

VISION AUSTRALIA

ANNUAL REPORT
2013-14



**vision
australia**

blindness and low vision services



VAUGHAN

Sydney based criminal lawyer, Vaughan Roles, 39, has been legally blind since birth and along with his Seeing Eye Dog, Deva, is a regular presence at Parramatta Local Court.

“Having the right dog is essential for my job. Seeing Eye Dogs Australia matched me with Deva and she is fitting in beautifully,” says Vaughan. “For me, it is important that my Seeing Eye Dog is ambitious. I need to be able to quickly navigate around the court rooms as I meet with between five and ten clients daily. But, it is also important that she fades into the background and is not the centre of attention.”

According to Vaughan, his Seeing Eye Dogs Australia trainer, Ian Cox, worked closely with him to ensure Deva was able to cope in this challenging environment.

VISION AUSTRALIA ANNUAL REPORT 2014

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ACCESSIBILITY

This document is also available online at www.visionaustralia.org to read using speech output software. Large print, braille and audio formats are available on request, call 1300 84 74 66.

CHAIR AND CEO MESSAGE

The 2013/14 financial year has seen Vision Australia take a significant step towards our long term sustainability. While we retained our focus on delivery of services to clients, Vision Australia has achieved an operating surplus for the second consecutive year, through a combination of strong operational management, effective fundraising and judicious management of the investment portfolio.

There have been a number of significant organisational highlights that have contributed to Vision Australia's performance and laid the foundations for our long term sustainability.

The development of Vision Australia's strategy to implement person-centred services canvassed the views of our members, clients, volunteers and staff in a truly inclusive process. The resulting plan provides a concise roadmap for our future that will see person-centred practice, marketing, effective support systems, advocacy and positive culture as key enablers for the services we deliver to our clients. Implementation of our strategy has commenced in nine Vision Australia locations across Queensland, New South Wales, Victoria and the Australian Capital Territory.

During 2013 the Board made the difficult decision to close Vision Australia Enterprises. Despite our best efforts over several years, the service was unsustainable and closure was completed in March 2014. We worked closely with every affected staff member to support their personal goals. Many staff chose to retire, others opted to take a redundancy, while a small number were integrated into community activities. Twenty-three were successful in

transferring to open employment roles or redeployment within Vision Australia and 13 have moved into roles with other Australian Disability Enterprises.

Our preparations for the National Disability Insurance Scheme (NDIS) were progressed substantially. Demonstration Sites were established in Geelong and Newcastle, both NDIS trial sites. The Canberra and Orange teams also joined the Demonstration Sites later in the year in preparation for the NDIS trial commencing in the ACT. Over the past 12 months Vision Australia has developed a very productive working relationship with the agency operating the NDIS (the National Disability Insurance Agency) and has established internal processes and systems that allow us to efficiently process client packages. The Demonstration Sites have also served to test a range of innovations that will be progressively implemented across Vision Australia.

Vision Australia Radio has been restructured to become a volunteer driven service, recognising that it was no longer viable to operate as a hybrid of a community and commercial radio service. We take this opportunity to express our gratitude to the many hundreds of dedicated volunteers that deliver thousands of hours of quality radio every year. Vision Australia Radio is now close to being financially sustainable and remains a service valued by many thousands of our clients across Victoria, South Australia and parts of New South Wales.

Advocacy remains an important core activity for Vision Australia and through the efforts of Maryanne Diamond AO, the World Intellectual Property Treaty has

While we retained our focus on delivery of services to clients, vision australia has achieved an operating surplus for the second consecutive year.

been signed by 79 nations and ratified by one, India. While subject to ratification by 20 nations, when implemented the treaty will allow copyright free exchange of accessible materials across national boundaries, markedly increasing the amount of accessible material available world-wide.

It was our great pleasure to welcome three new New South Wales based directors to the Board: Sara Watts, Caroline Waldron and Heith Mackay-Cruise. These directors come with outstanding professional credentials and will be a great asset to Vision Australia in coming years. With sadness we farewelled long-standing directors Paul Gleeson, Keith Barton and Owen van der Wall. Each has made a significant contribution to Vision Australia, our predecessor organisations and to the blindness and low vision community as a whole and we thank them for their diligent work over a long period of time. Finally, the board unanimously agreed to appoint Bill Jolley as an independent board member in June. Bill has a long association with Vision Australia and is able to provide the insights and life experience of a person who is blind.

We also mark the passing of our much loved colleague Ross McColl. Ross passed away earlier this year as a result of an illness during his service as a director. Ross had been a great supporter of Vision

Australia, providing his expert skills in governance and guiding the organisation through many complex decisions. Ross will be greatly missed by his many friends and colleagues at Vision Australia.

Finally we would like to pay tribute to the 2,886 active volunteers and 820 staff that combine as a team to deliver outstanding services to the blindness and low vision community. Vision Australia provides a comprehensive range of blindness and low vision services and operates in some capacity in all states and territories within Australia. We do so in pursuit of our mission of “supporting people who are blind or have low vision to live the life they choose”.



A handwritten signature in black ink, appearing to read 'K Murfitt'.

Kevin Murfitt
Chair
Vision Australia



A handwritten signature in black ink, appearing to read 'R Hooton'.

Ron Hooton
Chief Executive Officer
Vision Australia

WHY WE EXIST

Vision Australia exists to support people who are blind or have low vision to live the life they choose.

WHAT WE DO

Vision Australia is a not-for-profit organisation providing blindness and low vision services to Australians of all ages. Our goal is to create equal opportunity for people who are blind or have low vision so they can get an education, a job and be as independent as they choose.

We offer a wide range of services including low vision clinics, orientation and mobility services, Seeing Eye Dogs, children's services, library, adaptive technology and training and advice, alternate format information and advocacy services.

Vision Australia provides services to more than 32,000 clients from 28 Vision Australia sites in NSW, ACT, Queensland and Victoria and 29 clinics as well as out reach services to the Northern Territory and Tasmania. Our library, Seeing Eye Dogs and telephone program services reach clients Australia wide.

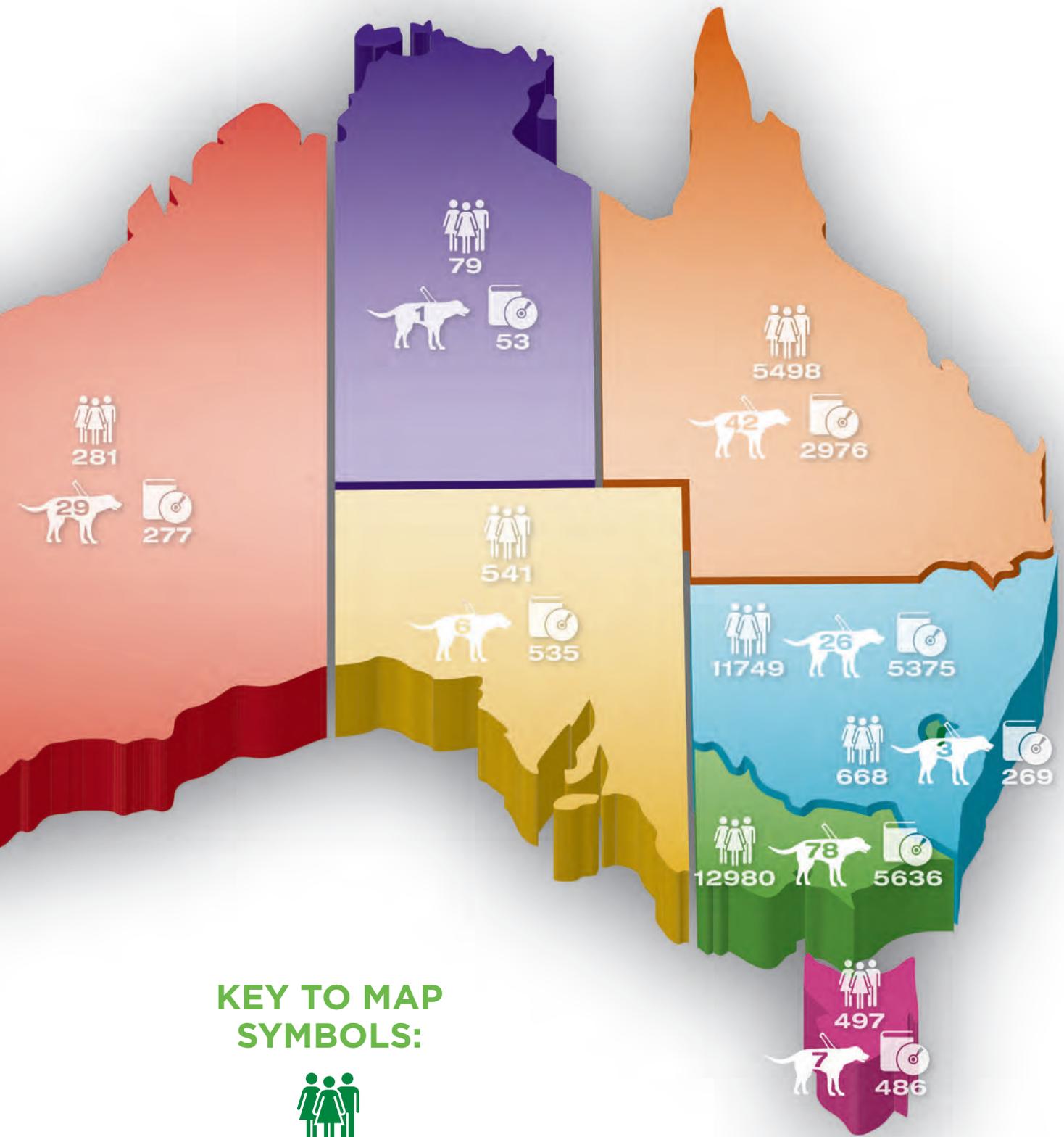
Vision Australia offices at Geelong, Victoria; Newcastle, NSW and Canberra, ACT are Demonstration Sites for the National Disability Insurance Scheme which will commence national rollout in 2018/19. Our Orange, NSW office is also a Demonstration Site piloting streamlined processes and remote access technologies.

