



# Humane Society International Limited

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(A company limited by guarantee)  
ABN 63 510 927 032

## Annual Financial Report for the year ended 30 June 2022



**HUMANE SOCIETY  
INTERNATIONAL**  
AUSTRALIA

## Contents

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Directors' report.....	2
Auditor's independence declaration .....	8
Statement of profit or loss and other comprehensive income .....	9
Statement of financial position.....	10
Statement of changes in equity.....	11
Statement of cash flows .....	12
Notes to the financial statements .....	13
Directors' declaration.....	26
Independent auditor's report.....	27

## Directors' report

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The Humane Society International Limited is a not-for-profit public company limited by guarantee incorporated under the *Corporations Act 2001* and a registered charity with the Australian Charities and Not-for-Profits Commission (ACNC) under the *Australian Charities and Not-for-Profits Commission Act 2012*.

The Board of Directors is responsible for the governance of the company and for ensuring that its activities are focused on achieving the company's purpose and vision.

Your directors present their report together with the financial report of Humane Society International Limited ("the Company") for the year ended 30 June 2022 and the auditor's report for this period.

### Directors

The Board of Directors is elected for a three-year period with a rotating retirement of Directors at the time of each Annual General Meeting.

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

- Julianne Petersen (Chair)
- Matthew Hilton (Vice Chair)
- Cristobel Block
- Verna Simpson (resigned 16 December 2021)
- Leslie Barcus
- Greg Tolhurst (Director and Company Secretary)
- Beverley Lange
- Patricia (Wendy) Williams (appointed 27 October 2021)
- Clive Phillips (appointed 27 October 2021)

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

### Company secretary

Greg Tolhurst held the position of Company Secretary at the end of the financial year.

## Directors' report

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### Objectives

The purpose of the charity is to enhance the natural environment and prevent or relieve the suffering of animals by:

- (a) promoting the protection of all living things from cruelty and neglect;
- (b) promoting the enhancement and conservation of all wild plants and animals;
- (c) promoting the protection and conservation of, or research into, native species and ecological communities listed in Federal, State and Territory legislation;
- (d) promoting the welfare and conservation of all animals and wildlife in domestic and international trade;
- (e) using all means to further humane and environmental education;
- (f) participating in and cooperating with all other international organisations and with societies and organisations in Australia and other nations, in all efforts to prevent or ameliorate the suffering of animals and the preservation and conservation of the environment; and
- (g) assisting and persuading and if necessary through legal means, government bodies and agencies to further the protection of all animals and the environment through appropriate regulation and enforcement.

### Principal Activities

The principal activities undertaken to achieve the Company's objectives were to nominate species and ecological communities for protection under environment law; advocate for improvements to policy and legislation that impacts animals and the environment; help to rescue animals from disasters and crises; advocate for changes to improve the lives of animals in farming and trade; and increase habitat devoted to conservation.

No significant changes in the nature of the Company's activities occurred during the financial year.

### Operating results

The surplus of the Company for the year amounted to \$12,687 (2021: Surplus of \$1,770,841).

The surplus for last financial year was boosted by the receipt of a donation of \$1,300,000 to purchase 75 hectares of land in Far North Queensland that had been previously used to farm sugar cane and graze cattle with a view to revegetating it for conservation purposes. During this financial year, the Company made a significant strategic investment to build its regular giving program and this is reflected in the increase in professional fees and the cost of fundraising year on year.

### Review of operations

A review of operations of the company during the financial year indicated that there have been no significant changes to operations during the financial year.

## Directors' report

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### State of Affairs

There were no significant changes in the Company's state of affairs during the financial year.

### Events after reporting period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years other than the long term impact of Covid-19 whose full implications are still emerging and are not possible to quantify at this stage.

### Environmental issues

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

### Director information

#### *Julianne Petersen (Chair)*

Julianne was appointed Chair of the Board in December 2020 after founding Director, Michael Kennedy stepped down. She has almost 40 year of executive management experience running major retail operations in a number of settings and brings a wealth of business expertise to the organisation. She has also served on a number of Not for Profit Boards gaining governance expertise that she brings to the HSI Board.

