



Human Appeal

Audited Financial Statements 2022

For the year ended
31 December
2022

Human Appeal International Australia Limited
ABN 26 164 251 245

*30 years on, we're still with you
on the road to goodness*



Human Appeal International Australia Limited

ABN: 26 164 251 245

Independent Audit Report to the Members of Human Appeal International Australia Limited

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Human Appeal International Australia Limited (the company), which comprises the Statement of Financial Position as at 31 December 2022, and the Statement of Financial Performance, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of Australian Charities and Not-for -profits Commission (ACNC), and are appropriate to meet the needs of the members. The director's responsibilities also include establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting under the Australian Charities and Not-for -profits Commission (ACNC). We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the financial report of Human Appeal International Australia Limited is in accordance with:

- a) The Australian Charities and Not-for -profits Commission (ACNC), including:
 - giving a true and fair view of the organisation's financial position as at 31st December 2022 and its performance for the year ended on that date.
 - complying with applicable Australian Accounting standards and other mandatory professional reporting requirements.

We also report that:

- a) the financial statements show a true and fair value of the financial result of the organisation conducted during the year;
- b) the accounting and the associated records have been properly kept;
- c) money received during the year have been properly accounted for and applied;
- d) at the date of this report, there are reasonable grounds to believe that the organisation will be able to pay its debts as and when they fall due.



Dated 30th October 2023

Rajeev Kumar Dixit, FCPA

Registered Company Auditor

DBS Accountants & Advisors

1/19 Restwell Street, Bankstown NSW 2200

COMPILATION REPORT To Human Appeal International Australia Limited

Scope

On the basis of information provided by the committee, we have compiled in accordance with APS 9 "Statement on Compilation of Financial Reports" the special purpose financial report of the client for the period ended 31st December 2022 as set out in the financial report.

The committee is solely responsible for the information contained in the special purpose financial report.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the committee provided, into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the association, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared exclusively for the benefit of the association. We do not accept responsibility to any other person for the contents of the special purpose financial report.

ANE Advisory
Chartered Accountants
Level 1, 12 Mashman Avenue, Kingsgrove NSW 2209

Mr Tamer Ibrahim
Mr Tamer Ibrahim (Oct 30, 2023 08:53 GMT+11)
Tamer Ibrahim
Chartered Accountant

Dated: 10/30/2023

Certificate By Members of the Committee

Human Appeal International Australia Limited For the year ended 31 December 2022

The committee has determined that the association is a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in the notes to the financial statements.

In the opinion of the committee the financial report:

1. Presents the financial position fairly of Human Appeal International Australia Limited, as at 31 December 2022 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Human Appeal International Australia Limited will be able to pay its debts as and when they fall due.



Mr Riyadh Qasim (Oct 27, 2023 22:00 GMT+11)

Riyad Qasim

Date 10/27/2023



Mustapha Omari (Oct 28, 2023 19:49 GMT+11)

Mustapha Omari

Date 10/28/2023

Committee's Report

Human Appeal International Australia Limited For the year ended 31 December 2022

Committee's Report

The committee members submit the financial report of Human Appeal International Australia Limited for the financial year ended 31 December 2022.

Committee Members

The names of committee members throughout the year and at the date of this report are:

Committee Member
Riyad Qasim
Mustapha Omari
Bashar Al-Jamal
Mohamad El-Hawli
Abdul Kamareddine

Principal Activities

Humanitarian Aid and Fundraising.

Significant Changes

Humanitarian aid and fundraising.

Operating Result

The surplus of the association for the financial year amounted to \$5,358,075.

Signed in accordance with a resolution of the Members of the Committee on:


Mr Riyadh Qasim (Oct 27, 2023 22:00 GMT+11)

Date 10/27/2023

Riyad Qasim


Mustapha Omari (Oct 28, 2023 19:49 GMT+11)

Date 10/28/2023

Mustapha Omari

Income and Expenditure Statement

Human Appeal International Australia Limited
For the year ended 31 December 2022

	2022	2021
Income		
Donations	27,601,275	27,231,433
Event Sales	279,248	-
Total Income	27,880,523	27,231,433
Direct Costs		
Community and Local Aid	2,323,505	1,454,680
International Aid and Development Programs	17,199,743	17,715,976
Program Direct Costs	1,936,878	1,166,442
Total Direct Costs	21,460,126	20,337,097
Gross Surplus	6,420,396	6,894,335
Operating Costs		
Accountability and Fund Costs	1,570,480	1,659,665
Administration Costs	3,218,991	2,739,815
Occupational Costs	104,225	129,508
Payments to Other Charities	875,493	294,293
Total Operating Costs	5,769,189	4,823,281
Other Income		
Capital Gain/(Loss) on Sale of Non-current Assets	-	49,504
Capital Transfers	4,673,860	-
Interest Income	24,212	6,707
Net Surplus/(Deficit) in Rental Statement	8,794	12,281
Total Other Income	4,706,867	68,492
Current Year Surplus/(Deficit)	5,358,075	2,139,547
Net Current Year Surplus/(Deficit)	5,358,075	2,139,547

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Assets and Liabilities Statement