At these sites we are testing new service development initiatives with clients eligible for National Disability Insurance Scheme support so we can build an evidence base to share with all other Vision Australia sites as the scheme expands.

HOW WE BEHAVE

How we work with clients and interact with each other is driven by our values: Person-centred, Accountable, Collaborative, Commercially Focussed and Agile.





KEY TO MAP SYMBOLS:



Vision Australia clients



Working Seeing Eye Dogs



Vision Australia Library Service clients

OUR STRATEGY FOR THE FUTURE

Vision Australia's Strategic Plan 2014-2018 has set a new way of working, more effectively, with the whole person in mind. This means delivering high quality services, through multiple channels in client convenient locations, that meet the needs and wants of our clients and ensure our long term financial sustainability.

CORE SERVICES

We will focus on delivering our core specialist blindness and low vision services:

- **Accessible information**
Providing access to increasing amounts of information, faster and in the clients format of choice
- **Advocacy**
Advocating for social reform, particularly the removal of barriers to participation in education and employment
- **Personalised services**
Delivering services organised around three recognised life stage segments to provide professional support and training for clients and their family and close networks

PRIORITY OBJECTIVES

In order to successfully implement the strategy, we will focus our activities on five priority objectives:

1. Introducing new personalised services reflecting individual goals and choice
2. Marketing our personalised services so referrers and clients know exactly what we do

3. Creating new business systems and processes so staff can provide great service
4. Advocating for social reform using evidence and a human rights approach
5. Shifting leadership and workforce culture to client focus, integrity, professionalism and respect

STAGED IMPLEMENTATION

We are using a phased approach to implementing our strategic plan that supports us to test and learn from our experiences. We are focussing our activities in the following regions during the 2015 financial year.

- Central Coast/Hunter NSW (Newcastle and Gosford);
- ACT and Southern NSW (Canberra and Orange);
- Western Victoria (Geelong, Warrnambool and Ballarat);
- Queensland (Cairns, Coorparoo, Maroochydore and Robina); and
- Gippsland, Victoria (Warragul)



NATALIE

Natalie Kerr, 51, has Retinitis Pigmentosa, an hereditary condition that affects her peripheral vision.

“Vision Australia has been really helpful. They showed me how to use a white cane to get around safely, they even helped me get a mobile phone through the National Disability Insurance Scheme. My daughter downloaded a magnifier and torch app on the phone and I use them all the time. It is really useful to look up bus timetables.”

JORDIE

Jordie Howell, who received a Vision Australia Bursary in 1998, graduated with a Bachelor of Music with Honours.

“Vision Australia is unique in the services they offer. They provided me with access to technology to take notes in lectures, transcribe braille music for rehearsals and performances and the support to navigate unfamiliar surroundings quickly.”

Jordie now shares her love of music with her students, teaching braille and music to children who are blind or have low vision.



2013-14 HIGHLIGHTS

OPERATING SURPLUS



\$3,957,000*

(*refer note 6.3 in the Directors Report of the financial statements)

For a more detailed analysis of Vision Australia's 2013/14 financial performance, refer to the financial statements from page 23.

WHAT'S NEW?

A client directed approach means we are looking for opportunities to increase the range and reach of our services.



166 Optometrists have registered for the NSW Spectacles Program which is expected to supply more than 58,500 spectacles and optical appliances to vulnerable NSW residents in FY2015

2 NEW SERVICE AREAS WERE INTRODUCED



The Brisbane Independent Living Program was expanded to provide opportunities for adolescents in Townsville and Northern Queensland



A monthly low vision clinic commenced in Ipswich to increase services to the western corridor of Brisbane



We will be able to partner up to three times more people with a Seeing Eye Dog following the opening of our new Seeing Eye Dog Australia breeding facility in Kensington, Victoria

3G

The first 3G Online DAISY Player was delivered to the first library member in March 2014. The online player streams library materials direct to the player for instantaneous access. At 30 June 2014, 175 members were using the 3G Online DAISY Player

OUR CLIENTS

**IN THE LAST 12 MONTHS
WE PROVIDED SERVICES
TO 32,477 CLIENTS.**

8,106 were supported through our low vision clinics
1,869 people were provided orientation and mobility support
3,007 is the number of children we support
And we resolved 312,142 enquiries through the
National Contact Centre



EMPLOYMENT

Employment is integral to maximising opportunities for participation in all aspects of life, including economic security, buying or renting a home, leisure and recreation, and access to goods and services, including assistive technologies. We support people who are blind or have low vision to gain meaningful employment. This year:

89

89 job seekers were supported to secure paid employment

61

61 clients were supported to maintain their employment through our Jobs in Jeopardy program

155

155 applications for workplace modifications were conducted

118

118 additional one off workplace assessments were conducted

VOLUNTEERS

Without the support of our volunteers, Vision Australia wouldn't be able to provide many of its services. This year:



2,886 volunteers contributed 724,995 hours which is equal to 367 full-time equivalent staff



120 puppies are cared for by volunteers in 120 homes around Australia



6,239 collective years of volunteer service were celebrated across the organisation



SYEIRA

Syeira is legally blind due to a brain tumour inside her optic nerve. She has tunnel vision in her right eye and virtually no sight in her left. Syeira sought assistance from Vision Australia's Employment Service.

"Vision Australia checked my resume and helped me with my job search. They lined up a meeting with Big W and conducted a full workplace assessment."

Syeira now processes stock in the warehouse at Big W.

"Vision Australia was great. Staff came out and gave a presentation to my work colleagues, to give them a better understanding of the challenges I faced at work. They even brought some simulation glasses that emulated my specific eye condition. It made a big difference," said Syeira.

EDUCATION

Education empowers people with opportunity and choice. This year we supported:

21

21 students with further education bursaries in 2014, 287 bursaries have been granted since the program's inception in 1996

90

90 children to transition into primary education

559

559 children aged 4 years and under to develop learning, playing and daily living skills

DAILY LIVING

We provide a range of services, advice and products to support people who are blind or have low vision to live the life they choose. In the last 12 months we:

Provided **4,599** canes and cane accessories

Distributed **751,341** titles to Library members, from more than **33,539** audio titles and **16,222** braille titles in books, magazines and newspapers

4,201 members registered to use to i-access®, our online catalogue, a **69%** increase from the previous year

EMOTIONAL AND SOCIAL CONNECTEDNESS

We support clients to engage with each other and the broader community through:

65

65 Local Client Groups in Queensland, New South Wales, ACT and Victoria

126

126 Audio Described Theatre Events including opera, drama, musicals and comedy at 19 venues across NSW, QLD, Victoria and ACT. We delivered 30% more evening Audio Described performances in 2014 in response to client demand

624

624 clients participated in 105 Telelink groups across Australia. Telelink provides telephone-based social support, special interest and recreational activities. The social support groups are offered in 12 languages other than English

40

40, eight week, Quality Living Programs offering emotional support

JONATHAN

Jonathan Goerlach is an aspiring Paralympian and a university student. Jonathan has Usher Syndrome Type 2 which affects both hearing and vision, and was awarded a Vision Australia Further Education Bursary to pursue his studies - Bachelor of Sport and Exercise Science/Bachelor of Sport Management at the University of Canberra.

