

Guide Dogs.

Guide Dogs Victoria

ABN 68 004 621 461

Victoria Financial Report

For the Year Ended 30 June 2024



Guide Dogs Victoria

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For the Year Ended 30 June 2024

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Guide Dogs Victoria

Directors' Report

30 June 2024

The Board of Guide Dogs Victoria (the Company) is pleased to present the Directors' Report for the financial year ended 30 June 2024.

PRINCIPAL ACTIVITIES

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

OBJECTIVES AND STRATEGIES

Long Term Objective

To be a leader in breaking down barriers so people can live the life of their choosing.

Strategies

To achieve this objective, the Company has adopted the following strategic priorities:

- Make a positive difference by providing a personalised Client experience
- Grow our Client reach and impact
- Transform our digital capability to drive efficiencies and maximise Client outcomes
- Deliver an accessible, vibrant, and world leading campus experience
- Be a great place to work (and volunteer) through a culture of inclusion, learning and high performance
- Strengthen financial sustainability through diversification and efficiency

PERFORMANCE MEASURES

Guide Dogs Victoria operations for the financial year in meeting its services to clients recorded a surplus of \$2.125m (30 June 2023: \$2.694M). During 2024 Guide Dogs Victoria serviced 1,251 Clients (30 June 2023: 1,272 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 \$3.028m of revenue received to go toward the campus redevelopment (30 June 2023: \$2.228m).

SUBSEQUENT EVENTS

No 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.

Guide Dogs Victoria

Directors' Report

30 June 2024

DIRECTORS' MEETINGS

The number of meetings of Directors (including Audit, Risk and Finance Committee (ARFC), Remuneration Committee (Rem Com), Nominations Committee (Nom Com), Future is in Sight Campus Redevelopment Committee (FIIS CRC), Future is in Sight Innovation Committee (FIIS IC) and the Centre of Excellence Governance Committee (CoE GC) held during the financial year, and the number of meetings attended by each Director was as follows:

	Directors Mtgs	ARFC Mtgs	Nom Com Mtgs	Rem Com Mtgs	FIIS CRC Mtgs	CoE GC Mtgs	FIIS IC Mtgs
Number of meetings held	8	5	4	2	10	2	3
David Cochrane (Chair)	7	-	4	2	9	2	-
Nick Mescher (Vice Chair)	8	-	-	-	8	2	3
Bruce Brook	7	5	-	2	8	-	-
Lisa Tepper	6	5	3	-	-	-	3
Jenna Watts (Resigned March 24)	4	-	3	-	-	-	1
Melissa Dixon	7	5	4	1	-	-	2
Malcolm Haack	7	4	-	2	9	-	-
Cameron Algie (Appointed July 23)	6	-	2	-	-	-	1
David Simmonds (Appointed June 24)	1	-	-	-	-	-	-

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)
- * Lisa Tepper
- * Melissa Dixon
- * Malcolm Haack

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

- * David Cochrane (Chair to February 24)
- * Jenna Watts (Resigned March 2024)
- * Lisa Tepper
- * Melissa Dixon (Chair from February 24)
- * Cameron Algie (Appointed February 24)

Guide Dogs Victoria

Directors' Report

30 June 2024

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

- * David Cochrane (Chair)
- * Bruce Brook
- * Lisa Tepper
- * Malcolm Haack
- * Melissa Dixon (Appointed February 24)

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)
- * Bruce Brook
- * Nick Mescher
- * Malcolm Haack

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

- * David Cochrane
- * Nick Mescher

This is a joint Committee with Guide Dogs NSW/ACT. This committee ceased operations in February 2024

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

- * Nick Mescher (Chair)
- * Lisa Tepper
- * Jenna Watts (Resigned March 2024)
- * Melissa Dixon (Resigned February 2024)
- * Cameron Algie (Appointed February 24)

COMPANY LIMITED BY GUARANTEE

Guide Dogs Victoria (GDV) 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 2024, the total amount that members of the Company are liable to contribute if the Company is wound up is \$1,180 (2023: \$1,180).

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 2024

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 2024 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:



.....

David Cochrane, Chair

Director:



.....

