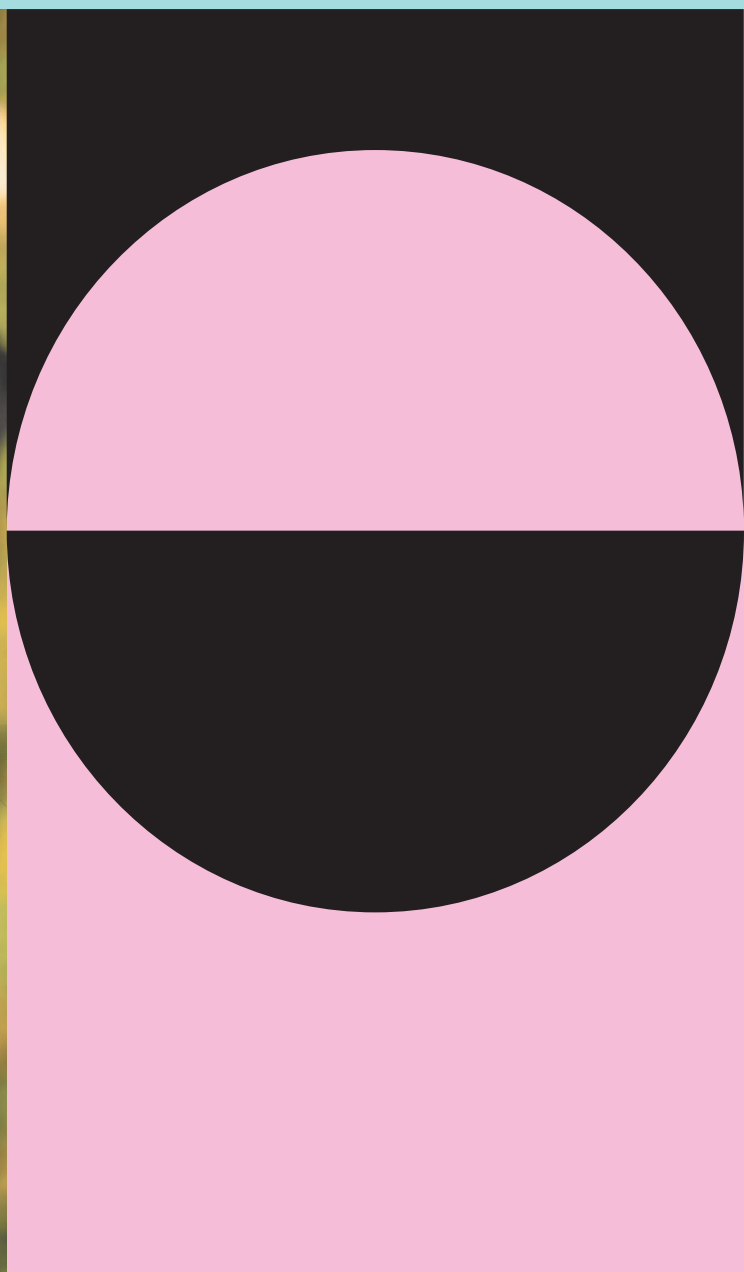


Guide Dogs.

2021

Victoria Financial Report



Guide Dogs Victoria

Financial Statements

For the Year Ended 30 June 2021

Guide Dogs Victoria

Contents

For the Year Ended 30 June 2021

	Page
Financial Statements	
Directors' Report	1
Auditor's Independence Declaration	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	30
Independent Audit Report	31

Guide Dogs Victoria

Directors' Report

30 June 2021

The Board of Guide Dogs Victoria (the Company) is pleased to present the Directors' Report for the financial year ended 30 June 2021.

PRINCIPAL ACTIVITIES

The principal activities of Guide Dogs Victoria in the course of the financial year were directed towards the provision of guide dogs and orientation and mobility services to children and adults in Victoria who are blind or with low vision.

OBJECTIVES AND STRATEGIES

Long Term Objective

The first choice of people with blindness and low vision in the provision of services that enable a lifetime of independence.

Strategies

To achieve this objective, the Company has adopted the following strategies:

- Be the "First Choice" provider of services for people with low vision and blindness.
- Build a diverse Fundraising Portfolio along with profitable Commercial Enterprises to enable investment in research and be the "First Choice".
- Ensure brand remains strong and clearly understood as market differentiators to ensure we are the first choice for clients, referrers/partners and donors.
- Maintain a highly engaged flexible workforce committed to delivering quality services to our clients in a safe environment.
- Operate at optimal productivity levels which ensures maximum utilisation of revenue and resources.

PERFORMANCE MEASURES

Guide Dogs Victoria operations for the financial year in meeting its services to clients recorded a surplus of \$5.923m (30 June 2020: \$3.417m). During 2021, Guide Dogs Victoria serviced 1,227 clients (30 June 2020: 1,149 clients).

A further review of the operations of Guide Dogs Victoria during the financial year and the results of those operations is contained in the Annual Report.

REVIEW OF OPERATIONS

Guide Dogs Victoria recorded a surplus for the financial year. This surplus includes \$4,641m of revenue received to go toward the campus redevelopment. The balance sheet includes a reserve for these capital funds. Operating cash balances are being closely monitored to ensure non-capital works are adequately funded. Guide Dogs Victoria continued to be eligible for Job Keeper payments under the original Job Keeper Scheme, as well as under the Job Keeper Extension 2. Guide Dogs Victoria has a Pandemic and Long Term Financial Plan that facilitates its response to COVID-19.

SUBSEQUENT EVENTS

The outbreak of COVID-19 and the subsequent quarantine measures imposed by the Australian and other governments as well as the travel and trade restrictions imposed by Australia and other countries in early 2020 have caused disruption to businesses and economic activity. Subsequent to year end continued lockdowns have been imposed by the Victorian State government. There has been no provision for the potential ongoing financial effects of COVID-19 in the entity's financial statements at 30 June 2021. With the exception of the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

In July 2021 \$2.2m has been received as part of the capital campaign for the campus redevelopment. This payment means the current campus redevelopment plans will be funded fully through State and Federal Government and philanthropic funding.