“People kept telling me to get into something I enjoyed that could give me focus. Sport was pretty much the only thing that ever gave me that and combining this with my studies is ideal. The Vision Australia Bursary has really helped with my studies. I now have a laptop with Zoomtext magnification and speech, a multifunction printer and a Pearl high speed scanner.”





BINDI

Budding carpenter Bindi Bailey lost her sight at the age of seven after contracting Bell's palsy. Through Vision Australia's Assist program, which offers metal and woodwork lessons, the talented 44-year-old has skilfully constructed tables, chairs, jewellery boxes and has even carved a rocking horse as a gift for her granddaughter.

"There's a perception that people who are blind can't use these 'dangerous' machines, but it's all down to training," says Bindi who thinks nothing of operating a sanding machine or carving up wood to create bespoke works of art for her loved ones as she completes an open access woodwork course.

ADVOCACY

Our advocacy service is provided on an individual and national level to assist people who are blind, have low vision, or are deafblind to address or eliminate barriers to participation in the community. We successfully lobbied the:

AUSTRALIAN GOVERNMENT to sign the Marrakesh Treaty, that will allow organisations to share books directly across international borders with individuals who are blind or have other print disabilities

BRISBANE CITY COUNCIL to change their Audio-Tactile Facilities Policy so that all audio-tactile devices, pedestrian lights, operate 24 hours a day 7 days a week in the CBD and Greater Brisbane areas

QUEENSLAND GOVERNMENT to implement electronically assisted voting

FUNDRAISING

Funds donated by our generous donors, community partners and supporters are crucial to our ability to deliver our services. We are grateful for the support received from the:



20,422 donors on our regular giving programs for Vision Australia and Seeing Eye Dogs Australia



276 estates that bequeathed funds, including a single bequest received this year of \$5.3 million, a historic amount for Vision Australia



sell-out crowd of 10,000 attendees at Vision Australia's Carols by Candlelight and more than 5,000 generous donors and sponsors who contributed to raising \$865,170 for Children's Services

REMEMBERING ROSS MCCOLL

“Ross had a dry sense of humour which was light and subtle,” remembers fellow director and Deputy Chair, Emeritus Professor Ron McCallum AO

Ross was first introduced to Vision Australia following his sudden vision loss at the age of 48. In 2003, Ross underwent heart surgery, waking three days later to discover he was totally blind. With the support of his wife Jane, their children Cameron and Marnie, and assistance from Vision Australia, Ross re-established his life including continuing his career as a partner with PricewaterhouseCoopers (PwC).

Ross accessed a number of services from Vision Australia during his rehabilitation which focussed on adaptive technology solutions to enable him to return to his career. It is a tribute to Ross’s tenacity and impressive character that he did resume his place as a high performing and highly respected partner at PwC.

Ross joined Vision Australia’s Audit, Finance and Business Risk committee as a member in 2005 and later in July 2006 he joined the Board of Directors serving until his death as a director and contributing his auditing expertise to the Audit, Finance and Business Risk committee.

“Ross’s financial skills meant that he was always on top of Vision Australia’s finances, our balance sheets and our

annual audit papers. I found him to be a fine problem solver, and whenever he made a suggestion it came from his common sense approach to life,” reflected Ron McCallum AO.

Board Chair, Kevin Murfitt said of Ross “Although throughout his time as a Vision Australia director he was dealing with complex health issues, he never complained and always looked ahead to what life could offer. We certainly do miss his presence at the Board table”.

After a long battle with ill health, Vision Australia director Ross McColl died peacefully on January 20, 2014. Born on November 17, 1955, Ross attended Scotch College from 1970 to 1973. His career was marked by many years with PricewaterhouseCoopers from where he retired in 2010 after more than 21 years of service.

“Ross had a dry sense of humour which was light and subtle.”



190 YEARS OF VOLUNTEERING

Volunteers are a valuable resource for Vision Australia bringing a wealth of skills, knowledge and enthusiasm to the organisation. They enable us to provide wonderful services and support to people who are blind or have low vision in a range of ways including - reading newspapers for audio services and Vision Australia radio, transporting clients to day programs and low vision clinic appointments, caring for Seeing Eye Puppies, assisting with recreational activities, undertaking vital administration duties and helping to ensure our library members receive their material on time.

Our volunteers contribute the equivalent hours of 367 additional full-time staff, greatly enhancing the services we provide to clients.

This year five of our amazing volunteers celebrated a combined total of 190 years volunteering service to Vision Australia.

ENID BROWN **COORPAROO QLD** **45 YEARS**

Enid juggled a full-time career when she began volunteering at a pottery and ceramics program run by the Training and Placement Centre for the Blind in Brisbane.

When she retired, Enid felt it was important to keep active in her community and saw Vision Australia as the ideal organisation to give her time to.

“When I stopped working I wanted to put my extra time to good use. I already knew about the work that Vision Australia did with people who are blind so it was the place I thought I could be the most useful,” she said.

Enid currently spends one-day-a-week at Vision Australia running a pottery program.

“The variety and quality of pottery made is amazing. I love helping people who are blind or have low vision create tactile objects that can help them better understand the world around them,” she said.

EDNA ALLAN **BALLARAT VIC** **45 YEARS**

Edna’s involvement with Vision Australia started when she brought her mother, who was impaired, to the day centre in Ballarat. When her mother passed away Edna decided she wanted to stay connected to Vision Australia so she signed up as a volunteer.

“Back in those days, the volunteers’ role was to sit down with clients in the craft room and do a bit of reading and other things,” she said.

Edna’s roles have changed many times over the years to include volunteer driver and supporting the Day Program. She now comes in twice-a-week to make morning and afternoon tea for clients.

PHIL GILBERT
ENFIELD NSW
45 YEARS

Phil Gilbert has spent most of his 45 years of volunteering with Vision Australia preparing tactile diagrams, drawings and maps to be used for children's literature, textbooks and documentation for organisations.

Over his many years at Vision Australia, Phil has built-up a large amount of material that provides excellent resources to children, schools and other organisations.

The creation he is most proud of is the tactile diary he has been making for many years for Vision Australia clients. Each year he gives it a different theme and also incorporates the Chinese calendar with appropriate illustrations.



Volunteer Phil Gilbert is most proud of his annual tactile diary.

Volunteers are a valuable resource for Vision Australia, bringing a wealth of skills, knowledge and enthusiasm to the organisation.

You can enjoy the sense of reward that comes from really making a difference. Apply now at visionaustralia.org or call 1300 84 74 66

JEAN KIMBERLY
30 YEARS
AND BETTY WADDELL
25 YEARS
DANDENONG VIC

Volunteers Jean Kimberley and Betty Waddell formed a wonderful friendship through volunteering at Vision Australia almost 30 years ago. It is a friendship that has taken them around the world together visiting Europe, Canada and the UK.

Both ladies have run groups for Vision Australia clients that provide socialisation and recreation activities.

"Vision Australia has become a big part of our lives because of the friendships we've made and the difference we're making to the lives of people who are blind or have low vision," said Jean.

A MOST GENEROUS GIFT

Miss Margaret Robina Dott, affectionately known as Marjorie, was a volunteer reader with the Royal Victorian Institute for the Blind, a heritage organisation of Vision Australia. As a volunteer reader Miss Dott read more than 40 books to one of our clients including "Paradise Lost", an epic poem in blank verse which consists of 12 volumes.

A retired pharmacist, Miss Dott was a long term financial supporter of Vision Australia making regular donations since 1989. In April 2014 Vision Australia received what appears to be the biggest single bequest in our history with a donation of \$5.3 million received from the Estate of the Late Miss Margaret Robina Dott.

At Miss Dott's request half of the funds bequeathed will be invested in a fund in her name and the interest used to facilitate tertiary and post graduate education for students who are blind or have low vision. The remaining half of her generous gift will be used to deliver a range of services to our clients.

You can help people who are blind or have low vision by making a donation at www.visionaustralia.org or calling 1300 84 74 66



JACK

University studies can be demanding at the best of times, but for Jack Tyrell, Leber's Optic Neuropathy which results in loss of central vision, made it virtually impossible to read and write.

23-year-old Jack credits Vision Australia for getting his life in order.

"I've used a lot of services that Vision Australia offer. I undertook adaptive technology classes for four months. I learnt how to use the screen reader program, Jaws, which was pivotal during my studies. I also had mobility training, which helped me get around when I was in unfamiliar areas and getting to and from Uni."

Completing his degree seemed impossible but, in July 2014, Jack graduated with a Bachelor's Degree in Marketing.

"I hope to work in business development or a communications role because I really enjoy interacting with people. I'm now working with the Employment Services team to gain my first role. It's fantastic to know that Vision Australia has been, and will be, with me through every new step I take in life," he said.