Bruce Brook, Chair, Audit, Risk and Finance Committee

Dated this 7th day of October 2024

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

7 October 2024

Dear Board Members

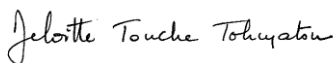
Auditor's Independence Declaration to Guide Dogs Victoria

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 2024, 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 2024

	Note	2024 \$'000	2023 \$'000
Revenue			
Fundraising and Gifts in Wills	2(a)	12,868	12,405
Fundraising for capital purposes		3,028	2,228
Revenue from the provision of dogs and orientation mobility services	2(b)	4,739	4,935
Rental revenue		209	194
Finance and investment gains	2(c)	668	1,066
Total Revenue		21,512	20,828
Expenditure			
Fundraising and Gifts in Wills		(2,929)	(3,392)
Cost of provision of dogs and mobility services	3(b)	(14,497)	(12,894)
Community information and public education	3(c)	(1,008)	(869)
Other corporate services		(953)	(979)
Total Expenditure		(19,387)	(18,134)
Surplus before income tax		2,125	2,694
Income tax expense		-	-
Surplus for the year		2,125	2,694
Other comprehensive income		-	-
Total comprehensive income for the year		2,125	2,694

The accompanying notes form part of these financial statements.

Guide Dogs Victoria

Statement of Financial Position

For the Year Ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,106	11,733
Trade and other receivables	5	1,406	1,286
Inventories	6	987	1,145
Financial assets	7	609	507
TOTAL CURRENT ASSETS		4,108	14,671
NON-CURRENT ASSETS			
Trade and other receivables	5	36	49
Financial assets	7	4,867	4,442
Property and equipment	8	34,686	22,302
Right of Use Asset	9	773	673
TOTAL NON-CURRENT ASSETS		40,362	27,466
TOTAL ASSETS		44,470	42,137
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	1,526	1,719
Provisions	11	1,214	1,176
Deferred revenue	12	398	2,095
Lease Liabilities	13	259	221
Borrowings	14	58	-
TOTAL CURRENT LIABILITIES		3,455	5,211
NON-CURRENT LIABILITIES			
Provisions	11	88	134
Lease Liabilities	13	523	455
Borrowings	14	1,942	-
TOTAL NON-CURRENT LIABILITIES		2,553	589
TOTAL LIABILITIES		6,008	5,800
NET ASSETS		38,462	36,337
ACCUMULATED FUNDS			
Reserves	15	4,800	11,751
Retained earnings		33,662	24,586
TOTAL ACCUMULATED FUNDS		38,462	36,337

The accompanying notes form part of these financial statements.

Guide Dogs Victoria

Statement of Changes in Equity

For the Year Ended 30 June 2024

	Retained Earnings \$'000	General Reserve \$'000'	Capital Reserve \$000	Total \$000
Balance at 1 July 2022	7,026	4,800	21,817	33,643
Surplus for the year	2,694	-	-	2,694
Other comprehensive income	-	-	-	-
Transfer to Capital Reserve	14,866	-	(14,866)	-
Balance at 30 June 2023	24,586	4,800	6,951	36,337

	Retained Earnings \$'000	General Reserve \$'000'	Capital Reserve \$000	Total \$000
Balance at 1 July 2023	24,586	4,800	6,951	36,337
Surplus for the year	2,125	-	-	2,125
Other comprehensive income	-	-	-	-
Transfer to/(from) Capital Reserve	6,951	-	(6,951)	-
Balance at 30 June 2024	33,662	4,800	-	38,462

The accompanying notes form part of these financial statements.

Guide Dogs Victoria

Statement of Cash Flows For the Year Ended 30 June 2024

	2024	2023
Note	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and donors	18,071	17,872
Payments to suppliers and employees	(20,938)	(18,973)
Interest received	250	6
Interest paid	(48)	(11)
'Future is in Sight' campus redevelopment donations	1,634	1,277
Receipt of government grants	1,195	1,183
Dividends received	112	126
Net cash inflows from operating activities	276	1,480
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment for property and equipment	(12,622)	(7,583)
Proceeds from sale of investment property	-	1,273
Net cash outflows in investing activities	(12,622)	(6,310)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments for leases	(281)	(355)
Proceeds from unsecured Borrowings	2,000	-
Net cash inflow / (outflows) in financing activities	1,719	(355)
Net decrease in cash and cash equivalents held	(10,627)	(5,185)
Cash and cash equivalents at beginning of year	11,733	16,918
Cash and cash equivalents at end of financial year	4 1,106	11,733

The accompanying notes form part of these financial statements.

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2024

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*. The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards – Simplified Disclosures. 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. These financial statements have been prepared on a going concern basis. The financial statements were approved by the Board of Directors and authorised for issue on the 25th September 2024.