Guide Dogs Victoria

Directors' Report

30 June 2021

DIRECTORS' MEETINGS

The number of meetings of Directors (including Audit, Risk and Finance (ARF), Membership (M'Ship), Remuneration (Rem), Nominations (Nom) Committee, Future is in Sight (FIIS) Campus Redevelopment Committee, Future is in Sight Innovation (Inn) Committee and the Centre of Excellence Governance (COE) Committee held during the financial year, and the number of meetings attended by each Director was as follows:

	Directors Mtgs	ARF Mtgs	Nom Mtgs	Rem Mtgs	FIIS Mtgs	COE Mtgs	Inn Mtgs
Number of meetings held	11	4	2	1	11	4	3
Iain Edwards (Chairperson)	11	-	2	1	11	4	-
David Cochrane (Vice Chairperson)	9	3	2	-	10	4	-
Bruce Brook	11	4	-	1	10	-	-
Anthony Kearns	8	-	-	-	-	-	2
Nick Mescher	11	2	-	-	11	-	3
Harish Rao	11	3	-	-	-	-	-
Lisa Tepper	9	3	-	-	-	-	1
Charles Thompson	10	-	-	1	11	-	3
Jenna Watts	11	3	1	-	-	-	3
Angela Wheelton (retired November 20)	6	-	-	-	-	-	-

Committee membership

The Company had an **Audit, Risk and Finance Committee**. Members of the Board on the Committee during the financial year were:

- * Bruce Brook (Chair)
- * David Cochrane
- * Harish Rao
- * Nick Mescher (left committee November 20)
- * Lisa Tepper
- * Jenna Watts

The Company had a **Nominations Committee**. Members of the Board on the Committee during the financial year were:

- * Iain Edwards (Chair)
- * Charles Thompson
- * Angela Wheelton (retired November 20)
- * Jenna Watts (joined committee November 20)

Guide Dogs Victoria

Directors' Report

30 June 2021

The Company had a **Remuneration Committee**. Members of the Board on the Committee during the financial year were:

- * Iain Edwards (Chair)
- * Bruce Brook
- * David Cochrane
- * Charles Thompson

The company had a **Future is in Sight (Campus Redevelopment) Committee**. Members of the Board on the Committee during the financial year were:

- * David Cochrane (Chair)
- * Iain Edwards
- * Bruce Brook
- * Nick Mescher
- * Charles Thompson

The Company had a **Centres of Excellence Governance Committee**. Members of the Board of the Committee during the financial year were:

- * Iain Edwards
- * David Cochrane

This Committee is a joint Committee with Guide Dogs NSW/ACT.

In November 2020 the company established a **Future is in Sight (Innovation) Committee**. Members of the Board on the Committee during the financial year were:

- * Anthony Kearns (Chair)
- * Nick Mescher
- * Lisa Tepper
- * Charles Thompson
- * Jenna Watts

COMPANY LIMITED BY GUARANTEE

The Company limited by guarantee is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. As a Charity the Company is governed by the *Australian Charities and Not-for-profits Commission Act 2012*. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding liabilities of the entity. As at 30 June 2021, the total amount that members of the Company are liable to contribute if the Company is wound up is \$1,180 (2020: \$1,160).

ROUNDING OFF OF AMOUNTS

The company is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Class Order amounts in the directors' report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

Guide Dogs Victoria


Directors' Report

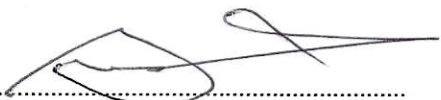
30 June 2021

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration in accordance with section 60.40 of the *Australian Charities and Not-for-profits Commission Act 2012*, for the year ended 30 June 2021 has been received and can be found on page 5 of the financial report.

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


Director:
Iain Edwards, Chairperson


Director:
Bruce Brook, Chair, Audit, Risk and Finance Committee

Dated this 28th day of September 2021

The Board of Directors
Guide Dogs Victoria
Chandler Highway
Kew, VIC, 3101

28 September 2021

Dear Board Members

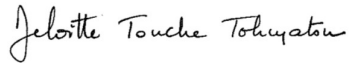
Guide Dogs Victoria

In accordance with Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the directors of Guide Dogs Victoria.

As lead audit partner for the audit of the financial statements of Guide Dogs Victoria for the financial year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Isabelle Lefevre
Partner
Chartered Accountant

Guide Dogs Victoria

Statement of Comprehensive Income

For the Year Ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
Revenue			
Fundraising and gift in wills	2(a)	11,069	12,005
Funding for capital purposes		4,641	1,225
Revenue from merchandise sales		62	1,008
Revenue from the provision of dogs and orientation mobility services	2(b)	4,424	4,524
Rental revenue		53	59
Finance and investment revenue	2(c)	493	82
Other income	2(d)	2,073	1,491
Total Revenue		22,815	20,394
Expenditure			
Fundraising and gift in wills		(3,036)	(2,829)
Cost of merchandise sales		(9)	(1,523)
Cost of provision of dogs and mobility services	3(b)	(11,874)	(10,939)
Community information and public education	3(c)	(847)	(852)
Corporate services		(722)	(649)
Other expenses	3(d)	(404)	(185)
Total Expenditure		(16,892)	(16,977)
Surplus before income tax		5,923	3,417
Income tax expense		-	-
Surplus for the year		5,923	3,417
Other comprehensive income			
Total comprehensive income for the year		5,923	3,417

The accompanying notes form part of these financial statements.

