Guide Dogs QUEENSLAND

ANNUAL FINANCIAL REPORT 2018 - 2019

With generosity and dedication, miracles are made possible

GUIDE DOGS FOR THE BLIND ASSOCIATION OF QUEENSLAND
ABN 89 009 739 664
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2019

CONTENT

Directors' Report

Your Directors present this report on the financial year ended 30 June 2019.

Directors

The names of each person who has been a Director at any time during the year ended 30 June 2019 and to the date of this report are:

Mr R A Anderson, OAM	President
Ms L M Muller	Vice President
Ms L E Reynolds	Company Secretary

Dr J Vance, OAM (retired on 4 February 2019)
Dr M E Loane, AM (retired on 15 November 2018)
Mr A S Ali
Mr R J Saunders
Mr D A Jackson
Mr D P Swain (appointed on 26 February 2019)
Ms C C Herbert (appointed on 26 February 2019 and retired 17 September 2019)
Ms C A Butler (appointed on 28 March 2019)

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

Principal Activities

Guide Dogs for the Blind Association of Queensland 'the Association' is incorporated as a company limited by guarantee. The principal activity during the financial year was to provide mobility services to people in Queensland who are blind or vision impaired. The Association's tax exempt income and property is applied solely to these activities which are limited only to the extent that the Association is able to raise income and acquire property through its fundraising programmes. No significant changes in the nature of the Association's activities occurred during the financial year.

Operating Results

The surplus for the year was $484,236 (2018: $67,263). Total comprehensive income for the year was $678,973 (2018: $67,263).
The total revenue from operations for 2018/19 was $13.44 million, an increase of $1.70 million (14%) from 2017/18.
The total expenses for 2018/19 were $12.96 million, an increase of $1.28 million (11%) from 2017/18.
Our 2018/19 result has been driven by a focus on executing agreed key strategic priorities; support more people who are blind or vision impaired, diversify and grow existing income streams, improve market position and align our systems and processes to support staff to assist clients.

Review of Operations

Guide Dogs for the Blind Association of Queensland (Guide Dogs) is proud to be a trusted provider of training and mobility options for Queenslanders who are blind and vision impaired.

Guide Dogs supports people who want to remain in their homes by creating opportunities for wellness and connection within their communities. Our range of programs and services help develop the skills that empower people to live the life they choose with improved confidence and independence.

This year, a number of new initiatives have been introduced to compliment and strengthen our service offering and positively impact the lives of Queenslanders.

Directors' Report (continued)

One such initiative is the launch of our Lifestyle and Leisure Program that aims to grow self-confidence, build assurance in moving safely and grow sensory concept awareness. This program offers classes that range from self-defence, to cooking and pottery and has been a great success.

Another initiative was the construction of a sensory playground at our Bald Hills campus. This new playground has been designed to allow children with low or no vision to play and explore in a safe, fun and supportive environment while developing skills such as spatial awareness, balance and a sense of self-movement and body position (strength proprioception).

A new dog program was also launched in 2019 to maximise the use of our dogs that needed career paths other than as Guide Dogs. While still a fledgling program, the new Therapy program has already had great appeal to the wider community and to a new generation of supporters, as it allows the organisation to give our dogs a second chance at changing lives, while supporting conditions other than blindness and low vision.

Behind the scenes, work has continued in earnest on building a healthy culture for staff and volunteers within the organisation. New workplace wellness initiatives as well as a continuous improvement approach to developing robust systems, processes and improved risk management have been warmly received.

Financially, I am pleased to report that the organisation is in a very sound position, with all Budget objectives for 2018/19 having been met and our investment reserves performing well.

Finally, the Board, management and staff of GDQ would like to thank everyone who gave generously throughout the year for their support and for their part in changing the lives of Queenslanders who are blind and vision impaired for the better.

Significant Changes in State of Affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the Association that occurred during the financial year under review not otherwise disclosed in this report or the financial statements.

Events Subsequent to Balance Date

The Association has commenced the construction of an onsite Vet Clinic at its Bald Hills campus which will compliment its established breeding and training centre. A significant grant received from Hand Heart Pocket the Charity of Freemasons Queensland together with the generous contribution of our donors has made this possible. The facility is expected to reduce external vet expenses considerably whilst offering comprehensive healthcare for all our dogs. The Vet Clinic is expected to be operational in early 2020.

Other than disclosed in this report, no matters or circumstances have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Association, the results of the operations or the state of affairs of the Association in financial years subsequent to 30 June 2019.

Indemnity and Insurance of Officers

The Association has indemnified the directors and executives for costs incurred in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Association paid a premium in respect of a contract to insure the directors and executives of the Association. The contract of insurance specifies that we are unable to disclose the nature of the liabilities covered by the policy and the amount of the premium.