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.

The registered office and principal place of business of the company is:

2-6 Chandler Hwy
Kew
VIC, 3101, Australia

(b) Revenue and Other Income

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 Revenue from Contracts with Customers. Otherwise, the revenue is recognised under AASB 1058 Income of Not-for-Profit Entities.

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.

Gifts 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 Will will flow to the Company and (3) the amount of the Gift in Will can be measured reliably. Gifts 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.

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 2024

1 Summary of significant accounting policies (continued)

(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 deducted 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 may be linked to support the production of these guide dogs.

Stock held for resale is measured at the lower of cost or current replacement cost, and net realisable value.

(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 2024

1 Summary of significant accounting policies (continued)

(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).

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
- 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 2024

1 Summary of significant accounting policies (continued)

(e) Financial Instruments (continued)

(ii) 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.

(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 annual leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2024

1 Summary of significant accounting policies (continued)

(f) Employee Benefits

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.

Included in employee benefits expenses are levies paid to the Portable Long Service Authority Scheme, and valuation changes to the long service leave provision and reimbursement receivable.

(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 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 and equipment are carried at the lower of cost, less accumulated depreciation and impairment losses.

All acquisitions of building 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.

Building 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 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	40 years
Equipment	3 to 10 years

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2024

1 Summary of significant accounting policies (continued)

(h) Property and Equipment (continued)

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

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

(i) 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 lives 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'.

(j) 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.

(k) 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.

(l) 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 and equipment are reviewed annually. Judgement is applied in determining the useful lives of buildings 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.

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2024

1 Summary of significant accounting policies (continued)

(m) 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

(n) 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. 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.

(o) 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.

(p) Comparative Figures

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

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2024

1 Summary of significant accounting policies (continued)

(q) 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 Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2023.

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
AASB 2021-2 Amendments to Australian Accounting Standards – <i>Disclosure of Accounting Policies and Definition of Accounting Estimates</i>	1 January 2024
AABS 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies Tier 2 and Other Australian Accounting Standards	1 January 2024
AASB 2022- 6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants' (Amendments to IAS 1)	1 January 2024
AASB 2022-8 Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments	1 January 2024

The standards or amendments listed above are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2024

	2024 \$'000	2023 \$'000
2 Revenue		
(a) Fundraising and Gifts in Wills		
Donations	4,858	4,906
Gifts in Wills	8,010	7,499
Total fundraising and Gifts in Wills revenue	12,868	12,405
(b) Revenue from provision of dogs and orientation mobility services		
Government grants for services	1,086	1,076
Provision of in-kind goods	137	124
Revenue from sale of dogs and provision of services	3,516	3,735
Total revenue from provision of dogs and orientation mobility services	4,739	4,935
(c) Finance and Investment gains		
Bank interest	250	473
Dividend income	112	144
Gain on sale of investment property	-	173
Fair value gains from investments	306	276
Total finance and investment gains	668	1,066

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2024

	2024 \$'000	2023 \$'000
3 Expenditure		
(a) Total expenditure items include		
Defined contribution plan superannuation	1,217	1,027
Employee benefits expense	10,900	9,793
Total depreciation and amortisation	1,077	908
Fundraising activities	2,929	1,056
(b) Cost of provision of dogs and orientation mobility services		
Cost of guide dog services	6,366	6,250
Decrease / (Increase) in dog inventory valuation	158	(65)
Cost of orientation mobility services	7,973	6,709
Total cost of the provision of dogs and orientation mobility services	14,497	12,894
(c) Cost of community information and public education		
General community information and public education	1,008	869
Total cost of community information and public education	1,008	869
4 Cash and Cash Equivalents		
Cash at Bank	1,105	11,732
Cash on Hand	1	1
Total Cash and Cash Equivalents	1,106	11,733

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
5 Trade and other receivables			
Current			
Trade receivables			
- Due from related parties	21	49	76
- Due from other parties		377	145
	(a)	426	221
Prepayments		106	142
Sundry receivables		311	370
Portable LSL reimbursement asset		43	73
Goods and service tax		520	480
Total trade and other current receivables		1,406	1,286

(a) Aged analysis

Trade receivables are non-interest bearing and are generally on 30 to 60 days 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	397	213
31-60 days	11	-
61-90 days	8	2
90+ days	10	6
	426	221

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 counterparty 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.