#### *Matthew Hilton (Vice Chair)*

Matthew is a media and communications specialist, passionate about social and environmental change in Australia. He is currently the key representative of the Global Strategic Communications Council which provides strategic media and communications support to clients working on climate related issues.

#### *Cristobel (Kitty) Block*

Kitty is the President and Chief Executive Officer (CEO) of the Humane Society of the United States and CEO of the HSI Global. With her legal background, she has worked as a legal investigator uncovering cruelties and achieving major policy reforms including European Union and US bans on imports of dog and cat fur and bans on slaughtering horses for human consumption. As CEO of HSI Global, she oversees all international campaigns and programs and continues to expand them in both impact and scope.

## Directors' report

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### Director information (continued)

#### ***Verna Simpson (Treasurer)*** – Resigned 16 December 2021

Verna was a Founding Director of Humane Society International in Australia in 1994 with significant expertise in publications and marketing. With a focus on environmentally sound products, she built Mailex International into one of the largest direct marketing operations in Australia resulting in the nomination as Direct Marketer of the Year. As Director for Fund for Animals, Verna achieved a sound financial base and continued funds growth for the organisation. Verna has also achieved success in publishing with Simply Living magazine receiving two United Nations Peace Prizes for contribution to environmental journalism whilst she was Managing Publisher/Editor. Verna has maintained her interest in marketing and advises national conservation organisations on fundraising and marketing matters. In 1999, Verna was elected to the UNEP Global 500 Roll of Honour and in 2003 successfully exposed the cruel trade in cat and dog fur into Australia from China.

#### ***Leslie Barcus***

Leslie is the Executive Director for VegFund and has extensive governance and senior management experience in Not for Profit and private enterprises around the world, having worked with organisations from start-up through transition and growth phases. With a Masters Degree in International Economic Development, her professional exposure spans more than 40 countries and includes work in many areas such as animal rights and welfare, biodiversity conservation, higher learning and adult education, micro finance, financial education, behaviour change and organisational capacity building.

#### ***Greg Tolhurst***

Greg has a long-established career in the legal profession having both practised and taught law at senior levels. He is PhD qualified and currently the CEO of the Australian Bar Association and a Professor of Commercial Law at the University of Sydney in the Faculty of Law.

#### ***Beverley Lange***

Beverley has held a variety of executive and Director positions in the Not for Profit and Education sector including CEO of the Bobby Goldsmith Foundation. She has key capabilities in coaching, organisational review, tender and funding writing, project management, change management and business and systems design.

#### ***Patricia (Wendy) Williams*** – appointed 27 October 2021

Wendy has a wealth of financial management expertise from a career spanning over 25 years. She has worked hands on in small organisations setting up financial systems and processes from scratch through to managing teams and building, managing and controlling large and complex budgets in much larger organisations such as David Jones. Her previous roles have also covered treasury, risk management and facilities management.

## Directors' report

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### Director information (continued)

**Clive Phillips** – appointed 27 October 2021

Clive is currently an adjunct professor at Curtin University, visiting professor at the Estonia University of Life Sciences and a highly regarded researcher with a Ph.D. in Animal Science. Throughout his career, but particularly in the last 20 years, his research has covered a range of areas related to the welfare of animals, mainly livestock, and with a particular interest in the live export of cattle and sheep from Australia. This has been investigated through the Centre of Animal Welfare and Ethics, which was established in 2005, following his assuming the position of the first professor of animal welfare at the University of Queensland, Australia.

In 2012 Clive received the Australian Museum's Eureka award for Scientific Research that Contributes to the Protection of Animals. His h index score is 50 (Google Scholar) and he has published over 360 scientific journal articles and 50 book chapters.