Directors' Report (continued)

Information on Directors

Richard Anderson OAM, President

BCom FCA FCPA
Mr Richard Anderson, OAM, joined the Board of Guide Dogs for the Blind Association of Queensland in August 1980 and has served as President since 1990. He is also a member of the Board of Guide Dogs Australia. Mr Anderson is Chairman of the Board of Data #3 Limited and a member of the Board of Lindsay Australia Limited. Formerly a partner of PricewaterhouseCoopers (PWC), Mr Anderson was the firm’s Managing Partner in Queensland and a member of the firm’s National Committee. He has also been a member of the Board of Trustees of Brisbane Grammar School and the Capital Markets Board of Queensland Treasury Corporation, President of the Brisbane Polo Club and President of CPA Australia in Queensland.

Leanne Muller, Vice President

BCom CA ASIA GAICD
Ms Leanne Muller joined the Board as a Director in April 2005 and serves as Vice President. She also chairs the Audit, Risk & Compliance Committee of the Board. Leanne is a Chartered Accountant and experienced senior finance executive having held Chief Financial Officer (CFO) (or equivalent) roles within Energex Limited (1998 – 2006), Uniting Care Queensland (2006 – 2007) and RACQ Group (2008 - 2014). Leanne also worked for PricewaterhouseCoopers (in both Brisbane and Papua New Guinea) and with the Australian Securities Commission. In addition to her role with Guide Dogs for the Blind Association of Queensland, Leanne also serves as a non-executive director of Data #3 Limited, Sugar Terminals Limited, QSuper subsidiary QInsure Limited and Peak Holdings Pty Limited (trading as Peak Services), a subsidiary of Local Government Association of Queensland.

Lynette Reynolds, Company Secretary

BCom LLB LLM
Ms Lynette Reynolds was appointed to the Board in November 2009 and serves as Company Secretary and a member of the Audit, Risk and Compliance Committee. Ms Reynolds has been a practicing solicitor for over 25 years and is a partner with law firm HWL Ebsworth Lawyers. The firm is a longstanding supporter of Guide Dogs for the Blind Association of Queensland and is its honorary legal advisor. Ms Reynolds has an extensive property and business practice including in the health and child care industry.

Raymond Saunders

Mr Ray Saunders was elected as a Director in July 2002. He served as Vice President of the Board until 30 March 2016, as well as Chairman of the Investment Committee until December 2018. Prior to his retirement, Mr Saunders was General Manager Queensland with the Commonwealth Bank of Australia. Ray followed his career in the banking and finance industry spanning some 36 years. Mr Saunders has been very active in the business community and in community work in South Australia, New South Wales and Western Australia.

Arif Ali

BCom, CPA
Mr Arif Ali was appointed as a Director to the Board in July 2010, serving on the Audit, Risk and Compliance Committee between May 2016 and December 2018. Arif joined the Association's Investment Committee in December 2018. Arif is a Certified Practicing Accountant and has been involved with the packaging industry for the last 20 years and has travelled extensively through South America, USA, South Africa, Europe and SE Asia in his employment. He has been a life member of Guide Dogs for the Blind Association of Queensland for almost a decade and has actively participated in fundraising events. Arif is currently General Manager of Bemis Australasia and a Director of Bemis Brisbane Pty Ltd, Bemis Flexible Packaging Ltd, Micris Packaging Pty Ltd, Micris Investments Pty Ltd, Sailmoss Pty Ltd and Maania Pty Ltd.

Directors' Report (continued)

Drewe Jackson

BCom, MSc Finance, CFA

Mr Drewe Jackson was appointed to the Board in August 2016, becoming Chairman of the Association's Investment Committee in December 2018. Drewe has been involved in capital markets and investment for 25 years including more than 10 years as a portfolio manager in London with Cazenove Capital and Herald Investment Management. Drewe is currently the Head of Group Investment for the RACQ Group. He sits on the advisory panel of the RACQ Foundation which assists community groups affected by natural disasters and is a member of the policy committee of the RACQ Superannuation Plan.

David Swain

RN DipBus BHlthSc MEd GAICD Wharton AMP

Mr David Swain joined the Board in February 2019 and is a member of the Audit, Risk & Compliance Committee of the Board. David's qualifications and experience span health, business, compliance, education, industrial relations and corporate governance. He has developed and managed, as a senior executive, a large and diverse range of industry leading services across seniors' care, social housing and community services. He currently consults to social purpose organisations across the country. David is a founding director and current Chair of the Community Services Industry Alliance, a member of the Community Services Reform Council, serves on Queensland Government's Child and Family Stakeholder Advisory Group and the Inclusive Brisbane Professional Advice Alliance and has previously served on several other for-purpose boards.

Corinne Butler

MPM, GAICD, FAHRI

Ms Corinne Butler joined the Board in April 2019 and serves on the Client Services Liaison Committee. Corinne has extensive experience as a Human Resource Management professional, including as a senior executive. She is a Fellow of the Australian Human Resources Institute and a past Queensland State President. Corinne currently chairs advisory boards for agriculture and manufacturing companies throughout Australia as well as working as an HR Consultant. She is a former Vice President for the Queensland Rural Regional and Remote Women’s Networking and a Graduate of the Australian Institute of Company Directors.

