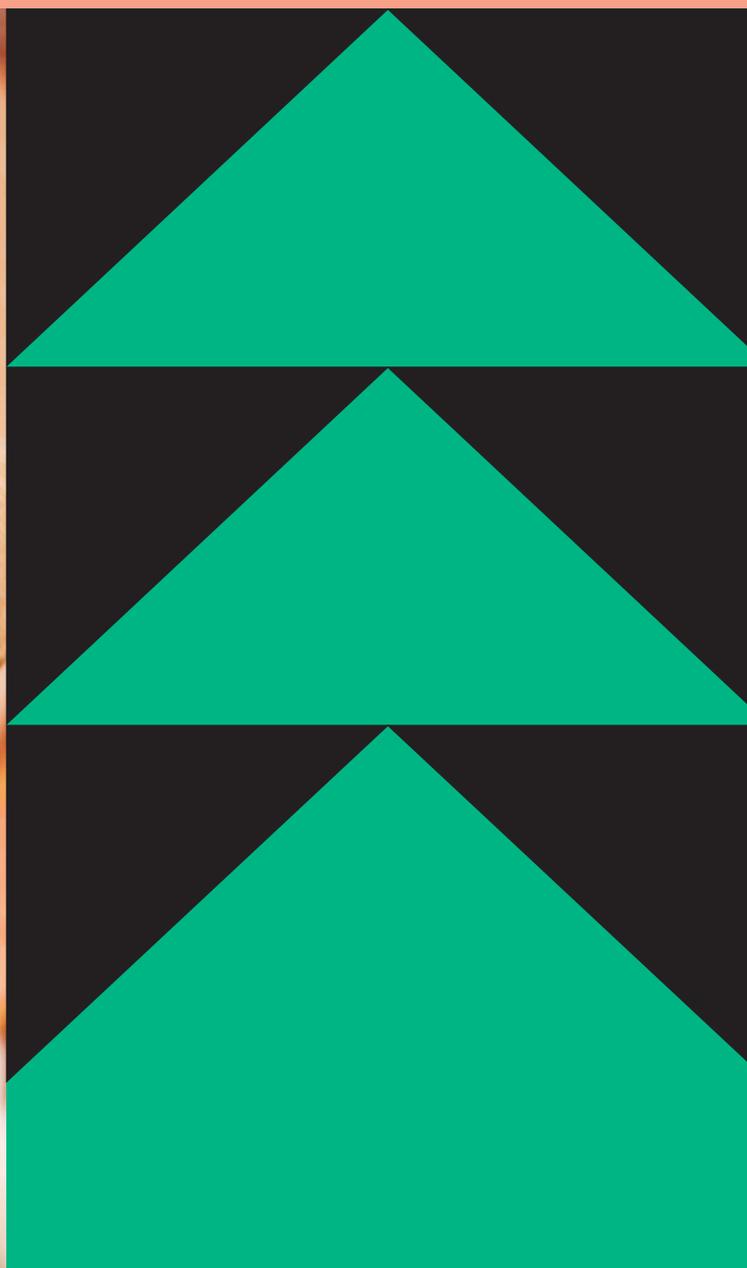


Guide Dogs.

For the Financial Year
Ended 30 June 2021

NSW/ACT Financial Report



GUIDE DOGS NSW/ACT

ABN 52 000 399 744

Financial Report for the Financial
Year Ended 30 June 2021

GUIDE DOGS NSW/ACT

FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

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These financial statements cover the consolidated entity consisting of Guide Dogs NSW/ACT and its subsidiary, Centre for Eye Health Limited. These financial statements are presented in Australian currency.

Guide Dogs NSW/ACT is a company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is: 2-4 Thomas Street, Chatswood, NSW, 2067.

These financial statements were authorised for issue by the directors on 25 October 2021. The directors have the power to amend and reissue the financial statements.

GUIDE DOGS NSW/ACT

FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

DIRECTORS' REPORT

Your directors present their report on the consolidated entity (referred to hereinafter as the Group) consisting of Guide Dogs NSW/ACT and the entity it controlled at the end of or during the financial year ended 30 June 2021.

The following persons were directors and officers of the company at any time during, or since the end of, the year. Unless otherwise stated, the Director was in office for the whole of the financial year and up to the date of this report. All directors are in a non-executive capacity.

Kieran Lane, Chairman

LLB Hons, LLM

Non practising Solicitor and a former tax partner at KPMG. Joined the Board in 2012 in a non-executive capacity. Kieran has 20 years' experience at KPMG in several senior management positions including serving as an elected member of the KPMG Board for 6 years. Past activities include acting as a member of the St Joseph's College Finance Committee and a Vice President of the Australia China Business Council. Kieran is a member of the Finance, Audit & Risk Management and the Nomination & Remuneration Sub-Committees.

Preeti Bajaj (resigned 26 July 2021)

BA, MBA, MAppFin

Non-Executive Director. She is currently Chief Executive Officer of Adecco Group and Managing Director of Modis Australia. Joined the Board in October 2019. Preeti brings to the Board diverse skills in senior management and operational roles at leading ASX listed and global organisations, particularly the fast-moving consumer goods, digital and technology sectors. Prior to that she was Chief Executive Office at Clipsal Solar, a venture by Schneider Electric Global, and also held senior roles at Metcash Trading Ltd and Brookfield Global Integrated Solutions. Preeti has received various awards, including the AFR Young Executive of the Year.

James Bennett OAM

B Eng

Mechanical Engineer and self-employed business consultant (Disability Services Auditor). Joined the Board in 2011. James is a client, an experienced Guide Dog user and an advocate for those who are blind or vision impaired. He was awarded the Order of Australia Medal in 2017 for services to the blind and low vision community. He also sits on several Advisory Committees with the National Disability Services covering Open Employment and Australian Disability Enterprises. James is a member of the Corporate Governance Sub-Committee and Finance, Audit and Risk Management Sub-Committee.