ACKNOWLEDGING OUR DONORS

We would like to express our appreciation to all our stakeholders, no matter how they support Vision Australia's work.

BEQUESTS - \$10,000 OR MORE

Estate of the Late
Mrs Merris Grace Adler
Estate of the Late Joan Allen
Estate of the Late Helen Marie Anderson
Estate of the Late Joseph Robert Archibald
Estate of the Late Ms Olive Vera Ashcroft
Estate of the Late Ms Beryl Joyce Bayley
Estate of the Late Viktoria Charlotte Bench
Estate of the Late Joyce Gwendolyn Black
Estate of the Late Miriam Alberta Bone
Estate of the Late
Mrs Hazel Joyce Bottomley
Estate of the Late Elwyn Edith Brame
Estate of the Late Henry Lloyd Brown
Estate of the Late Rex Edward Brown
Estate of the Late Herbert Thomas Bryant
Estate of the Late
Mrs Elizabeth Victoria Caddaye
Estate of the Late Mr Peter Carlton
Estate of the Late Veronica Clare Casey
Estate of the Late Mrs Thelma Ayme Charles
Estate of the Late
Mary Margaret Chattaway
Estate of the Late Phyllis Howard Cook
Estate of the Late Norman Cook
Estate of the Late Margaret Helena Cousins
Estate of the Late Noela Isabel Crowe
Estate of the Late Alan George Curry
Estate of the Late Frederick Sidney Daniels
Mr Thomas Ronald Albert Davey

Estate of the Late Briseis Ira Davies
Estate of the Late Peter Neil Dent
Estate of the Late Margaret Robina Dott
Estate of the Late Dorothy Eleanor Downey
Estate of the Late Mr Robert Keith Dudley
Estate of the Late Ena Mary Dunbar
Estate of the Late Mr John R Edwards
Estate of the Late Mary Elizabeth Eichner
Estate of the Late Ivy Clara Ellis
Estate of the Late Virginia Joan Erwin
Estate of the Late
Ms Betty Helen Farquharson
Estate of the Late Mr Roy Don Fishley
Estate of the Late Mr Donald Ablitt Ford
Estate of the Late Jack Cowley Frankham
Estate of the Late Helen Elizabeth Gadsden
Estate of the Late Joseph Vincent Gauci
Estate of the Late Mr Bruno Gombac
Estate of the Late Ms Margaret M Goode
Estate of the Late
Mr Godfrey Barrington Goodere
Estate of the Late Elizabeth Gorman
Estate of the Late Dorothy Grace Greening
Estate of the Late George Ernest Halford
Estate of the Late Ila Ethel Hanger
Estate of the Late Mr Cornelis Hess
Estate of the Late
Ms Kathleen Margaret Hewitt
Estate of the Late Maxine Narelle Hosking
Estate of the Late Ms Efi Ilias
Estate of the Late
Ms Verna Galdys Jackson
Estate of the Late Marjorie Mary Jackson
Estate of the Late Ms Marjorie Edna Jenkins
Estate of the Late Ms Zona Jessup
Estate of the Late Elva Eileen Johnson

Estate of the Late Mrs Evelyn Joan Johnson	Estate of the Late Lorna May Rhodes
Estate of the Late Mary Sylvia Joyce Jones	Estate of the Late Mrs Cynthia Richter
Estate of the Late Dr Lynn Harvey Joseph	Estate of the Late Barbara Whilton Shearer
Estate of the Late Graham Charles Lance	Estate of the Late Dorothy May Skinner
Estate of the Late Ms Alice Larkin	Estate of the Late Mrs Majorie Jean Slattery
Estate of the Late Frances Anne Lightley	Estate of the Late Maria Josefa Slusar
Estate of the Late Mrs Winifred Betty Lush	Estate of the Late
Estate of the Late Vera Estella Male	Ms Marjorie Phyllis Springall
Estate of the Late Paul Marche	Estate of the Late Leo Patrick Stakelum
Estate of the Late	Estate of the Late
Robert Ackland Macdonald	Mrs Lorraine Mascot Stewart
Estate of the Late Edith Norah McCall	Estate of the Late Ms Sheila Heather Stott
Estate of the Late Walter James McFadden	Estate of the Late Mr Leo William Sutton
Estate of the Late	Estate of the Late Thelma Rae Tagg
Mrs Rachael Margaret McNab	Estate of the Late Kevin Rossmore Taylor
Estate of the Late Brian Michael McNamara	Estate of the Late Mr Mario Telese
Estate of the Late Ms Beatrice Moor	Estate of the Late Mr William George Tiley
Estate of the Late Mrs Phyllis Jessie Morris	Estate of the Late
Estate of the Late Marie Amelia Murphy	Donald Stewart Trennery
Estate of the Late Mr Patrick John Murphy	Estate of the Late Ms Elizabeth B Trevor
Estate of the Late Doris Emily Newcombe	Estate of the Late
Estate of the Late Mr John Edward Nihill	Mr John Henry Edward Voss
Estate of the Late Ms Jessie Nunn	Estate of the Late
Estate of the Late Eileen Mary Olsen	Mr Denis William Wallington
Estate of the Late	Estate of the Late Leslie George Walters
Ms Valerie Heather Oswin	Estate of the Late Adolph Wasilewski
Estate of the Late Keith Alexander Park	Estate of the Late Edward James Watkins
Estate of the Late William John Patching	Estate of the Late Mr Kevin Ernest Watling
Estate of the Late Mr A H Petschack	Estate of the Late Ellwyn Isabel Whitford
Estate of the Late Mr John Barry Phillips	Estate of the Late Audrey Joan Wickland
Estate of the Late Mona May Plumridge	Estate of the Late Mr Alan Don Wienand
Estate of the Late Shirley Porz	Estate of the Late Doreen Williams
Estate of the Late Marie Adele Punch	Estate of the Late Mr A J Wilson
Estate of the Late Muriel Hazel Ramsay	Estate of the Late Clive Alfred Wilson
Estate of the Late Jack MacDonald Reid	

TRUSTS AND FOUNDATIONS

- \$10,000 OR MORE

Aged Persons Welfare Foundation
Allen and Cecilia Tye Fund
Amy Irene Christina Ostberg Estate
ANZ Trustees Seeing Eye Dogs and Vision Impairment in Queensland Program
Arthur Leonard Raper Charitable Trust
Ashleigh John Chown 1961 Settlement
Bell Charitable Fund
Bill and Jean Henson Charitable Trust
Brian M Davis Charitable Foundation
Clifford Abbott Davidson Charitable Trust
Collier Charitable Fund
Commonwealth Bank Staff Community Fund
Community Broadcasting Foundation
David Allen Trust
E C Blackwood Charitable Trust
Edith Jean Elizabeth Beggs Charitable Trust
Eric Crawford Memorial Fund
Estate of the Late Frederick John Banbury
Estate of the Late Ella Kate Boyd
Estate of the Late William H Fernie
Estate of Robert John Finlay
Estate of the Late Thomas James Malcolmson and Winifred Gleeson
Estate of the Late Mona Isobel Paul
Estate of the Late Jane Williamson
Estate of the Late John Frederick Wright
Flora and Frank Leith Charitable Trust
Florance Hattersley Trust
Frank and Sybil Richardson Charitable Trust
Frederick Shepherd Trust

Geelong Community Foundation
Georgina Menzies Maconachie Charitable Trust
Give Where You Live
Gregory Patrick and Marie Dolores Farrell Foundation
Grosvenor Foundation
Henry James Francis Estate
Ian McLeod and Madge Duncan Perpetual Charitable Trust
James N Kirby Foundation
Janet Calder MacKenzie Charitable Trust
J O and J R Wicking Trust
Jupiters Casino Community Benefit Fund
K and C H Hume-Cook Charitable Trust
Kel and Rosie Day Foundation
Lady Proud Foundation
Leslie Francis Gill Trust
Lionel R V Spencer Fund
Marjorie Scott Trust
Marrich Charitable Foundation
Mazda Foundation
Ms Lily Maude Payne Charitable Trust
National Australia Trustees Ltd
Noel Ernest Maddison Charitable Trust
Oscar William Eschenhagen Edwards Trust
Paul Finlay Foundation
Philandron Foundation
RACV Community Foundation
Russell McKimmin Charitable Trust
Russell Vontom Charitable Trust
Skipper-Jacobs Charitable Trust
STAF - Judith De Garrood Donation
Sydney Community Foundation
The Benjamin Slome Charitable Foundation