Directors' Report (continued)

Meetings of directors

The number of meetings of the company's Board of Directors and of each Board committee held during the year ended 30 June 2019, and the number of meetings attended by each director were:

	Full Board		Audit Committee		Investment Committee	
	Attended	Held	Attended	Held	Attended	Held
Mr R A Anderson	7	11	-	-	-	-
Ms L M Muller	7	11	3	4	-	-
Ms L E Reynolds	11	11	3	4	-	-
Mr R J Saunders	3	11	-	-	1	1
Dr J Vance, OAM	5	7	-	-	-	-
Dr M E Loane, AM	4	7	-	-	-	-
Mr A S Ali	7	11	2	2	-	1
Mr D A Jackson	9	11	-	-	1	1
Mr D P Swain	4	4	2	2	-	-
Ms C C Herbert	4	4	-	-	-	-
Ms C A Butler	2	3	-	-	-	-

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Director

Dated this 26th September 2019 in Brisbane.

Corporate Governance

Guide Dogs for the Blind Association of Queensland is committed to excellence in corporate governance, transparency and accountability. This commitment is essential for the long term performance and sustainability of our organisation and to protect and enhance the interests of our stakeholders. Our corporate governance procedures are continually reviewed to ensure they meet the Australian Standards as stated in AS 8000-2003 Good Governance Principles.

During the year, there were 10 Board of Directors meetings and our Annual General Meeting, totalling 11 meetings.

Role of the Board of Directors

The strategic direction of Guide Dogs for the Blind Association of Queensland is set by the Board. The Board's responsibility also includes oversight of the Association's financial position and monitoring its business affairs and risk. The Board delegates responsibility for the day-to-day activities to the Chief Executive Officer. Financial and investment matters are reported and discussed at each Board meeting.

Guide Dogs for the Blind Association of Queensland is committed to a process of continuous improvement. The objectives of the Audit, Risk and Compliance Committee and Investment Committee are to assist the Board in discharging its oversight responsibilities, to review reports and make recommendations to the Board. The Committees also work with management to develop a greater risk awareness and compliance culture within the organisation. The Investment Committee provides guidance and oversight for investment activities. This is to ensure the long term sustainability of the organisation.

The Board of Directors holds scheduled meetings during the year. Additional meetings are held at other times as may be necessary to address any specific matters that may arise.

Board composition

The names of the Directors of Guide Dogs for the Blind Association of Queensland including qualifications and experience are set out on pages 4 - 5.

The composition of the Board of Directors draws on varied skills, experience, knowledge and education for the benefit of the Association and its stakeholders.

Conflict of interest

In the event of a potential conflict of interest, Directors involved are required to withdraw from all deliberations concerning the matter. They are not permitted to exercise any influence over the Board members or receive relevant Board papers. Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the company.

Internal controls

As Guide Dogs for the Blind Association of Queensland is a relatively small organisation, the emphasis is placed on the Brisbane Head Office (Bald Hills) for the responsibility of enforcing policies and procedures. Forecasts of activity are continually updated in line with current performance and objectives and reported to the Board on a regular basis or as requested.

Procedures have been established at Board and Executive Management levels to ensure that transparency, reliability and integrity of financial and operational information is adhered to. Policies and procedures are in place to ensure the Association's assets and interests are safeguarded.

Executive management are responsible for identifying and managing risk through regular reviews of activities, including level of authority on financial exposure, the Association's annual insurance program and a referral process to legal counsel on contractual matters. All Directors have the opportunity to seek their own independent advice on any matter concerning the Association.

Corporate Governance (continued)

Ethical standards and performance

All Directors, Managers and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of Guide Dogs for the Blind Association of Queensland.

Directors are mindful of their responsibility to the environment.

The Annual General Meeting is held during the year for Members. The Association's activities are presented at this meeting and Members are invited to question Directors and Senior Management.

Auditors

The Board has retained external auditors to audit the annual financial statements. The Board is responsible for reviewing the adequacy of these audit arrangements and the scope and quality of the audit.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 $			2018 $		
		REVENUE	EXPENSES	NET	REVENUE	EXPENSES	NET
Fundraising	2	**10,330,300**	**4,826,194**	**5,504,106**	**8,398,432**	**4,243,309**	**4,155,123**
Services							
Client Services		535,908	3,035,163	(2,499,255)	1,171,780	3,877,057	(2,705,277)
Guide Dog services & supply		651,311	4,206,357	(3,555,045)	452,979	2,945,630	(2,492,651)
		1,187,220	**7,241,520**	**(6,054,300)**	**1,624,759**	**6,822,687**	**(5,197,928)**
Other							
Dividends & interest		1,428,372	196,209	1,232,162	970,111	194,554	775,557
Other		496,061	627,730	(131,669)	180,181	393,026	(212,845)
Gain/ Loss on financial assets at fair value through profit or loss		-	67,654	(67,654)	573,463	-	573,463
Gain/ Loss on sale of non-current assets		1,591	-	1,591	-	26,107	(26,107)
		1,926,023	**891,593**	**1,034,430**	**1,723,755**	**613,687**	**1,110,068**
Surplus before income tax				484,236			67,263
Income tax expense	1			-			-
Surplus for the year				**484,236**			**67,263**
Other comprehensive income							
Changes in the fair value of debt instruments at fair value through other comprehensive income				194,737			-
Other comprehensive income for the year				**194,737**			**-**
Total comprehensive income for the year				**678,973**			**67,263**