### Meetings of directors

During the financial year, four meetings of directors were held. Attendance by each director was as follows:

Directors	Number of meetings	
	Eligible to attend	Attended
Julianne Petersen	4	4
Matthew Hilton	4	4
Verna Simpson	1	1
Cristobel Block	4	2
Leslie Barcus	4	3
Greg Tolhurst	4	4
Beverley Lange	4	2
Patricia Wendy Williams	3	3
Clive Phillips	3	3

## Directors' report

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### Members guarantee

As at 30 June 2022 the number of members was 72 (2021: 106). In accordance with the Company's Constitution, each member is liable to contribute a maximum of \$10 in the event that the company is wound up. Accordingly, the total amount that members of the company would be liable to contribute if the company was wound up is \$720.

On 14 August 2020, under Section 78 of the *Associations Incorporations Act 2009* the transfer of the incorporation of Humane Society International Inc was effected to a company limited by guarantee.

### Auditor's independence

The Auditor's Declaration of Independence appears on page 8 and forms part of the Directors' Report for the year ended 30 June 2022.

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



**Julianne Petersen**

Director



**Patricia Wendy Williams**

Director

Sydney, 26 October 2022





**LOWY WILCOCK**  
CHARTERED ACCOUNTANTS

'OUR EXPERIENCE IS YOUR SUCCESS'

Liability limited by a  
scheme approved under  
Professional Standards  
Legislation.

LEVEL 6, 72 PITT STREET  
SYDNEY NSW 2000

CORRESPONDENCE TO  
GPO Box 243 SYDNEY NSW 2001

T 02 9221 8822 F 02 9221 5770

E LOWYWILCOCK@LOWYWILCOCK.COM.AU

A.B.N 92 730 523 260

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 AND  
UNDER SUBDIVISION 60-C SECTION 60.40 OF AUSTRALIAN CHARITIES AND NOT-  
FOR-PROFITS COMMISSION ACT 2012  
TO THE DIRECTORS OF  
HUMANE SOCIETY INTERNATIONAL LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 and in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

**Name of Firm:** LOWY WILCOCK & CO  
Chartered Accountants

**Name of Partner:** Dean C Wilcock  
DEAN C. WILCOCK

**Address:** LEVEL 6, 72 PITT STREET, SYDNEY NSW 2000

**Dated this 26 day of October 2022**

## Statement of profit or loss and other comprehensive income

For the year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>Income</b>			
Revenue	3	3,054,289	4,716,189
Investment income	3	9,126	19,160
Other income	3	51,839	202,170
		<b>3,115,254</b>	<b>4,937,519</b>
<b>Expenses</b>			
Campaign costs			
<i>Australian campaigns and projects</i>		1,548,366	1,732,360
<i>International projects</i>		427,890	487,147
Cost of fundraising		801,062	542,659
Management and administration		325,249	404,512
	4	<b>3,102,567</b>	<b>3,166,678</b>
<b>Surplus for the year</b>		<b>12,687</b>	<b>1,770,841</b>
<b>Other comprehensive income</b>			
Increase in asset revaluation reserve		-	76,350
		-	<b>76,350</b>
<b>Total comprehensive income for the year</b>		<b>12,687</b>	<b>1,847,191</b>

## Statement of financial position

As at 30 June 2022

	Notes	2022 \$	2021 \$
<b>Assets</b>			
<i><b>Current assets</b></i>			
Cash and cash equivalents	5	5,952,163	6,381,728
Trade and other receivables	6	27,214	23,304
<i><b>Total current assets</b></i>		<b>5,979,377</b>	<b>6,405,032</b>
<i><b>Non-current assets</b></i>			
Property, plant and equipment	7	1,233,034	1,246,585
Conservation land	8	2,207,608	2,207,608
<i><b>Total non-current assets</b></i>		<b>3,440,642</b>	<b>3,454,193</b>
<b>Total assets</b>		<b>9,420,019</b>	<b>9,859,225</b>
<b>Liabilities</b>			
<i><b>Current liabilities</b></i>			
Trade and other payables	9	52,458	42,011
Provisions	10	99,036	89,038
Deferred income	11	1,684,904	1,465,698
<i><b>Total current liabilities</b></i>		<b>1,836,398</b>	<b>1,596,747</b>
<i><b>Non-current liabilities</b></i>			
Provisions	10	27,178	13,865
Deferred income	11	1,637,534	2,342,391
<i><b>Total non-current liabilities</b></i>		<b>1,664,712</b>	<b>2,356,256</b>
<b>Total liabilities</b>		<b>3,501,110</b>	<b>3,953,003</b>
<b>Net assets</b>		<b>5,918,909</b>	<b>5,906,222</b>
<b>Equity</b>			
Reserves	12	76,350	76,350
Retained surplus	13	5,842,559	5,829,872
<b>Total equity</b>		<b>5,918,909</b>	<b>5,906,222</b>

