,391,809)	(5,764,867)
• Pro Bono Deaths in Custody report	(1,258,032)	(2,959,264)
• Pro Bono Other	(1,500)	(381,928)
International campaigning and research	(8,611,575)	(7,999,469)
Building our supporter base	(9,337,233)	(8,679,492)
Fundraising	(3,167,086)	(2,541,145)
Merchandise	(266,909)	(297,997)
Governance and democracy	(901,438)	(784,333)
• Pro Bono	(72,916)	(23,955)
Administration and other	(630,102)	(579,732)
• Pro Bono	(6,000)	(95,819)
Total expenses	(29,644,600)	(30,108,001)
Operating Surplus/(Deficit)	9,778	476,013
Other comprehensive income/(loss) for the period	-	-
Total comprehensive income/(loss) for the period	9,778	476,013

Financial Statements for the Year Ended 31 December 2014



Statement of Financial Position as at 31 December 2014

	Note	2014 \$	2013 \$
Assets			
<i>Current Assets</i>			
Cash and cash equivalents	4	2,013,592	1,964,037
Trade and other receivables	5	766,063	494,861
Inventories	7	74,675	101,515
Other current assets	6	246,003	213,670
Total Current Assets		<u>3,100,333</u>	<u>2,774,083</u>
<i>Non-Current Assets</i>			
Other Assets	8	142,180	193,223
Property, plant and equipment	9	266,792	419,136
Intangible assets	10	810,707	699,923
Total Non-Current Assets		<u>1,219,679</u>	<u>1,312,282</u>
Total Assets		<u>4,320,012</u>	<u>4,086,365</u>
Liabilities			
<i>Current Liabilities</i>			
Trade and other payables	11	569,095	393,655
Provisions	13	893,959	686,569
Total Current Liabilities		<u>1,463,054</u>	<u>1,082,224</u>
<i>Non-Current Liabilities</i>			
Other payables	11	17,316	28,404
Provisions	14	199,435	347,308
Total Non-Current Liabilities		<u>216,751</u>	<u>375,712</u>
Total Liabilities		<u>1,679,805</u>	<u>1,455,936</u>
Net Assets		<u>2,640,207</u>	<u>2,630,429</u>
Accumulated Surplus			
Retained surplus		<u>2,640,207</u>	<u>2,630,429</u>
Accumulated Surplus		<u>2,640,207</u>	<u>2,630,429</u>

Financial Statements for the Year Ended 31 December 2014



Cash Flow Statement for the Year Ended 31 December 2014

	2014 \$	2013 \$
Cash Flows from Operating Activities		
Cash receipts in the course of operations	28,266,021	27,061,298
Payments to employees and suppliers	(21,478,267)	(20,945,003)
Interest received	49,908	61,750
Payments to the International Secretariat and other Amnesty International sections	<u>(6,418,530)</u>	<u>(6,098,189)</u>
Net Cash Flows provided by/(used in) Operating Activities	<u>419,132</u>	<u>79,856</u>
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(22,425)	(229,056)
Purchase of intangible asset	<u>(347,152)</u>	<u>(331,576)</u>
Net Cash Flows provided by/(used in) Investing Activities	<u>(369,577)</u>	<u>(560,632)</u>
Net increase/(decrease) in cash held	49,555	(480,776)
Cash at the beginning of the financial year	<u>1,964,037</u>	<u>2,444,813</u>
Cash at the end of the financial year	<u>2,013,592</u>	<u>1,964,037</u>

Statement of Changes of Equity for the Year Ended 31 December 2014

	Accumulated surplus \$	Total \$
At 1 January 2013	2,154,416	2,154,416
Surplus for the period	476,013	476,013
At 31 December 2013	2,630,429	2,630,429
At 1 January 2014	2,630,429	2,630,429
Surplus for the period	9,778	9,778
At 31 December 2014	2,640,207	2,640,207

1. CORPORATE INFORMATION

The financial report of Amnesty International Australia for the year ended 31 December 2014 was issued in accordance with a resolution of the directors on 31 March 2015.

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 *Corporations Act 2001*, *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 for financial assets at fair value through the profit and loss that have been measured at fair value. 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, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Some AIFRS and other Australian Accounting Standards contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements. The following Australian Accounting Standards include not-for-profit specific requirements which have been applied in preparing this financial report:

- AASB 116: Property, Plant and Equipment
- AASB 119: Employee Benefits
- AASB 136: Impairment of Assets
- AASB 1004: Contributions

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Statement of compliance (continued)

The entity has adopted AASB 1053 Application of Tiers of Australian Standards and AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosing Requirements which are mandatory for all accounting period beginning on or after 1 July 2014.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the company for the annual reporting period ending 31 December 2014. The Directors have not yet assessed the impact of these new or amended standards and interpretation on the company's financial report.

