Australian
Human Rights
Commission

Annual report 2015–2016

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11 October 2016

Senator the Hon. George Brandis QC
Attorney-General
Parliament House
CANBERRA ACT 2600

Dear Attorney,

I have pleasure in presenting the Annual Report of the Australian Human Rights Commission for the period ending 30 June 2016. The report has been prepared pursuant to section 45 of the *Australian Human Rights Commission Act 1986* and in accordance with the requirements of section 70 of the *Public Service Act 1999* and section 46 of the *Public Governance, Performance and Accountability Act 2013*.

As the Accountable Authority of the Australian Human Rights Commission I am responsible for the preparation and contents of the Annual Report of Operations. I approved the Annual Report 2015–16 on 11 October 2016 by signing a memo.

Yours sincerely,

**Gillian Triggs**

President

# About the Commission

## Our purpose

The Australian Human Rights Commission (the Commission) is Australia’s national human rights institution.

We operate under the *Australian Human Rights Commission Act 1986* (Cth) as well as federal laws that seek to ensure freedom from discrimination on the basis of age, disability, race, sex, sexual orientation, intersex status and gender identity. The Commission also has specific responsibilities under the *Native Title Act 1993* (Cth) and the *Fair Work Act 2009* (Cth).

We operate as a Corporate Commonwealth Entity under the *Public Governance, Performance and Accountability Act 2013* (Cth). Our operations are determined independently of the government through our President and Commissioners.

Our job is to work towards an Australia in which human rights are respected, protected and promoted, finding practical solutions to issues of concern, advocating for systemic change and raising awareness across the community.

We provide direct services to the Australian community, in particular by assisting people to resolve disputes about discrimination and breaches of human rights. Much of our work is also at the policy level – encouraging government, industry and community groups alike to see fundamental rights and freedoms realised. It involves building the case for change on issues ranging from age discrimination in employment to constitutional recognition of Aboriginal and Torres Strait Islander peoples. It involves providing a human rights analysis to the courts and parliamentary inquiries, conducting research and contributing to partnerships.

Our work also involves exchanging ideas with equivalent bodies around the world, while closer to home, we monitor and report on the experiences of those particularly vulnerable to disadvantage.

From addressing complaints of discrimination, to engaging with government on policy issues, the Commission’s task is both to apply those rights that are currently recognised in our laws; and to aspire for greater recognition and protection of those that are not.

Our vision is for an Australia where human rights are enjoyed by **everyone, everywhere, everyday**.

## Our vision, mission and principles

In delivering our work we are guided by the common purpose and values held within our vision, mission and principles statement.

### Vision

Human rights: everyone, everywhere, everyday

### Mission

To lead the promotion and protection of human rights and freedoms in Australia by:

* Making human rights part of everyday life and language
* Empowering all people to understand and exercise their rights and responsibilities
* Providing an efficient and effective national investigation and dispute resolution service
* Holding government accountable to international human rights obligations and domestic legal standards
* Fostering collaborations that inspire action on human rights.

### Principles

The Commission seeks to apply a human rights based approach to its own work. This involves respect for five principles:

* Participation – everyone has the right to participate in decisions which affect them
* Accountability – effective monitoring of compliance with human rights standards, as well as effective remedies for human rights breaches
* Non-discrimination and equality – people are treated without discrimination and in pursuit of equality before the law
* Empowerment – all members of the community understand their rights and responsibilities, and this contributes to their ability to make choices about how they participate in the community
* Legality – the law recognises, and is consistent with, rights and freedoms.

### Strategic goals, objectives and priorities

There is no simple way to solve complex human rights issues. From the challenges that face a person with a disability seeking to live independently, to ensuring that Australia’s immigration detention policies meet our human rights obligations and treat people with dignity, the promotion of human rights must address issues for individuals as well as the need for broader, systemic change.

Our Corporate Plan is the road map that guides the Commission’s work for the 2015–19 period. The plan contains the Commission’s goals, objective and priorities.

The goals reflect our aspirations as an organisation. They are ambitious and require sustained action over time. They are set for the next four year period.

The objectives provide a framework that enables us to plan our work and to monitor progress in our mandate to achieve improved respect and protection of human rights in Australia.

The three priorities provide a thematic focus that cuts across all areas of our work – from the advocacy of our commissioners, to our policy and research program and to the work of our Investigation and Conciliation Service.

Goal 1:
**Leadership**

Goal 2:
**Rights and freedoms are protected**

Goal 3:
**Access to effective information and dispute resolution services**

Goal 4:
**Organisational excellence**

**Priorities**Human rights education and promotion • Engaging with business on human rights •
Freedom from violence, harassment and bullying

# Organisational structure

The Commission is a national independent statutory body established under the *Australian Human Rights Commission Act 1986* (Cth).

Australian Human Rights Commission

**Commissioners**

Communications
Team

Executive Director

Director
Policy and Programs

Director
Investigation and Conciliation Service

Investigation and Conciliation Service

National
Information
Service

International
Projects Team

Legal
Team

Corporate
Services

Business Engagement

Education and Innovation

Discrimination and Research

Human Rights Scrutiny

Major Projects and Inquiries

Monitoring and Reporting

\*The President is the Accountable Authority of the Commission under the *Public Governance, Performance and Accountability Act 2013*.

# Our functions

## Legislation

The Commission exercises functions under the following Acts.

### Australian Human Rights Commission Act 1986

Establishes the Commission and outlines its powers and functions.

It defines human rights by reference to the following international instruments:

*International Covenant on Civil and Political Rights*

*Convention on the Rights of the Child*

*Declaration on the Rights of the Child*

*Convention on the Rights of Persons with Disabilities*

*Declaration on the Rights of Disabled Persons*

*Declaration on the Rights of Mentally Retarded Persons*

*Declaration on the Elimination of All Forms of Intolerance and of Discrimination Based on Religion or Belief*

*Convention Concerning Discrimination in Respect of Employment and Occupation*

### Racial Discrimination Act 1975

Gives effect to Australia’s obligations under the *International Convention on the Elimination of All Forms of Racial Discrimination*.

Its main aims are to:

promote equality before the law for all persons, regardless of their race, colour or national or ethnic origin

make discrimination on the basis of race, colour, descent or national or ethnic origin, unlawful

provide protection against racial hatred.

### Sex Discrimination Act 1984

Gives effect to Australia’s obligations under the *Convention on the Elimination of All Forms of Discrimination Against Women* and to other relevant international instruments including the *International Covenant on Civil and Political Rights*.

Its main aims are to:

promote equality between men and women

eliminate discrimination on the ground of sex, sexual orientation, gender identity, intersex status, marital or relationship status, pregnancy and breastfeeding in work, education and other areas of public life

eliminate discrimination on the ground of family responsibilities in work

eliminate sexual harassment in work, education and other areas of public life.

### Disability Discrimination Act 1992

Its objectives are to:

eliminate discrimination against people with disabilities as far as is possible

promote community acceptance of the principle that people with disabilities have the same fundamental rights as all members of the community

ensure as far as practicable that people with disabilities have the same rights to equality before the law as other people in the community.

### Age Discrimination Act 2004

Its objectives are to:

promote equality before the law for all persons regardless of their age

eliminate discrimination against persons on the ground of age in many areas of public life, such as employment, education and the provision of services or facilities

change negative stereotypes about older people.

## The Commission

We exercise our functions under this federal legislation by:

* investigating and conciliating complaints of discrimination or breaches of human rights
* developing an extensive and accessible website containing research, publications, resources and education programs for young people, teachers, community groups, business, media and the community at large
* working with the media to raise and promote public awareness about important human rights issues
* working with organisations and leaders in the community, government and business sectors to provide education on relevant human rights issues and to support them in their efforts to better protect and promote human rights
* holding public inquiries and consultations to resolve systemic human rights issues of national importance that we have identified
* working closely with the federal government to provide independent advice regarding the development of laws, programs and policies that will better protect and promote human rights
* publishing annual reports on Aboriginal and Torres Strait Islander social justice and native title and children’s rights
* making submissions to parliamentary and other inquiries in order to identify human rights issues which may arise in proposed or existing laws and policies
* working in the legal system by appearing as an intervener or as amicus curiae in cases that involve human rights
* working with other national human rights institutions, particularly through the Asia Pacific Forum of National Human Rights Institutions.

The President, the Aboriginal and Torres Strait Islander Social Justice Commissioner, the National Children’s Commissioner and the Sex Discrimination Commissioner have additional responsibilities.

### President

The President is the Accountable Authority of the Commission, responsible for its financial and administrative affairs. The President is also responsible for the complaint handling function of the Commission.

### Aboriginal and Torres Strait Islander Social Justice Commissioner

Under the Australian Human Rights Commission Act, the Aboriginal and Torres Strait Islander Social Justice Commissioner prepares an annual report on the exercise and enjoyment of human rights of Indigenous peoples and undertakes social justice education and promotional activities.

This Commissioner also performs reporting functions under the *Native Title Act 1993* (Cth). These functions include preparing an annual report on the operation of the Act and its effect on the exercise and enjoyment of human rights of Indigenous peoples. In addition, the Commissioner reports, when requested by the Minister, on any other matter relating to the rights of Indigenous peoples under this Act.

### Sex Discrimination Commissioner

The Sex Discrimination Commissioner has functions under the *Fair Work Act 2009* (Cth) in relation to federal awards and equal pay.

### National Children’s Commissioner

Under the Australian Human Rights Commission Act, the National Children’s Commissioner prepares an annual report on the enjoyment and exercise of human rights by children in Australia.

## Responsible Minister

Senator the Hon George Brandis QC, Attorney-General is the Minister in Parliament responsible for the Commission. The Attorney-General has a number of powers under the Australian Human Rights Commission Act.

The most significant is:

* to declare, after consultation with the states, an international instrument to be one relating to human rights and freedoms for the purposes of the Act.

## Location

The office of the Australian Human Rights Commission is located in Sydney. The Australian Human Rights Commission conducts its activities nationally – including by maintaining a National Information Service, extensive web communication and conduct of meetings and events across Australia.

# President’s statement

This Annual Report sets out the performance of the Australian Human Rights Commission in the 2015–16 financial year.

This year has been both a challenging and rewarding one for the Commission.

We have achieved the highest conciliation rates of complaints under the four discrimination laws since our inception 30 years ago. Satisfaction rates with our conciliation service are also at a record high. It is particularly pleasing that the results reflect satisfaction from people in the midst of disputes – as both complainants and respondents.

We have released ground-breaking research on the prevalence and nature of discrimination in employment against older Australians and people with a disability. The Hon Susan Ryan AO released the final report of her national inquiry into these issues, titled *Willing to Work*, before finalising her term in early July 2016.

An important aspect of the Commission’s work is to develop public and private sector partnerships including with:

* the Australian Defence Forces – to embed cultural reform across the services, and to identify responses to historic abuse
* the university sector – to identify the prevalence of sexual harassment and sexual abuse within universities
* the business community – to implement the UN Global Principles on Business and Human Rights
* sporting organisations, business and community groups – through the *Racism It Stops with Me* campaign.

The Commission has continued to face significant reductions to its budget. Such reductions are hard for a small public sector agency to absorb, posing a risk to the ability of the Commission to meet its statutory obligations.

We have continued to focus advocacy on some contentious human rights issues, attracting political and media scrutiny. We have nonetheless seen the removal of almost all children from immigration detention in Australia. The contributions by the Commission to consideration by parliamentary committees of proposed laws have been consistently acknowledged as useful in pointing out the human rights implications.

During this financial year we have also said goodbye to three commissioners – Elizabeth Broderick after eight years as Sex Discrimination Commissioner; Susan Ryan AO after five years as Age Discrimination Commissioner and two years as Disability Discrimination Commissioner; and Tim Wilson after two years as Human Rights Commissioner. Each has made a significant contribution to the protection of human rights in Australia.

The Commission welcomes the appointment of four new commissioners since February 2016: Kate Jenkins, Kay Patterson, Alastair McEwin and Edward Santow. A fifth appointment is now due following the appointment of Mick Gooda, formerly Aboriginal and Torres Strait Islander Social Justice Commissioner, to his new role on the Royal Commission into the Protection and Detention of Children in the Northern Territory.

We enter the 2016–17 financial year with the knowledge that the newly elected Parliament will face many human rights challenges:

* The proposition for constitutional recognition of Aboriginal and Torres Strait Islander peoples.
* Racial harmony and community cohesion will be a key challenge.
* A national plebiscite to amend the *Marriage Act* to recognise LGBTI relationships.
* Laws to ensure Australia’s national security, while also not unduly encroaching on the rights of citizens.
* Durable settlement of asylum seekers and refugees seeking our protection will continue be a focus of national debate, especially as evidence mounts of the mental and physical impact of mandatory immigration detention.
* Efforts are being made to enable Australia to ratify the Optional Protocol to the Convention Against Torture (OPCAT) and to establish mechanisms to monitor all places of detention in Australia. The National Children’s Commissioner will report later in 2016 to identify the practical means of implementing OPCAT.
* The reduction of socio-economic inequality experienced by Aboriginal and Torres Strait Islanders, and the continuing need for meaningful consultation with Indigenous communities.
* Gender inequalities continue to be a national concern, most notably violence against women, the gender pay gap and limited engagement of women in leadership positions.
* Participation of older Australians in the workforce is vital as our population ages.
* The evolving National Disability Insurance Scheme raises questions about how to support independent living and to ensure access to employment and housing.