## Statement of changes in equity

For the year ended 30 June 2022

	Revaluation Reserve \$	Retained surplus \$	Total equity \$
<b>Balance at 1 July 2020</b>	-	4,059,031	4,059,031
Surplus for the year	-	1,770,841	1,770,841
Other comprehensive income for the year	76,350	-	76,350
<b>Balance at 30 June 2021</b>	<b>76,350</b>	<b>5,829,872</b>	<b>5,906,222</b>
<b>Balance at 1 July 2021</b>	76,350	5,829,872	5,906,222
Surplus for the year	-	12,687	12,687
Other comprehensive income for the year	-	-	-
<b>Balance at 30 June 2022</b>	<b>76,350</b>	<b>5,842,559</b>	<b>5,918,909</b>

## Statement of cash flows

For the year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>Cash flows from operating activities</b>			
Receipts from donors		2,623,314	6,189,543
Government subsidies		-	179,000
Payments to suppliers for goods and services		(3,057,660)	(3,083,380)
Interest received		9,126	19,160
<b>Net cash used in/generated by operating activities</b>	14	<b>(425,220)</b>	<b>3,304,323</b>
<b>Cash flows from investing activities</b>			
Payments for conservation land		-	(1,304,783)
Payments for property, plant and equipment		(4,345)	(89,481)
<b>Net cash used in investing activities</b>		<b>(4,345)</b>	<b>(1,394,264)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		(429,565)	1,910,059
<b>Cash at the beginning of the year</b>		6,381,728	4,471,669
<b>Cash at the end of the year</b>	14	<b>5,952,163</b>	<b>6,381,728</b>

## Notes to the financial statements

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For the year ended 30 June 2022

### 1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Basis of preparation

These general-purpose financial statements have been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards – Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board. The Company is registered with the Australian Charities and Not-for-Profit Commission (ACNC).

The Company is a not-for-profit entity for the purpose of preparing the financial statements.

#### Historical cost convention

The financial statements have been prepared under the historical cost convention.

#### Revenue recognition

The Company recognises revenue as follows:

##### *Monthly giving and membership, donations, bequests and grant income*

Income from these sources for specific projects are recognised in the reporting period in which the performance obligations under the monthly giving, membership, donations, bequests and grant acquittal arrangements are completed. Where specific performance obligations do not exist, the funds are recognised upon receipt.

##### *Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to the delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of goods or services promised.

##### *Interest*

Interest income is recognised as interest received.

#### Income tax

The Company is exempt from income tax on the grounds that it is a charitable entity under subsection 50-5 of the *Income Tax Assessment Act 1997*.

## Notes to the financial statements

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For the year ended 30 June 2022

### 1. Summary of significant accounting policies (continued)

#### Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, except where the amount of GST incurred is not recoverable from the taxation authority, in which case it is recognised as part of the cost of acquisition of an asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of other receivables or payables in the balance sheet.

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

#### Cash and cash equivalents

For the purposes of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

#### Trade and other receivables

Other receivables are recognised at amortised cost using the effective interest method, less any allowance for expected credit losses. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

#### Property, plant and equipment

Freehold land and buildings are measured at fair value less accumulated depreciation on buildings and less any impairment losses recognised after the date of the revaluation. Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

For acquired assets, cost includes the purchase price, costs that are directly attributable to bringing the asset to the necessary location and condition and an initial estimate of any dismantling, removal and restoration costs that have been recognised as provisions. For self-constructed assets, cost includes the cost of all materials used in construction, direct labour, borrowing costs incurred during the construction and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred

## Notes to the financial statements

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For the year ended 30 June 2022

### 1. Summary of significant accounting policies (continued)

Property, plant and equipment (continued)

#### *Revaluation of land and buildings*

Following initial recognition at cost, land and buildings are carried at a revalued amount which is the fair value at the date of the revaluation less any subsequent depreciation on buildings and any subsequent accumulated impairment losses.