This financial statement should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	NOTE	2019 $	2018 $
Current assets			
Cash on hand	5	2,299,114	4,659,613
Trade and other receivables	6	803,832	621,288
Inventories on hand	7	2,643,211	2,505,324
Term deposits	8	3,750,000	1,889,397
Assets held for sale	9	394,787	-
Total current assets		**9,890,944**	**9,675,622**
Non-current assets			
Property, plant and equipment	10	5,975,708	6,074,097
Intangible assets	11	119,255	97,940
Investments	8	14,578,337	12,917,301
Total non-current assets		**20,673,300**	**19,089,338**
Total assets		**30,564,244**	**28,764,960**
Current liabilities			
Accounts payable and other payables	12	949,289	609,629
Employee provisions	13	927,580	828,091
Other liabilities	14	863,818	190,816
Total current liabilities		**2,740,687**	**1,628,536**
Non-current liabilities			
Employee provisions	13	54,817	46,657
Total non-current liabilities		**54,817**	**46,657**
Total liabilities		**2,795,504**	**1,675,193**
Net assets		**27,768,740**	**27,089,767**
Equity			
Retained surplus		27,585,842	27,089,767
Reserve	8	182,898	-
Total equity		**27,768,740**	**27,089,767**

This financial statement should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2019

	RESERVES	RETAINED SURPLUS	TOTAL
	$	$	$
Balance at 30 June 2017	**-**	**27,022,504**	**27,022,504**
Restatement of prior year balances			
Comprehensive income			
Surplus for the year	-	67,263	67,263
Other comprehensive income, net of tax	-	-	-
Total comprehensive income for the period	-	67,263	67,263
Balance at 30 June 2018	**-**	**27,089,767**	**27,089,767**
Effect of adopting AASB 9	(11,839)	11,839	27,089,767
Restate balance at 1 July 2018	**(11,839)**	**27,101,606**	**27,089,767**
Comprehensive income			
Surplus for the year	-	484,236	484,236
Other comprehensive income net of tax	-	-	-
Other comprehensive income during the year	194,737	-	194,737
Total comprehensive income for the period	**194,737**	**484,236**	**678,973**
Balance at 30 June 2019	**182,898**	**27,585,842**	**27,768,740**

This financial statement should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 $	2018 $
Cash flows from operating activities			
Receipts from contributors and grants		12,872,269	9,834,187
Payments to suppliers and employees		(12,423,953)	(11,451,066)
Dividends received		1,212,489	800,765
Interest received		81,903	101,353
Net cash inflows/(outflows) from operating activities		**1,742,708**	**(714,761)**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		6,182	12,357
Payments for property, plant and equipment and intangibles		(714,833)	(737,566)
Proceeds from sale of investment		2,402,527	7,292,843
Payments for investments		(3,936,480)	(5,854,509)
Net cash inflows/(outflows) from investing activities		**(2,242,604)**	**713,125**
Net increase/(decrease) in cash held		(499,896)	(1,636)
Cash on hand at beginning of the financial year		6,549,010	6,550,646
Cash on hand at the end of the financial year	16(a)	**6,049,114**	**6,549,010**

This financial statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

ABOUT THIS REPORT

Corporate Information

The report covers Guide Dogs for the Blind Association of Queensland ('the Association') and the economic activities as an individual entity, of a company limited by guarantee and domiciled in Australia.

The Association is a non-profit and receives a principle part of its income from donations as cash or in kind.

The Association is a deductible gift recipient (DGR).

Organisation Details

The registered office of the Association is:

Guide Dogs for the Blind Association of Queensland
1978 Gympie Rd
Bald Hills Qld 4036

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Act 2012. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the 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 stated otherwise.

The financial statements, except for the 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. The amounts presented in the financial statements have been rounded to the nearest dollar.
The financial statements were authorised for issue on 26th September 2019 by the directors of the Association.

Adoption of new and revised accounting standards

The Association has adopted all of the new or amended Accounting standards and interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these standards and interpretations did not have any material impact on the financial performance or position of the company.

AASB 9 F*inancial Instruments* replaces AASB 9 (2010) *Financial Instruments* referred to in note 8 of the financials. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for impairment of financial assets.
When adopting AASB 9, the Association has applied transitional relief and opted not to restate prior periods. Differences arising from the adoption of AASB 9 in relation to classification, measurement, and impairment are to be recognised in opening retained earnings as at 1 July 2018. The impact on retained earnings as a result of the change is disclosed in note 8 of the financials.