Human Appeal International Australia Limited

As at 31 December 2022

	NOTES	31 DEC 2022	31 DEC 2021
Assets			
Current Assets			
Cash and Cash Equivalents	3	5,637,546	5,499,809
Trade and Other Receivables	4	4,988,042	6,674,148
Total Current Assets		10,625,588	12,173,957
Non-Current Assets			
Borrowings	5	1,649,779	(195,649)
Furniture and Fittings, Property Improvements	7	482,318	517,205
Land and Buildings	6	11,980,000	10,614,210
Plant and Equipment and Vehicles	8	158,636	204,623
Total Non-Current Assets		14,270,733	11,140,390
Total Assets		24,896,321	23,314,347
Liabilities			
Current Liabilities			
Trade and Other Payables	9	210,094	1,608,464
Provisions	10	556,206	556,206
Employee Entitlements	11	167,446	329,314
Total Current Liabilities		933,746	2,493,984
Non-Current Liabilities			
Borrowings	12	58,817	115,611
Total Non-Current Liabilities		58,817	115,611
Total Liabilities		992,564	2,609,595
Net Assets		23,903,757	20,704,751
Member's Funds			
Asset Revaluation Reserve		(303,291)	(182,050)
Current Year Earnings		5,358,075	2,139,547
Retained Surplus/(Deficit)		20,181,404	18,041,858
Foreign Exchange Reserve		705,397	705,397
Extraordinary items		(2,037,828)	-
Total Member's Funds		23,903,757	20,704,751

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Notes to the Financial Statements

Human Appeal International Australia Limited For the year ended 31 December 2022

1. Summary of Significant Accounting Policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act NSW. The committee has determined that the association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Impairment of Assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

Employee Provisions

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled.

Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Cash on Hand

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

These notes should be read in conjunction with the attached compilation report.

Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

Leases

Leases of PPE, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the association, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

Financial Assets

Investments in financial assets are initially recognised at cost, which includes transaction costs, and are subsequently measured at fair value, which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

These notes should be read in conjunction with the attached compilation report.

Accounts Payable and Other Payables

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

2. Capital Transfer

The capital transfer of \$4,673,860 is the final transfer of funds from Human Appeal International Limited to Human Appeal International Australia Limited. The transfer is in line with the accounting decision to recognise the assets of Human Appeal Limited on the books of Human Appeal International Australia Limited.

	2022	2021
3. Cash on Hand		
Beyond Bank	2,999,301	3,875,038
Bank Australia	2,611,286	1,579,662
Beyond Bank - Visa Debit Card	26,959	45,109
Total Cash on Hand	5,637,546	5,499,809
	2022	2021

4. Trade and Other Receivables

Trade Receivables		
Accounts Receivable	4,523,056	5,904,813
Total Trade Receivables	4,523,056	5,904,813
Other Receivables		
GST	464,986	769,335
Total Other Receivables	464,986	769,335
Total Trade and Other Receivables	4,988,042	6,674,148
	2022	2021

5. Borrowings

ASCA - Loan	250,000	(705,960)
Employee Loans	623,907	353,941
Loans to HACFL Ltd	375,871	156,370
Newport Islamic Society - Loan	400,000	-
Total Borrowings	1,649,779	(195,649)
	2022	2021

6. Land and Buildings

Buildings

These notes should be read in conjunction with the attached compilation report.

Buildings at Cost	11,980,000	10,614,210
Total Buildings	11,980,000	10,614,210
Total Land and Buildings	11,980,000	10,614,210
	2022	2021

7. Furniture and Fittings, Property Improvements

Furniture and Fittings		
Furniture & Fixtures at Cost	506,047	496,654
Furniture & Fixtures Accum Dep	(199,696)	(139,859)
Total Furniture and Fittings	306,351	356,795
Property Improvements		
Property Improvements at Cost	211,819	191,966
Property Improvements Accum Dep	(35,851)	(31,556)
Total Property Improvements	175,968	160,410
Total Furniture and Fittings, Property Improvements	482,318	517,205
	2022	2021

8. Plant and Equipment, Motor Vehicles

Plant and Equipment		
Plant & Equipment	129,922	118,802
Plant & Equipment Accum. Dep	(96,616)	(80,727)
Total Plant and Equipment	33,307	38,075
Motor Vehicles		
Motor Vehicles at Cost	245,478	245,478
Motor Vehicles Accum Dep	(120,149)	(78,929)
Total Motor Vehicles	125,329	166,549
Total Plant and Equipment, Motor Vehicles	158,636	204,623
	2022	2021

9. Trade and Other Payables

Programs Reserve		
Account Payable- HAI UAE	-	1,210,594
Accounts Payable Local Programs	-	175,000
Total Programs Reserve	-	1,385,594
Trade Creditors	210,094	222,870
Total Trade and Other Payables	210,094	1,608,464
	2022	2021

10. Provisions

Provision for Holiday Pay	253,666	253,666
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These notes should be read in conjunction with the attached compilation report.

Provision for LSL	302,540	302,540
Total Provisions	556,206	556,206
	2022	2021

11. Employee Entitlements

PAYG Withholding Payable	40,735	293,620
Super Payable	126,710	35,694
Total Employee Entitlements	167,446	329,314
	2022	2021

12. Borrowings

Non Current Liability		
Loans to HACCL Ltd	58,817	115,611
Total Non Current Liability	58,817	115,611
Total Borrowings	58,817	115,611

These notes should be read in conjunction with the attached compilation report.

Rental Statement

Human Appeal International Australia Limited
For the year ended 31 December 2022

	NOTES	2022	2021
Rental Income			
Income		20,500	23,000
Rental Expenses			
Insurance		8,150	7,320
Rates		1,747	1,720
Water		1,809	1,679
Total Rental Expenses		11,706	10,719
Gross Profit		8,794	12,281

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.



Human Appeal