Zorana Bull (resigned 1 November 2020)

MA (Eng, Econ & Mgmt), FAICD

Founding Director of Altura Partners. Joined the Board in 2010. Zorana has over 25 years of experience in strategy development, operational performance improvement and organisational change. She was previously a Partner with leading global consultancy PA Consulting Group and Chief Operating Officer of the Australian business. Zorana is a Non-Executive Director with Port Authority of NSW, Healthshare NSW and AirRoad Pty Ltd. She was previously a Non-Executive Director with Moorebank Intermodal Company Limited and Fancy Engineering Ltd. Zorana is a member of the Finance, Audit & Risk Management Sub-Committee.

GUIDE DOGS NSW/ACT

FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

DIRECTORS' REPORT (continued)

Ian Jamieson

BCom (Mktg), CPM (AMI), MAICD

Strategic marketing consultant and co-founder of business strategy consultancy firm Marketing Initiatives. Joined the Board in 2008. Ian has over 30 years of experience in marketing and business strategy development, including corporate positions and managing his own consultancy business. He is a Fellow of the Australian Marketing Institute. Ian is Chairman of the Nomination & Remuneration Sub-Committee and a member of the Corporate Governance Sub-Committee.

Jacqui Jones

B.Ec (Soc Sci), M.A., Grad Dip Ed, MAICD

Executive Director, Constellation Project, PwC. Joined the Board in 2018. Jacqui has more than 25 years' experience working across the private and not-for-profit sectors to improve outcomes for people in education and homelessness. She is a member of the Nomination & Remuneration Sub-Committee and the Board representative member of the Guide Dogs NSW/ACT Customer Advisory Panel.

Steven Kouris

B.Ec/LLB, LLM

Lawyer and commercial advisor. Joined the Board in 2010. Steven has extensive corporate governance and leadership, strategic planning and risk management expertise as a non-executive director and board committee member across the health, housing and not-for-profit sector, and augments this with commercial and legal expertise in private, corporate and government practice. He has worked for major national law firms such as King & Wood Mallesons and Allens, advised government departments, and has substantial expertise in major projects, infrastructure and development, building and construction, and property. He is Chairman of the Corporate Governance Sub-committee. He is also a non-executive director of the Centre for Eye Health Limited, and a non-executive director of EIS Health Limited (the primary healthcare network for Central & Eastern Sydney) where he chairs the Finance and Audit & Risk Committee.

Robin Low

BCom, FCA, GAICD

Non-Executive Director. She is a non-executive director and is on the board of four listed companies Appen Limited, AUB Group Limited, IPH Limited and Marley Spoon AG and serves as chair of their audit or audit and risk committees. She is also on the board of the Sax Institute and is a member of the University of New South Wales Audit Committee. Joined the Board in June 2019. Robin brings broad sector experience across financial services, technology, medical research funding, mergers and acquisitions and governance and risk. Robin's executive career was with PWC where she was a partner specialising in audit and risk and led a practice area. She is a past deputy chairman of the Auditing and Assurance Standards Board. Robin has a personal love of dogs, volunteering weekly with her dog, Daphne, at a dementia respite care facility. Robin has been Chair of the Finance, Audit and Risk Management Sub-Committee since November 2019.

Darryl Newton

BCom, CA, GAICD

Non-Executive Director. Joined the Board in October 2019. Darryl has had an extensive and varied executive career in accounting, consulting, and finance and risk management roles. He was a partner at Ernst & Young (EY) for 14 years specialising in financial services. After leaving EY, Darryl held senior management roles at Westpac, Bank of Queensland and, most recently, Australia Post. Currently, in addition to Guide Dogs, Darryl is a Non-Executive Director at ING Bank (Australia) Limited and Chair of its Audit Committee as well as Non- Executive Director and Chair of The Centre for Eye Health Limited. He is also a member of the Finance, Audit and Risk Management Sub- Committee.

GUIDE DOGS NSW/ACT

FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

DIRECTORS' REPORT (continued)

Directors' Meetings

The number of meetings of the Group's board of directors held during the year ended 30 June 2021, and the numbers of meetings attended by each director were:

Board of Directors	Board Meetings eligible to attend	Board Meetings attended	Finance, Audit & Risk Management Committee Meetings eligible to attend	Finance, Audit & Risk Management Committee Meetings attended
Kieran Lane	8	7	5	4
Preeti Bajaj	8	6	-	-
James Bennett OAM	8	4	2	2
Zorana Bull	4	4	2	2
Ian Jamieson	8	7	-	-
Jacqui Jones	8	8	-	-
Steven Kouris	8	8	-	-
Robin Low	8	8	5	5
Darryl Newton	8	8	5	5

Board of Directors	Nomination & Remuneration Committee Meetings eligible to attend	Nomination & Remuneration Committee Meetings attended	Corporate Governance Committee Meetings eligible to attend	Corporate Governance Committee Meetings attended
Kieran Lane	4	4	-	-
Preeti Bajaj	-	-	-	-
James Bennett OAM	-	-	1	-
Zorana Bull	-	-	-	-
Ian Jamieson	4	4	1	1
Jacqui Jones	4	4	-	-
Steven Kouris	-	-	1	1
Robin Low	-	-	-	-
Darryl Newton	-	-	-	-

Objectives and Strategies

(a) Short Term Objectives

Provide quality and customised orientation and mobility (O&M) services for people with impaired vision in New South Wales (NSW) and the Australian Capital Territory (ACT) including the training and provision of Guide Dogs. To provide a state-of-the-art eye imaging and diagnostic services to the general public of NSW and the ACT. Both services are provided at no cost to the client. Since the outbreak of COVID-19 in early 2020 the group has fast tracked the provision of tele-practice services to clients.