The Commission stands ready and willing to assist the Federal Government by providing evidence-based, technical expertise on all aspects of human rights implementation in Australia. As we celebrate our 30th anniversary this year, there are both achievements to recognise and serious human rights challenges to meet.

**Gillian Triggs**

President

# Annual performance statement fornon-financial outcomes

## Introductory statement

I, as the accountable authority of the Australian Human Rights Commission, present the 2015–2016 annual performance statements of the Australian Human Rights Commission, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). In my opinion, these annual performance statements are based on properly maintained records, accurately reflect the performance of the entity, and comply with subsection 39(2) of the PGPA Act.

Professor Gillian Triggs

**President and Accountable Authority**

26 September 2016

## Purpose

As Australia’s national human rights institution, our purpose is to provide independent and impartial services to promote and protect human rights and fundamental freedoms, and address discrimination.

## Results

### Introduction

The Commission undertakes a wide range of activities in pursuance of our statutory obligations and mandate. We must:

1) Inquire into and attempt to conciliate complaints of unlawful discrimination, and breaches of human rights,

2) Produce reports in relation to:

a) the enjoyment and exercise of human rights by children in Australia

b) the enjoyment and exercise of human rights by Aboriginal persons and Torres Strait Islanders

c) the operation of the *Native Title Act 1993* and its effect on the exercise and enjoyment of human rights of Aboriginal peoples and Torres Strait Islanders, and

3) Process applications for exemptions under the age, disability and sex discrimination Acts.

The *Australian Human Rights Commission Act 1986* (*AHRC Act*) requires us to exercise our functions in a manner that achieves the ‘greatest possible benefit to the people of Australia’ and with regard for the universality of human rights (s.10A *AHRC Act*). For this reason, we fulfil the remainder of our functions through a combination of two approaches:

* Work that is focused on issues that constitute protected attributes under federal discrimination law or for which there is a mandated specialist commissioner. For example, issues regarding, race discrimination, gender equality, disability, Aboriginal and Torres Strait Islander social justice and sexuality among other issues.
* Thematically focused work that is of broader benefit to the Australian community as a whole. For example, by focusing on human rights education; intervening in human rights matters before the courts; addressing violence, harassment and bullying; and promoting the role of business in addressing human rights.

Our work priorities are set through an annual planning process and are guided by our four strategic goals on pages 18 – 34 of this report. In addition, the Commission ensures its work is directed to achieving the Outcome in its Portfolio Budget Statement, being:

An Australian society in which human rights are respected, protected and promoted through independent investigation and resolution of complaints, education and research to promote and eliminate discrimination, and monitoring, and reporting on human rights

the sole programme of which, Programme 1.1, is:

Australians have access to independent human rights complaint handling and public inquiries processes and benefit from human rights education, promotion and monitoring, and compliance activities

### Performance criteria

The performance statement on pages 18 – 34 of this report indicates how the Commission has met its publicly stated strategic goals and objectives through activities that are monitored and evaluated. These are reported in relation to the Commission’s four strategic goals, matched to the indicators in the Corporate Plan and the Key Performance Indicators published in the Portfolio Budget Statement. In reporting against each indicator we have focused on case studies and leading projects to exemplify our performance.

### Appendices

Appendix 1 in this report provides information on 2015–2016 workplan projects, services and activities, and how these contribute to the Commission’s goals and priorities.

Appendix 2 in this report provides information on the Commission’s major events, reports, publications and education resources in 2015–2016.

# Commission activity

The following provides an overview of the key outputs across the Commission in 2015–16. Major activities of the Commission in the reporting period are detailed in appendix 2 to this report.

# Goal 1:Leadership

We are respected for our independent and influential promotion of the full implementation of human rights and freedoms in Australia and internationally.

## Performance criterion

Indicators 1.1 – 1.6: Reproduced below.

The Commission’s Portfolio Budget Statement also contains the following measures:

**Program 1.1 Key Performance Indicators**

Customer/stakeholder surveys to rate the effectiveness of major educational and promotional activity

Extent of contact with government, community and industry groups

## Results for each performance criterion

### 1.1 Effective reach in the general community and among identified target audiences with relevant and useful information about human rights, including discrimination.

#### *Racism. It Stops With Me* Campaign

The *Racism. It Stops With Me* (RISWM) campaign is the key activity under the National Anti-Racism Partnership and Strategy. It aims to promote an understanding of racism and how it can be prevented. The RISWM campaign provides a basis for the growing number of member organisations to take action against racism through exercising leadership, providing public support and disseminating information.

Results from the annual member survey indicate that RISWM is making a difference and that the support and information provided is used and valued. For example:

* 87% of respondents reported that the campaign had had a positive impact, primarily by empowering action, raising awareness, starting conversations and sending a positive message. In addition, the impact of the campaign was reaching the constituencies of member organisations:

The outward, public stance displayed to our communities is very powerful…we have engaged thousands of local people in conversations about the campaign through participative activities – we think every conversation helps (2015 survey).

* 61% have used the campaign to initiate anti-racism policies and procedures and around half had undertaken more resource-intensive activities such as publishing a webpage and holding events.
* Usefulness of the website material was also high (67 to 90% across eight groupings) and 88% of respondents that had sought advice and support from the Commission rated that support as very useful.

### 1.2 Public awareness and debate about human rights issues increases through our communications and public presence.

Our public presence helps us to directly and indirectly reach large and diverse audiences and to facilitate informed debate. In the financial year period, we have hosted and promoted 30 major events that have engaged substantial audiences and generated significant awareness and debate as a result of positive media coverage. This includes two Australians of the Year events in partnership with the National Australia Day Council and the annual Human Rights Awards.

#### Australians of the Year, 1 June 2016

More than 1,500 people packed into Sydney Town Hall for the 2016 Australians of the Year event: Inspiring Change in Human Rights. Julia Baird from ABC’s The Drum hosted a panel discussion featuring Australian of the Year Alumni: David Morrison AO, Nic Marchesi, Elizabeth Broderick AO and Julian McMahon.

The panel debated what it means to be Australian, creating a culture of respect and dignity for all, and driving change for the future protection of human rights. The event was broadcast live on ABC iView and subsequently aired on ABC1 and ABC News 24.

### 1.3 Constructive relationships are developed and maintained with parliament, government, community, business and other stakeholders.

#### The *Willing to Work* Inquiry

The Commission, under the leadership of the Age Discrimination and Disability Discrimination Commissioner, conducted a National Inquiry into the barriers to employment for older Australians and people with a disability. The Inquiry was referred to the Commission by the Attorney-General.

In undertaking the Inquiry, the Commission developed extensive and constructive relationships with government, community and industry groups and experts. Five federal government departments, over 15 business, industry and peak bodies and multiple experts and leaders participated in four reference group panels to the inquiry. Significant financial and pro-bono support for the inquiry was also received through Government and Private partnerships.

These relationships provided expertise, constituency leadership and access to networks. This increased the comprehensiveness and reach of the Inquiry for which:

120 consultations were conducted in 20 locations with 1,175 individuals participating

343 written submissions were received

a range of authoritative research and information resources were developed, including the commissioning of new prevalence data on age and disability employment discrimination.

The final report, titled *Willing to Work*, as well as a best practice guide on current practices for employing older Australians and people with a disability were released in mid-2016 and aim to assist business and other employers to lift labour force participation of older people and people with disability.

#### Indigenous Property Rights Project

In initial consultations at the commencement of his term as Human Rights Commissioner, Tim Wilson identified significant concerns about restrictions faced by Indigenous peoples in leveraging their communal property rights for development purposes. Alongside the Social Justice Commissioner, Mick Gooda, a roundtable was convened in Broome to consider ways forward to tap into the economic potential on Indigenous land while also respecting the cultural and inalienable rights of Indigenous peoples.

The roundtable brought together indigenous leaders from Land Councils, Native Title Representative Bodies, Prescribed Bodies Corporate, Government departments and agencies and academia. The Attorney-General attended the roundtable and committed further government funding to advancing the outcomes of the discussions.

Throughout 2015 and 2016, the Commission has convened further roundtables and technical advisory groups to develop policy options for reform to land tenure, native title, financial investment and related policies and laws. The final outcomes of the process will be realised by the end of 2016. The Commission’s leadership in convening the process and providing an independent facilitation role has been critical in advancing discussions.

### 1.4 Increased capacity to apply human rights through our education and technical cooperation activities.

#### Developing human rights capacity through the China-Australia Human Rights Technical Cooperation Program and Vietnam-Australia Human Rights Technical Program

The 2015–16 component of this long term program delivered 22 technical assistance activities (training, workshops, internships and study tours) with up to 12 Chinese partner agencies including the Ministry of Foreign Affairs, All-China Women’s Federation and the Beijing Legal Aid Organisation.

In a challenging implementation context, the program is seeing steady results. For example, it has established and sustained a relationship where the Commission is recognised, trusted and respected by its Chinese partners. In turn, this is supporting capacity outcomes ranging from an openness to new ideas and different approaches, the acquisition of skills and knowledge and strengthened networks between partners and Chinese civil society.

### 1.5 Impact through our contributions to United Nations processes in our capacity as a national human rights institution.

#### Facilitating dialogue through engagement with the United Nations and the Universal Periodic Review

The Universal Periodic Review (UPR) process occurs every four and a half years. In a special session of the UN Human Rights Council, it provides the opportunity for every country in the world to express its views on the achievements and challenges faced by Australia in protecting human rights. The Commission has a distinct role in the process as Australia’s national human rights institution.

The UPR provides an important opportunity to achieve improvements in human
rights protections in Australian law, policy and practice, driven by diplomatic efforts. This occurs in two ways: by the government making voluntary commitments to new actions to promote human rights; and by the government committing to new actions in response to recommendations by states in the interactive dialogue phase of the UPR, which occurred in Geneva in November 2015.

The Commission developed annual progress reports to the UN Human Rights Council for the past four years and engaged with civil society and country missions ahead of the UPR appearance. There was a high correlation between the issues and recommendations proposed by the Commission, and the actual recommendations of states at the UPR appearance.

As a result of the Commission’s work:

* Over 100 countries were briefed and informed on the human rights issues in Australia and were steered towards recommendations that related to their specific area of interest ahead of Australia’s appearance in Geneva. This was done in conjunction with NGOs, with whom the Commission worked collaboratively.
* 104 countries provided statements during Australia’s appearance and made 290 recommendations across a range of topics. Many of the recommendations mirrored the concerns raised by the Commission and NGOs.
* The Government committed to establishing an ongoing monitoring process for recommendations from the UPR process, to be done in collaboration with the Commission. It also established new national coordination processes for UN treaty engagement, and has taken new actions to promote human rights – including removing reservations to existing treaties and advancing consideration of ratifying the Optional Protocol to the Convention Against Torture. Further concrete measures are expected in the coming financial year as a result of the UPR process.

### 1.6 Website and publications.

The KPI for the website was previously expressed as 35 million website hits. The Commission now defines this KPI in terms of page views rather than hits, as this is a more accurate measurement tool.

In 2014–15 page views were 8,410,352. In 2015–16 they were 9,130,694 which translates to 7.9% growth and exceeds the five percent annual growth target.

The KPI for distributed publications was 70,000, while the annual figure was approximately 20,000. The reason for this is that the Commission is increasingly moving to online publications as opposed to print.

## Analysis – Goal 1

The Commission is Australia’s ‘A status’ national human rights institution. This means that we operate in compliance with the Paris Principles of the UN General Assembly which require us to operate in a robust, independent manner of government in order to provide accountability for human rights in Australia.

Through the activities under this goal the Commission and its Commissioners provided significant leadership to advocate for improved human rights outcomes and to develop partnerships and cooperation across sectors to that end. Each commissioner identifies their major strategic priorities for each year, as part of our planning processes. This assists in targeting our input in national debate to issues on which we are currently working, and on which we have a strong evidence base.

Underpinning much of our work is the knowledge that activities that focus on building capacity across government and the NGO sector, and which focus on collaboration and partnership, are more likely to result in positive impacts from our engagement. Projects such as the indigenous property rights roundtable demonstrates the impact that can be achieved by facilitating engagement of diverse stakeholders on complex policy issues. The continued success of projects in which the Commission takes a leadership role, like Close the Gap and the Male Champions of Change provide similar learnings.

Over time we have learned that our leadership is more effective when we ensure that our projects are of sufficient scale to be influential. For this reason, the Commission aims to conduct one major project each year, subject to resource availability. The Willing to Work inquiry is a good example of this. The significant public engagement, the high level technical advisory support from industry and government, and the prevalence data commissioned specifically as part of the Inquiry each provide rich data and a strong evidence base to underpin future policy development on the critical issue for our future economic prosperity – inclusion in employment of older Australians and people with a disability.