Guide Dogs Victoria

Statement of Financial Position

30 June 2021

	Note	2021 \$'000	2020 \$'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	18,751	16,647
Trade and other receivables	5	1,257	1,391
Inventories	6	1,333	1,511
Financial assets	7	108	1,698
TOTAL CURRENT ASSETS		21,449	21,247
NON-CURRENT ASSETS			
Financial assets	7	4,245	1,214
Property, plant and equipment	8	11,875	8,168
Intangible asset	9	-	-
Right of Use Asset	10	519	801
Investment property	11	1,050	1,050
TOTAL NON-CURRENT ASSETS		17,689	11,233
TOTAL ASSETS		39,138	32,480
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	2,848	1,106
Deferred revenue	14	3,750	4,512
Lease Liabilities	15	385	401
Provisions	13	1,207	1,226
TOTAL CURRENT LIABILITIES		8,190	7,245
NON-CURRENT LIABILITIES			
Lease Liabilities	15	148	411
Provisions	13	135	82
TOTAL NON-CURRENT LIABILITIES		283	493
TOTAL LIABILITIES		8,473	7,738
NET ASSETS		30,665	24,742
ACCUMULATED FUNDS			
Reserves	16	22,682	17,836
Retained earnings		7,983	6,906
TOTAL ACCUMULATED FUNDS		30,665	24,742

The accompanying notes form part of these financial statements.

Guide Dogs Victoria

Statement of Changes in Equity

For the Year Ended 30 June 2021

	Retained Earnings \$'000	General Reserve \$'000'	Capital Reserve \$000	TOTAL \$000
Balance at 1 July 2019	4,662	4,800	13,757	23,219
First time adoption of AASB 1058/15 Revenue	-	-	(1,893)	(1,893)
Adjusted balance at 1 July 2019	4,662	4,800	11,864	21,326
Surplus for the year	3,417	-	-	3,416
Other comprehensive income	-	-	-	-
Transfer to Capital Reserve	(1,172)	-	1,172	-
Balance at 30 June 2020	6,906	4,800	13,036	24,742

	Retained Earnings \$'000	General Reserve \$'000'	Capital Reserve \$000	TOTAL \$000
Balance at 1 July 2020	6,906	4,800	13,036	24,742
Surplus for the year	5,923	-	-	5,923
Other comprehensive income	-	-	-	-
Transfer to Capital Reserve	(4,846)	-	4,846	-
Balance at 30 June 2021	7,983	4,800	17,882	30,665

The accompanying notes form part of these financial statements.

Guide Dogs Victoria

Statement of Cash Flows

For the Year Ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers and donors		13,493	16,558
Payments to suppliers and employees		(13,693)	(16,115)
Interest received		67	88
Interest paid		(21)	(31)
'Future is in Sight' campus redevelopment donations		3,880	3,909
Receipt of government grants		3,212	2,507
Dividends received		69	70
Net cash inflows from operating activities		<u>7,007</u>	<u>6,986</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payment for property, plant and equipment		<u>(4,440)</u>	<u>(2,245)</u>
Net cash inflows / (outflows) in investing activities		<u>(4,440)</u>	<u>(2,245)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Payments for leases		<u>(463)</u>	<u>(414)</u>
Net cash outflows in financing activities		<u>(463)</u>	<u>(414)</u>
Net cash increase in cash and cash equivalents held		2,104	4,327
Cash and cash equivalents at beginning of year		<u>16,647</u>	<u>12,320</u>
Cash and cash equivalents at end of financial year	4	<u>18,751</u>	<u>16,647</u>

The accompanying notes form part of these financial statements.

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2021

1 Summary of significant accounting policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, and Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010 - 2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements. The Company is a not-for-profit Company for financial reporting purposes under the Australian Accounting Standards. The financial statements, except for cash flow information, have been prepared on an accrual basis and are based on historical costs, modified where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board (AASB) has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The company is an organisation of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Class Order amounts in the directors' report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

(b) Revenue and Other Income

Government Grant Income

Where an agreement is enforceable and contains sufficiently specific performance obligations, the revenue is either recognised over time as the work is performed or recognised at the point in time that the control of the services pass to the customer, under AASB 15. Otherwise, the revenue is recognised under AASB 1058.

For capital grants received under an enforceable agreement where it includes a transfer to enable the Company to acquire or construct a recognisable non-financial asset to identified specifications which will be controlled by the Company when completed, the Company recognises a liability for the excess of the fair value of the transfer over any related amounts recognised and recognises income as it satisfies its obligations under the transfer.

Other income

Revenue is recognised where it can be reliably measured in the period to which it relates.

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Gift in wills are recognised as income when three conditions are met, (1) the Company obtains control (i.e. cash is received) of the gift in will or the right to receive the gift in will; (2) it is probable that the economic benefits comprising the gift in wills will flow to the Company and (3) the amount of the gift in will can be measured reliably. Gift in wills received in the form of investments or other non-cash items are taken into account at their fair value. Gift in wills received in the form of investments or other non-cash items are taken into account at their fair value.

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

Rental revenue from the investment property is accounted for on a straight-line basis over the lease term.

Donations are recognised as revenue when received.

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

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2021

(c) Inventories

Inventory is represented by puppies and dogs in training, and finished goods for merchandise products sold through the commercial activities of the Company.

Puppies and dogs in training are valued at the lower of cost or current replacement cost and net realisable value in accordance with Australian Accounting Standards. The cost of puppies and dogs in training comprises all costs directly related to the production of guide dogs with carrying values of these dogs expensed when they are matched and provided to clients or removed from the program. At that point the control transfers to the client and the puppies and dogs in training are derecognised from inventory. Where guide dogs are directly funded the corresponding revenue will be accounted for in line with the revenue recognition policy. Where the guide dog is unfunded no revenue is recognised, however a number of donations or sponsorships are linked to support the production of these guide dogs.

Finished goods held for resale is measured at the lower of cost or current replacement cost and net realisable value. The cost of finished goods for merchandise comprises costs of acquisition which includes the cost incurred in bringing each product to its present condition.

(d) Taxes

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of the GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the Australian Taxation Office (ATO); and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the ATO are classified as operating cash flows included in receipts from customers or payments to suppliers.

Income Tax

No provision for income tax has been raised as the Company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(e) Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2021

(e) Financial Instruments (continued)

Financial Assets

Financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Company may make the following irrevocable election / designation at initial recognition of a financial asset:

- The Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- The Company may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Initial measurement of financial assets

Financial assets are classified according to their business model and the characteristics of their contractual cash flows. Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs.