New Accounting Standards and UIG Interpretations

Certain Australian Accounting Standards and UIG Interpretations have been recently issued or amended but are not yet effective. These other standards have not been adopted for the year ended 31 December 2014. The directors have yet to finalise their assessment of the impact of these new standards and interpretation.

c. Income tax

Amnesty International Australia is exempt from income tax in Australia under Division 50 of the Income Tax Assessment Act 1997. As specified by the Australian Taxation Office (ATO), Amnesty International Australia completes an annual self-assessment to confirm the exemption.

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 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:

	2014	2013
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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i. Intangible Assets

Intangible assets were 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 5 years and the amortisation expense is recognised in the income.

The development of commercially saleable in house software is capitalised at the lesser of the fair value and the historical cost of development. Such software is amortised over 5 years.

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.

k. Leases

Lease payments for operating leases, 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 or not billed to the company. 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 settle after 12 months 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.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 and human resource specialists.

Amnesty International Australia has assessed the fair or market value of these professional services or goods at \$1,338,449 (2013: \$3,460,966). 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.

The amounts of the reserves are determined through an annual risk based assessment based on Amnesty International guidelines.

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.

u. Investments and other financial assets

Financial assets in the scope of AASB 139 *Financial Instruments: Recognition and Measurement* are classified as either financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, or available-for-sale investments, as appropriate. When financial assets are recognised initially, they are measured at fair value. The company determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year-end.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) *Financial assets at fair value through profit & loss*

Financial assets classified as held for trading are included in the category 'financial assets at fair value through profit or loss'. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term with the intention of making a profit. Gains or losses on financial assets held for trading are recognised in profit or loss and the related assets are classified as current assets in the statement of financial position.

(ii) *Loans and receivables*

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired. 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.

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, Candle Day or Event costs even though some members would have supported both. The impact on results is not material.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Mail appeals donations and cost allocation (continued)

While a small number of events raise money, events are primarily designed to have a campaigning impact. The allocation of costs was changed to 100% to reflect the increased campaigning and decrease fundraising focus of events.

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:

	2014	2013
	\$	\$
Amortisation expense	236,368	176,350
Depreciation expense	174,769	159,102
Write-down of inventory to net realisable value	8,693	9,578
Operating lease / rental expense	917,548	923,389
Cost of goods sold	99,651	111,807
Payments to the International Secretariat of AI	6,418,530	6,098,189
Employee benefit expense	7,845,479	7,346,931

4. CASH AND CASH EQUIVALENTS

	2014	2013
	\$	\$
Cash at bank and on hand	2,013,592	1,964,037
	<u>2,013,592</u>	<u>1,964,037</u>

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

Notes to the Financial Statements for the Year Ended 31 December 2014



4. CASH AND CASH EQUIVALENTS (continued)

a. 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:

	2014	2013
	\$	\$
Cash on hand	3,930	4,496
Group bank accounts	21,308	25,440
Cash at bank	764,924	174,257
At call deposit	1,223,430	1,759,844
Cash assets	<u>2,013,592</u>	<u>1,964,037</u>

5. TRADE AND OTHER RECEIVABLES

	2014	2013
	\$	\$
Trade receivables	166,468	164,463
Other receivables	599,595	330,398
	<u>766,063</u>	<u>494,861</u>

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

6. OTHER CURRENT ASSETS

	2014	2013
	\$	\$
Prepayments	171,929	186,321
Other Assets	74,074	27,349
	<u>246,003</u>	<u>213,670</u>

Notes to the Financial Statements for the
Year Ended 31 December 2014



7. INVENTORIES

	2014 \$	2013 \$
Finished goods	61,438	59,937
Campaign materials	13,237	41,578
	<u>74,675</u>	<u>101,515</u>

Finished goods represent inventories available for sale. Campaign materials represent inventories which are distributed free of charge as part of our activism and campaigning activities.