Non-Current

Portable LSL reimbursement asset	36	49
Total trade and other non-current receivables	36	49

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
6 Inventories			
Puppies and dogs in training		987	1,145
		987	1,145
<p>The amount of inventory recognised as an expense during the year ended 30 June 2024 was \$1,391k (year ended 30 June 2023: \$0.696m).</p>			
7 Financial Assets			
CURRENT			
Financial assets held at fair value through profit or loss		609	507
NON-CURRENT			
Financial assets held at fair value through profit or loss		4,867	4,442
Total	19	5,476	4,949
<p>The amount represented as current is the cash held by the Investment manager of the managed portfolio.</p>			
8 Property and equipment			
Buildings			
At cost		22,707	22,707
Less: accumulated depreciation		(4,549)	(3,984)
Total buildings	8(a)	18,158	18,723
Capital works in progress			
At cost		15,505	2,462
Less: accumulated depreciation		-	-
Total capital works in progress	8(a)	15,505	2,462
Equipment			
At cost		2,618	2,485
Less accumulated depreciation		(1,595)	(1,369)
Total Equipment	8(a)	1,023	1,116
Total property and equipment			
At cost		40,830	27,655
Less accumulated depreciation		(6,144)	(5,353)
Total property and equipment		34,686	22,302

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2024

8 Property and equipment (continued)

(a) Movements in carrying amounts

Reconciliation of the carrying amounts of property and equipment at the beginning and end of the current financial year:

	2024	2023
	\$'000	\$'000
Buildings		
Carrying amount at beginning	18,723	12,125
Transfer in from WIP	-	6,978
Depreciation expense	(564)	(380)
Net carrying value	18,159	18,723
Capital works in progress		
Carrying amount at beginning	2,462	1,973
Additions at cost	13,042	8,078
Transfer out of WIP	-	(7,461)
Disposals	-	(128)
Net carrying value	15,504	2,462
Equipment		
Carrying amount at beginning	1,116	746
Additions at cost	134	44
Transfer in from WIP	-	483
Depreciation expense	(227)	(176)
Net carrying value	1,023	1,117
Total property and equipment		
Carrying amount at beginning	22,301	14,864
Additions at cost	13,176	8,122
Disposals	-	(128)
Depreciation expense	(791)	(555)
Net carrying value	34,686	22,302

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
9 Right of use assets			
Right of use asset net carrying amount		773	673
Total Right of use assets		773	673
Right of use assets – Movement during the period			
Balance at 1 July 2023		673	364
Additions		386	623
Depreciation		(286)	(352)
Other Changes		-	38
Balance at 30 June 2024		773	673
10 Trade and other payables			
Trade payables			
- Due to third parties	(i)	1,090	952
- Due to related parties	21	37	64
		1,127	1,016
Other payables	(ii)	303	613
Superannuation payable		96	90
Total trade and other payables	20	1,526	1,719
(i) Trade payables are non-interest bearing and are generally settled on 30 to 60 day terms.			
(ii) Other payables are noninterest bearing and are generally on 30 to 90 day terms.			
11 Provisions			
Current			
Employee benefits – Long service leave		547	526
Employee benefits – Annual leave		667	650
Total current provisions		1,214	1,176
Non-Current			
Employee benefits – Long service leave		88	134
Total non-current provisions		88	134
Total Provisions		1,302	1,310

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.

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2024

12 Deferred Revenue

	2024	2023
	\$'000	\$'000
Deferred revenue – capital grants	-	1,838
Other	398	257
	<u>398</u>	<u>2,095</u>

Deferred revenue has been recognised for projects 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 Revenue from Contracts with Customers.

In 2023 deferred revenue was 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 2020 and 30 June 2019, Guide Dogs Victoria received contributions of \$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 against estimated total costs to be capitalised to complete the project). Revenue recognised from the capital grant during the year was \$1.84m (2023: \$1.43m).

13 Lease liabilities

Current	259	221
Non-current	523	455
Total lease liabilities	<u>782</u>	<u>676</u>

14 Borrowings

Unsecured Bank loan facility

Current	58	-
Non-Current	1,942	-
Total borrowings	<u>2,000</u>	<u>-</u>
Overdraft facility	3,000	-
Amount utilised	<u>(2,000)</u>	<u>-</u>
Unused overdraft facility	<u>1,000</u>	<u>-</u>

The loan is repayable in equal monthly instalments over the term of the loan which ends in April 2029. has interest payments only for the first year, with principal repayments commencing in May 2025. The loan is guaranteed by all of the present and future rights, property and undertaking of Guide Dogs Victoria.