Subsequent measurement of financial assets

For subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following four categories:

- Financial assets at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Equity instruments at FVTOCI
- Financial assets at FVTPL

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2021

(e) Financial Instruments (continued)

(ii) Debt instruments at fair value through other comprehensive income (Debt FVTOCI)

Debt FVTOCI initially measured at fair value plus transaction costs. Subsequently, changes in the carrying amount of these as a result of foreign exchange gains and losses, impairment gains or losses, and interest income calculated using the effective interest method are recognised in profit or loss.

(iii) Equity instruments at fair value through other comprehensive income (Equity FVTOCI)

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investment revaluation reserve. The cumulative gain or loss is not to be reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings. No investments are currently measured at FVTOCI.

(iv) Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the "Net gain/(loss) arising on financial assets measured at FVTPL" line.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Trade and other receivables

The Company makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Financial liabilities

Financial liabilities

- *Financial liabilities at FVTPL*

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in profit or loss.

- *Financial liabilities measured subsequently at amortised cost*

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2021

(f) Employee Benefits

Short-term employee provisions

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee provisions

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the re-measurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in 'profit or loss' as a part of employee benefits expense.

The Company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(g) Accumulated Funds

The classification 'Accumulated Funds' has been used in the accounts of Guide Dogs Victoria as it is a Company limited by guarantee and has no shareholders. It is the Directors' opinion that the use of the classification 'Shareholders Equity' would be misleading.

(h) Property, Plant and Equipment

The Kew property where Guide Dogs Victoria operates is crown land and accordingly the land value is not included in the Statement of Financial Position.

All items of buildings, plant and equipment are carried at the lower of cost, less accumulated depreciation and impairment losses.

All acquisitions of buildings, plant and equipment are recorded at the cost of acquisition, being the purchase consideration determined as at the date of acquisition plus costs incidental to acquisition.

Buildings, plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is controlled by Guide Dogs Victoria.

Depreciation

Building, plant and equipment is depreciated on a straight line method over the expected useful lives of the assets commencing from the time the asset is held ready for use. Capital works in progress are not depreciated until the asset is available for use. The following estimated useful lives are used in the calculation of depreciation.

Class of Fixed Asset	Useful Life
Buildings	10 to 50 years
Plant and Equipment	3 to 10 years

The asset's residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2021

(i) Property, Plant and Equipment (continued)

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the Statement of Comprehensive Income.

(j) Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value.

Gains and losses arising from changes in the fair value of investment properties are included in 'profit or loss' in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in 'profit or loss' in the period in which the property is derecognised.

(k) Impairment of Assets

At the end of each reporting period, the Company reviews the carrying values of its tangible assets and intangible assets with finite life to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the 'profit or loss'.

(l) Trade and Other Payables

Liabilities for trade creditors and other payables are financial instruments (financial liabilities) and are recognised and carried at cost which is the amount estimated to be paid at settlement.

(m) Cash and cash equivalents

Cash and cash equivalents include cash at bank and on hand, and any short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value.

(n) Intangible Assets

Computer software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of three years.

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2021

(o) Critical Accounting Estimates and Judgements

The Board evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Valuation of guide dogs

Dogs are valued based on the costs incurred in the breeding, puppy raising and kennels/dog training departments. The costs are allocated based on the estimated number of dogs coming through the three stages of producing a guide dog. The estimate is based on the average dogs born over the last two years as this likely represents the life cycle of the program from the time when the puppy is born, raised and has successfully become a guide dog. An obsolescence factor is also applied.

Depreciation

Useful lives and residual value of buildings, plant and equipment are reviewed annually. Judgement is applied in determining the useful lives of buildings, plant and equipment. Any reassessment of useful lives and residual value in a particular year will affect depreciation expenditure (either increasing or decreasing) from the date of reassessment through to the end of the reassessed useful life for both the current and future years.

(p) Leased assets

The company as a lessee

Right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated amortisation and impairment losses.

Whenever GDV incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying assets to the condition required by the terms and conditions of the lease, a provision is recognised and measured under AASB 137: Provisions, Contingent Liabilities and Contingent Assets. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset.

The leases identified by the company (including property leases and motor vehicle leases) have been recognised as a right of use asset with a corresponding lease liability on the balance sheet.

The Company as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term

(q) Financial Risk Management

The Company's short-term investing activities to fund operating and special purpose cash requirements are confined to cash and cash equivalent assets. The Board holds a long-term view of investing for all other activities and hold cash equivalent assets to maturity. The Board keeps informed of market risks through monthly management reporting, and there has been no significant change in strategy used to manage financial risk from the previous period.

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2021

(r) Provisions

Provisions are recognised when the Company 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 recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(s) Comparative Figures

When required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(t) Adoption of New and Revised Accounting Standards

(i) Amendments to Accounting Standards that are mandatorily effective for the current reporting period

The Entity has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to their operations and effective for an accounting period that begins on or after 1 July 2020.

There was no material impact to the financial statements from the adoption of these standards.

(ii) New and revised Australian Accounting Standards in issue but not yet effective

At the date of authorisation of the financial report, the following Standards and Interpretations listed below were in issue but not yet effective:

Standards/amendment	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 2020 - 8 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2	1 January 2021	30 June 2022
AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities.	1 July 2021	30 June 2022
AASB 2020-2 Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities.	1 July 2021	30 June 2022
AASB 2020 - 9 Amendments to Australian Accounting Standards – Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments	1 July 2021	30 June 2022
AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments	1 January 2022	30 June 2023
AASB 2020-1 Amendments to Australian Accounting Standards – Classifications of Liabilities as Current or Non-Current	1 January 2022	30 June 2024
AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates	1 January 2023	30 June 2025