The Dorothy Levien Foundation
The Edith Kemp Memorial Trust Fund
The Fairbridge Foundation
The Hardie Family Bequest
The Howard Glover Perpetual Charitable Trust
The Kemvan Trust
The Lorine and Hugh Demmer Charitable Trust
The Manildra Foundation
The Marian and E.H. Flack Trust
The Muffin Foundation
The Orloff Family Charitable Trust
The Profield Foundation
The Vernon Foundation
The William Mansel Higgins and Dorothy Higgins Charitable Trust
William Andrew Bon Charitable Trust

FUNDRAISING COMMITTEES AND AUXILIARIES

Barwon Heads Friends of Vision Australia
Boort Friends of Vision Australia
Cohuna Friends of Vision Australia
Coleraine Friends of Vision Australia
Cooma Friends of Vision Australia
Cressy Friends of Vision Australia
Donald Friends of Vision Australia
Double Bay Black and White Committee of Vision Australia
Dubbo Black and White Committee of Vision Australia
Euroa Friends of Vision Australia

Gisborne Friends of Vision Australia
Glenthompson Friends of Vision Australia
Griffith Friends of Vision Australia
International Committee of Vision Australia
Kaniva Friends of Vision Australia
Kerang Friends of Vision Australia
Kiama and District Friends of Vision Australia
Kyneton Friends of Vision Australia
Leongatha Rose Show Committee
Lismore Friends of Vision Australia
Maitland Black and White Committee of Vision Australia
Mentone/Mordialloc Friends of Vision Australia
Mudgee Black and White Committee of Vision Australia
Sea Lake Friends of Vision Australia
Skipton Friends of Vision Australia
Swan Hill Friends of Vision Australia
Taree and District Friends of Vision Australia
Temora Friends of Vision Australia
Terang Friends of Vision Australia
Wangaratta Friends of Vision Australia
Whoorel Friends of Vision Australia
Willaura Friends of Vision Australia
Yarrowonga Friends of Vision Australia
Yass Friends of Vision Australia

INDIVIDUALS **- \$10,000 OR MORE**

Mrs Andre
Mrs Angliss
Bailey Family
Mrs Barton
Mr Blair
Miss Bremner
D and A Craig
J. Duffy
Mrs Duncan
P and R Espie
Mrs Fairlie
Miss Farrell
Mr Grubb
Mr Hansen
Ms Kennard
Mrs Maple-Brown
Mrs Mead
Miss Megyeri
Aaron Miller
Mr Moore
Miss O'Sullivan
Mrs Parsons, AM
Mr Paul
Felicity and Bruce Pyke
Mrs Renshaw
Mr Schroder
Mrs Shaw
Miss Sheridan
Mrs Smith
Mr Savage
Mr Watts
Miss Woodcock
Mrs Yabsley

REGISTERED CLUBS AND COMMUNITY GROUPS **- \$10,000 OR MORE**

Dee Why RSL Club Limited
Mounties Group
Myer Community Foundation
Riverwood Legion and Community Club

BUSINESSES **- \$10,000 OR MORE**

Ansvar Insurance
BMW Sydney Pty Ltd
Dick Smiths Foods Foundation
Fiat Chrysler Group Australia
Moore Stephens Melbourne Pty Ltd
Myer
Petbarn Pty Ltd
Thiess Pty Ltd
Thomas Hare Investments Ltd
T Rainsford Pty Ltd

DONOR DIRECTED INVESTMENT FUNDS

Mudford Fund

CURRENT GOVERNMENT FUNDING - GREATER THAN \$10,000

Federal

Department of Family, Housing,
Community Services and
Indigenous Affairs

Department of Health

Department of Social Services

Department of Veterans' Affairs,
the Repatriation Commission and
the Military Rehabilitation and
Compensation Commission

Medicare Local (Hume)

Australian Capital Territory

Community Services Directorate

New South Wales

Department of Education and Communities

Department of Health

Medicare Local (Hume)

NSW Family and Community Services

Northern Territory

Department of Education

Queensland

Department of Communities,
Child Safety and Disability Services

Department of Education, Training
and Employment

Tasmania

Department of Education

Victoria

Department of Education and Early
Childhood Development

Department of Health

Department of Human Services

Department of Transport, Planning and
Local Infrastructure

2013-14 FINANCIAL STATEMENTS

FOR THE YEAR ENDING 30 JUNE 2014

VISION AUSTRALIA
LIMITED ACN 108 391 831



MOANA

Honi remembers the disbelief she felt finding out that her baby girl, Moana, had severely low vision.

“I hadn’t really been exposed to many people with any form of vision loss, so it was quite overwhelming. I started wondering what that meant for her education and independence,” says Honi

“But thankfully, Vision Australia was there to help. They gave Moana a vision assessment and we attended a parent workshop which helped us understand what support was available for Moana. They were really supportive.”

CORPORATE DIRECTORY

Directors

Kevin Murfitt (Chair)
Ron McCallum (Deputy Chair)
Nick Carter (Deputy Chair)
Andrew Moffat
Don Fraser
Jan Lovie-Kitchin
Lyn Allison
Theresa Smith-Ruig
Caroline Waldron (appointed 8/11/13)
Heith Mackay-Cruise (appointed 8/11/13)
Sara Watts (appointed 8/11/13)
Bill Jolley (appointed 1/07/14)
Ross McColl (deceased 20/01/14)
Keith Barton (retired 8/11/13)
Paul Gleeson (retired 8/11/13)
Owen van der Wall (retired 8/11/13)

Chief Executive Officer

Ron Hooton

Company Secretary

David Speyer
Stephen Crook

Principal and Registered Office

454 Glenferrie Road
Kooyong Vic 3144

Incorporation

Vision Australia Limited ABN 67 108 391 831, incorporated on 11 May 2004 as a public company limited by guarantee.

Charitable Status, tax concessions and fundraising

Vision Australia Limited is a Public Benevolent Institution (PBI). It is endorsed

as an Income Tax Exempt Charity and receives certain other tax concessions and exemptions consistent with its status of a PBI which relates to Goods and Services Tax and Fringe Benefits Tax. Vision Australia Limited has been endorsed by the Australian Tax Office as a Deductible Gift Recipient (DGR).

External Auditors

Deloitte Touche Tohmatsu
550 Bourke Street
Melbourne Vic 3000

Internal Auditors

Ernst & Young
8 Exhibition Street
Melbourne Vic 3000

Bankers

National Australia Bank
500 Bourke Street
Melbourne Vic 3000

Investment Advisors

Strategic Capital Management Ltd
Level 11, 1 Chifley Square
Sydney, NSW 2000

Fundraising

Vision Australia Limited is registered under applicable fundraising legislation in each State where it raises funds as follows: New South Wales 18187 / Queensland CH1578 / Victoria 8033 / South Australia CCP1702 / Western Australia 21190.

Website

www.visionaustralia.org

DIRECTORS' REPORT

The directors of Vision Australia Limited submit herewith the annual report of the company for the financial year ended 30 June 2014. In order to comply with the provisions of the Australian Charities and Not-for-profits Commission Act 2012, the directors report as follows:

1. INFORMATION ABOUT THE DIRECTORS

The names and particulars of the directors of the Company during or since the end of the financial year are:

Directors Name	Particulars	Special Responsibilities
Kevin Murfitt, PhD, BA (Hons), Chair	Lecturer	Audit, Finance and Business Risk Committee, Property Committee, Human Resources Committee, Client Services Committee, Board Development and Nominations Committee, Strategic Program Committee
Lyn Allison, BEd, AAICD	Former Senator	Client Services Committee (ceased in November 2013), Property Committee, Strategic Program Committee
Nick Carter, FRICS, FAPI, FAICD, Deputy chair	Business Owner	Property Committee, Board Development and Nominations Committee
Donald Fraser, BSc (Hons), Dip Ed, MBA, M.Comm.Law, DBA, FACS, FAICD	Business Manager	Human Resources Committee, Board Development and Nominations Committee, Strategic Program Committee
Professor Jan Lovie-Kitchin, PhD (QUT), MSc (Optom) (Melb), Grad Dip (Rehab Stud) (La Trobe)	Adjunct Professor and Chair of the Queensland University of Technology Human Research Ethics Committee	Client Services Committee
Professor Emeritus Ron McCallum AO, BJuris, LLB,(Hons) (Monash), LLM Qu, Deputy Chair	Professor of Law, Deputy Chair United Nations Committee on the Rights of Persons with Disabilities, Senior Australian of the year 2011	Human Resources Committee, Board Development and Nominations Committee
Andrew Moffat BCom, LLB	Accredited Mediator	Audit, Finance and Business Risk Committee, Vision Australia Trust Board