# An environmentally sustainable workplace

Human rights principles are fundamentally embedded within the principles of ecologically sustainable development. The Commission uses energy saving methods in its operations and it endeavours to make the best use of resources while reducing its environmental impact through appropriate recycling schemes.

In 2015–16 we continued to mitigate the effects of our impact on the environment by:

* introducing Skype for Business facilities to reduce air and road travel
* implementing a paperless record management system for the Investigation and Conciliation Service
* providing facilities to support staff to ride and walk to work
* participating in Earth Hour
* shutting down all non-essential electronic equipment during the Christmas and New Year shutdown.

# Goal 2:Rights and freedoms are protected

Human rights and freedoms are respected in Australian law, policy and practice, and are understood by the Australian community.

## Performance criterion

Indicators 2.1 – 2.5: Reproduced below.

The Commission’s Portfolio Budget Statement also contains the following measures:

**Program 1.1 Key Performance Indicators**

Customer/stakeholder surveys to rate the effectiveness of major educational and promotional activity

Extent of contact with government, community and industry groups

## Results for each performance criterion

### 2.1 Our research, advocacy and recommendations are cited or acted upon by parliament, government, the courts, business and the community.

#### Submissions

This year, the Commission made 28 submissions to parliamentary and other inquiries providing specialist, independent policy and legal analysis of the human rights impact of proposed laws or the human rights dimensions of public policy issues.

Citation analysis of the Commission’s submissions demonstrates that they form a vital part of the public debate of proposed laws and valuable input to inquiries into social policy issues. In this period, 88% of the available reports cited our submission.

For example:

#### Submission to the House of Representatives Standing Committee on Social Policy and Legal Affairs Inquiry into the Regulatory and Legislative Aspects of Surrogacy Arrangements.

This submission had a significant impact on the shape of the Committee’s report. The Commission was called as a witness, cited in the report and eight of the Commission’s nine recommendations were reflected in the Committee’s report.

If the recommendations in this report are adopted, it will be an important step towards more uniform domestic laws that provide increased access to well regulated surrogacy arrangements in Australia, and increased scrutiny of the practices in other countries which should lead to better human rights outcomes.

### 2.2 Effective education, training and information resources increase human rights knowledge and skills and contribute to changes in attitudes and behaviours.

#### School Education Resources

In a crowded curriculum our human rights education resources must be relevant and effective in order to increase understanding and skills and lay the foundations for positive attitude and behaviour change among students.

In this period, we completed a comprehensive evaluation of our school education resources. Over 1000 teachers engaged in the evaluation, with focus group participants confirming the relevance of human rights to the Australian curriculum and survey results indicating that the existing resources are positively regarded. For example:

* 90% of survey respondents currently using them indicated that they are ‘clear and simple to use
* 85% stated that they are of an overall high quality’.

The evaluation also identified critical useability improvements for future resources and the importance of increasing teachers’ awareness of the resources across Australia. The evaluation results will form the basis of an upgrade to the Commission’s education resources over the next twelve months, as well as a targeted communications strategy to improve knowledge and awareness of the resources for teachers.

### 2.3 The human rights impact of violence, harassment and bullying is increasingly understood and contributes to preventive measures being taken that improve safety.

#### Cultural Reform in the Australian Defence Force

There is an ongoing collaboration between the Commission and the ADF which is committed to embedding cultural reform in Australia’s’ military Services to ensure that human rights impact of violence, harassment and bullying is increasingly understood and contributes to preventive measures being taken that improve safety. In this period, the collaboration delivered five research projects and reports. For example, the Royal Australian Air Force identified a lack of women fast jet pilots as an issue for reform. This project investigated and reported on the cultural and/or systemic barriers that impede women from becoming fast jet pilots.

The findings and evidence provided by this work is contributing to the ADF strategy: Pathway to Change: Evolving Defence Culture. It is disseminated and discussed at senior Service levels and informs the cultural reform planning and strategy being implemented by the three Services.

### 2.4 Effective support for business contributes to more inclusive and productive workplaces, and provides redress for workplace discrimination.

#### Annual Human Rights Dialogue on Business and Human Rights

The Commission has set business and human rights as one of its key priority focal areas since 2014. A key component of the Commission’s Business Engagement program is a partnership with Global Compact Network Australia to convene an annual human rights dialogue. The Dialogue contributes to increased capacity among business stakeholders by exploring leading practices, challenges and opportunities based on UN Guiding Principles on Business and Human Rights.

An evaluation of the 2015 event indicated high levels of satisfaction by participants and an increased knowledge and understanding of the issues covered. One hundred percent of respondents to the participant survey said they would recommend colleagues or organisations in their business networks to attend the Dialogue in 2016.

I was impressed by the trust in the room. I felt like business felt it was a safe space to talk relatively freely about issues they face and to be open about challenges (2015 Business Dialogue participant survey).

The Commission has also entered into a range of partnerships during the financial year with private sector organisations and research centres to undertake in depth analysis of key human rights issues relating to the business sector. These include research into supply chains and exploitation of workers, reflecting diversity in business customer bases, building human rights protections into procurement processes, achieving improved ethnic diversity in management and articulating strategies to meet fiduciary obligations of directors to protect human rights.

### 2.5 Increased capacity to take action by those vulnerable to, experiencing or witnessing human rights breaches and other discrimination.

#### Monitoring of recommendations on family and domestic violence in 2015 Children’s Rights Report

In 2013, children told the National Children’s Commissioner that they wanted *‘a life free from violence’*. In 2014, an examination of intentional self-harm by children raised the significance of family and domestic violence and led to our 2015 national examination into the impact of family and domestic violence on children.

The project sourced new data about children’s experiences to help build a picture of how children are affected – as witnesses, bystanders and victims. Throughout the duration of the project, 62 written submissions were received, and eight expert roundtables, seven individual consultations and one webinar event with 153 participants were conducted.

The key finding was that a lack of national data collection and reporting frameworks is hampering the ability of stakeholders to identify and support children vulnerable to violence. Fourteen recommendations relating to family and domestic violence were made in the 2015 Children’s Rights Report. Progress on these is being monitored and will be reported in the 2016 Children’s Rights Report.

## Analysis – Goal 2

The Commission has continued to maintain positive relationships with key decision makers through our engagement in parliamentary inquiry processes and in court interventions. The Commission is consistently sought out for our expertise on challenging issues – for example, with the Family Court requesting us to intervene in cases and parliamentary committees and other inquiries (such as the Royal Commission into Institutional Abuse of Children) requesting that we submit information and appear from time to time. Our materials and recommendations are regularly cited and influence outcomes of committee processes in Parliament meaning that greater attention is paid to issues of human rights and freedoms.

These positive relationships and influence have continued in times of high profile political focus on the Commission. It demonstrates that much of the Commission’s work is uncontroversial and accepted as a routine part of public debate and analysis. The Commission continues to focus on ensuring that our work with parliament complements the role of the Parliamentary Joint Committee on Human Rights to embed better protection of human rights and freedoms in the legislative process.

The Commission’s evaluation work has demonstrated that we regularly produce high quality, engaging educational resources. Our challenge moving forward is to increase awareness of these resources and to adapt them so that they can be more accessible for teachers.

2015–16 has seen the Commission deepen its relationships and work program on business and human rights. Significant corporate partnerships have underpinned our approach to this work – ensuring that the work we do is relevant to business. The Commission’s multi-year commitment to this work has been critical to achieving cumulatively greater impact each year providing greater support for business to make workplaces more inclusive and productive and able to provide redress for discrimination.

The Commission has significantly increased its technical capacity to work with industry through the ADF collaboration. The multi-year focus of that work has built significant technical expertise. The Commission has begun to build on this expertise by commencing collaborations with other sectors. In 2015–16 we commenced a significant partnership with Universities Australia to identify the prevalence of, and understand the nature of, sexual harassment and sexual assault in all 39 universities and to better enable those that have or are experiencing this discrimination to take action.

# Goal 3:Access to effective information and dispute resolution

We provide efficient and effective services to address questions and disputes about human rights and discrimination.

## Performance criterion

Indicators 3.1 – 3.4: Reproduced below.

The Commission’s Portfolio Budget Statement also contains the following measures:

**Program 1.1 Key Performance Indicators**

Percentage of parties satisfied with the overall investigation and complaint handling process

Percentage of complaints finalised within 12 months

Percentage of complaints conciliated per annum

## Results for each performance criterion

### 3.1 Our National Information Service is recognised as a leading source of information about federal human rights and discrimination law and the associated complaint process.

In 2015–16, the Commission assisted over 16,836 people and organisations by providing information about the law and the complaint process, assisting with problem solving and providing referrals to other services.

Approximately 38 information/education sessions were also provided to various stakeholders in a number of states and territories.

There were also 176,670 visits to the Commission’s complaints website which provides information about the law and the complaint process.

### 3.2 Disputes relating to breaches of human rights and discrimination are effectively and efficiently resolved.

In 2015–16, the Commission received 2,013 complaints of alleged discrimination and breaches of human rights and finalised 1,982 complaints. Approximately 1,308 conciliation processes were conducted of which 989 complaints (76%) were successfully resolved. This is the highest conciliation success rate on record.

A thorough breakdown of complaint statistics is published on the Commission’s website: [www.humanrights.gov.au/complaint-information](http://www.humanrights.gov.au/complaint-information).

In the 2015–2016 period we also exceeded:

* Our stated PBS performance target of 30% of all finalised complaints to be conciliated, with 52% being conciliated. This is the highest conciliation rate on record.
* Our stated PBS performance target of 80% of complaints to be finalised within 12 months of receipt, with 98% of complaints finalised within 12 months.
* Our stated PBS performance target of 80% of surveyed parties to complaints to be satisfied with the service they received, with 94% reporting that they were satisfied with the service provided and 73% rating the service as ‘very good’ or ‘excellent’. Where complaints were conciliated, these figures increased with 98% reporting they were satisfied and 82% rating the service as ‘very good ‘or ‘excellent’. In terms of breakdown by complainants and respondents:
* 88% of complainants said they were satisfied with the service and 68% rated the service ‘very good’ or ‘excellent’. Examples of comments by complainants are below:

This is a really great service that is not only cost effective but also where normal everyday people don't feel intimidated and can understand.

The proactive approach, responsiveness and clear guidance from the Commission's representative was impressive and, in my view, contributed significantly to the successful resolution of this matter.

* 98% of respondents indicated they were satisfied with the service and 78% rated the service as ‘very good’ or ‘excellent’. Examples of comments by respondents are below:

I found the officer’s approach…to be fair and reasonable without bias. She took the time to understand the challenges we face within the business and how they related to this specific complaint. Overall, I found the officer’s approach definitely took a potentially stressful and onerous process and made it an approach that was timely and concise.

I found that everything was explained perfectly and all parties were given a fair hearing.

### 3.3 Participation in the investigation and conciliation process results in increased understanding of rights and responsibilities in the law.

In 2015–16, where complaints were conciliated, 72% of surveyed participants indicated that involvement in the complaint process had assisted them to better understand rights and responsibilities in the law.

### 3.4 The terms on which disputes are resolved include systemic outcomes that accord with the objectives of the law.

Information on outcomes of unlawful discrimination complaints indicates that in 2015–16, 34% of conciliation agreements included terms which will have benefits for people beyond the individual complainant. For example, agreements to introduce anti-discrimination policies and training and undertake modifications to buildings and services to address potential discriminatory factors. Examples of such outcomes are provided below.

#### Complaint of sexual harassment in employment

The complainant was employed as a site administrator at the respondent mining company. She alleged five colleagues sexually harassed her by a range of actions including making comments of a sexual nature and trying to hug and kiss her. She claimed that when she complained about the behaviour, she was told to 'sort it out herself’ and she therefore felt she had no option but to resign.

On being advised of the complaint, the respondents agreed to participate in conciliation. The complaint was resolved with an agreement that the company pay the complainant $60,000 in damages, provide her with a reference and offer her access to its outplacement service. The company also undertook to review and update its policies and procedures on sexual harassment and to deliver associated training to all staff across Australia.

#### Complaint of disability discrimination in the provision of goods and services

The complainant said her Deaf son was unable to access a performance because a sign-language interpreter was not available.

On being advised of the complaint the company that staged the performance agreed to participate in conciliation. The complaint was resolved with an agreement that the company provide sign-language interpreters for several performances in each city and set aside a number of places for Deaf persons wishing to attend those performances.

## Analysis – Goal 3

The Commission’s National Information and Investigation and Conciliation Services contribute significantly to the Commission’s key functions as Australia’s National Human Rights Institution, to educate about human rights and provide an accessible and effective way to deal with related disputes.

Specifically, the data supports that these services increase knowledge and awareness of rights and responsibilities, can stimulate outcomes which address social exclusion, and reinforce norms of non-discrimination and equality without the need for lengthy and potentially costly court determination processes. It is noted that a previous Cost Benefit Analysis conducted by the Centre for International Economics found that the Commission’s dispute resolution service provides significant savings for the Australian community in terms of public administrative and private legal costs.