8. NON-CURRENT ASSETS

	2014 \$	2013 \$
Other Assets	142,180	193,223
	<u>142,180</u>	<u>193,223</u>

9. PROPERTY, PLANT AND EQUIPMENT

	2014 \$	2013 \$
Plant and equipment, at cost	1,606,674	1,624,870
Less: accumulated depreciation	<u>(1,494,486)</u>	<u>(1,445,421)</u>
Net Plant and equipment	<u>112,188</u>	<u>179,449</u>
Leasehold improvements, at cost	2,192,457	2,221,777
Less: accumulated depreciation	<u>(2,037,853)</u>	<u>(1,982,090)</u>
Net Leasehold improvements	<u>154,604</u>	<u>239,687</u>
Total cost	3,799,131	3,846,647
Total accumulated depreciation	<u>(3,532,339)</u>	<u>(3,427,511)</u>
Total Property, plant and equipment	<u>266,792</u>	<u>419,136</u>

Notes to the Financial Statements for the
Year Ended 31 December 2014



9. PROPERTY, PLANT AND EQUIPMENT (Continued)

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

	2014 \$	2013 \$
Plant and equipment:		
Carrying amount at beginning of the year	179,449	72,973
Additions	16,745	171,746
Depreciation	<u>(84,006)</u>	<u>(65,270)</u>
Carrying amount at the end of the year	<u>112,188</u>	<u>179,449</u>
Leasehold improvements:		
Carrying amount at beginning of the year	239,687	276,209
Additions	5,680	57,310
Disposal	(35,000)	-
Depreciation	<u>(55,763)</u>	<u>(93,832)</u>
Carrying amount at the end of the year	<u>154,604</u>	<u>239,687</u>
Total Property, plant and equipment:		
Carrying amount at beginning of the year	419,136	349,182
Additions	22,425	229,056
Disposal	(35,000)	-
Depreciation	<u>(139,769)</u>	<u>(159,102)</u>
Total carrying amount at the end of the year	<u>266,792</u>	<u>419,136</u>

10. INTANGIBLE ASSETS

	2014 \$	2013 \$
Intangible assets, at cost	1,589,247	1,242,095
Less: accumulated amortisation	<u>(778,540)</u>	<u>(542,172)</u>
Total Intangible assets	<u>810,707</u>	<u>699,923</u>

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

Intangibles:		
Carrying amount at beginning of the year	699,923	544,697
Additions	347,152	331,576
Amortisation	<u>(236,368)</u>	<u>(176,350)</u>
Carrying amount at the end of the year	<u>810,707</u>	<u>699,923</u>

Notes to the Financial Statements for the
Year Ended 31 December 2014



11. TRADE AND OTHER PAYABLES

	2014	2013
	\$	\$
Current		
Trade payables	274,891	121,647
Other payables & accruals	294,204	272,008
	<u>569,095</u>	<u>393,655</u>
Non-current		
Lease incentive accrual	17,316	28,404
	<u>17,316</u>	<u>28,404</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 \$684,890 (2013: \$620,767).

13. CURRENT LIABILITIES – PROVISIONS

	2014	2013
	\$	\$
Long service leave	484,967	276,010
Annual leave	390,992	357,559
Make Good	18,000	53,000
	<u>893,959</u>	<u>686,569</u>

14. NON-CURRENT LIABILITIES – PROVISIONS

	2014 \$	2013 \$
Make good provision	58,720	58,720
Long service leave	140,715	288,588
	<u>199,435</u>	<u>347,308</u>

(a) Nature and timing of provisions

(i) Make good provision

Queensland

In accordance with the lease agreement for our Queensland Action Centre, Amnesty International Australia must restore the premises to its original condition at the end of the lease term in 2015.

Australian Capital Territory

In accordance with the lease agreement for our ACT Action Centre, Amnesty International Australia must restore the premises to its original condition at the end of the lease term in 2016.

South Australia

In accordance with the lease agreement for our SA Action Centre, Amnesty International Australia must restore the premises to its original condition at the end of the lease term in 2015.

New South Wales

In accordance with the lease agreement for our NSW Action Centre, Amnesty International Australia must restore the first floor of the premises to its original condition at the end of the lease term in 2018.

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

	2014 \$	2013 \$
At 1 January 2013	111,720	111,720
Arising/(Utilised) during the year	<u>(35,000)</u>	<u>-</u>
At 31 December 2014	<u>76,720</u>	<u>111,720</u>

(ii) Long service leave

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

	2014	2013
Number of employees (Full time equivalent at year end)	76	78

15. OPERATING LEASE COMMITMENTS

Amnesty International Australia has entered into commercial leases on certain buildings and items of office equipment.

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 2014 are as follows:

	2014 \$	2013 \$
Within one year	918,863	933,625
After one year but not more than 5 years	2,004,334	2,828,014
More than 5 years	-	-
Total	<u>2,923,197</u>	<u>3,761,639</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 2014. 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

The following compensation was made to 5 employees (2013:5 employees) on the Senior Management Team for their contributions as employees for the company and for conducting and directing services.