Fair values are confirmed by independent valuations which are obtained with sufficient regularity to ensure that the carrying amounts do not differ materially from the assets' fair values at the reporting date.

Land and buildings are treated as a class of assets. When the carrying amount of this class of assets is increased as a result of a revaluation, the increase is credited directly to the revaluation reserve, except where it reverses a revaluation decrement previously recognised in the statement of comprehensive income, in which case it is credited to that statement.

When the carrying amount of the land and buildings is decreased as a result of a revaluation, the decrease is recognised in the statement of comprehensive income except where a credit balance exists in the revaluation reserve in which case it is debited to that reserve.

#### *Depreciation*

Depreciation on property, plant and equipment (other than land) is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives

- Buildings – 30 years
- Office equipment - 3 to 5 years
- Emergency equipment - 3 to 5 years

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

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

Gains and losses on disposal are determined by comparing proceeds with carrying amount and are included in the income statement.

#### *Impairment*

The carrying values of land and buildings are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

Impairment exists when the carrying value of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount. Impairment losses are treated as a revaluation decrement because land and buildings are measured at revalued amounts.



## Notes to the financial statements

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For the year ended 30 June 2022

### 1. Summary of significant accounting policies (continued)

#### Repairs and maintenance

Property, plant and equipment is repaired and maintained on an ongoing basis through an ongoing major cyclical maintenance program. The costs of this maintenance are charged as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case the costs are capitalised and depreciated. Other routine operating maintenance, repair and minor renewal costs are also charged as expenses as incurred.

#### Conservation land

Conservation land is real estate with ecological, historical or cultural values. Conservation land includes purchased and donated properties and conservation easements, which are held for eventual resale or donation to government agencies or other organisations or individuals who will become permanent conservation owners.

Purchased conservation land is recorded at acquisition cost. Conservation land received by donation is recorded at its estimated fair value at the date of the donation. Such donations are reported as net assets without donor restrictions, unless the donor has restricted the donated conservation land to a specific purpose. Conservation land donated with explicit restrictions regarding its use is reported as net assets with restrictions. Costs incurred in carrying parcels of real estate such as taxes and maintenance, are expensed as incurred.

Conservation land parcels determined to have no ecological value may be sold to support land conservation efforts. To ensure the Company's commitment to conservation, real estate with ecological value is held or transferred, including by sale, to appropriate conservation partners. When conservation land is transferred, the proceeds are included as part of total support and revenue and are shown as sales of conservation lands to others on the combined statement of activities, the carrying value of the land and transaction costs incurred with the transfer are shown as program service expenses.

#### Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the year end which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### Employee benefits

##### *Wages, salaries, annual leave and sick leave*

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for sick leave are recognised when the leave is taken and measured at the rates paid or payable.

## Notes to the financial statements

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For the year ended 30 June 2022

### 1. Summary of significant accounting policies (continued)

#### Employee benefits (continued)

##### *Long service leave*

The liability for long service leave is recognised in the provision as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

#### Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

#### Contributed equity

The Company has no share capital as it is limited by guarantee.

#### New Australian Accounting Standards

The AASB has released a number of other Accounting Standards and Australian Interpretations. The application of these Accounting Standards and Australian Interpretations are not expected to have any significant impact on the Company's financial statements. Consequently, they have not been specifically identified above.

#### Comparatives

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts.