15 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 relates to the funds to be expended in relation to the Kew site redevelopment. In the prior year the reserve was net of the revenue received through the profit and loss less the assets capitalised after completion, Work in Progress and redevelopment operational expenditure incurred.

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2024

16 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 2024, the total amount that members of the Company are liable to contribute if the Company is wound up is \$1,180 (2023: \$1,180).

17 Remuneration of Directors

Directors are not eligible to be, and have not been remunerated for their services (2023: Nil).

18 Remuneration of auditors

Amount received or due and receivable by the auditors for:

	2024 \$'000	2023 \$'000
- Audit services	50	58
- Other services	-	6
Total remuneration of auditors	50	64

19 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:

		2024 \$'000	2023 \$'000
Financial Assets			
Cash and cash equivalents	4	1,106	11,733
Trade and other receivables*	5	1,336	1,193
Financial assets designated as FVTPL	7	5,476	4,949
Total financial assets		7,918	17,875
Financial Liabilities at amortised cost			
Trade and other payables	11	1,526	1,719
Total financial liabilities		1,526	1,719

*excludes prepayments of \$106k (2023: \$142k).

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.

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2024

19 Financial Risk Management (continued)

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified as Level 1 using a fair value hierarchy, reflecting the significance of the inputs used in making the measurements. The Level 1 fair value hierarchy is defined by instruments valued at quoted prices in active markets for identical assets or liabilities.

	Level 1 \$	Total \$
Recurring fair value measurements		
2024		
Financial Assets		
Financial assets designated as FVTPL		
- shares in listed investments	2,980	2,980
- government and fixed interest securities	2,495	2,495
	<u>5,475</u>	<u>5,475</u>
2023		
Financial Assets		
Financial assets designated as FVTPL		
- shares in listed investments	2,638	2,638
- government and fixed interest securities	2,311	2,311
	<u>4,949</u>	<u>4,949</u>

20 Key Management Personnel Remuneration

The table below discloses the compensation recognised as an expense during the reporting period to those personnel with a level of authority for planning, directing and controlling the activities of the Company. The Board has determined Key Management Personnel as at 30 June 2024 will include all members of the executive as they have authority and responsibility for planning, directing and controlling the activities of the entity either directly or indirectly.

	2024 \$'000	2023 \$'000
Key Management Personnel	1,273	1,161

Guide Dogs Victoria

Notes to the Financial Statements For the Year Ended 30 June 2024

21 Related Parties

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

David Cochrane (Chair)
Nick Mescher (Vice Chair)
Bruce Brook
Lisa Tepper
Jenna Watts (Resigned March 2024)
Melissa Dixon
Malcolm Haack
Cameron Algie (Appointed July 2023)
David Simmonds (Appointed June 2024)

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.

Related Party	Sales to		Purchases from		Owing to		Owing By	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2022 \$'000
Guide Dogs Queensland	101	113	64	31	-	8	12	3
Guide Dogs NSW/ACT	677	675	425	439	37	44	25	52
Guide Dogs SA/NT	72	105	-	-	-	-	-	-
Royal Guide Dogs Australia	237	315	690	658	-	12	12	21
Total	1,087	1,208	1,180	1,128	37	64	49	76

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 terms are between 14 and 60 days.

22 Commitments

Capital commitments contracted for at the reporting date but not recognised as liabilities were as follows:

	2024 \$'000	2023 \$'000
Property and equipment Committed:	<u>246</u>	<u>7,819</u>

The total amount of capital expenditure commitments relates to the redevelopment of the Kew site.

23 Subsequent events

No 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.

Guide Dogs Victoria

Directors' Declaration

30 June 2024

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 27, are in accordance with the *Australian Charities and Not-for-profit Commission Act 2012* and:
 - (a) comply with Australian Accounting Standards Simplified Disclosures for For-Profit and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2022.
 - (b) give a true and fair view of the financial position as at 30 June 2024 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:



.....

David Cochrane, Chair

Director:



.....

Bruce Brook, Chair, Audit, Risk and Finance Committee

Dated this 7th day of October 2024

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 2024, the statement of comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and the declaration by directors.

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 2024 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

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 Directors' Report and annual report for the year ended 30 June 2024, 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 are responsible for the preparation of the financial report in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 and the ACNC Act and for such internal control as management 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.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



Isabelle Lefevre

Partner

Chartered Accountants

Melbourne, 7 October 2024