DIRECTORS' REPORT

Theresa Smith-Ruig, PhD, B Com (Hons)	Senior Lecturer	Human Resources Committee
Caroline Waldron, LLB (Hons) London, FCIS, MAICD (appointed 8/11/13)	Senior Professional with legal and commercial experience in technology, retail, healthcare and professional services sectors	Client Services Committee
Sara Watts, BSc, MBA, FCPA, GAICD (appointed 8/11/13)	Vice-Principal (Operations), University of Sydney, Chair, Audit Committee - Victorian Auditor General's Office	Vision Australia Trust Board, Audit, Finance and Business Risk Committee, Strategic Program Committee
Heith Mackay-Cruise, BEc, GAICD (appointed 8/11/13)	Professional Manager, Non Executive Director, Intrepica Pty Ltd	Strategic Program Committee, Human Resources Committee
Bill Jolley, BA Hons (Math and Statistics), MAICD (appointed 1/7/14)	Retired Public Servant	Audit, Finance and Business Risk Committee
Paul Gleeson, BSc, LLB, LLM (retired 8/11/13)	Solicitor	Audit, Finance and Business Risk Committee, Vision Australia Trust Board, Client Services Committee
Owen van der Wall, Deputy Chair (retired 8/11/13)	Retired Banker	Property Committee, Board Development and Nominations Committee
(Ronald) Keith Barton, PhD, BSc, FTSE (retired 8/11/13)	Non Executive Director	Human Resources Committee, Property Committee
Ross McColl, BEcon (Monash), FCA (deceased 20/1/14)	Chartered Accountant (retired)	Audit, Finance and Business Risk Committee, Vision Australia Trust Board, Property Committee

2. COMPANY SECRETARY

David Speyer, ACA

Stephen Crook, CA, AGIA

DIRECTORS' REPORT

3. DIRECTORS' MEETINGS

The following table sets out the number of Directors' meetings held during the financial year and the number of meetings attended by each director (while they were a director). During the financial year there were eight Board meetings, eight Audit Finance and Business Risk Committee meetings, six Property Committee meetings, three Human Resources Committee meetings, four Client Service Committee meetings, two Board Development Committee meetings, six Vision Australia Trust (VAT) Board meetings and six Strategic Program Committee meetings.

Date Appointed	Board		Audit, Finance & Business Risk Committee			Human Resources Committee			Client Services Committee		Board Development & Nominations Committee		VAT Board		Strategic Program Committee		
	M	A	M	A	M	M	A	M	A	M	A	M	A	M	A	M	A
Kevin Murfitt (Chair)	8	7	8	6	6	5	3	3	4	3	2	2	2	6	4	6	5
Lyn Allison	8	7	3	2	6	2	4	2	4	2					4	3	
Nick Carter	8	7	6	6													
Don Fraser	8	8					3	3			2	2			6	6	
Jan Lovie-Kitchin	8	8							4	4							
Ron McCallum AO	8	7					3	3			2	2					
Andrew Moffat	8	7	8	8									6	6			
Theresa Smith-Ruig	8	8					3	3									
Caroline Waldron	4	4							3	3							
Sara Watts	4	4	5	3										3	2	6	5
Heith Mackay-Cruise	4	4					1	1								6	6
Paul Gleeson	4	4	2	2					1	1			2	2			
Owen van der Wall	4	4			2	1					1	1					
Keith Barton	4	2			2	1	2	2									
Ross McColl	4	3	3	3	3	2								3	2		

M - Number of meetings Directors could have attended A - Number of meetings attended.

DIRECTORS' REPORT

4. CORPORATE GOVERNANCE

The Board supports the corporate governance principles and recommendations established by the Australian Stock Exchange (ASX) Corporate Governance Council. Vision Australia Limited is not a listed company and has no obligation to adopt these principles, however it has applied the principles insofar as it is sensible and realistic to do so in the context of a large, not-for-profit organisation and with due regard to the scope of its operations and level of client, donor, and other stakeholder interest. In 2014 the ASX Principles have been applied in the following ways:

4.1 Foundations for management and oversight

The role of the Board is to direct the activities of Vision Australia Limited towards ensuring the achievement of its vision, mission and objectives. The Board operates under a charter that details its functions and responsibilities and can be viewed on the website at visionaustralia.org/chartersandpolicies.

In addition to the matters required by law, the directors are responsible for:

- setting objectives, goals and strategic direction for Vision Australia Limited;
- monitoring financial performance including approving business plans, the annual operating and capital expenditure budgets and financial statements;
- monitoring and evaluating the effectiveness of internal controls, risk management and compliance systems;
- appointing and reviewing the performance of the CEO;

- monitoring areas of significant business risk and ensuring arrangements are in place to manage those risks;
- ensuring compliance with laws and policies;
- ensuring stakeholders receive regular reports, including financial reports;
- appointing Board committees to assist in effective governance;
- approving and monitoring the progress of major capital expenditure, capital management, acquisitions and divestments;
- liaising with the Company's external auditor through the Audit, Finance and Business Risk Committee;
- decisions relating to the purchase, sale or lease of real estate;
- other matters referred to in the Board Committee charters;
- advocating for Vision Australia Limited whenever and wherever necessary; and
- other matters required to be dealt with by the Board from time to time depending upon circumstances of the Company.

The Board formally delegates responsibility for Vision Australia Limited's day-to-day operations and administration to the CEO and executive management. A delegated authority policy sets out staff decision making responsibilities and appropriate financial contractual thresholds. Regular reviews are conducted on the appropriateness of the delegated authorities, and any material breaches are reported to the Board.

The Board annually reviews its charter and performance.

DIRECTORS' REPORT

4.2 Board structure

Directors, including the Chair, are independent Non-Executive Directors. Vision Australia Limited's constitution requires no fewer than six and no more than twelve directors. There are eleven directors at 30 June 2014.

At each general meeting one-third of the Directors must retire from office. They are eligible for re-election subject to the maximum tenure of three terms of three years with the exception of the Chair who has a maximum tenure of twelve years. The Board Renewal and Director Appointment Policy can be viewed on the Vision Australia website at: visionaustralia.org/chartersandpolicies.

No employee of Vision Australia Limited, including the CEO, can be a director of Vision Australia Limited, though they may be directors of subsidiaries of Vision Australia Limited. Directors act in a voluntary capacity except for the Chair who may be remunerated.

Profiles of the directors are set out in the Annual Report. The profiles outline the skills, experience and expertise of each Director, including the period of office held by each director.

4.3 Ethical and responsible decision making

Code of Professional Conduct

Vision Australia Limited's objective is to conduct its business with the highest standards of personal and corporate integrity. To assist employees in achieving this objective, the Company has developed a comprehensive Code of Professional Conduct. It reinforces the need for Directors, employees, consultants and all other representatives of the

Company to always act in good faith, in Vision Australia Limited's best interests and in accordance with all applicable policies, procedures, laws and regulations.

The Code states the values and policies of Vision Australia Limited and complements the Company's risk management and internal control practices. The Code is regularly reviewed and updated to ensure that it reflects current good practice, and to promote the ethical behaviour of all employees.

Vision Australia Limited has policies and procedures in place including a whistleblower policy and a Workplace Behaviour Policy ensuring that any form of discrimination, harassment, bullying or occupational violence is dealt with appropriately.

4.4 Safeguarding integrity and financial reporting

In addition to the Code of Professional Conduct as a support to ethical and responsible decision making, the Board undertakes the responsibility for safeguarding integrity and financial reporting through the structured program of Board governance and compliance program and the committees of the Board.

4.5 Timely and balanced disclosure

Vision Australia Limited has media policies, vetting and authorisation processes designed to ensure that announcements and communications:

- are made in a timely manner and are factual;
- do not omit material information whether positive or negative; and
- are expressed in a clear and objective manner.

DIRECTORS' REPORT

4.6 Respecting rights of members

Vision Australia Limited does not have shareholders but has members and stakeholders. Vision Australia Limited provides open, regular and timely information to members using electronic and other means. This includes providing the Annual Report to members prior to the Annual General Meeting.

The Board actively seeks feedback and information from a range of sources including client surveys, information sessions and focus groups. In addition to this, clients of Vision Australia Limited are formally consulted through a highly structured client consultative framework consisting of local client groups feeding into Regional Client Committees (RCC) who in turn feed into the Client Representative Council (CRC).

The CRC provides a focus for client interaction with the Board of Vision Australia Limited. Representatives to the CRC are elected by Vision Australia clients to independently represent their needs and views directly to the Board and senior management. The CRC operates under a Charter that has been approved by the Board and its primary purpose is to provide advice to the Board and management.

The Board receives and considers the recommendations and advice given by the CRC but is not bound by the recommendations or advice given. From time to time the Chair will advise the CRC of the two Directors available to join the CRC and these two Directors are to represent the views of CRC back to the Board and represent the views of the Board back to the CRC. The current Board nominees are Kevin Murfitt and Jan Lovie-Kitchin.