New accounting standards not yet effective

The following new/amended accounting standards and interpretations have been issued, but are not mandatory for financial year ended 30 June 2019. They have not been adopted in preparing the financial statements for the year ended 30 June 2019 and may impact the entity in the period of initial application. In all cases the entity intends to apply these standards from application date as indicated below.

AASB 15 Revenue from Contracts with Customers

The Association has adopted AASB 15 from 1 July 2019. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

AASB 1058 Income for Not-for-Profit (NFP) Entities

AASB 1058 establishes principles and guidance when accounting for:

- Transactions where the consideration to acquire an asset is significantly less than the fair value, principally to enable a NFPs to further its objectives, and
- The receipt of volunteer services.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

AASB 1058 supersedes all current income recognition requirements for private sector NFPs, and most of the requirements for public sector NFPs currently contained in AASB 1004 Contributions.

AASB 16 Leases

Except for short-term leases (less than 12 months from commencement date, including extension options), and ‘low value’ items, all leases will be capitalised in the financial statements by recognising a ‘right-of-use’ asset and a lease liability for the present value of the obligation. This means that we will no longer see straight-line ‘rental’ expense in profit or loss (except for short-term leases and low value items).

All leases will incur a frontend loaded expense, comprising depreciation on the right-of-use asset, and interest on the lease liability. When initially measuring the right-of-use asset and lease liability, non-cancellable lease payments (including inflation-linked payments), as well as payments for option periods which the entity is reasonably certain to exercise, must be included in the present value calculation.

There will be no change to the accounting treatment for short-term leases less than 12 months and leases of low value items, which will continue to be expensed on a straight-line basis. No changes to accounting for entities as a lessor, as it retains the accounting for operating and finance leases for lessors.

As per modified retrospective approach, adjustment will be made to the opening retained earnings at the date of initial application on 1 July 2019 and the impact of its adoption has been assessed as not material.

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

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

Critical accounting estimates and judgments

The Board of Directors evaluates estimates and judgments 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 Association.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to assumptions about future usage and obsolescence.

Long service leave
The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

NOTE 2: REVENUE
Revenue and Other Income

	2019 $	2018 $
Revenue		
Fundraising		
Donations from corporate & community	3,436,830	2,640,935
Bequests	4,966,268	3,805,318
Art union / telemarketing	1,054,661	1,320,640
Donations and appeals	872,541	631,539
	10,330,300	8,398,431
Client services	535,908	1,171,780
Guide Dog services & supply	651,311	452,979
Dividends and interest	1,428,372	970,111
Other income	497,652	180,181
Gain on financial assets at fair value through profit or loss	-	573,463
	13,443,543	11,746,946

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Accounting Policy

Revenue recognition

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Association and the amount of the grant can be measured reliably.

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

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor; otherwise grant is recognised as income on receipt.
The Association receives non-reciprocal contributions of assets from third parties for zero or nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations and bequests

Donations and bequests are recognised as revenue when received.
Telemarketing sales are recorded when goods have been dispatched and the associated risks are passed to the purchaser.

Interest
Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from rendering of a service is recognised upon the delivery of the service to the customer.

Other revenue is recorded on receipt of cash relating to the transaction.
All revenue is stated net of the amount of goods and services tax.

Goods and services tax (GST)

Revenues are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). GST received during the financial year is stated at gross amounts in the Statement of Cash Flows and is included in receipts from operating activities.

NOTE 3: OPERATING EXPENSES

	2019 $	2018 $
Loss on sale of non – current assets	-	26,107
Rental expenses	123,349	118,062
Repairs & maintenance	130,463	147,188
Printing and stationery	139,483	165,203
Legal expenses	23,126	336,569
Depreciation & amortisation	631,729	643,994
Movement in value of inventory of Guide Dogs in training	6,775	(50,268)

Accounting Policy

Goods and services tax (GST)

Expenses are recognised net of the amount of GST. GST paid during the financial year is stated at gross amounts in the Statement of Cash Flows and is included in payments to suppliers.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 4: AUDITOR'S REMUNERATION

	2019 $	2018 $
Amount paid to BDO Audit Pty Ltd for:		
Audit of the financial statements	41,500	40,500
Other audit related services	8,300	8,000
	49,800	48,500

NOTE 5: CASH AND CASH EQUIVALENTS

	2019 $	2018 $
Cash on hand	4,600	3,500
Cash at bank	2,294,514	4,656,113
	2,299,114	4,659,613

Accounting Policy

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and deposits at call or other short-term highly liquid investments, which are subject to insignificant risks of changes in their value.