(b) Long Term Objectives

Expand the provision of appropriate services to people with impaired vision in NSW and the ACT especially focusing on guide dogs, assistive technology, vision loss in children, neurological vision loss, low vision and independent living skills. Work with related guide dog and vision agencies across Australia and worldwide to improve the quality and breadth of the services provided. Reduce the incidence of preventable vision loss amongst the population of NSW and ACT through the provision of eye imaging and diagnostic testing services. Enhance the training and education of optometrists and enable increased research activity using the data collected by the Centre for Eye Health (CFEH).

GUIDE DOGS NSW/ACT

FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

DIRECTORS' REPORT (continued)

Objective and Strategies (continued)

(c) Strategies

The Group operates within a strategic framework which is reviewed by the Board each year. The current Strategic Plan covers the period to 2022. Through diversification and growth of our revenue streams to achieve financial sustainability, and investment in our people and processes, we aim to increase client satisfaction and support more people who are blind or have a vision impairment to live the life they choose.

(d) Measuring performance

Performance is primarily measured in terms of services delivered – being mobility services (including guide dogs) to the vision impaired and clients assessed by CFEH. Services delivered, referrals, waiting lists and waiting times are monitored. Other key deliverables measured include advocacy and community education for the vision impaired and, at CFEH, education of eye practitioners is also relevant. The final key measure is sustainability which primarily involves measuring and tracking financial Key Performance Indicators, staff and client satisfaction and brand health.

Financial Performance and Results

For the year ended 30 June 2021, the Group operations resulted in a surplus of \$8,686,032 (2020: restated surplus of \$29,173,795) and Group revenue and other income for the year of \$45,339,152 (2020: \$67,764,192). The decrease in revenue and surplus is as a result of the reduction in bequest income combined with the sale of the Chatswood building in FY20 which resulted in a profit of \$17,486,800.

Auditor's Independence Declaration

A copy of the Auditor's independence declaration, obtained as required by section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* is set out on page 5.

This report is made in accordance with a resolution of directors.



Kieran Lane
Chairman

Sydney, NSW
25 October 2021

Auditor's Independence Declaration

We declare that, to the best of our knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit of the financial report of Guide Dogs NSW/ACT for the year ended 30 June 2021.

This declaration is in relation to Guide Dogs NSW/ACT and the entity it controlled during the period.



Sydney, NSW
25 October 2021

HLB Mann Judd
Chartered Accountants

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Independent Auditor's Report to the Members of Guide Dogs NSW/ACT

Opinion

We have audited the financial report of Guide Dogs NSW/ACT ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of comprehensive income, the consolidated statement of changes in accumulated funds and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

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

In accordance with the provisions of the *Charitable Fundraising Act 1991* and the regulations thereto, any money received as a result of fundraising appeals conducted during the financial year has been properly accounted for and applied with the following provisions:

- (a) the financial report shows a true and fair view of the financial result of fundraising appeals for the year to which they relate;
- (b) any money received as a result of fundraising appeals conducted during the year ended 30 June 2021 has been properly accounted for and applied in accordance with the *Charitable Fundraising Act 1991* and the Regulations thereto;
- (c) the financial reports and associated records have been properly kept during the financial year in accordance with the provision of the *Charitable Fundraising Act 1991* and the Regulations thereto; and
- (d) at the date of this statement there are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due.

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 Group in accordance with the auditor independence 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 confirm that the independence declaration required by Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to those charged with governance, would be in the same terms if given as at the time of this auditor's report.

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

Information Other than the Financial Report and Auditor's Report Thereon

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

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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, 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 Directors for the Financial Report

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as management determines 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, management is responsible for assessing the Group'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 management either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Group'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 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Group'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 Group 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.

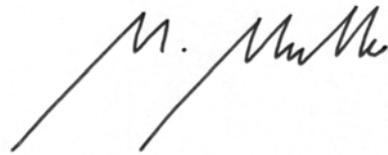
We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



**HLB Mann Judd
Chartered Accountants**

**Sydney, NSW
26 October 2021**



**M D Muller
Partner**

GUIDE DOGS NSW/ACT

PRINCIPAL OFFICER DECLARATION – CHARITABLE FUNDRAISING ACT 1991

I, Dale Cleaver, Chief Executive Officer of Guide Dogs NSW/ACT declare that in my opinion:

- (a) the attached consolidated financial statements give a true and fair view of all income and expenditure of Guide Dogs NSW/ACT and its controlled entity. The accompanying notes give a true and fair view of all income and expenditure of Guide Dogs NSW/ACT with respect to fundraising appeals; and
- (b) the Statement of Financial Position gives a true and fair view of the state of affairs with respect to fundraising appeals; and
- (c) the provisions of the Charitable Fundraising Act, 1991, and the regulations and the conditions attached to the authority to fundraise have been complied with; and
- (d) the internal controls exercised by Guide Dogs NSW/ACT and its controlled entity are appropriate and effective in accounting for all income received and applied from any fundraising appeals; and
- (e) accounts and associated records have been properly kept during the year in accordance with this Act; and
- (f) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.



Dale Cleaver
Chief Executive Officer

Sydney, NSW
25 October 2021

GUIDE DOGS NSW/ACT

DIRECTORS' DECLARATION

The directors declare that in the directors' opinion:

- (a) there are reasonable grounds to believe that the company is able to pay all of its debts, as and when they become due and payable; and

- (b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.