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
2 Revenue			
(a) Fundraising and gift in wills			
Donations		6,015	5,765
Gift in wills		5,054	6,240
Total fundraising and gift in wills revenue		11,069	12,005
(b) Revenue from provision of dogs and orientation mobility services			
Government grants for services		1,140	1,052
Provision of in-kind goods		97	46
Revenue from sale of dogs and provision of services		3,187	3,426
Total revenue from provision of dogs and mobility services		4,424	4,524
(c) Finance Revenue			
Bank interest		28	88
Dividend income		137	250
Fair value gains/(losses) from investments		328	(256)
Total finance revenue		493	82
(d) Other income			
Job Keeper revenue		2,073	1,455
Other income		-	36
Total other income		2,073	1,491

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
3 Expenditure			
(a) Total expenditure items include			
Defined contribution plan superannuation		877	882
Employee benefits expense		9,442	9,586
Total depreciation and amortisation		1,198	906
Fundraising activity aimed at enhancing the associated returns in future years		1,200	985
(b) Cost of provision of dogs and mobility services			
Cost of guide dog services		5,094	4,581
(Increase)/decrease in dog inventory valuation		136	(275)
Cost of mobility services		6,644	6,633
Total cost of the provision of dogs and mobility services		11,874	10,939
(c) Cost of community information and public education			
Dialogue in the Dark		-	48
General community information and public education		847	804
Total cost of community information and public education		847	852
(d) Other expenses:			
(Gain)/loss on disposal of property, plant and equipment		-	(3)
Management cost		17	9
Fringe benefit expense		25	31
Accelerated depreciation	(i)	362	148
Total other expenses		404	185

(i) Accelerated depreciation relates to the accelerating depreciation in preparing for the campus redevelopment.

4 Cash and Cash Equivalents			
Cash at Bank		18,750	16,646
Cash on Hand		1	1
Total Cash and Cash Equivalents		18,751	16,647

Included within Cash and Cash Equivalents is \$1.663m of restricted cash, which was received specifically for the construction of a new vet clinic at the Guide Dog Victoria Kew Campus, from Guide Dog Victoria's partner in the project. Given this amount is restricted, and as at year end the cash had not yet been used in the construction of the new vet clinic, an equivalent payable balance is included within Other payables as at 30 June 2021.

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
5 Trade and other receivables			
Trade receivables	(a)	743	400
Provision for doubtful debts	(b)	-	(1)
		743	399
Prepayments		117	145
Sundry receivables		187	702
Goods and service tax		210	145
Total trade and other receivables		1,257	1,391

(i) Included in trade receivables as at 30 June 2021 are balances owing from related parties amounting to \$85k (2020: \$5k) (see Note 22).

(a) Aged analysis

Trade receivables are non-interest bearing and are generally on 30 to 60 day terms. A provision for doubtful debt is recognised when there is objective evidence that a trade receivable is impaired.

As at 30 June, the aged analysis of trade receivables is as follows:

0-30 days	305	177
31-60 days	429	80
61-90 days	1	15
90+ days	8	128
	743	400

The Company does not have any material credit risk exposure to any single receivable or group of receivables.

The above table details the Company's trade receivables exposed to credit risk (prior to collateral and other credit enhancements) with aging analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Company and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Company.

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
5 Trade and other receivables (continued)			
(b) Movement in the provision for doubtful debts is as follows:			
As at 1 July		1	3
Charge for the year		2	-
Recovered in the year		(3)	-
Written off		-	(2)
As at 30 June		-	1

6 Inventories			
Finished Goods		-	42
Puppies and dogs in training		1,333	1,469
		1,333	1,511

The amount of inventory recognised as an expense during the year ended 30 June 2021 was \$1.985m (year ended 30 June 2020: \$1.373m).

7 Financial Assets			
CURRENT			
Financial assets held at fair value through profit or loss		108	1,698
NON-CURRENT			
Financial assets held at fair value through profit or loss		4,245	1,214
Total	20	4,353	2,912

In the year to 30 June 2021, Domestic Equities and International Equities have been classified as non-current assets, whereas in the comparative period these were classified as current. These financial assets have a combined fair value of \$2.841M as at 30 June 2021 (30 June 2020: \$1.359M). The change in classification follows an assessment of the expected time at which these investments will be realised, which concluded that, based on the information available, these investments are unlikely to be converted in to cash in the 12 months following the year ended 30 June 2021.

8 Property, plant and equipment			
Buildings			
At cost		7,706	8,870
Less: accumulated depreciation		(3,221)	(3,815)
Total buildings	8(a)	4,485	5,055
Capital works in progress			
At cost		6,677	2,551
Less: accumulated depreciation		-	-
Total capital works in progress	8(a)	6,677	2,551

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
8 Property, plant and equipment (continued)			
Plant and equipment			
At cost		1,721	2,113
Less accumulated depreciation		(1,008)	(1,551)
Total plant and equipment	8(a)	<u>713</u>	<u>562</u>
Total property, plant and equipment			
At cost		16,104	13,534
Less accumulated depreciation		(4,229)	(5,366)
Total property, plant and equipment		<u>11,875</u>	<u>8,168</u>
(a) Movements in carrying amounts			
Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year:			
	Note	2021 \$'000	2020 \$'000
Buildings			
Carrying amount at beginning		5,055	5,382
Additions at cost		-	12
Accelerated depreciation expense		(360)	(148)
Depreciation expense		(210)	(191)
Net carrying value		<u>4,485</u>	<u>5,055</u>
Capital works in progress			
Carrying amount at beginning		2,551	555
Additions at cost		4,126	1,996
Net carrying value		<u>6,677</u>	<u>2,551</u>
Plant and equipment			
Carrying amount at beginning		562	598
Additions at cost		314	105
Accelerated depreciation expense		(2)	-
Depreciation expense		(161)	(141)
Net carrying value		<u>713</u>	<u>562</u>
Total property, plant and equipment			
Carrying amount at beginning		8,168	6,535
Additions at cost		4,440	2,113
Accelerated depreciation expense		(362)	(148)
Depreciation expense		(371)	(332)
Net carrying value		<u>11,875</u>	<u>8,168</u>

Guide Dogs Victoria

Notes to the Financial Statements

For the Year Ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
9 Intangible Assets			
Computer software - at cost		59	59
Accumulated amortisation		(59)	(59)
Total Intangible Assets		-	-

10 Right of use Asset			
Right of use asset - at cost – 1 July		1,227	1,157
Additions: leases entered into during the year		122	70
Modifications of existing leases		60	-
Accumulated amortisation		(890)	(426)
Total Intangible Assets – 30 June		519	801

11 Investment Property			
Investment property		1,050	1,050

(a) Movements in carrying amounts

Reconciliation of the carrying values of the investment property between the beginning and end of the current financial year:

Investment property			
Carrying amount at beginning		1,050	1,050
Net carrying value		1,050	1,050

Investment property at 30 June 2021 comprises of a residential property that was gifted to Guide Dogs Victoria in previous years, that is leased to a third party and has a no sale obligation for five years. Rental revenue from investment property during the year amounted to \$31,379. The fair value of the property is based on the Directors valuation dated 30 June 2021.