Vision Australia Limited has many stakeholders, including members, clients

and their families, donors, benefactors, staff, volunteers, the broader community, suppliers and government agencies who provide us with funding and regulate our operations. We adopt a consultative approach with our stakeholders.

4.7 Recognising and managing risk

The Board is responsible for ensuring the adequacy of Vision Australia Limited's risk management and is assisted by the Audit, Finance and Business Risk Committee. This includes ensuring the establishment, implementation and annual review of Vision Australia Limited's risk management system designed to protect the reputation and manage key business and finance risks which could prevent Vision Australia Limited from achieving its objectives.

The Audit, Finance and Business Risk Committee reviews the Strategic Risk Register, the Business Continuity Plan and the Disaster Recovery Plan on a regular basis and satisfies itself that management has appropriate systems in place for managing risk and maintaining internal controls.

The CEO and senior management team are responsible for identifying, evaluating and monitoring risk in accordance with the risk management framework. Senior management are responsible for the accuracy and validity of risk information reported to the Board and also for ensuring clear communication of the Board and senior management's position on risk throughout the Company.

In particular, at the Board and senior management strategy planning sessions held throughout the year, the CEO and management team reviews and reports key business and financial risks.

DIRECTORS' REPORT

4.8 Remunerating fairly and responsibly

Directors serve on a voluntary basis and do not receive remuneration with the exception of the Chair who is remunerated as approved by members under clause 6.10 of the Constitution (currently \$25,000). Reimbursement is made to directors for reasonable expenses directly related to board activities such as travel, accommodation and meals.

4.9 Committees

Details of the Committee, their charters and main functions are summarised.

4.10 Audit Finance and Business Risk Committee

An Audit Finance and Business Risk Committee is established and governed by a charter which outlines the Committee's role and responsibilities, composition, structure and membership requirements. The charter is regularly reviewed to ensure it remains consistent with the Board's objectives and responsibilities.

The Committee may extend an invitation to any person to attend all or part of any meeting of the Committee which it considers appropriate.

The main functions of the Committee are to:

- review financial statements and external financial reporting;
- assess the management processes supporting external reporting;
- assess whether the external reporting is adequate to meet the information needs for stakeholders;
- monitor performance against budget and plans;

- make recommendations on the appointment and removal of the external and internal auditors;
- review and monitor the performance and independence of the external audit;
- review tax compliance systems and processes;
- review and monitor risk management and internal compliance and control systems;
- assess the performance and objectivity of the internal audit function; and
- report to the Board on the Committee's role and responsibilities covering all the functions in its charter.

In fulfilling its responsibilities, the Audit, Finance and Business Risk Committee:

- receives regular reports from management and the internal and external auditors;
- meets separately with the external auditors without the presence of management.

The performance of the external auditor is reviewed annually. An analysis of fees paid to the external auditors, including break-down of fees for non-audit services, is provided in the notes to the financial statements. The external auditor is required to attend the Annual General Meeting and be available to answer member questions about the conduct of the audit and the preparation and content of the audit report.

The CEO and the Chief Financial Officer state in writing to the Board each reporting period that in their opinion Vision Australia Limited's financial reports present a true and fair view of its financial position and performance, and are in accordance with relevant Accounting Standards.

DIRECTORS' REPORT

Internal audit is established to review Vision Australia Limited's systems, policies, processes, practices and procedures. The internal audit function is conducted by Ernst & Young and their independence and objectivity is safeguarded by a direct access to the Chair of the Audit Finance and Business Risk Committee.

The Audit Finance and Business Risk Committee has authority, within the scope of its responsibilities, to seek any information it requires from any employee or external party. The Audit Finance and Business Risk Committee Charter can be viewed on the Vision Australia website at visionaustralia.org/chartersandpolicies.

Committee members during the year were:

Paul Gleeson (Chair to 08/11/13)
– retired 08/11/13

Andrew Moffat (Chair from 08/11/13)

Kevin Murfitt

Sara Watts – appointed 08/11/13

Ross McColl – deceased 20/01/14

Roger Zimmerman (Co-opted member)

Tim Boyle (Co-opted member)
– appointed 12/12/13

Bill Jolley (Co-opted member)
– appointed 20/02/14 to 30/06/14,
appointed Director 01/07/14

4.11 Vision Australia Foundation, Trustee of the Vision Australia Trust

Vision Australia Limited has appointed Directors to the Trustee Company ("the Foundation") that manages the Vision Australia Trust. The primary role of the Foundation is to act as trustee of the Trust in a fiduciary role, and in accordance with the deed which establishes the Trust.

The Foundation reviews the composition and performance of Vision Australia Trust's investment portfolio and also the performance of the investment managers managing the fund.

Directors of the Foundation during the year were:

Andrew Moffat (Chair)

Roger Zimmerman

Ron Hooton

Sara Watts – appointed 20/11/13

David Speyer (Company Secretary)

Paul Gleeson – retired 08/11/13

Ross McColl – deceased 20/01/14

Tim Boyle – appointed 20/11/13

4.12 Property Committee

A Property Committee is established to provide strategic property advice to management and to monitor and review Vision Australia Limited's property planning, development and maintenance policies.

Members of the Committee during the year were:

Nick Carter (Chair)

Kevin Murfitt

Lyn Allison – appointed 19/02/14

David Hodgson (Co-opted member) –
appointed 19/02/14

Keith Barton – retired 08/11/13

Owen van der Wall – retired 08/11/13

Ross McColl – deceased 20/01/14

The Property Committee charter can be viewed on the Vision Australia website at visionaustralia.org/chartersandpolicies.

DIRECTORS' REPORT

4.13 Human Resources Committee

The Board has established a Human Resources Committee governed by a charter which outlines the Committee's roles and responsibilities, composition, structure and membership requirements. The charter is regularly reviewed to ensure it remains consistent with the Board's objectives and responsibilities.

The main functions are to:

- recommend to the Board the appointment and the terms of engagement of a CEO;
- agree on recommendations from the CEO on the appointment and terms of engagement of members of the senior executive who report directly to the CEO;
- the oversight of the general remuneration strategy (including superannuation and other benefits);
- review policy recommendations and guidelines related to significant human resource issues; and
- review major human resources processes including, but not limited to:
 - a. Succession planning;
 - b. Workplace relations;
 - c. Occupational health and safety; and
 - d. Professional development.

Committee members during the year were:

Theresa Smith-Ruig (Chair from 08/11/13)

Kevin Murfitt

Ron McCallum

Don Fraser

Heith Mackay-Cruise – appointed 08/11/13

Keith Barton (Chair to 08/11/14) – retired 08/11/14

Note that all policies and charters mentioned above are posted on our website at visionaustralia.org/chartersandpolicies.

4.14 Client Services Committee

The role of the Client Services Committee is to provide strategic advice to management and to provide a mechanism to review, assess and recommend client services policies and procedures to the Board. The Committee has strong client participation to ensure that services are designed to meet client needs.

The Committee's primary responsibilities are to:

- consider issues and offer strategic advice to management on client service matters;
- oversee the formulation of client services' policies and strategies;
- review progress of the implementation of the Annual Business Plans of the client services business units;
- recommend enhancements to the development and delivery of specific client services quality management practices and procedures; and
- assess the capacity of the client services areas to meet the ongoing operations of Vision Australia Limited.

Committee members during the year were:

Jan Lovie-Kitchin (Chair)

Kevin Murfitt

Lyn Allison

Caroline Waldron – appointed 08/11/13

Sharon Bentley (Co-opt member) – appointed 20/02/14

Paul Gleeson – retired 08/11/13

The Client Services Committee charter can be viewed on the Vision Australia website at visionaustralia.org/chartersandpolicies.

DIRECTORS' REPORT

4.15 Board Development and Nominations Committee

The Board appointed a Board Development and Nominations Committee to oversee selection for appointment and the induction process for Board and Committee members.

The main responsibilities of the Committee include:

- present recommendations for changes to the Board membership in order to achieve a balance of skills, experience, gender and of sighted and non-sighted members;
- recommend to the Board the appointment of a Director to fill a casual vacancy;
- assist the Chair in the appointment of Board Committees;
- provide for orientation of new Directors on their legal, fiduciary, trustee and corporate responsibilities;
- assist in the development of Directors' skills by field visits, seminars, and reading resources;
- assist the Chair in the conduct of an annual evaluation of Directors;
- assist the Chair in the conduct of an annual evaluation of the effectiveness of the Board as an entity; and
- oversee appropriate Board succession planning

New Directors are advised of the time commitment required of them in order to appropriately discharge their responsibilities as a Director of the Company. Directors are required to confirm that they have sufficient time to meet this requirement.