NOTE 6: TRADE AND OTHER RECEIVABLES

	2019 $	2018 $
Debtors	76,587	44,633
Other receivables	405,900	279,269
GST receivable	33,462	32,357
Trade and other receivables at amortised cost	515,949	356,259
Prepayments	225,633	194,588
Bartercard	124,499	140,880
Provision for impairment	(62,249)	(70,440)
	803,832	621,288

Accounting Policy

Trade and other receivables at amortised cost include amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

Receivables in the Statement of Financial Position are shown inclusive of GST. GST received during the financial year is stated at gross amounts in the Statement of Cash Flows and is included in receipts from operating activities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 7: INVENTORIES

	2019 $	2018 $
Trading inventory	198,937	67,275
Guide Dogs in training	2,444,274	2,438,049
	2,643,211	2,505,324

Accounting Policy

Trading Inventories are measured at the lower of cost and current replacement cost. Cost has been determined by the average cost method.

Inventories acquired at no cost, or for nominal consideration, are valued at the current replacement cost as at the date of acquisition.

Guide Dogs in training are valued at cost determined by reference to on-going direct cost of nurturing and training the dogs to their current stage of development.

NOTE 8: INVESTMENTS

Financial assets at amortised cost

	2019 $	2018 $
Current		
Term deposits - 31 days plus	750,000	-
Term deposits - 60 days plus	3,000,000	1,889,397
	3,750,000	**1,889,397**

	2019 $	2018 $
Financial assets at fair value through other comprehensive income		
Debt instruments	5,345,273	-
	5,345,273	**-**
Financial assets at fair value through profit of loss		
Direct equity investments and managed funds	9,233,064	-
Financial assets at fair value through profit of loss	-	12,917,301
	9,233,064	**12,917,301**
Total investments	**14,578,337**	**12,917,301**

Accounting policy

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs.

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

- Amortised cost;
- Fair value through profit or loss (FVTPL);
- Debt instruments at fair value through other comprehensive income (FVTOCI).

Classifications are determined by both:

- The entities business model for managing the financial asset;
- The contractual cash flow characteristics of the financial assets.

Financial assets that are measured at fair value, are measured at fair value on an ongoing basis.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

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

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group’s cash and cash equivalents, trade and most other receivables fall into this category of financial instrument as well as long-term deposits.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

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

Financial assets that are held within a different business model other than ‘hold to collect’ or ‘hold to collect and sell’ are categorised at fair value through profit and loss. Further, irrespective of business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. This category includes direct equity and managed fund investments.

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

Investments in debt instruments that are held to collect cash flow and sell at the right time are to be measured at FVTOCI.
Under Debt FVTOCI, subsequent movements in fair value are recognised in other comprehensive income and are reclassified to profit or loss on disposal. This category includes bonds and capital notes that were previously classified as financial assets at FVTPL under AASB 9 (2010).

Reconciliation of investments on the adoption of AASB 9

Guide Dogs Queensland early adopted AASB 9 effective 1 July 2014. The version of AASB 9 applicable at that time was AASB 9 (2010) and did not contain FVTOCI as a category of financial assets. The current version of AASB 9 applied for the first time on 1 July 2018 and resulted in the company being required to reclassify its investments in bank and corporate notes from FVTPL to FVTOCI. At 1 July 2018 this resulted in $3,660,036 being reclassified from investments at FVTPL to investments at FVTOCI. It also resulted in the $11,389 fair value loss on these investment to date being reclassified from retained surplus to the financial assets at FVTOCI reserve.

NOTE 9: ASSETS HELD FOR SALE

	2019 $	2018 $
Property, plant and equipment	394,787	-
	394,787	-

Accounting Policy

Non-current assets are classified as held for sale if it is highly probable that the carrying amount will be recovered principally through a sale transaction rather than through continuing use.

These assets are measured at the lower of its carrying amount and fair value less costs to sell.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 10: PROPERTY, PLANT & EQUIPMENT

	2019 $	2018 $
Property, plant and equipment		
Land, buildings and improvements		
Freehold land		
At cost	381,312	381,312
Buildings and improvements		
At cost	6,377,814	6,482,798
Accumulated depreciation	(2,018,089)	(1,955,053)
	4,359,725	4,527,745
Total land, buildings and improvements	**6,759,126**	**6,864,110**
Total accumulated depreciation	**(2,018,089)**	**(1,955,053)**
Total land, buildings and improvements	**4,741,037**	**4,909,057**
Plant and Equipment		
Furniture, fixtures and fittings - at cost	532,179	491,413
Accumulated depreciation	(372,649)	(287,802)
	159,530	203,611
Office plant and equipment - at cost	1,086,306	817,036
Accumulated depreciation	(612,527)	(490,553)
	473,779	326,483
Motor vehicles - at cost	997,629	886,530
Accumulated depreciation	(732,028)	(694,583)
	265,601	191,947
Promotional equipment - at cost	577,774	577,774
Accumulated depreciation	(427,074)	(338,783)
	150,700	238,991
Capital works in progress	185,061	204,008
Total plant and equipment	**3,378,950**	**2,976,761**
Accumulated depreciation	**(2,144,278)**	**(1,811,721)**
Total plant and equipment	**1,234,672**	**1,165,040**
Total property, plant and equipment	**10,138,076**	**9,840,871**
Accumulated depreciation	**(4,162,367)**	**(3,766,774)**
Total property, plant and equipment	**5,975,708**	**6,074,097**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Property, plant and equipment (continued)