Kieran Lane
Chairman

Sydney, NSW
25 October 2021

GUIDE DOGS NSW/ACT

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

		Consolidated	
	Notes	2021 \$	Restated* 2020 \$
Revenue and other income			
Revenue from continuing operations	4(a)	40,495,314	51,896,662
Net gain/(loss) on disposal of non-current assets	4(b)	37,492	(97,388)
Net gain/(loss) on financial assets including the fair value movement through profit & loss	4(b)	4,806,346	(1,521,882)
		<u>45,339,152</u>	<u>50,277,392</u>
Expenses			
Client service costs		(23,510,145)	(24,352,914)
Community education and advocacy		(128,855)	(99,117)
Fundraising overheads including:			
- Fundraising donor management		(2,470,794)	(2,510,208)
- Planned giving expenditure		(832,475)	(706,344)
- Appeal costs		(2,242,396)	(3,575,271)
Marketing		(1,270,359)	(1,272,411)
Governance and administrative services		(6,198,096)	(6,074,132)
		<u>(36,653,120)</u>	<u>(38,590,397)</u>
Surplus before gain on disposal of building		8,686,032	11,686,995
Gain on disposal of building	4(b)	-	17,486,800
		<u>8,686,032</u>	<u>29,173,795</u>
Net surplus from continuing activities			
Other comprehensive income		-	-
		<u>8,686,032</u>	<u>29,173,795</u>
Total comprehensive income			
		<u><u>8,686,032</u></u>	<u><u>29,173,795</u></u>

* Refer to Note 3 for detailed information on Restatement of Comparatives.

The above Statement of Comprehensive Income is to be read in conjunction with the accompanying notes.

GUIDE DOGS NSW/ACT

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

Consolidated			
		2021	Restated *
	Notes	\$	2020
		\$	\$
Current Assets			
Cash and cash equivalents	18	9,266,715	4,398,898
Trade and other receivables	5	1,170,698	1,874,714
Inventories	6	80,166	28,240
Other financial assets	7	8,667,130	42,650,009
Other current assets	8	357,100	287,028
Total Current Assets		19,541,809	49,238,889
Non-Current Assets			
Other financial assets	7	-	17,121
Financial assets at fair value through profit or loss	9	66,398,981	36,451,830
Property, plant and equipment	10	15,988,293	8,358,180
Right-of-use assets	11	2,456,703	3,065,687
Intangibles	12	28,231	2,766
Total Non-Current Assets		84,872,208	47,895,584
Total Assets		104,414,017	97,134,473
Current Liabilities			
Trade and other payables	13	1,932,647	2,343,400
Lease liabilities	14	1,179,050	1,426,702
Employee leave provisions		1,811,644	1,642,679
Total Current Liabilities		4,923,341	5,412,781
Non-Current Liabilities			
Employee leave provisions		267,803	335,021
Leasehold make good liability		115,460	115,460
Lease liabilities	14	1,547,177	2,397,007
Total Non-Current Liabilities		1,930,440	2,847,488
Total Liabilities		6,853,781	8,260,269
Net Assets		97,560,236	88,874,204
Accumulated Funds			
Accumulated surplus	15	96,204,387	87,518,355
Reserves	16	1,355,849	1,355,849
Total Accumulated Funds		97,560,236	88,874,204

* Refer to Note 3 for detailed information on Restatement of Comparatives.

The above Statement of Financial Position is to be read in conjunction with the accompanying notes.

GUIDE DOGS NSW/ACT

STATEMENT OF CHANGES IN ACCUMULATED FUNDS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Notes	Accumulated Surplus	Consolidated Reserves	Total Accumulated Funds
		\$	\$	\$
At 30 June 2019 – restated*		58,478,641	1,355,849	59,834,490
Retained earnings adjustment upon adoption of AASB16 on 1 July 2019		(134,081)	-	(134,081)
Adjusted balance at 1 July 2019 – restated *		58,344,560	1,355,849	59,700,409
Total comprehensive income – restated *		29,173,795	-	29,173,795
At 30 June 2020 – restated *		87,518,355	1,355,849	88,874,204
Total comprehensive income		8,686,032	-	8,686,032
At 30 June 2021		96,204,387	1,355,849	97,560,236

* Refer to Note 3 for detailed information on Restatement of Comparatives.

The above Statement of Changes in Accumulated Funds is to be read in conjunction with the accompanying notes.

GUIDE DOGS NSW/ACT

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Notes	Consolidated	
		2021 \$	2020 \$
Cash Flows from Operating Activities			
Receipts from:			
Bequests		20,725,844	29,212,435
Donations and other fundraising income		11,052,866	14,711,176
Sale of goods		108,884	128,176
Distributions received		149,234	16,388
Interest received		200,677	235,249
Franking credits refunded		150,263	390,385
National Disability Insurance Scheme, Medicare and other government revenue		5,898,879	4,477,950
Other income including rent received		1,142,747	1,299,101
Payments to suppliers and employees		<u>(34,145,748)</u>	<u>(36,927,530)</u>
Net cash generated from operating activities		<u>5,283,646</u>	<u>13,543,330</u>
Cash Flows from Investing Activities			
Payments for property, plant and equipment		(9,357,556)	(2,267,277)
Proceeds from sale of property, plant and equipment		338,598	27,167,820
Payments for financial assets		(54,697,546)	(39,560,680)
Proceeds from redemption of financial assets (net)		<u>64,982,540</u>	<u>2,565,036</u>
Net cash generated from/(used in) investing activities		<u>1,266,036</u>	<u>(12,095,101)</u>
Cash Flows from Financing Activities			
Repayment of the lease liabilities		<u>(1,681,865)</u>	<u>(1,149,010)</u>
Net cash used in financing activities		<u>(1,681,865)</u>	<u>(1,149,010)</u>
Net increase in cash held		4,867,817	299,219
Cash and cash equivalents at the beginning of the financial year		<u>4,398,898</u>	<u>4,099,679</u>
Cash and cash equivalents at the end of the financial year	18	<u><u>9,266,715</u></u>	<u><u>4,398,898</u></u>

The above Statement of Cash Flows is to be read in conjunction with the accompanying notes.