In 2015–16, the Commission continued to utilise feedback from service users and technological developments to further streamline and improve its Investigation and Conciliation Service. This has enabled the Service to continue to exceed its PBS targets in relation to timeliness, outcomes and service user satisfaction in a climate of continual decreasing resources. As the Investigation and Conciliation Service has, over recent years, continued to exceed and improve on aspects of performance against PBS targets, the Commission has increased the PBS targets for the Service for the next reporting period.

Ongoing funding cuts have, however, impacted on the services that could be provided in 2015–16. Specifically, decreased staff resources meant that the operational hours of the National Information Service had to be reduced and the number of information/education outreach sessions limited. This is likely to be a key reason for the 16% reduction in the number of people /organisations that the service could assist in comparison with the previous reporting year. It is also likely to be a key factor in a similar reduction in the percentage of complaints received by the Commission in 2015–16.

# Goal 4:Organisational excellence

We are a collaborative, innovative and flexible workplace that fosters excellence and expertise in our staff and in our work.

## Performance criterion

Indicators 4.1 – 4.6: Reproduced below.

## Results for each performance criterion

### 4.1 Effective governance is maintained by our Executive and provides strategic leadership for the organisation.

The President and Commissioners acting together have governance obligations for the Commission as a whole. Commissioners must act in a way that promotes the collegiate nature of the Commission. The Commission convenes formal bi-monthly meetings and fortnightly catch-up meetings. Decisions regarding functions of the Commission are made jointly by the President and all Commissioners, with the President having responsibility (as the Accountable Authority under the PGPA Act) for budget and staffing matters, as well as decision making under the discrimination and human rights laws.

Through approval of an annual whole of Commission work plan and Corporate Plan, the Commission provides strategic leadership for the Commission.

An annual review and assessment of financial and operational risk management and robust audit committee process underpins the financial and risk management obligations under the *Public Governance, Performance and Accountability Act 2013*.

There have been zero reports of non-compliance with section 19 of the *Public Governance, Performance and Accountability Act*, the *Public Governance, Performance and Accountability Rule 2014*, instruments made under the PGPA Act (including Accountable Authority Instructions) and Appropriation Acts.

There have been zero reports of non-compliance with *the Legal Services Directions 2005*.

### 4.2 Corporate services are provided to internal and external clients efficiently and flexibly, while meeting professional standards and legislative requirements and providing effective financial controls.

The Commission delivers corporate services internally and externally to the Office of the Australian Information Commissioner in a shared services arrangement, as well as to the Asia Pacific Forum of National Human Rights Institutions. Feedback on service quality is consistently positive.

### 4.3 Staff feel engaged and valued with a work life balance, professional development and job satisfaction.

The Commission concentrates its limited resources on targeted learning and development programs and using our specialist internal resources to mentor staff and increase staff skills. We maintain a resilient and satisfied workforce in the face of external challenges.

For example, in the May 2016 Australian Public Service Survey the Commission staff (72% response rate) analysis showed that:

93% felt a strong personal attachment to the Commission

88% are satisfied with their access and use of flexible working arrangements

93% are proud to work at the Commission

100% know where to find suitable support and guidance regarding performance management.

The Commission has increased its intake of interns who consistently report excellent work experience in their feedback.

### 4.4 A diverse and safe workplace is maintained with high performing staff.

Our diverse work force currently exceeds the APS targets for the employment of people from a non-English speaking background, people with a disability and for Aboriginal and Torres Strait Islander peoples.

We actively promote staff wellbeing, health and safety, and deliver a health and wellbeing program based on staff identified interest areas such as dementia awareness, fitness and nutrition and resilience. The results of the May 2016 Australian Public Service Survey showed that:

100% of Commission staff felt that the people in their work group behave in an accepting manner towards people from diverse backgrounds

99% felt the Commission actively encourages ethical behaviour by employees

99% felt the Commission was committed to creating a diverse workforce

91% felt that the Commission genuinely cares about employees being healthy and safe at work.

### 4.5 Effective systems to monitor and evaluate our work are implemented and are used to improve the quality and impact of our work.

We are intentionally building the evaluation capacity of our staff. We have developed systems to improve the monitoring and evaluation of our programs and champion evaluation as part of a learning and improvement framework. Survey data over time and interviews suggest that this work is increasing evaluation skills and confidence among staff, has led to more systematic evaluations and a positive shift in how staff perceive of our evaluation culture. For example:

My sense is that across the Commission as a whole there is a growing and increasingly stronger culture of evaluation (2015 key informant interview).

### 4.6 Internal processes effectively promote communication and coordination and enhance the quality of our work.

ICT plays an important part in the effectiveness of our communication and sharing of information externally and internally. In 2015–16, an ICT review of Commonwealth agencies evaluated the Commission’s ICT as above average for its size and ICT budget.

In this period, the Commission undertook a project to move our ICT systems to the Microsoft Azure\Office365 cloud and to change our outdated VOIP telephony system to Skype for Business. Outcomes to date include better and more efficient working through:

* continuity of access (24/7) to the email systems and increased mailbox storage
* improved communications through use of Presence, Instant Messaging and desk top video and audio conferencing facilities as well as delivery of this platform and functionality to iPhone, iPad and MacBook users whether onsite or offsite
* improved collaboration on documents with SharePoint Online platform for allowing for multiple real time editors and for the future electronic document and record management system – a priority area for improvement in the coming financial year
* economic benefits through reduced server fleet – the Commission has seen a reduction from 60 to 38 servers with further reductions to occur over time, including a reduction in capital expenditure on licensing and electricity charges.

## Analysis – Goal 4

As a small agency, the strategic management of our capability is different from larger government entities. The continuing impact of public sector spending cuts and the need to address APS directives regarding staff profile and recruitment has proven an ongoing challenge across the organisation.

Evaluation of the financial, human resources and ICT activities under goal 4 are subject to ongoing APS review and reporting systems. In this context, these assessments suggest that despite resourcing and capacity challenges we continue to perform to a high standard across these areas.

Internal initiatives such as our evaluation capacity building project has also sustained a positive trend, assisted by the renewed focus on evaluation under the PGPA Act.

The Commission has identified the underperformance of our internal systems for document management as an area for improvement. Guided by the Digital Continuity 2020 Policy, improvement in this area has been identified as a key focus for the coming financial years.

# Financial statements

## Independent Audit Report

#### To the Attorney-General

I have audited the accompanying annual financial statements of the Australian Human Rights Commission for the year ended 30 June 2016, which comprise:

* Statement by the Accountable Authority and Chief Finance Officer;
* Statement of Comprehensive Income;
* Statement of Financial Position;
* Statement of Changes in Equity;
* Cash Flow Statement; and
* Notes to the Financial Statements comprising significant accounting policies and other explanatory information.

#### *Opinion*

In my opinion, the financial statements of the Australian Human Rights Commission:

(a) comply with Australian Accounting Standards and the Public Governance, Performance and Accountability (Financial Reporting) Rule 2015; and

(b) present fairly the financial position of the Australian Human Rights Commission as at 30 June 2016 and its financial performance and cash flows for the year then ended.

#### *Accountable Authority’s Responsibility for the Financial Statements*

The President of the Australian Human Rights Commission is responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards and the rules made under that Act and is also responsible for such internal control as the President determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor’s Responsibility*

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

#### *Independence*

In conducting my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Australian National Audit Office

Muhammad Qureshi
Senior Director

Delegate of the Auditor-General

Canberra
9 September 2016

## Statement by the Accountable Authorityand Chief Finance Officer

Australian Human Rights Commission Financial Statements

In our opinion, the attached financial statements for the year ended 30 June 2016 comply with subsection on 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Australian Human Rights Commission will be able to pay its debts as and when they fall due.

**Professor Gillian Triggs Darrell Yesberg**

President and Accountable Authority Acting Chief Finance Officer

9 September 2016 9 September 2016

## Statement of Comprehensive Incomefor the period ended 30 June 2016

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Notes | **2016****$’000** | 2015$’000 | Original Budget$’000 |
| **NET COST OF SERVICES** |  |  |  |  |
| **Expenses** |  |  |  |  |
| Employee benefits | 1.1A | **15,057** | 15,992 | 15,090 |
| Suppliers | 1.1B | **7,857** | 8,909 | 7,080 |
| Depreciation and amortisation | 2.2A | **861** | 987 | 895 |
| Write-down and impairment of assets | 1.1C | **–** | 5 | – |
| **Total expenses** |  | **23,775** | 25,893 | 23,065 |
| **Own-source income** |  |  |  |  |
| **Own-source revenue** |  |  |  |  |
| Rendering of services | 1.2A | **7,129** | 7,116 | 6,164 |
| Interest | 1.2B | **231** | 305 | 350 |
| Other revenue | 1.2C,D | **1,020** | 1,034 | 1,036 |
| **Total own-source revenue** |  | **8,380** | 8,455 | 7,550 |
| **Gains** |  |  |  |  |
| Other gains | 1.2E | **132** | 92 | – |
| **Total gains** |  | **132** | 92 | – |
| **Total own-source income** |  | **8,512** | 8,547 | 7,550 |
| **Net cost of services** |  | **(15,263)** | (17,346) | (15,515) |
| Revenue from Government | 1.2F | **15,515** | 18,315 | 15,515 |
| **Surplus attributable to the Australian Government** |  | **252** | 969 | – |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |
| **Items not subject to subsequent reclassification to net cost of services** |  |  |  |  |
| Changes in asset revaluation surplus |  | **25** | 15 | – |
| **Total other comprehensive income** |  | **25** | 15 | – |

The above statement should be read in conjunction with the accompanying notes.

**Budget Variances Commentary**

The major variances on the Statement of Comprehensive Income (SoCI) are supplier expenditure, rendering of services revenue and interest.

During the period the Commission entered into new partnership arrangements with other organisations for the delivery of services on joint projects that were not known at the time of original budget preparation. These arrangements generate own-source revenue funding from service fees and direct cost recoveries resulting in revenue from the rendering of services and supplier expenditure variances.

Interest revenue is the result of a decreased cash balance held with the Commission’s transactional banking services provider, further commentary is provided on the Cash Flow Statement.

## Statement of Financial Positionas at 30 June 2016

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Notes | **2016****$’000** | 2015$’000 | Original Budget$’000 |
| **ASSETS****Financial assets** |  |  |  |  |
| Cash | 2.1A | **9,023** | 13,388 | 13,410 |
| Trade and other receivables | 2.1B | **709** | 99 | 687 |
| Other financial assets | 2.1C | **–** | 3 | – |
| **Total financial assets** |  | **9,732** | 13,490 | 14,097 |
| **Non-financial assets**Infrastructure, plant and equipment | 2.2A | **3,274** | 3,768 | 3,698 |
| Intangibles | 2.2A | **544** | 583 | 416 |
| Other non-financial assets | 2.2B | **194** | 161 | 162 |
| **Total non-financial assets** |  | **4,012** | 4,512 | 4,276 |
| **Total assets** |  | **13,744** | 18,002 | 18,373 |
| **LIABILITIES** |  |  |  |  |
| **Payables**Suppliers | 2.3A | **1,798** | 1,653 | 2,499 |
| Other payables | 2.3B | **4,390** | 7,224 | 124 |
| **Total payables** |  | **6,188** | 8,877 | 2,623 |
| **Non-interest bearing liabilities**Lease incentives | 2.4A | **2,857** | 3,396 | 2,830 |
| **Total non-interest bearing liabilities** |  | **2,857** | 3,396 | 2,830 |
| **Provisions**Employee provisions | 4.1A | **4,009** | 3,708 | 4,298 |
| Other provisions | 2.5A | **225** | 775 | 8,686 |
| **Total provisions** |  | **4,234** | 4,483 | 12,984 |
| **Total liabilities** |  | **13,279** | 16,756 | 18,437 |
| **Net assets** |  | **467** | 1,246 | (64) |
| **EQUITY** |  |  |  |  |
| Contributed equity |  | **2,511** | 2,511 | 2,185 |
| Reserves |  | **378** | 353 | 338 |
| Accumulated results |  | **(2,422)** | (1,618) | (2,587) |
| **Total equity** |  | **467** | 1,246 | (64) |

The above statement should be read in conjunction with the accompanying notes.

**Budget Variances Commentary**

The major variances on the Statement of Financial Position are cash, non-financial assets, payables and provisions and equity.

The cash balance reflects the repayment of $1.050 million appropriation, additional commentary on this repayment is included on the Statement of Changes in Equity (SoCE) and the use of cash reserves for increased supplier expenditure (refer Statement of Comprehensive Income).

The impact on infrastructure, plant and equipment and intangibles is primarily due to the Commission’s move to a cloud based network and implementation of skype for business for its telecommunications. The projects were not known at the time of original budget preparation. Prepayments are the only other non-financial asset held by the Commission and include increased insurance premiums and annual subscriptions. The Commission also changed to its asset capitalisation threshold to $5,000 for the reporting period. The previous threshold was $2,000.

The payables and other provisions variance arises from the need to reclassify some line items (refer notes 2.3 and 2.5) reported in the original budget between these two categories. The most significant reclassification was unearned revenue. Employee provisions reflects termination benefits paid to senior management personnel prior to the end of their appointed term.