12 Trade and other payables

Trade payables	(i),(iii)	1,019	833
Other payables	(ii)	1,822	269
Superannuation payable		7	4
Total trade and other payables	20	2,848	1,106

(i) Trade payables are non-interest bearing and are generally settled on 30 to 60 day terms.

(ii) Other payables are non-interest bearing and are generally on 30 to 90 day terms. Included in other payables is \$1,663m of held cash reserves for the campus redevelopment project.

(iii) For terms and conditions relating to related party payables refer to Note 22.

Guide Dogs Victoria

Notes to the Financial Statements

For the Year Ended 30 June 2021

13 Provisions

	2021 \$'000	2020 \$'000
Current		
Employee benefits – Long service leave	565	516
Employee benefits – Annual leave	642	710
Total current provisions	<u>1,207</u>	<u>1,226</u>
Non-Current		
Employee benefits – Long service leave	135	82
Total non-current provisions	<u>135</u>	<u>82</u>
 Total Provisions	 <u>1,342</u>	 <u>1,308</u>

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1(f) to these financial statements.

14 Deferred Income

Deferred income	<u>3,750</u>	<u>4,512</u>
-----------------	--------------	--------------

In accordance with the adoption of AASB 15 and AASB 1058, deferred income has been recognised in relation to capital grants received from the State Government of Victoria for the funding of the Kew campus redevelopment, a recognisable non-financial asset to be controlled by Guide Dogs Victoria. In the year to 30 June 2021, 30 June 2020 and 30 June 2019, Guide Dogs Victoria received contributions of \$nil, \$3.0m and \$2.0m respectively from the Department of Health and Human Services (DHHS) Victoria. These monies are recognised as revenue based on the percentage of completion of the construction project, determined using the input method (i.e. percentage of actual costs that can be capitalised incurred against estimated total costs to be capitalised to complete the project).

Based on the project plan, management estimates a total capitalised cost of \$27.090m for the redevelopment. Capitalised costs as at year end amount to \$6.667m (2020: \$2.551m), representing percentage of completion of 15.23% (2020: 9.76%). Revenue recognised from the capital grant during the year was \$762k (2020: \$382k).

15 Lease liabilities

CURRENT		
Lease liabilities	385	401
NON-CURRENT		
Lease liabilities	148	411
Total	<u>533</u>	<u>812</u>

Guide Dogs Victoria

Notes to the Financial Statements

For the Year Ended 30 June 2021

16 Reserves

(a) **General Reserve**

This reserve equates to the level of funds required at balance date to meet the Company's current obligations, operating commitments and special purpose funds' obligations, and includes a prudential margin for unforeseen events.

(b) **Capital Reserve**

This reserve equates to the level of funds required at balance date to meet the Company's special purpose fund obligations in relating to the capital appeal fundraising of the Kew site redevelopment.

17 Liability of Members

Guide Dogs Victoria is a Company limited by guarantee and in accordance with the Memorandum of Association the liability of members in the event the Company being wound up would not exceed \$20 per member. As at 30 June 2021, the total amount that members of the Company are liable to contribute if the Company is wound up is \$1,180 (2020: \$1,160).

18 Remuneration of Directors

Directors are not eligible and have not been remunerated for their services (2020: Nil).

19 Remuneration of Auditors

	2021 \$'000	2020 \$'000
Amount received or due and receivable by the auditors for:		
- Audit services	55	49
- Other services	-	13

Other services in the year to 30 June 2020 related to assistance in the assessment of eligibility for Job Keeper, undertaken by a separate engagement team.

20 Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, investments in government and fixed interest securities, investments in listed shares, accounts receivable and payable.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

		2021 \$'000	2020 \$'000
Financial Assets			
Cash and cash equivalents	4	18,751	16,647
Trade and other receivables*	5	1,140	1,246
Financial assets designated as Fair Value through Profit and Loss (FVTPL)	7	4,353	2,912
Total financial assets		24,244	20,805
Financial Liabilities at amortised cost			
Trade and other payables	12	2,848	1,106
Total financial liabilities		2,848	1,106

*excludes prepayments of \$117k (2020: \$145k).

Guide Dogs Victoria

Notes to the Financial Statements

For the Year Ended 30 June 2021

20 Financial Risk Management (continued)

The Board is responsible for monitoring and managing the Company's compliance with its risk management strategy. The risk management strategy seeks to assist the Company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies and strategies are approved by the Board and reviewed on a regular basis by the Audit, Risk and Finance Committee. These include credit risk policies and future cash flow requirements.

The financial assets above include the amount of unspent funds relating to the capital appeal as described in the Capital Reserve. The Capital Reserve amount also includes the investment property as described in note 11.

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- * quoted prices in active markets for identical assets or liabilities (Level 1);
- * inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- * inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3)

	Level 1 \$	Total \$
Recurring fair value measurements		
2021		
Financial Assets		
Financial assets designated as FVTPL		
- shares in listed investments	2,841	2,841
- government and fixed interest securities	1,512	1,512
	4,353	4,353
2020		
Financial Assets		
Financial assets designated as FVTPL		
- shares in listed investments	1,698	1,698
- government and fixed interest securities	1,215	1,215
	2,913	2,913

Guide Dogs Victoria

Notes to the Financial Statements

For the Year Ended 30 June 2021

21 Key Management Personnel Remuneration

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, is considered key management personnel.