GUIDE DOGS NSW/ACT

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

1. SUMMARY OF ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated. The financial statements are for the consolidated entity (also referred to as the Group) consisting of Guide Dogs NSW/ACT and its subsidiary.

(a) Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and other interpretations issued by the Australian Accounting Standards Board and the *Australian Charities and Not-for-profits Commission Act 2012*. Guide Dogs NSW/ACT is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

(i) *Compliance with Australian Accounting Standards – Reduced Disclosure Requirements*

The consolidated financial statements of the Guide Dogs NSW/ACT group comply with Australian Accounting Standards – Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB).

(ii) *Historical cost convention*

These financial statements have been prepared under the historical cost convention, as modified by the valuation of financial assets at fair value through profit or loss.

Comparative information has been reclassified where appropriate to enhance comparability with the current financial year.

(b) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of Centre for Eye Health Limited (CFEH), the subsidiary of Guide Dogs NSW/ACT (“company” or “parent entity”) as at 30 June 2021 and the results of the subsidiary for the year then ended. Guide Dogs NSW/ACT and its subsidiary together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Investment in the subsidiary is accounted for at cost less any impairment in the individual financial statements of Guide Dogs NSW/ACT.

GUIDE DOGS NSW/ACT

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

1. SUMMARY OF ACCOUNTING POLICIES (continued)

(c) Revenue recognition

The Group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Bequests and Donations

Guide Dogs NSW/ACT is a not-for-profit organisation. Two major sources of revenue are bequests and donations which by their nature can only be recorded when they are received by the Group. Bequests received in the form of financial assets or other non-cash items are taken into account when received at their estimated market value at the time of receipt.

Sale of goods

Revenue from the sale of goods is recognised when the Group has fulfilled its performance obligation upon transferring to the buyer the ownership of the goods.

Grant revenue

Grant revenue is recognised in the Statement of Comprehensive Income in accordance with *AASB 15 Revenue from Contracts with Customers* and *AASB 1058 Income of Not-for-Profit Entities*.

Where specific performance obligations attached to the grant must be satisfied and the terms of the grant are enforceable, the recognition of the grant revenue will be recognised over time and deferred at year end until those conditions are satisfied.

In these situations, grant revenue is recognised in the statement of financial position as a contract liability until the service has been delivered to the contributor. Where otherwise, the grant is recognised as income on receipt on the basis that the transaction does not include enforceable rights and obligations or 'sufficiently specific' performance obligations that the Group must satisfy.

GUIDE DOGS NSW/ACT

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

1. SUMMARY OF ACCOUNTING POLICIES (continued)

(c) Revenue recognition (continued)

Auxiliaries/Support Groups' Contributions

At the end of the financial year, the company had four auxiliaries/support groups, who fundraise to benefit Guide Dogs NSW/ACT but otherwise operate independently from it. Net funds received by the company from its auxiliaries or support groups are taken up as income when received.

Changes in the fair value of financial assets

Net gains or losses on financial assets at fair value through profit or loss are calculated as the difference between the fair value at sale, or at year end, and the fair value at the previous valuation point. This includes both realised and unrealised gains and losses, but does not include interest or dividend revenue.

Dividends and distributions

Revenue is recognised when the right to receive payment is established.

Interest revenue

Interest revenue is recognised on a time proportionate basis taking into account the effective interest rates applicable to the financial assets.

Other revenue

Other revenue is recognised when it is probable that the proceeds will be received and services relating to this revenue have been provided by the Group.

(d) Income tax

Guide Dogs NSW/ACT and its subsidiaries are exempt from the payment of income tax pursuant to Section 50-5 of the Income Tax Assessment Act 1997.

(e) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to the Statement of Comprehensive Income as incurred.

(f) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

GUIDE DOGS NSW/ACT

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

1. SUMMARY OF ACCOUNTING POLICIES (continued)

(f) Lease liabilities (continued)

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to the Statement of Comprehensive Income if the carrying amount of the right-of-use asset is fully written down.

(g) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units).

(h) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term highly liquid investments with maturities of less than three months that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(i) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(j) Inventories

Finished Goods

Finished goods are valued at lower of cost and net realisable value, which is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

(k) Property, plant & equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Comprehensive Income during the reporting period in which they are incurred.

GUIDE DOGS NSW/ACT

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

1. SUMMARY OF ACCOUNTING POLICIES (continued)

(k) Property, plant & equipment (continued)

Depreciation is provided on property, plant and equipment including freehold buildings but excluding land. Depreciation is calculated on a straight-line basis so as to write-off the net cost of each asset over its estimated useful life. The following estimated useful lives are used in the calculation of depreciation:

Freehold Buildings	50 years
CFEH leasehold improvements	4 years
Motor Vehicles	3-4 years
CFEH Diagnostic Equipment	3-10 years
Fixtures, Fittings and Computer Equipment	2-7 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(g)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Comprehensive Income. When revalued assets are sold, it is policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

(l) Goods and services tax (GST)

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

- (i) the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense;
- (ii) receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included in receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing and activities which is recoverable from, or payable to, the ATO are presented as operating cash flows.

(m) Financial assets including investments

Financial assets including investments are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

GUIDE DOGS NSW/ACT

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

1. SUMMARY OF ACCOUNTING POLICIES (continued)

(m) Financial assets including investments (continued)

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are measured at amortised cost. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

(n) Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

(o) Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and is capable of being measured reliably.

Provisions made in respect of wages and salaries, annual leave and long service leave expected to be wholly settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

(p) Intangible assets – computer software

Costs incurred in developing systems and costs incurred in acquiring software and licenses are capitalised as computer software on the basis that they will provide financial benefits in the future. Costs capitalised include license fees, external direct costs of materials and consulting services. Amortisation is 4 years from the time of implementation unless specifically varied.