Commentary on equity variances is included on the SoCE.

## Statement of Changes in Equityfor the period ended 30 June 2016

|  |  |  |  |
| --- | --- | --- | --- |
|  | **2016****$’000** | 2015$’000 | OriginalBudget$’000 |
| **CONTRIBUTED EQUITY** |  |  |  |
| **Opening balance**Balance carried forward from previous period | **2,511** | 2,134 | 2,185 |
| **Adjusted opening balance** | **2,511** | 2,134 | 2,185 |
| **Transactions with owners** |  |  |  |
| **Contributions by owners**Equity injection | **–** | 51 | – |
| Departmental capital budget | **–** | 326 | – |
| **Total transactions with owners** | **–** | 377 | – |
| **Closing balance as at 30 June** | **2,511** | 2,511 | 2,185 |
| **RETAINED EARNINGS** |  |  |  |
| **Opening balance**Balance carried forward from previous period | **(1,618)** | (2,587) | (2,587) |
| Appropriation returns | **(1,050)** | – | – |
| Other adjustments | **(6)** | – | – |
| **Adjusted opening balance** | **(2,674)** | (2,587) | (2,587) |
| **Comprehensive income**Surplus for the period | **252** | 969 | – |
| Other comprehensive income | **–** | – | – |
| **Total comprehensive income** | **252** | 969 | – |
| **Closing balance as at 30 June** | **(2,422)** | (1,618) | (2,587) |
| **ASSET REVALUATION RESERVE** |  |  |  |
| **Opening balance**Balance carried forward from previous period | **353** | 338 | 338 |
| **Adjusted opening balance** | **353** | 338 | 338 |
| **Comprehensive income**Other comprehensive income | **25** | 15 | – |
| **Total comprehensive income** | **25** | 15 | – |
| Transfers between equity components | **–** | – | – |
| **Closing balance as at 30 June** | **378** | 353 | 338 |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **2016****$’000** | 2015$’000 | OriginalBudget$’000 |
| **TOTAL EQUITY** |  |  |  |
| **Opening balance**Balance carried forward from previous period | **1,246** | (115) | (64) |
| Appropriation returns | **(1,050)** | – | – |
| Other adjustments | **(6)** | – | – |
| **Adjusted opening balance** | **190** | (115) | (64) |
| **Comprehensive income** |  |  |  |
| Surplus/(Deficit) for the period  | **252** | 969 | – |
| Other comprehensive income | **25** | 15 | – |
| **Total comprehensive income** | **277** | 984 | – |
| **Transactions with owners****Contributions by owners** |  |  |  |
| Equity injection | **–** | 51 | – |
| Departmental capital budget | **–** | 326 | – |
| **Total comprehensive income** | **–** | 377 | – |
| **Closing balance as at 30 June** | **467** | (1,246) | (64) |

The above statement should be read in conjunction with the accompanying notes.

**Accounting Policy**

*Equity Injections*

Amounts appropriated which are designated as ‘equity injections’ for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year. The Commission did not receive any DCB in 2015–16.

**Budget Variances Commentary**

The major variances on the Statement of Changes in Equity are contributed equity and retained earnings.

Contributed equity variance reflects an adjusted 30 June 2015 closing balance. The Commission became a corporate Commonwealth entity (CCE) on 1 July 2014 and reclassified its Departmental Capital Budget (DCB) in its 2014–15 Portfolio Additional Estimates Statements as CCEs do not receive DCB funding. AASB Interpretation 1038 required the Commission to report the DCB funding at 30 June 2015 as the 2014–15 Budget acts as the designation of equity.

Retained earnings includes the return of appropriation originally appropriated for the organisational restructure arrangements as set out in the *Freedom of Information Amendments (New Arrangements) Bill 2014* and the Australian Government’s decision, announced in the 2014–15 Budget, to abolish the Office of the Australian Information Commissioner (OAIC) and transfer the Privacy function to the Commission. In the 2016–17 Budget the Australian Government announced that it will not proceed with the proposed changes to the OAIC. The funding appropriated to the Commission for the organisational restructure was returned to Department of Finance.

1. Australian Accounting Standards Board Interpretation 1038 – Contributions by Owners Made to Wholly-Owned Public Sector Entities paragraphs 31 and 32.

## Cash Flow Statementfor the period ended 30 June 2016

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Notes | **2016****$’000** | 2015$’000 | Original Budget$’000 |
| **OPERATING ACTIVITIES** |  |  |  |  |
| **Cash received** |  |  |  |  |
| Appropriations |  | **15,515** | 18,315 | 15,515 |
| Rendering of services |  | **5,801** | 11,055 | 7,149 |
| Interest |  | **234** | 295 | 350 |
| Net GST received |  | **–** | 170 | 150 |
| **Total cash received** |  | **21,550** | 29,835 | 23,164 |
| **Cash used** |  |  |  |  |
| Employees |  | **(15,182)** | (15,623) | (15,454) |
| Suppliers |  | **(9,303)** | (9,942) | (8,433) |
| Appropriation revenue return to OPA |  | **(1,050)** | – | – |
| Net GST paid |  | **(78)** | – | – |
| **Total cash used** |  | **(25,613)** | (25,565) | (23,887) |
| **Net cash from/(used by) operating activities** |  | **(4,063)** | 4,270 | (723) |
| **INVESTING ACTIVITIES** |  |  |  |  |
| **Cash used** |  |  |  |  |
| Purchase of infrastructure, plant and equipment |  | **(225)** | (94) | (302) |
| Purchase of intangibles |  | **(77)** | – | – |
| **Total cash used** |  | **(302)** | (94) | (302) |
| **Net cash from/(used by) investing activities** |  | **(302)** | (94) | (302) |
| **FINANCING ACTIVITIES** |  |  |  |  |
| **Cash received** |  |  |  |  |
| Contributed equity |  | **–** | 377 | – |
| **Total cash received** |  | **–** | 377 | – |
| **Net cash from/(used by) financing activities** |  | **–** | 377 | – |
| **Net increase/(decrease) in cash held** |  | **(4,365)** | 4,553 | (1,025) |
|  |  |  |  |  |
| Cash and cash equivalents at the beginning of the reporting period |  | **13,388** | 8,835 | 14,435 |
| **Cash and cash equivalents at the end of the reporting period** | 2.1A | **9,023** | 13,388 | 13,410 |

The above statement should be read in conjunction with the accompanying notes.

**Budget Variances Commentary**

The major variances on the Cash Flow Statement are rendering of services revenue, interest received and supplier expenditure.

Rendering of services revenue reflects the cessation of Human Rights Technical Cooperation program funding at 30 June 2016. The revenue for these programs is generally received in advance and recognised as own-source revenue progressively over the period that services are provided.

Interest revenue is directly related to the decreased cash held at bank.

Suppliers reflects the increased expenditure discussed in the commentary on the Statement of Comprehensive Income.

## Notes to and forming part of the financial statementsfor the period ended 30 June 2016

### Overview

**Objectives of the Australian Human Rights Commission**

The Australian Human Rights Commission (the Commission) is an Australian Government controlled entity. It is a not-for-profit entity. The Commission’s objective is to ensure that Australians have access to independent human rights complaint handling and public inquiries processes and benefit from human rights education, promotion, monitoring and compliance activities.

The Commission is structured to meet the following outcome:

An Australian Society in which human rights are respected, protected and promoted through independent investigation and resolution of complaints, education and research to promote and eliminate discrimination, and monitoring, and reporting on human rights.

The continued existence of the Commission in its present form and with its present programmes is dependent on Government policy and on continuing funding by Parliament for the Commission’s administration and programmes.

The Commission activities contributing toward this outcome are classified as departmental. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by the Commission in its own right.

**The Basis of Preparation**

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The financial statements have been prepared in accordance with:

a) *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR) for reporting periods ending on or after 1 July 2015; and

b) Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

**New Accounting Standards**

*Adoption of New Australian Accounting Standard Requirements*

No accounting standard has been adopted earlier than the application date as stated in the standard.

No new, revised, amending standards and interpretations that were issued prior to the sign-off date and are applicable to the current reporting period have a material effect, or expected to have a future material effect, on the Commission’s financial statements.

*Future Australian Accounting Standard Requirements*

The following new standards and interpretations were issued by the Australian Accounting Standards Board prior to the signing of the statement by the accountable authority and chief financial officer, which are expected to have a material impact on the Commission’s financial statements for future reporting period(s):

|  |  |  |
| --- | --- | --- |
| **Standard/Interpretation** | **Application date forthe Commission1** | **Nature of impending change/s in accounting policy and likely impact on initial application** |
| AASB 2015-2 | 1 July 2016 | Makes amendments to AASB 101 Presentation of Financial Statements arising from the IASB’s project to improve disclosures. |
| AASB 2015-7 | 1 July 2016 | Makes amendments to AASB 13 Fair Value Measurement arising from the IASB’s project to improve disclosures to exempt non-for-profit public sector entities from certain disclosures. |
| AASB 2015 Revenue from Contracts with Customers | 1 January 2017 | The standard requires revenue from such contracts to be recognised as the entity transfers goods and services to the customer. A detailed assessment is yet to be undertaken, however, based on a preliminary assessment, the standard is not expected to have a material impact on the transactions and balances recognised in the financial statements. |
| AASB 9 Financial Instruments | 1 January 2018 | Financial assets and liabilities are currently carried at the present value of expected future cash flows based upon the incurred loss model. There is minimal exposure to credit risk and an initial assessment indicates that the effect of the standard and move to the expected loss model will not have a material impact on the financial statements. |
| AASB 16 Leases | 1 July 2019 | The standard will require the net present value of payments under most operating leases to be recognised as assets and liabilities. An initial assessment indicates that the implementation of the standard may have a substantial impact on the financial statements, however, the Commission is yet to undertake a detailed review. |

1. The Commission’s expected initial application date is when the accounting standard becomes operative at the beginning of the Commission’s reporting period.

All other new, revised, amending standards and interpretations that were issued prior to the sign-off date and are applicable to future reporting period(s) are not expected to have a future material impact on the Commission’s financial statements.

**Taxation**

The Commission is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

**Events After the Reporting Period**

The Commission is not aware of any significant events that have occurred since balance date that warrant disclosure in these financial statements.

### Financial Performance

This section analyses the financial performance of the Australian Human Rights Commission for the year ended 2016.

### Note 1.1: Expenses

|  |  |  |
| --- | --- | --- |
|  | **2016****$’000** | 2015$’000 |
| **Note 1.1A: Employee Benefits** |  |  |
| Wages and salaries | **11,409** | 12,273 |
| Superannuation: |  |  |
| Defined contribution plans | **1,083** | 1,211 |
| Defined benefit plans | **932** | 858 |
| Leave and other entitlements | **1,253** | 1,383 |
| Separation and redundancies | **268** | 210 |
| Other employee expenses | **112** | 57 |
| **Total employee benefits** | **15,057** | 15,992 |

**Accounting Policy**

Accounting policies for employee related expenses are contained in the People and Relationships section.

|  |  |
| --- | --- |
| **Note 1.1B: Suppliers****Goods and services supplied or rendered** |  |
| General property operating expenses | **819** | 980 |
| Insurance | **37** | 35 |
| Office consumables | **61** | 58 |
| Official travel | **1,126** | 1,505 |
| Postage and freight | **28** | 29 |
| Printing and publications | **130** | 185 |
| Professional services and fees | **2,480** | 2,947 |
| Reference materials, subscriptions and licenses | **457** | 395 |
| Staff training | **79** | 102 |
| Telecommunications | **123** | 206 |
| Other | **324** | 250 |
| **Total goods and services supplied or rendered** | **5,664** | 6,692 |
| Goods supplied | **191** | 243 |
| Services rendered | **5,473** | 6,449 |
| **Total goods and services supplied or rendered** | **5,664** | 6,692 |
| **Other suppliers** |  |  |
| Operating lease rentals in connection with: |  |  |
| Minimum lease payments | **2,150** | 2,153 |
| Workers compensation expenses | **44** | 64 |
| **Total other suppliers** | **2,194** | 2,217 |
| **Total suppliers** | **7,857** | 8,909 |

**Leasing commitments**

The Commission in its capacity as lessee leases office accommodation that is subject to annual review and fixed annual rental increases. The initial periods of accommodation are still current and there are two options in the lease agreement to renew.

|  |  |  |
| --- | --- | --- |
|  | **2016****$’000** | 2015$’000 |
| **Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:** |  |  |
| Within 1 year | **3,879** | 3,765 |
| Between 1 to 5 years | **16,670** | 20,511 |
| **Total operating lease commitments** | **20,549** | 24,276 |

**Accounting Policy**

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

|  |  |  |
| --- | --- | --- |
| **Note 1.1C: Write-Down and Impairment of Assets** |  |  |
| Non-financial assets written off | **–** | 5 |
| **Total write-down and impairment of assets** | **–** | 5 |

### Note 1.2: Own-Source Revenue and Gains

|  |  |  |
| --- | --- | --- |
| **OWN-SOURCE REVENUE** |  |  |
| **Note 1.2A: Rendering of Services** |  |  |
| Rendering of services | **7,129** | 7,116 |
| **Total rendering of services** | **7,129** | 7,116 |

**Accounting Policy**

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

|  |  |  |
| --- | --- | --- |
| **Note 1.2B: Interest** |  |  |
| Deposits | **231** | 305 |
| **Total interest** | **231** | 305 |

**Accounting Policy**

Interest revenue is recognised using the effective interest method.

|  |  |  |
| --- | --- | --- |
|  | **2016****$’000** | 2015$’000 |
| **Note 1.2C: Other Revenue** |  |
| Operating lease: |  |  |
| Sub lease rental income | **969** | 983 |
| **Total rental income** | **969** | 983 |

**Subleasing rental income commitments**

The Commission in the capacity as lessor: the Commission subleases one floor (part of its operating property lease) to the Office of the Australian Information Commissioner and part of a floor to the Asia Pacific Forum of National Human Rights Institutions.

|  |  |  |
| --- | --- | --- |
| **Commitments for sublease rental income receivables are as follows:** |  |  |
| Within 1 year | **1,114** | 1,073 |
| Between 1 to 5 years | **4,895** | 6,009 |
| **Total sublease rental income commitments** | **6,009** | 7,082 |
|  |  |
| **Note 1.2D: Other Revenue** |  |
| Resources received free of charge: |  |  |
| Remuneration of auditors | **51** | 51 |
| **Total other revenue** | **51** | 51 |

**Accounting Policy**

*Resources Received Free of Charge*

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as revenue or gains depending on their nature.

|  |  |
| --- | --- |
| **GAINS** |  |
| **Note 1.2E: Other Gains** |
| Gain on reduction of prior year provisions | **125** | 92 |
| Other – Sale of assets | **7** | – |
| **Total other gains** | **132** | 92 |

**Accounting Policy**

*Other Gains*

Gains on the reduction of prior year provisions are recognised at their nominal value as gains, when, and only when, the original provision for services has been determined to no longer be required.