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are set out below:

2019	*Freehold land*	*Building & improvements*	*Furniture fixtures & fittings*	*Office plant & equipment*	*Motor vehicles*	*Promotional equipment*	*Work in Progress*	*Total*
Carrying amount at 1 July 2018	**381,312**	**4,527,745**	**203,611**	**326,483**	**191,947**	**238,991**	**204,008**	**6,074,097**
Additions	-	-	40,767	289,545	168,198	-	212,927	711,437
Transfer to Buildings and improvements	-	148,744	-	-	-	-	(148,744)	-
Transfer to Intangibles	-	-	-	-	-	-	(72,330)	(72,330)
Assets held for sale and other disposals	-	(144,787)	-	(4,591)		-	(10,800)	(160,178)
Depreciation	-	(171,977)	(84,848)	(137,658)	(94,544)	(88,291)	-	(577,318)
Carrying amount at 30 June 2019	**381,312**	**4,359,725**	**159,530**	**473,779**	**265,601**	**150,700**	**185,061**	**5,975,708**

Accounting Policy

Each class of property, plant and equipment is carried at cost or fair value as indicated, less where applicable, accumulated depreciation and any impairment losses.

The carrying amount of property, plant and equipment is reviewed annually by management to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Property, plant and equipment that have been contributed at no cost, or for nominal cost are initially recognised and measured at the fair value of the asset at the date it is acquired.

Depreciation of property, plant and equipment

The depreciable amount of all fixed assets including buildings, but excluding freehold land is depreciated on a straight line basis over the asset's expected useful life to the Association commencing from the time the asset is available for use.
For building and improvements, different depreciation rates are used depending on the type of the asset.

Class of fixed asset	Useful life
Buildings and improvements	10, 20 & 40
Office plant and equipment	5 – 10
Furniture fixtures and fittings	5 – 10
Promotional equipment	5
Motor vehicles	4

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Property, plant and equipment (continued)

Impairment of non-financial assets

At the end of each reporting period, the Association reviews the carrying values of its non-financial assets 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.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the current replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an individual assets, the Association estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

Recoverable amount of non-current assets

The recoverable amount of an asset is the net amount expected to be recovered through the cash inflows and outflows arising from its continued use and subsequent disposal.

Where the carrying amount of a non-current asset is greater than its recoverable amount, the asset is written down to its recoverable amount. Where net cash inflows are derived from a group of assets working together, recoverable amount is determined on the basis of the relevant group of assets.

NOTE 11: INTANGIBLE ASSETS

	2019 $	2018 $
Intangible assets		
Software at cost	753,333	677,607
Accumulated amortisation	(634,078)	(579,667)
	119,255	97,940

Reconciliation of intangible assets at the beginning and end of the current financial year is set out below:

	2019	2018
Carrying amount at 1 July	97,940	159,447
Additions	3,396	2,000
Transfer from work in progress	72,330	-
Amortisation	(54,411)	(63,507)
Carrying amount at 30 June	119,255	97,940

Accounting Policy

Software is recorded at cost. It has a finite life and is carried at cost less accumulated amortisation and any impairment losses.

Software has an estimated useful life of between one and five years. It is assessed annually for impairment.

Expenditure capitalised comprises of costs directly attributable to the development of the software.

Amortisation is calculated on a straight line basis over the expected useful life of the software. Amortisation is recognised once the asset is available for use.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 12: TRADE AND OTHER PAYABLES

	2019 $	2018 $
Trade creditors	255,438	187,263
Accruals	690,762	396,856
GST payable	3,089	25,510
	949,289	609,629

Accounting Policy

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

NOTE 13: PROVISIONS

Provisions are recognised when the entity 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.

Employee provisions

	2019 $	2018 $
Current		
Provision for annual leave	509,970	418,306
Provision for long service leave	417,610	409,785
	927,580	828,091
Non-Current		
Provision for long service leave	54,817	46,657

Accounting Policy

Short-term employee benefits

Provision is made for the Association'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 and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Association's obligations for short-term employee benefits such as wages and salaries are recognised as part of accounts payable and other payables in the statement of financial position.

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 remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee expenses.

The Association'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 employee provisions.

Superannuation

Contributions are made by the Association to an employee superannuation fund and charged as expenses when incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 14: OTHER LIABILITIES

	2019 $	2018 $
Unearned income	863,818	190,816

NOTE 15: COMMITMENTS

Operating lease commitments

Future minimum lease payments due to non cancellable property operating leases.