(q) Members' undertaking

Guide Dogs NSW/ACT is a company limited by guarantee and was incorporated on 28 June 1962. In the event of the company being wound up, members' liability is limited to an amount of \$1 per member. At balance date, there were 89 members. At 30 June 2020, there were 88 members.

(r) Accounts presentation

The classification "Accumulated Funds" has been used in the accounts as the company is limited by guarantee and therefore has no shareholders. It is believed that the use of the classification "Equity" would be misleading.

(s) New, revised or amended Accounting Standards and Interpretations adopted

The Group has applied all new, revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. There has been no material impact on adoption of these standards.

GUIDE DOGS NSW/ACT

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. There are no estimates and judgements that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. RESTATEMENT OF COMPARATIVES

AASB138 Intangible Assets

Following guidance issued during the year by the International Financial Reporting Interpretations Committee in relation to costs of software as a service product, the company has updated its accounting policy in relation to intangible assets under AASB 138 *Intangible Assets*. In FY20, the company implemented a new client services software system, Carelink. The costs capitalised were in relation to data migration and testing of a service product.

Following the guidance provided during the year, the company has made the decision to update the capitalisation policy for intangible assets. As such, previously capitalised costs in relation to Carelink have now been fully expensed.

The adjustments that relate to preceding financial years have been processed retrospectively in compliance with the requirements of AASB 108 *Accounting Policies, Accounting Estimates and Errors*. Below is an extract representation of prior periods presented to show the previously stated figures, the prior year adjustment and the final restated information.

Extract	2020	Adjustment	2020
<i>Statement of comprehensive income</i>	Reported	\$	Restated
	\$	\$	\$
Expenses			
Client Services Costs	24,230,580	122,334	24,352,914
Total comprehensive income	29,296,129	(122,334)	29,173,795

Extract	2020	Adjustment	2020
<i>Statement of financial position</i>	Reported	\$	Restated
	\$	\$	\$
<i>Non-Current Assets</i>			
Intangible Assets	161,675	(158,909)	2,766
Retained Earnings	87,677,264	(158,909)	87,518,355

Extract	2019	Adjustment	2019
<i>Statement of financial position</i>	Reported	\$	Restated
	\$	\$	\$
<i>Non-Current Assets</i>			
Intangible Assets	43,372	(36,575)	6,797
Retained Earnings	58,515,216	(36,575)	58,478,641

GUIDE DOGS NSW/ACT

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

4. PROFIT FROM CONTINUING OPERATIONS

(a) From continuing operations

	2021 \$	2020 \$
<i>Operating Revenue</i>		
Bequests	20,043,415	29,670,356
Donations	11,287,586	15,254,433
Sale of goods	75,609	128,176
Contract services income	422,193	395,543
 <i>Other revenue</i>		
Interest	125,914	408,866
Distributions/Dividends including franking credits	2,012,645	817,940
National Disability Insurance Scheme, Medicare and other government revenue	5,898,879	4,477,950
Other income	629,073	743,398
	<u>40,495,314</u>	<u>51,896,662</u>

(b) Other income

Net gain/(loss) on financial assets including the fair value movement through profit & loss	4,806,346	(1,521,882)
Net gain/(loss) on disposal of non-current assets	37,492	(97,388)
Gain on disposal of Chatswood building	-	17,486,800

(c) Expenses

Surplus is calculated after deduction of the following specific expenses:

	2021 \$	2020 \$
Depreciation – property, plant and equipment	1,432,595	1,367,288
Depreciation – right-of-use assets	1,100,149	995,244
Amortisation of software	4,769	8,544
Property expenses in relating to outgoings	232,374	312,753

5. CURRENT – TRADE AND OTHER RECEIVABLES

Trade receivables	706,201	1,219,855
Goods and services tax (GST) recoverable	190,256	95,108
Other	274,241	559,751
	<u>1,170,698</u>	<u>1,874,714</u>

GUIDE DOGS NSW/ACT

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

6. CURRENT INVENTORIES	2021 \$	2020 \$
Finished goods at cost	80,166	28,240
7. OTHER FINANCIAL ASSETS		
Term deposits – current	8,667,130	42,650,009
Term deposits - non-current	-	17,121
8. OTHER CURRENT ASSETS		
Prepayments	357,100	287,028
9. NON-CURRENT – FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS		
At fair value:		
Shares in listed companies / securities	41,853	3,029
Units in listed / unlisted funds	66,344,278	36,435,951
Bonds	12,850	12,850
	66,398,981	36,451,830
Non-current listed and unlisted funds		
<i>Listed - Financial assets at fair value through profit or loss</i>		
Australian - equity securities	5,633,191	-
Australian - fixed interest / hybrid securities	12,097,310	-
International - equity securities	2,044,589	-
<i>Unlisted - Financial assets at fair value through profit or loss</i>		
Australian - fixed interest securities	32,101,312	-
Australian - managed funds	11,930,773	36,435,951
International - managed funds	2,537,103	-
	66,344,278	36,435,951

Fair Value Estimation – Managed Funds

The fair value of financial assets is estimated for recognition and measurement purposes. The fair value of financial instruments traded in active markets is based on quoted market prices at year end.

For unlisted fixed interest securities, Guide Dogs NSW/ACT's Investment Manager, Morgan Stanley Wealth Management, determine the fair value using market information and information from other parties including Bloomberg LP.

For unlisted managed funds, Morgan Stanley Wealth Management obtain the unit price from the respective funds.