## Notes to the financial statements

For the year ended 30 June 2022

### 2. Critical accounting judgments, estimates and assumptions

In the application of the Company's accounting policies, which are described in Note 1, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these 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 affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

#### *Employee benefits provision*

As discussed in Note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

#### *Estimation of useful lives of assets*

The Company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

### 3. Revenue

	2022 \$	2021 \$
<b>Revenue</b>		
Donations	1,646,502	3,073,042
Bequests	587,948	453,621
Grants	819,839	1,189,526
	<b>3,054,289</b>	<b>4,716,189</b>
<b>Investment income</b>		
Interest	9,126	19,160
	<b>9,126</b>	<b>19,160</b>
<b>Other income</b>		
Government assistance	-	179,000
Merchandise	11,153	9,374
Other income	40,686	13,796
	<b>51,839</b>	<b>202,170</b>
	<b>3,115,254</b>	<b>4,937,519</b>

## Notes to the financial statements

For the year ended 30 June 2022

### 4. Expenses

#### Expenses by nature

	2022	2021
	\$	\$
Employee benefits expense	1,302,803	1,149,242
Project expenses	1,071,677	1,420,668
Promotional costs	144,120	161,765
Professional fees	332,755	173,636
Occupancy costs	49,609	40,695
Finance costs	19,899	19,944
Depreciation expense	17,896	22,508
Other expenses	163,808	178,220
	<b>3,102,567</b>	<b>3,166,678</b>

### 5. Cash and cash equivalents

	2022	2021
	\$	\$
Cash at bank	1,023,787	1,962,344
Cash on hand	90	224
Term deposits	4,928,286	4,419,160
	<b>5,952,163</b>	<b>6,381,728</b>

### 6. Trade and other receivables

	2022	2021
	\$	\$
<b>Current</b>		
Sundry debtors	660	1,769
GST receivable	26,554	21,535
Prepayments	-	-
	<b>27,214</b>	<b>23,304</b>

## Notes to the financial statements

For the year ended 30 June 2022

### 7. Property, plant and equipment

	2022 \$	2021 \$
<b>Carrying amounts</b>		
Land		
At fair value	750,000	750,000
	<b>750,000</b>	<b>750,000</b>
Buildings		
At fair value	425,000	425,000
	<b>425,000</b>	<b>425,000</b>
Office equipment		
At cost	43,572	39,227
Accumulated depreciation and impairment	(39,227)	(39,227)
	<b>4,345</b>	<b>-</b>
Emergency equipment		
At cost	89,481	89,481
Accumulated depreciation and impairment	(35,792)	(17,896)
	<b>53,689</b>	<b>71,585</b>
	<b>1,233,034</b>	<b>1,246,585</b>

### Movements in carrying amount

	Land at fair value \$	Buildings at fair value \$	Office equipment at cost \$	Emergency equipment at cost \$	Total \$
<b>Balance at 1 July 2021</b>	750,000	425,000	-	71,585	1,246,585
Additions	-	-	4,345	-	4,345
Disposals	-	-	-	-	-
Revaluation increases	-	-	-	-	-
Depreciation	-	-	-	(17,896)	(17,896)
<b>Balance at 30 June 2022</b>	<b>750,000</b>	<b>425,000</b>	<b>4,345</b>	<b>53,689</b>	<b>1,233,034</b>

### 8. Conservation land

	2022 \$	2021 \$
Warriwillah Michelago	902,825	902,825
Lot 2 Wetherby Road, Mount Molloy	1,304,783	1,304,783
	<b>2,207,608</b>	<b>2,207,608</b>

## Notes to the financial statements

For the year ended 30 June 2022

### 8. Conservation land (continued)

#### Movements in carrying amount

	<b>Total</b>
	<b>\$</b>
<b>Balance at 1 July 2021</b>	2,207,608
Additions	-
Disposals	-
<b>Balance at 30 June 2022</b>	<b>2,207,608</b>

### 9. Trade and other payables

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Trade creditors	21,027	7,011
Accrued expenses	7,500	15,000
Credit card billing	2,830	1,389
PAYG withholding payable	21,101	18,611
	<b>52,458</b>	<b>42,011</b>