	2021 \$'000	2020 \$'000
Key Management Personnel	553	505

22 Related Parties

The Directors of Guide Dogs Victoria who were in office during the whole financial year unless otherwise stated are:

Iain Edwards (Chairperson)
 David Cochrane (Vice Chairperson)
 Bruce Brook
 Anthony Kearns
 Nick Mescher
 Angela Wheelton (retired November 20)
 Harish Rao
 Lisa Tepper
 Charles Thompson
 Jenna Watts

Directors received no remuneration for their services.

There were no transactions with Directors or their associated entities during the year which require separate disclosure.

Guide Dogs Victoria is a State Member Association of Royal Guide Dogs Australia.

The following table provides the total amount of transactions that were entered into with related parties other than Directors during the financial year.

	Sales to		Purchases from		Other transactions from		Owing to		Owing By	
Related Party	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Guide Dogs Queensland	240	93	18	23	-	-	-	-	22	-
Guide Dogs NSW/ACT	562	215	420	246	-	-	100	-	48	-
Guide Dogs SA/NT	317	72	-	-	-	-	-	-	-	-
Royal Guide Dogs Association of Tasmania	-	-	-	-	-	-	-	-	-	-
Association for the Blind of WA Inc	-	-	-	-	-	-	-	-	-	-
Guide Dogs Australia	203	138	532	323	-	-	-	-	15	5
Total	1,322	518	970	592	-	-	100	-	85	5

Guide Dogs Victoria

Notes to the Financial Statements

For the Year Ended 30 June 2021

22 Related Parties (continued)

Terms and conditions of transactions with related parties are detailed below:

Transactions between the organisation and its fellow state Member Associations are made at arm's length. Such transactions are both at market prices and on normal commercial terms. Outstanding balances at year-end are unsecured, interest-free and settlement at between 14 and 60 days.

23 Company Details

The registered office of the Company is:

Guide Dogs Victoria
Chandler Highway, Kew, Vic 3101

24 Subsequent events

The outbreak of COVID-19 and the subsequent quarantine measures imposed by the Australian and other governments as well as the travel and trade restrictions imposed by Australia and other countries in early 2020 have caused disruption to businesses and economic activity. Subsequent to year end continued lockdowns have been imposed by the Victorian State government. There has been no provision for the potential ongoing financial effects of COVID-19 in the entity's financial statements at 30 June 2021. With the exception of the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

In July 2021 \$2.2m has been received as part of the capital campaign for the campus redevelopment. This payment means the current campus redevelopment plans will be funded fully through State and Federal Government and philanthropic funding.

Guide Dogs Victoria


Directors' Declaration


30 June 2021

The directors of Guide Dogs Victoria (a Company limited by guarantee) declare that:

1. The financial statements and notes, as set out on pages 6 to 29, are in accordance with the *Australian Charities and Not-for-profit Commission Act 2012* and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the entity.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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


Director:
Iain Edwards, Chairperson


Director:
Bruce Brook, Chair, Audit, Risk and Finance Committee

Dated this 28th day of September 2021

Independent Auditor's Report to the Members of Guide Dogs Victoria

Opinion

We have audited the financial report of Guide Dogs Victoria (the "Entity"), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the Directors' declaration.

In our opinion, the accompanying financial report of the Entity is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the "ACNC Act"), including:

- (i) giving a true and fair view of the Entity's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the auditor independence requirements of the ACNC Act and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Entity's annual report and Directors' Report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The Directors of the Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Regime and the ACNC Act and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the ability of the Entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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



We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in cursive script that reads "Deloitte Touche Tohmatsu".

DELOITTE TOUCHE TOHMATSU

A handwritten signature in cursive script that reads "Isabelle Lefevre".

Isabelle Lefevre
Partner
Chartered Accountants
Melbourne, 28 September 2021

Guide Dogs Victoria

Performance Statement

For the Year Ended 30 June 2021

Guide Dogs Victoria

Performance Statement

30 June 2021

KPI	2020/2021 Full year Actual	2019/2020 Full year Actual	Positive / (Negative) Variance from Prior year	Note
Service				
Number of training and support programs delivered	3,188	3,093	3%	
Number of Clients assisted	1,227	1,149	7%	1
Number of fully trained Guide Dogs and other Assistance Dogs allocated	66	74	(11%)	2
Number of Guide Dog users	243	232	5%	
People				
Employee engagement percentage	87%	86%	1%	3
Volunteer engagement percentage	87%	94%	(7%)	
Lost Time Injury Frequency rate (number of lost time incidents for every 1 million employee hours)	-	3.9	100%	4
Finance				
Operating surplus / (deficit) in \$'000	\$5,923	\$3,417	\$2,506	5
Operating surplus / (deficit) prior to Capital Purpose Income in \$'000	\$1,282	\$2,192	\$(910)	5
Operating surplus / (deficit) prior to Capital Purpose and Job Keeper Income in \$'000	\$(791)	\$737	\$(1,528)	5
Working Capital Position (excluding Major Capital Development) in \$'000	\$3,081	\$3,649	\$(568)	6
Future is in Sight Campus Redevelopment cash position in \$'000	\$13,928	\$14,865	\$(937)	7

Guide Dogs Victoria elected in 2015 to include an audited Performance Statement with the annual audited Financial Statement. The Performance Statement includes the results of the internally prescribed service, people, financial and environmental performance indicators and measures and an explanation of material variations in the results.

Where applicable, the results in the audited Performance Statement have been prepared on the accounting basis consistent with those reported in the Financial Statements. The other results are based on information drawn from Guide Dogs Victoria information.

The Performance Statement presents the actual results for the current year and prior year

Detailed information on the actual financial results is contained in the General Purpose Financial Statements.

1. Clients assisted have increased from prior year. The FY20 result was impacted by the lockdowns in Victoria as a result of COVID-19. The increase in clients and programs during FY21 is a result of increased face to face client time as well as tele practice maturing.