GUIDE DOGS NSW/ACT

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

10. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land & Buildings \$	CFEH Leasehold Improv. \$	Motor Vehicles \$	CFEH Diagnostic Equipment \$	Fixtures, Fittings and Computer Equipment \$	Total \$
Year ended 30 June 2021						
At 1 July 2020, net of accumulated depreciation	3,898,097	799	1,588,963	901,492	1,968,829	8,358,180
Additions	9,082,994	-	-	11,251	263,311	9,357,556
Disposals	(3,267)	-	(229,304)	(58,488)	(3,789)	(294,848)
Depreciation charge for the year	(242,445)	(400)	(279,635)	(136,783)	(773,332)	(1,432,595)
At 30 June 2021, net of accumulated depreciation	<u>12,735,379</u>	<u>399</u>	<u>1,080,024</u>	<u>717,472</u>	<u>1,455,019</u>	<u>15,988,293</u>
At 30 June 2021						
Cost	15,094,540	2,631,355	2,288,585	2,918,932	5,190,971	28,124,383
Accumulated depreciation	(2,359,161)	(2,630,956)	(1,208,561)	(2,201,460)	(3,735,952)	(12,136,090)
Net carrying amount	<u>12,735,379</u>	<u>399</u>	<u>1,080,024</u>	<u>717,472</u>	<u>1,455,019</u>	<u>15,988,293</u>
At 30 June 2020						
Cost	6,015,546	2,631,355	2,789,911	3,175,939	5,048,293	19,661,044
Accumulated depreciation	(2,117,449)	(2,630,556)	(1,200,948)	(2,274,447)	(3,079,464)	(11,302,864)
Net carrying amount	<u>3,898,097</u>	<u>799</u>	<u>1,588,963</u>	<u>901,492</u>	<u>1,968,829</u>	<u>8,358,180</u>

11. RIGHT OF USE ASSETS

	2021 \$	2020 \$
Right-of-use assets – non-current	<u>2,456,703</u>	<u>3,065,687</u>

Reconciliation

Reconciliation of the carrying amount of the right-of-use assets from the start of the financial year to the end of the financial year is set out below:

	Property \$	Equipment \$	Total \$
Year ended 30 June 2021			
At 1 July 2020, net of accumulated depreciation	2,997,583	68,104	3,065,687
Additions during the year	252,096	239,069	491,165
Depreciation expense	(1,052,831)	(47,318)	(1,100,149)
	<u>2,196,848</u>	<u>259,855</u>	<u>2,456,703</u>

GUIDE DOGS NSW/ACT

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

11. RIGHT OF USE ASSETS (Continued)

Additional information regarding leases

The Group has leases for offices and equipment. Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group.

With the exception of short-term leases and low-value asset leases, each lease held by the Group is reflected in the statement of financial position as a right-of-use asset and a lease liability. Payments made for the short-term leases and low-value asset leases are expensed on a straight-line basis.

Amounts recognised in the Statement of Comprehensive Income relating to these leases were as follows:

	\$	\$
Short-term lease expense	31,761	134,211

There were no commitments for short term leases at 30 June 2021.

The Group's leases include extension and termination options which are exercisable by the company. These clauses provide the company opportunities to manage leases in order to align with its strategies. The extension and termination options which were reasonably certain to be exercised are included in the calculation of the right-of-use asset.

Details on interest expense and cashflows relating to lease liabilities are disclosed in Note 14.

12. INTANGIBLE ASSETS

	2021 \$	2020 \$
Computer software – at cost	33,000	22,825
Less amortisation	<u>(4,769)</u>	<u>(20,059)</u>
	<u>28,231</u>	<u>2,766</u>

13. CURRENT – TRADE AND OTHER PAYABLES

Trade payables	579,756	528,751
Accruals	<u>1,352,891</u>	<u>1,814,649</u>
	<u>1,932,647</u>	<u>2,343,400</u>

14. LEASE LIABILITIES

Current		
Lease Liabilities	<u>1,179,050</u>	<u>1,426,702</u>
Non-current		
Lease Liabilities	<u>1,547,177</u>	<u>2,397,007</u>

GUIDE DOGS NSW/ACT

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

14. LEASE LIABILITIES (Continued)

Interest expense recognised in the profit or loss was \$113,816 and interest payable and principle payments made to lessors in respect to lease liabilities was \$1,681,865.

In FY20 the Group recognised a total gain of \$17,486,800 relating to the sale and leaseback transaction regarding the Chatswood office building during the year.

15. ACCUMULATED SURPLUS

	2021 \$	2020 \$
Balance at beginning of financial year	87,518,355	58,478,641
Opening retained earnings adjustment due to adoption of AASB 16	-	(134,081)
Net surplus/(deficit)	8,686,032	29,173,795
Balance at end of financial year	96,204,387	87,518,355

Refer to Note 3 for detailed information on Restatement of Comparatives.

16. RESERVES

R.M. Moffitt Memorial Fund

Balance at beginning of financial year	416,830	416,830
Movements	-	-
Balance at end of financial year	416,830	416,830

Robert and Elsie Burton Fund

Balance at beginning of financial year	712,996	712,996
Movements	-	-
Balance at end of financial year	712,996	712,996

Netta and Alan Walker Fund

Balance at beginning of financial year	226,023	226,023
Movements	-	-
Balance at end of financial year	226,023	226,023
Balance at end of financial year	1,355,849	1,355,849

These reserves relate to donated funds received and invested by Guide Dogs NSW/ACT. These were transferred from the Guide Dogs NSW/ACT Future Fund as part of its dissolution during FY19.

Guide Dogs NSW/ACT applies the investment income generated from these reserves to funding its operations but does not draw down on the principal.

GUIDE DOGS NSW/ACT

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

17. RELATED PARTY TRANSACTIONS

(a) Directors

The following persons were directors of Guide Dogs NSW/ACT during the financial year:

K. Lane	S. Kouris
P. Bajaj (resigned 26 July 2021)	R. Low
J. Bennett OAM	D. Newton
Z. Bull (resigned 1 November 2020)	
I. Jamieson	
J. Jones	

Directors receive no remuneration for their services.