### 10. Provisions

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Provision for annual leave	96,485	64,259
Provision for long service leave	29,729	38,644
	<b>126,214</b>	<b>102,903</b>
Current	99,036	89,038
Non-current	27,178	13,865
	<b>126,214</b>	<b>102,903</b>

### 11. Deferred income

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Grants in advance	2,020,120	2,827,009
Express purpose donations unspent	1,302,318	981,080
	<b>3,322,438</b>	<b>3,808,089</b>
Current	1,684,904	1,465,698
Non-current	1,637,534	2,342,391
	<b>3,322,438</b>	<b>3,808,089</b>

## Notes to the financial statements

For the year ended 30 June 2022

### 12. Reserves

	2022 \$	2021 \$
Property revaluation reserve	76,350	76,350
	<b>76,350</b>	<b>76,350</b>

### Movements in property revaluation reserve

	2022 \$	2021 \$
<b>Balance at 1 July 2021</b>	76,350	-
Revaluation increase/(decrease) on land and buildings	-	76,350
<b>Balance at 30 June 2022</b>	<b>76,350</b>	<b>76,350</b>

### 13. Retained surplus

	2022 \$	2021 \$
<b>Balance at the beginning of the year</b>	5,829,872	4,059,031
Surplus attributable to members of the Company	12,687	1,770,841
<b>Balance at the end of the year</b>	<b>5,842,559</b>	<b>5,829,872</b>

### 14. Notes to the statement of cash flows

#### Reconciliation of cash and cash equivalents

	2022 \$	2021 \$
Cash and bank balances	5,952,163	6,381,728
	<b>5,952,163</b>	<b>6,381,728</b>

## Notes to the financial statements

For the year ended 30 June 2022

### 14. Notes to the statement of cash flows (continued)

#### Reconciliation of profit for the year to net cash flows from operating activities

	2022 \$	2021 \$
<b>Surplus for the year</b>	12,687	1,770,841
Adjustment for:		
Depreciation	17,896	22,508
Change in operating assets and liabilities		
Decrease/(increase) in trade and other receivables	(3,910)	20,105
(Decrease)/increase in trade and other payables	10,447	11,141
Increase in provisions	23,311	22,226
Increase in deferred income	(485,651)	1,457,502
Net cash from operating activities	<b>(425,220)</b>	<b>3,304,323</b>

### 15. Related parties

#### Remuneration of key management personnel

The aggregate compensation made to key management personnel of the Company is set out below:

	2022 \$	2021 \$
Aggregate compensation	637,397	570,243
	<b>637,397</b>	<b>570,243</b>

Key management personnel comprise our Board of Directors (all of whom provide their services on a volunteer basis) and members of the management team with central oversight responsibilities, this includes five management positions FTE 4.6 (2021: 4.2).

#### Related party transactions for the period

There have been no other transactions with directors and key management personnel outside of normal expenses incurred in line with the fulfilment of their responsibilities.

### 16. Remuneration of auditors

	2022 \$	2021 \$
<b>Audit services - Lowy Wilcock &amp; Co</b>		
Audit of financial statements	5,000	5,000
Other services	-	-
	<b>5,000</b>	<b>5,000</b>



## Notes to the financial statements

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For the year ended 30 June 2022

### 17. Contingent liabilities

The Company had no contingent liabilities as at 30 June 2022 (2021: Nil).

### 18. Commitments

There were no capital commitments as at 30 June 2022 (2021: Nil).

### 19. Company information

Registered office and principal place of business is:

Humane Society International Limited

5/27 Old Barrenjoey Rd

Avalon Beach NSW 2107

### 20. Events after the reporting period

No matter or circumstance has arisen since 30 June 2022 which has significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

### 21. State and Territory Government Fundraising Legislation Requirements

As a national organisation, the Company conducts fundraising operations in all states and territories. Several State and Territory governments have specific licensing and reporting requirements aimed at informing and protecting the interests of donors. The Company holds the following licences:

Australian Capital Territory	<i>Charitable Collections Act 2003</i> , Licence not required as the Company is registered with Australian Charities and Not-for-profits Commission
New South Wales	<i>Charitable Fundraising Act 1991</i> , Charitable Fundraising Authority 11106
Queensland	<i>Collections Act 1966</i> , Certificate of Sanction No. CP 6557
Victoria	<i>Fundraising Act 1998</i> , Registration Number FR0015808
Tasmania	<i>Collections for Charities Act 2001</i> , File number C/10847
South Australia	<i>Collections for Charitable Purposes Act 1939</i> , Licence No: CCP4000
Western Australia	<i>Charitable Collections Act 1946</i> , Licence No: CC22873
Northern Territory	There are no applicable fundraising licensing requirements in the Northern Territory.

## **Notes to the financial statements**

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For the year ended 30 June 2022

### **Declaration in respect of fundraising appeals under the *Charitable Fundraising Act 1991***

The Directors of the Company declare that:

1. the financial statements give a true and fair view of all income and expenditure of the Company with respect to fundraising appeals;
2. the statement of financial position gives a true and fair view of the state of affairs with respect to fundraising appeals conducted by the Company;
3. the provision for the *Charitable Fundraising Act 1991* and the regulations under the Act and the conditions attached to the authority have been complied with by the Company; and
4. the internal controls exercised by the Company are appropriate and effective in accounting for all income received.

This declaration is made in accordance with a resolution of the Board of Directors.



**Julianne Petersen**

Director



**Patricia Wendy Williams**

Director

Sydney, 26 October 2022

## **Directors' declaration**

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The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 9 to 25 are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012* and:
  - a. Comply with Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Commission Act 2012*; and
  - b. Give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the Company
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



**Julianne Petersen**

Director



**Patricia Wendy Williams**

Director

Sydney, 26 October 2022



**LOWY WILCOCK**  
CHARTERED ACCOUNTANTS

'OUR EXPERIENCE IS YOUR SUCCESS'

Liability limited by a  
scheme approved under  
Professional Standards  
Legislation.

LEVEL 6, 72 PITT STREET  
SYDNEY NSW 2000

CORRESPONDENCE TO  
GPO Box 243 SYDNEY NSW 2001

T 02 9221 8822 F 02 9221 5770

E LOWYWILCOCK@LOWYWILCOCK.COM.AU

A.B.N 92 730 523 260

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF HUMANE SOCIETY INTERNATIONAL LIMITED  
ACN 066 675 170**

**Report on the Audit of the Financial Report**

**Opinion**

I have audited the financial report of Humane Society International Limited, (the company) which comprises the statement of financial position as at 30 June 2022 and the statement of profit or loss and other comprehensive income and statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In my opinion, the accompanying financial report of the company is in accordance with the Corporations Act 2001 and Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act 2012), including:

(i) giving a true and fair view of the company's financial position as at 30 June 2022 and of its financial performance for the year ended; and

(ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013 and the Corporations Regulations 2001.

**Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and ACNC Act 2012 and 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the code.

I confirm that the independence declaration required by the Corporations Act 2001 and ACNC Act 2012, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

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



**LOWY WILCOCK**  
CHARTERED ACCOUNTANTS

'OUR EXPERIENCE IS YOUR SUCCESS'

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF HUMANE SOCIETY INTERNATIONAL LIMITED  
ACN 066 675 170**

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

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and ACNC Act 2012 and for such internal control as the directors determines 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 related 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 Responsibility for the Audit of the Financial Report**

My 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.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF HUMANE SOCIETY INTERNATIONAL LIMITED  
ACN 066 675 170**

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



**LOWY WILCOCK**  
CHARTERED ACCOUNTANTS

'OUR EXPERIENCE IS YOUR SUCCESS'

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF HUMANE SOCIETY INTERNATIONAL LIMITED  
ACN 066 675 170**

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation preclude public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Name of Firm:** LOWY WILCOCK & CO  
Chartered Accountants

**Name of Principal:** Dean C Wilcock  
DEAN C. WILCOCK

**Address:** LEVEL 6, 72 PITT STREET, SYDNEY NSW 2000

**Dated this 26 day of October 2022**