*Sale of Assets*

Gains from disposal of assets are recognised when control of the asset has passed to the buyer.

|  |  |  |
| --- | --- | --- |
|  | **2016****$’000** | 2015$’000 |
| **Note 1.2F: Revenue from Government****Appropriations:** |  |  |
| Departmental appropriations | **15,515** | 18,315 |
| **Total revenue from Government** | **15,515** | 18,315 |

**Accounting Policy**

*Revenue from Government*

Amounts appropriated for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the Commission gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned.

### Financial Position

This section analyses the Australian Human Rights Commission’s assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships section.

### Note 2.1: Financial Assets

|  |  |  |
| --- | --- | --- |
|  | **2016****$’000** | 2015$’000 |
| **Note 2.1A: Cash** |  |  |
| Cash on hand and at bank | **9,023** | 13,388 |
| **Total cash** | **9,023** | 13,388 |

**Accounting Policy**

Cash is recognised at its nominal amount. Cash and cash equivalents includes:

a) cash on hand, and

b) deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

|  |  |  |
| --- | --- | --- |
| **Note 2.1B: Trade and Other Receivables** |  |  |
| **Goods and services receivables:** |  |  |
| Goods and services | **669** | 107 |
| **Total good and services receivables** | **669** | 107 |
| Other receivables: |  |  |
| Interest | **8** | 11 |
| GST receivable from the Australian Taxation Office | **51** | – |
| **Total other receivables** | **59** | 11 |
| **Total trade and other receivables (gross)** | **728** | 118 |
| **Less impairment allowance** | **(19)** | (19) |
| **Total trade and other receivables (net)** | **709** | 99 |
| **Trade and other receivables (net) expected to be recovered:**No more than 12 months | **709** | 99 |
| **Total trade and other receivables (net)** | **709** | 99 |

|  |  |  |
| --- | --- | --- |
|  | **2016****$’000** | 2015$’000 |
| **Trade and other receivables (gross) aged as follows:** |  |  |
| Not overdue | **60** | 91 |
| Overdue by: |  |  |
| 0 to 30 days | **419** | – |
| 31 to 60 days | **104** | 1 |
| 61 to 90 days | **–** | 5 |
| More than 90 days | **145** | 21 |
| **Total trade and other receivables (gross)** | **728** | 118 |
| **Impairment allowance aged as follows:** |  |  |
| Not overdue | **–** | – |
| Overdue by: |  |  |
| 0 to 30 days | **–** | – |
| 31 to 60 days | **–** | – |
| 61 to 90 days | **–** | – |
| More than 90 days | **(19)** | (19) |
| **Total impairment allowance** | **(19)** | (19) |

Credit terms for services were within 30 days (2015: 30 days). There have been no movements in the impairment allowance account in the current or previous reporting period.

**Accounting Policy**

*Receivables*

Receivables are measured at amortised cost using the effective interest method less impairment.

|  |  |  |
| --- | --- | --- |
| **Note 2.1C: Other Financial Assets** |  |  |
| Accommodation bond | **–** | 3 |
| **Total other financial assets** | **–** | 3 |
| Other financial assets expected to be recovered: |  |  |
| More than 12 months | **–** | 3 |
| **Total other financial assets** | **–** | 3 |

### Note 2.2: Non-Financial Assets

**Note 2.2A: Reconciliation of the Opening and Closing Balances of Infrastructure, Plant and Equipment and Intangibles**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Leasehold improvements$’000** | **Computer,plant &equipment****$’000** | **Computer, plant & equipment – work in progress****$’000** | **Total****$’000** |
| **Reconciliation of the opening and closing balances of infrastructure, plant and equipment for 2016** |  |  |  |  |
| **As at 1 July 2015** |  |  |  |  |
| Gross book value | **3,550** | **218** | **–** | **3,768** |
| Accumulated depreciation, amortisation and impairment | **–** | **–** | **–** | **–** |
| **Total as at 1 July 2015** | **3,550** | **218** | **–** | **–** |
| Additions: |  |  |  |  |
| Purchase | **162** | **–** | **63** | **225** |
| Revaluations and impairments recognised in other comprehensive income | **–** | **25** | **–** | **25** |
| Depreciation and amortisation | **(610)** | **(135)** | **–** | **(744)** |
| **Total as at 30 June 2016** | **3,102** | **108** | **63** | **3,274** |
| **Total as at 30 June 2016 represented by:** |  |  |  |  |
| Gross book value | **3,102** | **108** | **63** | **3,274** |
| Accumulated depreciation, amortisation and impairment | **–** | **–** | **–** | **–** |
| **Total as at 30 June 2016** | **3,102** | **108** | **63** | **3,274** |

No indicators of impairment were found for infrastructure, plant and equipment.

No infrastructure, plant and equipment is expected to be sold or disposed of within the next 12 months.

**Revaluations of non-financial assets**

All revaluations were conducted in accordance with the revaluation policy stated at Note 2.2. On 30 June 2016, an independent valuer conducted the revaluations.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Leasehold improvements$’000 | Computer,plant &equipment$’000 | Computer, plant & equipment – work in progress$’000 | Total$’000 |
| **Reconciliation of the opening and closing balances of infrastructure, plant and equipment for 2015** |  |  |  |  |
| **As at 1 July 2014** |  |  |  |  |
| Gross book value | 4,125 | 305 | – | 4,430 |
| Accumulated depreciation, amortisation and impairment | – | – | – | – |
| **Total as at 1 July 2014** | 4,125 | 305 | – | 4,430 |
| Additions: |  |  |  |  |
| Purchase | 3 | 91 | – | 94 |
| Revaluations and impairments recognised in other comprehensive income | 12 | 3 | – | 15 |
| Depreciation and amortisation | (590) | (176) | – | (766) |
| Other | – | (5) | – | (5) |
| **Total as at 30 June 2015** | 3,550 | 218 | – | 3,768 |
| **Total as at 30 June 2015 represented by:** |  |  |  |  |
| Gross book value | 3,550 | 218 | – | 3,768 |
| Accumulated depreciation, amortisation and impairment | – | – | – | – |
| **Total as at 30 June 2015** | 3,550 | 218 | – | 3,768 |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Intangibles****$’000** | **Intangibles– work in progress****$’000** | **Total****$’000** |
| **Reconciliation of the opening and closing balances of intangibles for 2016** |  |  |  |
| **As at 1 July 2015** |  |  |  |
| Gross book value | **1,276** | **–** | **1,276** |
| Accumulated depreciation, amortisation and impairment | **(693)** | **–** | **(693)** |
| **Total as at 1 July 2015** | **583** | **–** | **583** |
| Additions: |  |  |  |
| Purchase | **–** | **77** | **77** |
| Depreciation and amortisation | **(117)** | **–** | **(117)** |
| **Total as at 30 June 2016** | **466** | **77** | **544** |
| **Total as at 30 June 2016 represented by:** |  |  |  |
| Gross book value | **1,276** | **77** | **1,353** |
| Accumulated depreciation, amortisation and impairment | **(810)** | **–** | **(810)** |
| **Total as at 30 June 2016** | **466** | **–** | **544** |

No indicators of impairment were found for intangibles.

No intangibles is expected to be sold or disposed of within the next 12 months.

|  |  |  |  |
| --- | --- | --- | --- |
|  | Intangibles$’000 | Intangibles– work in progress$’000 | Total$’000 |
| **Reconciliation of the opening and closing balances of intangibles for 2015** |  |  |  |
| **As at 1 July 2014** |  |  |  |
| Gross book value | 1,276 | – | 1,276 |
| Accumulated depreciation, amortisation and impairment | (472) | – | (472) |
| **Total as at 1 July 2014** | 804 | – | 804 |
| Depreciation and amortisation | (221) | – | (221) |
| **Total as at 30 June 2015** | 583 | – | 583 |
| **Total as at 30 June 2015 represented by:** |  |  |  |
| Gross book value | 1,276 | – | 1,276 |
| Accumulated depreciation, amortisation and impairment | (693) | – | (693) |
| **Total as at 30 June 2015** | 583 | – | 583 |

**Accounting Policy**

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor’s accounts immediately prior to the restructuring.

*Asset Recognition Threshold*

Purchases of infrastructure, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than $5,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to ‘make good’ provisions in property leases taken up by the entity where there exists an obligation to restore the property to its original condition. These costs are included in the value of the Commission’s leasehold improvements with a corresponding provision for the ‘make good’ recognised.

*Revaluations*

Following initial recognition at cost, plant and equipment are carried at fair value. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets did not differ materially from the assets’ fair values as at the reporting date. The regularity of independent valuations depended upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

*Depreciation*

Depreciable infrastructure, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the Commission using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

|  |  |  |
| --- | --- | --- |
|  | **2016** | 2015 |
| Gross book value | – | 1,276 |
| Accumulated depreciation, amortisation and impairment | – | (472) |

*Impairment*

All assets were assessed for impairment at 30 June 2016. Where indications of impairment exist, the asset’s recoverable amount is estimated and an impairment adjustment made if the asset’s recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset’s ability to generate future cash flows, and the asset would be replaced if the entity were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

*Derecognition*

An item of plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

*Intangibles*

The Commission’s intangibles comprise intellectual property and internally developed and internally customised software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the Commission’s software are 2 to 5 years (2015: 2 to 5 years).

All intangible assets were assessed for indications of impairment as at 30 June 2016.

**Accounting Judgements and Estimates**

The fair value of infrastructure, plant and equipment has been taken to be the market value of similar assets as determined by an independent valuer.

|  |  |  |
| --- | --- | --- |
|  | **2016****$’000** | 2015$’000 |
| **Note 2.2B: Other Non-Financial Assets** |  |  |
| Prepayments | **194** | 161 |
| **Total other non-financial assets** | **194** | 161 |
| **Other non-financial assets expected to be recovered:** |  |  |
| No more than 12 months | **189** | 154 |
| More than 12 months | **5** | 7 |
| **Total other non-financial assets** | **194** | 161 |

No indicators of impairment were found for other non-financial assets.