	2014 \$	2013 \$
Total remuneration	848,180	807,795

18. RELATED PARTIES (continued)

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 2014 assessment amount was \$6,418,530 (2013: \$6,195,483) and was paid during the year.

During the year Amnesty International Australia purchased publications and campaign materials from the International Secretariat. The company also incurred costs on behalf of the international movement which were deducted from assessment payments.

As at 31 December 2014, there are \$3,542 receivables due from the international movement (2013:\$9,310) and there are \$1,797 (2013: \$76) owing to the international movement in 2014.

19. CHARITABLE FUNDRAISING ACT (NSW) 1991

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

Results of fundraising appeals	2014	2013
	\$	\$
Gross income	29,654,378	30,584,014
Less: Proceeds not received from appeals	(4,790,088)	(7,221,198)
Gross proceeds from fundraising appeals	24,864,290	23,362,816
Gross proceeds from fundraising appeals	24,864,290	23,362,816
Less: Direct costs of fundraising appeals	(10,915,789)	(9,574,083)
Net surplus from fundraising appeals	13,948,501	13,788,733

b) Fundraising appeals conducted during the financial year:

Fundraising appeals were conducted during the financial year by mail, telephone and face to face street fundraising. In addition funds were raised by a raffle, donations from non-Members and numerous 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.

19 CHARITABLE FUNDRAISING ACT (NSW) 1991 (Continued)

c) Details of Results of Fund Raising Appeals

Types of appeal	Fundraising: Revenue/Expense Comparison 2014			2013		
	Revenue	Expenses	Ratio of cost to Revenue	Revenue	Expenses	Ratio of cost to Revenue
Regular giving	21,788,948	9,684,198	44%	20,479,583	8,594,484	42%
Major Donors	751,863	248,670	33%	693,404	179,786	26%
Corp Alliance	128,048	40,013	31%	121,307	45,667	38%
Raffle	308,349	185,947	60%	186,773	101,070	54%
Telephone	67,807	51,514	76%	59,287	126	0%
Email	394,183	86,440	22%	210,779	58,727	28%
Payroll giving	136,522	16,267	12%	145,346	65	0%
Sub Total	23,575,720	10,313,049	44%	21,896,479	8,979,925	41%
Events	446,893	203,435	46%	461,563	183,691	40%
Mail Appeals	841,677	399,305	47%	1,004,774	410,467	41%
Total	24,864,290	10,915,789	44%	23,362,816	9,574,083	41%

For 2014 the ratio of costs to revenue overall is within the 50% guideline. Street face to face fundraising is highly cost effective when considered over a longer period as all fees are paid up front.

For 2013 the reporting of costs for the telephone and payroll giving program did not include wages associated with the conduct of those programs.

Declaration by Director in Respect of Fundraising Appeals



I, Giles Gunsekera, 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 2014
- (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 2014.
- (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 2014 and 31 December 2014.
- (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 2014 and 31 December 2014.
- (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 25th day of March 2015

A handwritten signature in black ink, appearing to read "Giles Gunsekera".

Giles Gunsekera
Sydney
Director

Independent auditor's report to the members of Amnesty International Australia

Report on the financial report

We have audited the accompanying financial report of Amnesty International Australia, which comprises the statement of financial position as at 31 December 2014, 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 that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, the *Corporations Act 2001* and the *Australian Charities and Not-for-Profits Commission Act 2012* and for such internal controls as the directors determine are necessary to enable the preparation of the 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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, 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 controls relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. 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* and the *Australian Charities and Not-for-Profits Commission Act 2012*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is referred to in the directors' report.

Opinion

In our opinion the financial report of Amnesty International Australia is in accordance with the *Corporations Act 2001* and the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- (a) giving a true and fair view of the financial position of Amnesty International Australia at 31 December 2014 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001* and the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

Report on the requirements of the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2008* 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 2008* and the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)*.

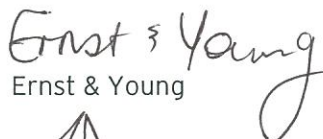

Because of the inherent limitations of any assurance engagement, it is possible that fraud, error or non compliance may occur and not be detected. An audit is not designed to detect all instances of non compliance with the requirements described in the above-mentioned Acts and Regulations as an audit 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 2014, 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 9(6) and 10 of the *NSW Charitable Fundraising Regulations 2008*;
 - (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 2014 has been properly accounted for and applied, in all material respects, in accordance with the above mentioned Acts and Regulations.


Ernst & Young


Loretta Di Mento
Partner
Sydney
25 March 2015



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30 MAR 2015

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 2014, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young
Ernst & Young


Loretta Di Mento

Partner
25 March 2015