Guide Dogs Victoria

Performance Statement

30 June 2021

2. The number of trained Guide Dogs and other Assistance dog have decreased from prior year due to the lag impact of COVID-19. While more clients have been assisted overall, the maturity cycle for training Guide Dogs and other Assistance dogs is 18 month period, hence the lag impact.

3. Employee engagement is measured as an average of engagement from surveys taken throughout the financial year. In FY21 engagement fluctuated averaging at 87%. Employee engagement is a focus of the Board and management during a challenging year for all employees due to COVID-19.

4. In FY21 no lost time injuries occurred resulting in the decrease in the Lost Time Injury Frequency rate. This means Guide Dogs Victoria had no lost time incidents for every 1 million employee hours. This improvement on prior year is due to the continued focus on occupational health and safety.

5. The increase in the FY21 operating result is due to additional funding received for capital purposes and Job Keeper. The operating result excluding capital purpose and excluding Job Keeper has conversely decreased since prior year. This is due to decrease in gift in will revenue.

6. The Working Capital Position (excluding Major Capital Development) relates to the Working capital position of Guide Dogs Victoria excluding cash held in relation to the Future in Sight Campus Redevelopment and grant funding recorded as deferred income in relation to that project. The Working Capital Position (excluding Major Capital Development) has reduced in FY21, primarily due to the change in the reporting of equities held in investments, which are now reported as non-current assets.

7. The Future in Sight Campus Redevelopment net cash position has decreased in FY21. This is inline with expectations as the first stage of the project is complete and the second stage is underway.

Directors' Declaration

30 June 2021

The Directors of Guide Dogs Victoria (a company limited by guarantee) declare that in our opinion the accompanying Performance Statement of Guide Dogs Victoria in respect of the financial year ended 30 June 2021, is presented fairly.

The Performance Statement comprises the performance indicators determined by the Board. We have reported our actual and comparative results achieved for the financial year against predetermined performance targets and these indicators. We have reported an explanation of any significant variance between the actual results and the performance targets and/or between the actual results in the current year and the previous year.

At the date of signing, we are not aware of any circumstances which would render any particulars in the Performance Statement to be misleading or inaccurate.

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

Director

Iain Edwards, Chairperson

Director

Bruce Brook, Chair Audit, Risk and Finance Committee

Dated this 28th day of September 2021

Independent Assurance Practitioner's Reasonable Assurance Report on the Performance Statement to the Directors

Opinion

We have undertaken a reasonable assurance engagement on Guide Dogs Victoria's Performance Statement for the period from 1 July 2020 to 30 June 2021.

In our opinion, the Performance Statement is prepared, in all material respects, in accordance with the accruals basis of accounting and the explanatory notes consistent with those reported in the Financial Statements and internally prescribed criteria, as defined in the Performance Statement (the 'applicable criteria') for the period from 1 July 2020 to 30 June 2021.

Basis for Opinion

We conducted our reasonable assurance engagement in accordance with Australian Standard on Assurance Engagements ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ASAE 3000"), issued by the Australian Auditing and Assurance Standards Board.

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

Management's Responsibilities

Management are responsible for:

- ensuring that the Performance Statement is prepared in accordance with the applicable criteria;
- confirming the measurement or evaluation of the underlying subject matter against the applicable criteria, including that all relevant matters are reflected in the subject matter information; and
- designing, establishing and maintaining an effective system of internal control over its operations and financial reporting, including, without limitation, systems designed to assure achievement of its control objectives and its compliance with applicable laws and regulations.

Our Independence and Quality Control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applied Auditing Standard ASQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, Other Assurance Engagements and Related Services Engagements in undertaking this assurance engagement.

Assurance Practitioner's Responsibilities

Our responsibility is to express an opinion on the Guide Dogs Victoria's Performance Statement as evaluated against the applicable criteria. ASAE 3000 requires that we plan and perform this engagement to obtain reasonable assurance about whether the Performance Statement is free from material misstatement.

A reasonable assurance engagement in accordance with ASAE 3000 involves performing procedures to obtain evidence about the underlying internally prescribed service, people and financial performance indicators (Key Performance Indicators or KPIs). The nature, timing and extent of procedures selected depend on the assurance practitioner's professional judgement, including the assessment of the risks of material misstatement in the Performance Statement. In making those risk assessments, we considered internal control over the preparation of the Performance Statement relevant to the engagement.

Our procedures included:

- obtaining an understanding of the internal controls relevant to the Performance Statement;
- agreement of target KPIs to underlying board approval; and
- tracing KPIs to underlying supporting listings and/or other information and performing sample testing on such listings.

Inherent Limitations

Because of the inherent limitations of an assurance engagement, together with the inherent limitations of any system of internal control there is an unavoidable risk that it is possible that fraud, error, or non-compliance with laws and regulations, where there has been concealment through collusion, forgery and other illegal acts may occur and not be detected, even though the engagement is properly planned and performed in accordance with Standards on Assurance Engagements.

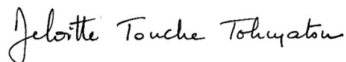
Restricted use

The applicable criteria used for this engagement was designed for a specific purpose of providing reasonable assurance to members on the Performance Statement, as a result, the subject matter information may not be suitable for another purpose.

We disclaim any assumption of responsibility for any reliance on this report to any person other than the Members or for any purpose other than that for which it was prepared.

Matters relating to electronic presentation of information

It is our understanding that Guide Dogs Victoria may publish a copy of the Performance Statement on their website. We do not accept responsibility for the electronic presentation of the Performance Statement on their website. The security and controls over information on the website is not evaluated or addressed by the independent assurance practitioner. The examination of the controls over the electronic presentation of the Performance Statement on any website is beyond the scope of this engagement.



DELOITTE TOUCHE TOHMATSU



Isabelle Lefevre
Partner
Chartered Accountants
Melbourne, 28 September 2021



We're here whenever you need us.

📍 2-6 Chandler Highway, Kew VIC 3101

☎ 1800 804 805

🌐 vic.guidedogs.com.au

Guide Dogs.

ABN 68 004 621 461