	2019 $	2018 $
Operating leases:		
0 – 1 Year	168,969	168,912
1 – 2 Years	136,873	107,623
2 – 5 Years	308,055	159,719
	613,897	436,254

Accounting Policy

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases.

Operating lease payments are recognised as an expense in the profit or loss on a straight-line basis over the lease term.

Capital commitments	2019 $	2018 $
Building works	-	-

NOTE 16: NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2019 $	2018 $
Cash at bank	2,294,514	4,656,113
Cash on hand	4,600	3,500
	2,299,114	4,659,613
Capital investment funds	3,750,000	1,889,397
Cash balance as per cash flows statement	6,049,114	6,549,010

(b) There are no non-cash financing or investing activities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 17: FINANCIAL INSTRUMENTS

The Association's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.

Financial assets	**Note**	**2019 $**	**2018 $**
Cash and cash equivalents	16a	6,049,114	6,549,010
Trade and receivables at amortised cost	6	515,949	356,259
Investments	8	14,578,337	12,917,301
Total financial assets		21,143,400	19,822,570
Financial liabilities			
Financial liabilities at amortised cost:			
Trade and other payables at amortised cost	12	949,289	609,629
Total financial liabilities		949,289	609,629

Refer to Note 8 for detailed disclosures regarding the fair value measurement of the Association's available-for-sale assets.

NOTE 18: KEY MANAGEMENT PERSONNEL COMPENSATION

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, is considered key management personnel (KMP).

The totals of remuneration paid to KMP of the Association during the year are as follows:

	2019 $	**2018 $**
Remuneration including reportable fringe benefits	759,141	748,923

The names of persons who were directors of the Association at any time during the financial year are as follows:

Mr R A Anderson OAM	President
Ms L M Muller	Vice President
Ms L E Reynolds	Company Secretary
Mr R J Saunders	
Dr J Vance, OAM	
Dr M E Loane, AM	
Mr A S Ali	
Mr D A Jackson	
Mr D P Swain	
Ms C C Herbert	
Ms C A Butler	

For the year ended 30 June 2019, no remuneration was paid to the Directors of the Association (2018: $0).

Ms Reynolds is a partner of HWL Ebsworth Lawyers, which has provided probono professional services with a value of $11,368 (2018: $6,416) and fee matters of $1,064 (2018: $304,800) in respect of legal services provided in the ordinary course of business to the Association.

Other key management personnel

Mr M Kightley	Chief Executive Officer
Ms F Karydis	Chief Financial Officer
Mr J Beveridge	General Manager Community Engagement
Mr J Hanrahan	General Manager Client Engagement (15 October 2018 - 28 June 2019)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 19: LIMITED LIABILITY

The Company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. 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 obligations of the entity. At 30 June 2019, the total amount that members of the company are liable to contribute if the company wound up is $3,020. (2018: 3,020).

NOTE 20 EMPLOYEE NUMBERS	2019	2018
Number of employees at the end of financial year	130	119

NOTE 21: INVESTMENT IN WHOLLY OWNED SUBSIDIARIES

The Association wholly owns the one issued share in each of the following companies:

Australian Guide Dogs Pty Ltd (formerly Guide Dogs Australia Pty Ltd)

Guide Dogs Pty Ltd

The companies have not traded and have no assets or liabilities apart from the one issued share.

NOTE 22: EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Association, the results of the operations or the state of affairs of the Association in financial years subsequent to 30 June 2019.

NOTE 23: CONTINGENT LIABILITIES AND ASSETS

The directors are not aware of any contingent liabilities or contingent assets as at reporting date.

DIRECTORS' DECLARATION

The directors of Guide Dogs for the Blind Association of Queensland declare that, in the directors' opinion:

1 The financial statements and notes as set out on pages 9 to 25 are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:

a. complying with the Australian Accounting Standards - Reduced Disclosure Requirements (including the Australian Accounting Interpretations and the Australian Charities and Not-for-profits Commission Regulation 2013 ; and

b. give a true and fair view of the financial position of the registered entity as at 30 June 2019 and of its performance for the year ended on that date.

2 There are reasonable grounds to believe that Guide Dogs for the Blind Association of Queensland will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the Australian Charities and Not-for-Profit Commission Regulation 2013.

On behalf of the directors by:

______________________________ Director
Dated this 26th September 2019 in Brisbane.

BDO

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INDEPENDENT AUDITOR'S REPORT

To the members of Guide Dogs for the Blind Association of Queensland

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Guide Dogs for the Blind Association of Queensland (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the Director's declaration.

In our opinion the accompanying financial report of Guide Dogs for the Blind Association of Queensland, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(i) Giving a true and fair view of the company's financial position as at 30 June 2019 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 company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to 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

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the directors' report for the year ended 30 June 2019, 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 accordingly 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 on the other information obtained prior to the date of this auditor's report, 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 director for the Financial Report

The Directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the company's financial reporting process.

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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

BDO

A J Whyte
Director

Brisbane, 26 September 2019