(b) Other key management personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities for the parent company, directly or indirectly, during the financial year:

D. Cleaver	T. Bodger*	A. Clarke	R. Shakespeare^*	F. Erhardt^
G. Bristow	P. van der Heijden*	J. Lynch	L. Peacock	P. Lemlin^

* Employment ceased during the financial year, ^ appointed during the financial year.

(c) Key management personnel compensation

	Short term benefits \$	Post employment \$	Other long term benefits \$	Total \$
2021	1,680,890	134,365	-	1,815,255
2020	1,148,854	99,541	-	1,248,395

(d) Other transactions with directors

During the year, donations received from directors amounted to \$6,260 (2020: \$10,570).

(e) Transactions with related parties

Guide Dogs NSW/ACT is a state member of Royal Guide Dogs Australia ("RGDA") along with Guide Dogs Queensland, Guide Dogs SA/NT and Guide Dogs Victoria.

Related Party	Sales to		Purchases from		Owing to		Owing from	
	\$		\$		\$		\$	
	2021	2020	2021	2020	2021	2020	2021	2020
Guide Dogs Queensland	13,460	251,010	55,053	10,706	1,013	-	177	1,297
Guide Dogs SA/NT	439,259	348,172	-	385	-	-	364	36
Guide Dogs Victoria	432,220	269,215	646,136	187,797	49,647	-	101,686	-
Royal Guide Dogs Australia ("RGDA")	794,798	481,420	843,778	482,730	-	-	83,300	71,712

GUIDE DOGS NSW/ACT

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

17. RELATED PARTY TRANSACTIONS (Continued)

(f) Transactions with controlled entities

	2021	2020
	\$	\$
Expense support to CFEH during the year	3,121,236	3,773,563
Loan payable by CFEH as at year end	1,178,146	526,127

At 30 June 2021 the CFEH loan was Nil on consolidation of the group financial statements.

18. NOTES TO THE STATEMENT OF CASH FLOWS

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, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the Statement of Cash Flows and cash equivalents is reconciled to the related items in the Statement of Financial Position as follows:

	2021	2020
	\$	\$
Cash and cash equivalents	9,266,715	4,398,898

19. ADDITIONAL INFORMATION TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT, 1991

(Fundraising aggregate gross income and expenditure)

Various fundraising activities were conducted during the year including appeals, regular giving, major gifts, and corporate partnerships.

	2021	2020
	\$	\$
Bequests		
Gross proceeds	20,043,415	29,670,356
Expenditure – planned giving	(832,475)	(706,344)
	19,210,940	28,964,012
Fundraising		
Gross proceeds	11,287,586	15,254,433
Expenditure – fundraising	(4,713,190)	(6,085,479)
	6,574,396	9,168,954
Net surplus from bequests & fundraising	25,785,336	38,132,966
Sale of Merchandise		
Gross proceeds – sale of goods	75,609	128,176
Expenditure	-	-
Net surplus from direct marketing	75,609	128,176
Net surplus from all fundraising activities	25,860,945	38,261,142
Client service costs	(19,513,769)	(20,201,261)

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

19. ADDITIONAL INFORMATION TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT, 1991 (Continued)

CFEH service costs	(3,996,376)	(4,151,653)
Community education & advocacy	(128,855)	(99,117)
Marketing	(1,270,359)	(1,272,411)
Governance and administrative services	(6,198,096)	(6,074,132)
Total charitable purpose expenditure	(31,107,455)	(31,798,574)
Surplus/(Deficit) in funds available from all activities	(5,246,510)	6,462,568

	2021 \$	2020 \$
Additional funds from the following sources		
Contract income	422,193	395,543
Interest received	125,914	408,866
Distributions received (managed funds)	1,555,211	590,887
Dividends received (including franking credits)	457,434	227,053
Membership subscription	336	645
Rent received	1,518	1,572
National Disability Insurance Scheme, Medicare and other government grants	5,898,879	4,477,950
Other income	627,219	741,181
Net gain/(loss) on financial assets including the fair value movement through profit & loss	4,806,346	(1,521,882)
Net gain on disposal of non-current assets	37,492	17,389,412
Total Additional Funds net	13,932,542	22,711,227
Surplus/(Deficit) for the year	8,686,032	29,173,795

	2021 \$		2020 \$	
Comparisons		%		%
Total cost of all fundraising activities	5,545,665		6,791,823	
Gross income from all fundraising activities	31,406,610	*18%	45,052,965	*15%
Net surplus from all fundraising activities	25,860,945		38,261,142	
Gross income from all fundraising activities	31,406,610	82%	45,052,965	85%
Total cost of direct services	23,639,000		24,452,031	
Total cost of expenditure	36,653,120	64%	38,590,397	63%
Total cost of direct services	23,639,000		24,452,031	
Total revenue and other income received	45,339,152	52%	67,764,192	36%

* The % cost of fundraising has increased mainly due the decrease in bequest income in FY2021 compared to FY2020. The bequest income for FY20 has been the highest ever received to date.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

20. AUXILIARIES AND SUPPORT GROUPS

During the year the following auxiliaries/support groups contributed \$39,387 (2020: \$41,577) to Guide Dogs NSW/ACT.

Central Coast
Dubbo
Moree
Mudgee

21. SUBSIDIARY

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with accounting policy described in note 1(b). The financial year end of the controlled entity is the same as that of the parent.

Name of entity	Country of incorporation	Percentage holding
Centre for Eye Health Limited	Australia	100%

Company limited by guarantee with Guide Dogs NSW/ACT as the sole member.

22. EVENTS OCCURRING AFTER THE REPORTING PERIOD

No matter has arisen during the interval between 30 June 2021 and the date this financial report was authorised for issue that, in the opinion of the Directors, has significantly affected or may significantly affect the operations of the group, the results of those operations, or the state of affairs of the group in future years.