### Note 2.3: Payables

|  |  |  |
| --- | --- | --- |
|  | **2016****$’000** | 2015$’000 |
| **Note 2.3A: Suppliers** |  |  |
| Trade creditors and accruals | **534** | 455 |
| Rent payable | **1,264** | 1,198 |
| **Total suppliers** | **1,798** | 1,653 |
| **Supplier expected to be settled:** |  |  |
| No more than 12 months | **744** | 455 |
| More than 12 months | **1,054** | 1,198 |
| **Total suppliers** | **1,798** | 1,653 |

Settlement is generally made in accordance with the terms of the supplier invoice.

|  |  |  |
| --- | --- | --- |
| **Note 2.3B: Other payables** |  |  |
| Salaries and wages | **43** | 405 |
| Superannuation | **10** | 81 |
| Other employee expenses | **19** | 12 |
| Revenue received in advance | **4,317** | 6,482 |
| GST payable to the Australian Taxation Office | **–** | 244 |
| **Total other payables** | **4,390** | 7,224 |
| **Other payables to be settled:** |  |  |
| No more than 12 months | **4,390** | 7,224 |
| **Total other payables** | **4,390** | 7,224 |

### Note 2.4: Non-interest Bearing Liabilities

|  |  |  |
| --- | --- | --- |
| **Note 2.4A: Lease Incentives** |  |  |
| Lease incentives | **2,857** | 3,396 |
| **Total lease incentives** | **2,857** | 3,396 |
| **Minimum lease payments expected to be settled:** |  |  |
| Within 1 year | **566** | 566 |
| Between 1 to 5 years | **2,291** | 2,268 |
| More than 5 years | **–** | 562 |
| **Total lease incentives** | **2,857** | 3,396 |

**Accounting Policy**

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

### Note 2.5: Other Provisions

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Provisionfor contractobligations****$’000** | **Provisionforrestoration****$’000** | **Total****$’000** |
| **Note 2.5A: Other Provisions** |  |  |  |
| **As at 1 July 2015** | **696** | **79** | **775** |
| Additional provisions made | **66** | **–** | **66** |
| Amounts used | **(484)** | **–** | **(484)** |
| Amounts reversed | **(132)** | **–** | **(132)** |
| **Total as at 30 June 2016** | **146** | **79** | **225** |

|  |  |  |
| --- | --- | --- |
|  | **2016****$’000** | 2015$’000 |
| **Other provisions expected to be settled:** |  |  |
| No more than 12 months | **146** | 696 |
| More than 12 months | **79** | 79 |
| **Total other provisions** | **225** | 775 |

### Funding

This section identifies the Australian Human Rights Commission’s funding structure.

### Note 3.1: Appropriations

**Note 3.1A: Annual Appropriations (‘Recoverable GST exclusive’)**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Annual Appropriations for 2016** | **Appropriationapplied in 2016(current andprior years)$’000** | **Variance2$’000** |
|  | ***Appropriation Act*** | ***PGPA Act*** | **Totalappropriation$’000** |
|  | **Annualappropriation1$’000** | **Advanceto thePrime Minister$’000** | **Section 74receipts$’000** | **Section 75transfers$’000** |
| **DEPARTMENTAL** |  |  |  |  |  |  |  |
| Ordinary annual services | **15,515** | **–** | **–** | **–** | **15,515** | **(25,230)** | **(9,715)** |
| Other services |  |  |  |  |  |  |  |
| Equity injections | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total departmental** | **15,515** | **–** | **–** | **–** | **15,515** | **(25,230)** | **(9,715)** |

1. In 2015–16 there were no appropriations that have been quarantined.

2. Variance represents the application of current and previous years own-source revenue and 2015 Equity Injections.

|  |  |  |  |
| --- | --- | --- | --- |
|  | Annual Appropriations for 2015 | Appropriationapplied in 2015(current andprior years)$’000 | Variance3$’000 |
|  | *Appropriation Act* | *PGPA Act* | Totalappropriation$’000 |
|  | Annualappropriation1$’000 | Advanceto thePrime Minister$’000 | Section 74receipts$’000 | Section 75transfers$’000 |
| **DEPARTMENTAL** |  |  |  |  |  |  |  |
| Ordinary annual services | 18,315 | – | – | – | 18,315 | (24,802) | (6,487) |
| Other services |  |  |  |  |  |  |  |
| Equity injections | 51 | – | – | – | 51 | (51) | – |
| Total departmental4 | 18,366 | – | – | – | 18,366 | (24,853) | (6,487) |

1. In 2014–15 there were no appropriations that have been quarantined.

2. In 2014–15 there was no adjustment that met the recognition criteria of a formal reduction in revenue (in accordance with FRR Part 6 Div 3) but at law the appropriations had not been amended before the end of the reporting period.

3 Variance represents the application of current and previous years own-source revenue.

4. From 1 July 2014 the Commission became a corporate Commonwealth entity and no longer receives administered funding. During the reporting period an amount of $146,000 has been reclassified as Departmental and included in the Annual Appropriation amount reported in this table.

From 1 July 2014 the Commission became a corporate Commonwealth entity and no longer receives departmental capital budget funding. The table below is for comparative year only. This table represents the designation of departmental capital budget funding as equity as submitted to Parliament at Budget 2014–15 and can not be redesignated during the reporting period.

**Note 3.1B: Departmental Capital Budgets (‘Recoverable GST exclusive’)**

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2015 Capital Budget Appropriations | Capital Budget Appropriations applied in 2015(current and prior years) | Variance$’000 |
|  | *Appropriation Act* | *PGPA Act* | Total CapitalBudgetAppropriations$’000 | Payments fornon-financialassets$’000 | Paymentsfor otherpurposes$’000 | Totalpayments$’000 |
|  | Annual CapitalBudget$’000 | Section 75$’000 |
| **DEPARTMENTAL** |  |  |  |  |  |  |  |
| Budget1 | 326 | – | 326 | (43) | – | (43) | 283 |

1. Departmental Capital Budgets are appropriated through Appropriation Act (No. 1, 3, 5). They form part of ordinary annual services, and are not separately identified in the
Appropriation Acts. For more information on ordinary annual services appropriations, please see Note 3.1A: Annual Appropriations.

2. Payments made on non-financial assets include purchases of assets, expenditure on assets which has been capitalised.

3. Variance represents prior year departmental capital budget appropriation drawndown and spent in the current period.

|  |  |  |
| --- | --- | --- |
|  | **2016****$’000** | 2015$’000 |
| **Note 3.1C: Unspent Annual Appropriations (‘Recoverable GST exclusive’)** |
| **DEPARTMENTAL** |  |  |
| Cash held by the Commission | **9,023** | 13,388 |
| **Total departmental** | **9,023** | 13,388 |
| Note 3.2: Net Cash Appropriation Arrangements |  |  |
|  | **2016****$’000** | 2015$’000 |
| **Total comprehensive income/(loss) less depreciation/amortisation expenses previously funded through revenue appropriations** | **1,138** | 1,971 |
| Plus: Depreciation/amortisation expenses previously funded through revenue appropriation | **(861)** | (987) |
| **Total comprehensive income – as per the Statement of Comprehensive Income** | **277** | 984 |

### Note 3.3: Cash Flow Reconciliation

|  |  |  |
| --- | --- | --- |
|  | **2016****$’000** | 2015$’000 |
| **Note 3.3A: Cash Flow Reconciliation****Reconciliation of cash as per statement offinancial position and cash flow statement****Cash as per:** |  |
| Cash flow statement | **9,023** | 12,388 |
| Statement of financial position | **9,023** | 12,388 |
| **Discrepancy** | **–** | – |
| Reconciliation of net cost of services to net cash from/(used by)operating activitiesNet (cost of)/contribution by services | **(15,263)** | (17,346) |
| Revenue from Government | **15,515** | 18,315 |
| Appropriation revenue return to OPA | **(1,050)** | – |
| Adjustments for non-cash itemsDepreciation/amortisation  | **861** | 987 |
| Net write down of non-financial assets | **–** | 5 |
| Unwinding of leasehold improvements incentive | **(539)** | (566) |
| Movement in assets and liabilitiesAssets: |  |  |
| (Increase)/decrease in net receivables | **(610)** | 863 |
| (Increase)/decrease in other non-financial assets | **(33)** | 1 |
| Liabilities:Increase/(decrease) in employee provisions | **302** | 334 |
| Increase/(decrease) in suppliers payables | **145** | (72) |
| Increase/(decrease) in other payables | **(2,841)** | 1,675 |
| Increase/(decrease) in other | **(550)** | 74 |
| **Net cash from/(used by) operating activities** | **(4,063)** | 4,270 |

### People and Relationships

This section describes a range of employment and post employment benefits provided to our people and our relationships with other key people.

### Note 4.1: Employee Provisions

|  |  |  |
| --- | --- | --- |
|  | **2016****$’000** | 2015$’000 |
| **Note 4.1A: Employee Provisions** |  |  |
| Leave | **3,627** | 3,548 |
| Separations and redundancies | **382** | 160 |
| **Total employee provisions** | **4,009** | 3,708 |
| **Employee provisions expected to be settled:** |  |  |
| No more than 12 months | **3,111** | 2,928 |
| More than 12 months | **898** | 780 |
| **Total employee provisions** | **4,009** | 3,708 |

**Accounting Policy**

Liabilities for short-term employee benefits and termination benefits expected within twelve months of the end of reporting period are measured at their nominal amounts.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

*Leave*

The liability for employee benefits includes provision for annual leave and long service leave.

The leave liabilities are calculated on the basis of employees’ remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the Commission’s employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined by reference to the work of an actuary performed for the Department of Finance (DoF) and summarised in the Standard Parameters for use in 2015–16 Financial Statements published on the DoF website. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

*Separation and Redundancy*

Provision is made for separation and redundancy benefit payments. The Commission recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

*Superannuation*

The Commission’s staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), or the PSS accumulation plan (PSSap), or other superannuation funds held outside the Australian Government.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance’s administered schedules and notes.

The Commission makes employer contributions to the employees’ defined benefit superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. The Commission accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the financial year.

**Accounting Judgements and Estimates**

The long service leave has been estimated in accordance with the FRR taking into account expected salary growth, attrition and future discounting using the government bond rate.

### Note 4.2: Senior Management Personnel Remuneration

|  |  |  |
| --- | --- | --- |
|  | **2016****$’000** | 2015$’000 |
| **Short-term employee benefits:** |  |  |
| Salary | **2,606** | 2,868 |
| Motor vehicle and other allowances | **112** | 124 |
| **Total short-term employee benefits** | **2,717** | 2,993 |
| **Post-employment benefits:** |  |  |
| Superannuation | **292** | 292 |
| **Total post-employment benefits** | **292** | 292 |
| **Other long-term employee benefits:** |  |  |
| Annual leave | **197** | 221 |
| Long-service leave | **64** | 70 |
| **Total other long-term employee benefits** | **260** | 291 |
| **Total senior executive remuneration expenses** | **3,269** | 3,575 |

The total number of senior management personnel that are included in the above table are 11 (2015: 11).

### Managing Uncertainties

This section analyses how the Australian Human Rights Commission manages financial risks within its operating environment.

### Note 5.1: Contingent Assets and Liabilities

**Quantifiable Contingencies**

At the time of signing these financial statements the Commission had no quantifiable contingent liabilities.

**Unquantifiable Contingencies**

At the time of signing these financial statements the Commission was a respondent to an application in the Federal Court for judicial review of a decision to terminate a complaint; was a respondent to proceedings before the Administrative Appeals Tribunal; was a respondent to complaints alleging a breach of human rights where complainants seek damages as a remedy; was a respondent to complaints alleging unlawful discrimination.

It is not possible to estimate the amounts of the eventual payments that may be required in relation to the unresolved claims, though it is not common for costs to be awarded against the Commission in these matters.

**Accounting Policy**

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

### Note 5.2: Financial Instruments

|  |  |  |
| --- | --- | --- |
|  | **2016****$’000** | 2015$’000 |
| **Note 5.2A: Categories of Financial Instruments****Financial Assets****Receivables:** |  |  |
| Cash on hand and at bank | **9,023** | 13,388 |
| Trade and other receivables | **669** | 99 |
| Other financial assets | **–** | 3 |
| **Total receivables** | **9,692** | 13,490 |
| **Total financial assets** | **9,692** | 13,490 |
| **Financial Liabilities****Other financial liabilities:** |  |  |
| Trade creditors and accruals | **534** | 455 |
| **Total financial liabilities measured at amortised cost** | **534** | 455 |
| **Total financial liabilities** | **534** | 455 |

**Accounting Policy**

*Financial Assets*

The Commission classifies its financial assets in the following categories as receivables.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Financial assets are recognised and derecognised upon trade date.

*Effective Interest Method*

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

*Receivables*

Trade and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as ‘receivables’. Receivables are measured at amortised cost using the effective interest method less impairment.

*Impairment of Financial Assets*

Financial assets are assessed for impairment at the end of each reporting period.

*Financial assets held at cost* – if there is objective evidence that an impairment loss has been incurred, the amount of the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate for similar assets.

*Financial Liabilities*

Financial liabilities are classified as ‘other financial liabilities’. Financial liabilities are recognised and derecognised upon trade date.

*Other Financial Liabilities*

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Carryingamount2015$’000** | **Fairvalue2015$’000** | Carryingamount2015$’000 | Fairvalue2015$’000 |
| **Note 5.2B: Fair Value of Financial Instruments****Financial Assets**Receivables: |  |  |  |  |
| Cash and cash equivalent | **9,023** | **9,023** | 13,388 | 13,388 |
| Trade and other receivables | **669** | **669** | 99 | 99 |
| Other financial assets | **–** | **–** | 3 | 3 |
| **Total financial assets** | **9,692** | **9,692** | 13,490 | 13,490 |
| **Financial Liabilities** |  |  |  |  |
| Trade creditors and accruals | **534** | **534** | 455 | 455 |
| **Total financial liabilities** | **534** | **534** | 455 | 455 |

**Note 5.2C: Credit Risk**

The Commission’s maximum exposures to credit risk at reporting date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the statement of financial position.

The Commission has no significant exposures to any concentrations of credit risk nor does it hold any collateral to mitigate against credit risk.

**Credit quality of assets instruments not past due or individually determined as impaired**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Not past due nor impaired 2016$’000** | Not pastdue nor impaired2015$’000 | **Past due orimpaired 2016$’000** | Past due orimpaired2015$’000 |
| **Receivables** |  |  |  |  |
| Cash and cash equivalent | **9,023** | 13,388 | **–** | – |
| Trade receivables | **60** | 91 | **649** | 8 |
| Other financial assets | **–** | 3 | **–** | – |
| **Total** | **9,083** | 13,482 | **649** | 8 |

**Ageing of financial assets that were past due but not impaired in 2016**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **0 to 30days$’000** | **31 to 60days$’000** | **61 to 90days$’000** | **90+days$’000** | **Total$’000** |
| Trade receivables | **419** | **104** | **–** | **126** | **649** |
| **Total** | **419** | **104** | **–** | **126** | **649** |

**Ageing of financial assets that were past due but not impaired in 2015**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 0 to 30days$’000 | 31 to 60days$’000 | 61 to 90days$’000 | 90+days$’000 | Total$’000 |
| Trade receivables | – | 1 | 5 | 2 | 8 |
| **Total** | – | 1 | 5 | 2 | 8 |

**Note 5.2D: Liquidity Risk**

Liquidity risk is the risk that the Commission will not be able to meet its obligations as they fall due.

The Commission’s financial liabilities are supplier payables and accrued expenses. The exposure to liquidity risk is based on the notion that the Commission will encounter difficulty in meeting its obligations associated with financial liabilities. This is unlikely due to appropriation funding and mechanisms available to the Commission (e.g. Advance to the Minister for Finance) and internal policies and procedures put in place to ensure there are appropriate resources to meet the financial obligations.

**Maturities for non-derivative financial liabilities in 2016**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Ondemand$’000** | **Within1 year$’000** | **1 to 2years$’000** | **2 to 5years$’000** | **> 5years$’000** | **Total$’000** |
| Trade creditors and accruals | **–** | **534** | **–** | **–** | **–** | **534** |
| **Total** | **–** | **534** | **–** | **–** | **–** | **534** |

**Maturities for non-derivative financial liabilities in 2015**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Ondemand$’000 | Within1 year$’000 | 1 to 2years$’000 | 2 to 5years$’000 | > 5years$’000 | Total$’000 |
| Trade creditors and accruals | – | 455 | – | – | – | 455 |
| **Total** | – | 455 | – | – | – | 455 |

**Note 5.2E: Market Risk**

The Commission holds basic financial instruments that do not expose the Commission to certain market risks. The Commission is not exposed to ‘interest rate risk’, ‘currency risk’ or ‘other price risk’.

### Note 5.3: Fair Value Measurement

The following tables provide an analysis of assets and liabilities that are measured at fair value.

The different levels of the fair value hierarchy are defined below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

**Accounting Policy**

The Commission deems transfers between levels of the fair value hierarchy to have occurred at the end of the reporting period. There were no transfers in or out of any levels during the reporting period.

**Note 5.3A: Fair Value Measurement**

**Fair value measurements at the end of the reporting period**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016$’000** | 2015$’000 | **Category (Level 1,2 or 3)$’000** | **Valuation technique(s)and inputs used** |
| **Non-financial assets1** |  |  |  |  |
| Infrastructure, plant and equipment | **3,211** | 3,768 | **2** | Market approach.Market replacement costLess estimate of writtendown value of asset used. |

1. There were no NFAs where the highest and best use differed from its current use during the reporting period.

2. The remaining assets and liabilities reported by the Commission are not measured at fair value in the Statement of Financial Position.

### Note 6.1: Reporting of Outcomes

|  |  |  |
| --- | --- | --- |
|  | **Outcome 11** | **Total** |
|  | **2016****$’000** | 2015$’000 | **2016****$’000** | 2015$’000 |
| **Expenses** |  |  |  |  |
| Employee benefits | **15,057** | 15,992 | **15,057** | 15,992 |
| Supplier | **7,857** | 8,909 | **7,857** | 8,909 |
| Depreciation and amortisation | **861** | 987 | **861** | 987 |
| Other | **–** | 5 | **–** | 5 |
| **Total expenses** | **23,775** | 25,893 | **23,775** | 25,893 |
| **Own-source income** |  |  |  |  |
| Sale of goods and rendering of services | **7,129** | 7,116 | **7,129** | 7,116 |
| Revenue from Government | **15,515** | 18,315 | **15,515** | 18,315 |
| Interest | **231** | 305 | **231** | 305 |
| Other revenue | **1,020** | 1,034 | **1,020** | 1,034 |
| Other gains | **132** | 92 | **132** | 92 |
| **Total own-source income** | **24,027** | 26,862 | **24,027** | 26,862 |
| **Net contribution of outcome delivery** | **252** | 969 | **252** | 969 |
| **Assets** |  |  |  |  |
| Cash | **9,023** | 13,388 | **9,023** | 13,388 |
| Trade and other receivables | **709** | 99 | **709** | 99 |
| Other financial assets | **–** | 3 | **–** | 3 |
| Infrastructure, plant and equipment | **3,274** | 3,768 | **3,274** | 3,768 |
| Intangibles | **544** | 583 | **544** | 583 |
| Other non-financial assets | **194** | 161 | **194** | 161 |
| **Total assets** | **13,744** | 18,002 | **13,744** | 18,002 |
| **Liabilities** |  |  |  |  |
| Suppliers | **1,798** | 1,653 | **1,798** | 1,653 |
| Lease incentives | **2,857** | 3,396 | **2,857** | 3,396 |
| Employee provisions | **4,009** | 3,708 | **4,009** | 3,708 |
| Other provisions and payables | **4,615** | 7,999 | **4,615** | 7,999 |
| **Total liabilities** | **13,279** | 16,756 | **13,279** | 16,756 |

1. Outcome 1 is described in Overview note. Net costs shown included intra-government costs that were eliminated in calculating the actual Budget Outcome.

# Appendix 1:2015–2016 workplan projects,services and activities

| **2015–2016 Workplan** | **Contributes to goals** | **Contributes to priorities** |
| --- | --- | --- |
| 1 | 2 | 3 | 4 | Human rights education and promotion | Engaging business on human rights | Freedom from violence, harassment and bullying |
| Collaboration for Cultural Reform in the Australian Defence Force | √ | √ |  |  | √ | √ | √ |
| Supporting Working Parents website and online resources (Government and Industry collaboration project) | √ | √ |  |  | √ | √ |  |
| Human rights in supply chains: Promoting positive practice, 2015 | √ | √ |  |  |  | √ |  |
| Streamlining exemption processes for recruitment of Aboriginal and Torres Strait Islander peoples |  | √ |  |  |  | √ |  |
| National Action Plan on Business and Human Rights: Roundtables and Joint Civil Society Statement on Business and Human Rights | √ | √ |  |  |  | √ |  |
| 2015 Annual Business and Human Rights Dialogue | √ | √ |  |  |  | √ |  |
| National Anti-Racism Strategy:* Racism. It Stops With Me campaign
* Building Belonging: Resource for early childhood educators on cultural diversity and responding to prejudice
* Building social cohesion in our communities and councils project
* Leading for Change: Blueprint for Cultural Diversity and Inclusive Leadership
 | √ | √ |  |  | √ | √ | √ |
| Human Rights Education and Training:* Human Rights Education in Schools
* Vocational Education and Training Sector Resource Development
* Upholding the rights of people with a disability: training package and training delivery for NSW Government staff
 | √ | √ | √ |  | √ |  |  |
| Religious Freedom Roundtable | √ | √ |  |  |  |  | √ |
| Trans, Gender Diverse and Intersex Inclusion in Australian Sports | √ | √ |  |  | √ |  | √ |
| Parliamentary Scrutiny | √ | √ |  |  | √ |  | √ |
| Engagement with United Nations Mechanisms | √ | √ |  |  |  |  |  |
| Pathways to Protection: A human rights-based response to the flight of asylum seekers by sea | √ | √ |  |  | √ |  | √ |
| Willing to Work National Inquiry into Employment Discrimination Against Older Australians and Australians with Disability | √ | √ |  |  | √ | √ |  |
| Enhancing domestic and family violence death review processes | √ | √ |  |  | √ |  | √ |
| National University Student Survey on Sexual Assault and Sexual Harassment | √ | √ |  |  |  |  | √ |
| Children’s Rights Report 2015: * Impact of family and domestic violence on children
* Business and children’s rights
* Child-Friendly Version of the Children’s Rights Report 2015
 | √ | √ |  |  | √ | √ | √ |
| Social Justice and Native Title Report 2015 | √ | √ |  |  | √ |  |  |
| Indigenous Property Rights Project | √ | √ |  |  |  |  |  |
| Close the Gap Campaign | √ |  |  |  | √ |  |  |
| National Health Leadership Forum | √ |  |  |  |  |  |  |
| China-Australia Human Rights Technical Cooperation Program | √ | √ |  |  | √ |  | √ |
| Vietnam-Australia Human Rights Technical Cooperation Program | √ | √ |  |  | √ |  | √ |
| National Information Service |  | √ | √ |  | √ | √ | √ |
| Investigation & Conciliation Service |  | √ | √ |  | √ | √ | √ |
| Interventions:* *Mulligan v Virgin Australia Airlines Pty Ltd* [2015] FCAFC 130
* *North Australian Aboriginal Justice Agency LTD and Another v Northern Territory* (2015) 326 ALR 16
 |  | √ |  |  | √ |  |  |
| Human Rights Awards, other major events and launches | √ |  |  |  | √ |  |  |
| Communications Service | √ |  |  | √ | √ |  |  |
| Legal Services |  |  |  | √ | √ |  |  |
| ICT Services |  |  |  | √ |  |  |  |
| Human Resources |  |  |  | √ |  |  |  |
| Financial Services |  |  |  | √ |  |  |  |

# Appendix 2:Major events, reports, publications andeducation resources in 2015–2016

### Events and launches

The Commission hosted and promoted at least 30 major events throughout the 2015–16 year including:

the Australians of the Year event at Sydney Town Hall

the annual Human Rights Awards

the launch of the Supporting Working Parents toolkit

the launch of the Magna Carta resources; Human Rights Commissioner’s report on LGBTI issues

the ‘Good Practice, Good Business resources’

the launches of the Children’s report and the Aboriginal and Torres Strait Islander Social Justice Report

the Indigenous Property Rights roundtables

23 RightsTalks on topics including casual racism, transgender rights, domestic violence, immigration and border protection, human rights and The Global Fund, and digital rights.

### 2015–2016 reports, publications, education resources

#### Aboriginal and Torres Strait Islander social justice

Close the Gap – Progress & Priorities report 2016

Close the Gap – position paper on the Federal Budget 2016

Social Justice and Native Title Report, 2015

Targeted recruitment of Aboriginal and Torres Strait Islander people, 2015

Know your rights: Aboriginal Torres Strait Islanders, 2015

#### Australian Defence Force (not published)

*Extensive research reports*

Air force: Improving opportunities for women to become fast jet pilots in Australia (2016)

*Single base research reports*

Navy (2015)

Navy (2016)

Army (2016)

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#### Age

Euthanasia, human rights and the law, 2016

Older Australians at Work Summit, 2015

#### Australian Human Rights Commission Act reports (tabled)

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#### Business

Human rights in supply chains: Promoting positive practice, 2015

Supporting Working Parents website and online resources for employers and employees, 2015

#### Children

Children’s Rights Report 2015

All I want is a life free from violence, 2016

What does the Children’s Rights Report 2015 say? Child friendly version, 2016

#### Disability

Access for all: Improving accessibility for consumers with disability, 2016

Disability rights: Facilitating the empowerment of people with disability (competency unit), 2016

Information and Communications Technology in the Australian Public Service – the need for change, 2015

#### Immigration detention

The health and well-being of children in immigration detention, 2016

Use of force in immigration detention facilities, 2015

Tell Me About: Children in immigration detention in Nauru, 2015

Children in immigration detention: statements by health professional organisations, 2015

#### Race

Freedom from Discrimination: Report on the 40th anniversary of the Racial Discrimination Act, 2015

Perspectives on the Racial Discrimination Act: Papers from the 40 years of the Racial Discrimination Act 1975 (Cth) Conference, 2015

Racial discrimination? Know your rights 2015 (video/poster)

Building Social Cohesion in our Communities, 2015

#### Sex

Supporting Working Parents website and online resources

Resilient Individuals: Sexual Orientation Gender Identity & Intersex Rights, 2015

#### Willing to Work National Inquiry

Willing to Work: National Inquiry into Employment Discrimination Against Older Australians and Australians with Disability, 2016

Willing to Work: Good Practice Examples for Employers, 2016

Willing to Work: Healthy Ageing Paper, 2016

A qualitative study of employment discrimination against older Australians, 2016

Willing to Work – Easy English Booklet 1: about the National Inquiry, 2015

Willing to Work – Easy English Booklet 2: employment and older Australians, 2015

Willing to Work – Easy English Booklet 3: employment and Australians with disability, 2015

Willing to Work – Easy English Booklet 4: what you can do about employment discrimination, 2015

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