The Board undertakes an annual self-assessment of the performance of the Board as a whole, its Committees, the Chair, individual Directors and governance processes that support Board work. Performance of individual Directors is assessed against a range of dimensions including the ability of the Director to consistently contribute to the development of strategies and risk identification, to provide clarity of direction to senior management, to listen to the views of fellow Directors and members of management and key third party stakeholders and to provide the time commitment to ensure the discharge of duties and obligations to the Company. The Chair meets privately with each Director to discuss individual and collective performance of Directors.

Committee members during the year were:

Kevin Murfitt (Chair)

Ron McCallum

Don Fraser

Nick Carter – appointed 12/12/13

Owen van der Wall – retired 08/11/13

The Board Development and Nominations Committee charter can be viewed on the Vision Australia website at visionaustralia.org/chartersandpolicies.

4.16 Strategic Program Committee

The Board has established the Strategic Program Committee which has the responsibility on behalf of the Board to provide governance oversight for the strategic change program that is being implemented as part of the strategic plan 2014 - 2018.

DIRECTORS' REPORT

The main responsibilities of the Committee include:

- Maintaining a high-level understanding of the Vision Australia strategic program of works.
- Undertaking periodic reviews of progress towards delivering on the strategic plan.
- Receiving reports on the project at periodic intervals.
- Reviewing proposals and recommendations made by management and make decisions or endorse proposals to the Vision Australia Board.
- Reviewing project risks and provide advice to management on mitigation measures.
- Providing advice and guidance to management in support of the implementation of the strategic change program.

The Board will, at least once in each year:

- Review the membership and terms of reference for the Committee to determine its adequacy for current circumstances.
- Complete an annual review of the Committee's performance.

The Committee will exist for the duration of the implementation of the strategic change program, or such other time as determined by the Board.

Committee members during the year were:

Don Fraser (Chair from 12/12/13)

Kevin Murfitt – appointed 12/12/13

Sara Watts – appointed 12/12/13

Heith Mackay-Cruise – appointed 12/12/13

Ross McColl

– appointed 12/12/13, deceased 20/01/14

Lyn Allison – appointed 20/03/14

5. PRINCIPAL ACTIVITIES

The principal activities of Vision Australia Limited during the financial year were the provision of services, programs and goods to people who are blind or have low vision.

6. REVIEW OF OPERATIONS

6.1 Highlights

During the financial year Vision Australia has continued to fulfil its mission of providing relevant services to people who are blind or have low vision. The NDIS launch sites of Geelong and Newcastle were joined by Canberra and Orange during the year and in doing so continued the expansion of our client focussed services, increased our opportunities to trial innovation in service delivery and the better use of technology and improvements in client service delivery.

Activities during the 2014 financial year returned a surplus of \$7,513,000, which after adjusting for non-operating and once off costs, provided a recurring surplus of \$3,957,000. This result, combined with a \$2,080,000 increase in the value of investments during the year, has increased the net assets of the Vision Australia consolidated entity by \$9,593,000. This

DIRECTORS' REPORT

result is attributable to the focus on increasing fundraising revenue, the active management of costs and productivity improvements contributing to both revenue and cost savings.

Some of the other significant events and achievements are:

- The launch of the 2014-2018 strategic plan followed by the successful restructuring of the organisation into state based client teams.
- Advocated for the Australian government to sign the Marrakesh Treaty which focusses on copyright exceptions that will facilitate the creation of accessible versions of books and other copyrighted works between countries.
- Opening of the world class SEDA dog breeding and training facility in Kensington.
- Implementation of the 3G online DAISY player project which will see 3,000 of our library members receiving their talking books, newspapers and magazines via the Optus mobile phone network.
- Partnering with the Australian Electoral Commission to ensure that people who are blind were provided with accessible information about the 2013 Federal Election. This project resulted in Vision Australia making personal phone contact with 25,000 clients.
- Successfully completed the first year of the NDIS with total package value attained of over \$200,000 and also achieved recognition of the need for the funding of Seeing Eye Dogs.
- Completed the closure of the Vision Australia Enterprises department with sensitivity and a focus that resulted in many of the blind or low vision staff appointed into open employment or employed by other disability enterprises.
- Maintaining star ratings for employment services which were 30% above the national average in Enfield, Caringbah and Kensington.
- Appointed as the new provider for the NSW Spectacles Program which will deliver additional outcomes for the community and our links to Optometrists across the state.
- The completion of the first full year of providing Better Start services in Queensland, New South Wales and Victoria for children aged 0 – 6 years.
- In response to significant gaps in service coverage in Queensland we expanded our mobile services to include Townsville and Ipswich.

By comparison to the previous financial year, the operating surplus of \$3,957,000 (refer note 6.3 below) is an improvement of \$3,854,000 from the operating surplus for the previous financial year of \$103,000.

6.2 Revenue

In 2014 Vision Australia Limited's revenue was \$87,762,000 (2013: \$85,738,000) which was an increase of \$2,024,000 or 2.4%.

The increase in revenue of \$2,024,000 has been achieved from increases in revenue from bequests by \$2,534,000 and increase in grant revenue by \$550,000, offset by a reduction in investment income from dividends and interest of \$1,040,000.

DIRECTORS' REPORT

6.3 Surplus for the year

	2014 \$'000	2013 \$'000
Adjusted (recurring) Operating Surplus	3,957	103
Adjust for non-operating and once off costs:		
Gain on sale of Investments	5,677	5,703
Impairment losses	(219)	(751)
Loss on sale of plant and equipment	(97)	(167)
Restructuring costs	(1,805)	(2,457)
Reported Surplus for the year	7,513	2,431

The reported surplus for the year was \$7,513,000 (2013: surplus of \$2,431,000). After adjusting for non-recurring items Vision Australia Limited reported an underlying operating surplus of \$3,957,000 (2013: surplus \$103,000), an increase in the operating results of \$3,854,000 arising primarily from higher revenue (6.2 above) and the containment of costs.

The \$5,677,000 gain on sale of investments (2013: \$5,703,000) arises from realising a gain on sale of \$4,283,000 (2013: \$1,181,000) and the release of impairment charges \$1,394,000 (2013: \$4,522,000) taken up in previous periods against those investments.

6.4 Impairments

In 2014, a total of \$219,000 (2013: \$751,000) of impairment losses on assets were charged to the Consolidated Statement of Profit or Loss and Other Comprehensive Income as stated below:

	2014 \$'000	2013 \$'000
Impairment for reduction in market value of investments	(445)	(586)
Reversal of impairment	407	24
Impairment for reduction in market value of property, plant and equipment	(125)	-
Impairment for reduction in market value for property held for sale	(56)	(189)
Total impairment losses	(219)	(751)

An impairment charge is recognised as the investments affected had a market value of either less than 80% of cost or had experienced a prolonged reduction in their value.

DIRECTORS' REPORT

7. MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

8. FUTURE DEVELOPMENTS

In the opinion of the Directors, there are no likely changes in the operations of the company which will adversely affect the results of the company in subsequent financial years.

9. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the year there was no significant change in the state of affairs of the company other than that referred to in the financial statements or notes thereto.

10. MEMBERS' GUARANTEE

Vision Australia Limited is a company limited by guarantee and does not have share capital. The contribution of each member to its debts and liabilities in the event of a winding up is restricted to an amount not exceeding \$25.

There were 497 members at 30 June 2014 (2013: 617).

11. INDEMNIFICATION OF OFFICERS AND AUDITORS

Vision Australia Limited paid insurance premiums during the financial year, insuring directors and officers (and any persons who are officers in the future) against certain liabilities incurred in that capacity. Vision Australia Limited has not otherwise, during or since the end of the financial year, indemnified or agreed to indemnify any officer of the company against any liabilities incurred in that capacity.

No indemnities have been given or insurance premium paid, during or since the end of the financial year, for any person who is or has been an auditor of Vision Australia Limited.

DIRECTORS' REPORT

12. PROCEEDINGS ON BEHALF OF THE COMPANY

There were no proceedings on behalf of the company during the financial year.

13. AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is included after the directors' declaration in the financial report.

14. ROUNDING OFF OF AMOUNTS

Vision Australia Limited is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors' report and the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of the directors.

On behalf of the directors:



Kevin Murfitt
Director

28 August 2014



Andrew Moffat
Director

28 August 2014

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$'000	2013 \$'000
Revenue	5	87,762	85,738
Raw materials and consumables used		(3,020)	(3,163)
Employee benefits expense	6(b)	(51,663)	(50,890)
Depreciation and amortisation expense	6(b)	(4,926)	(6,009)
Occupancy expense		(4,797)	(5,026)
Communications expense		(1,182)	(1,386)
Transport expense		(2,279)	(2,107)
Administration expense		(1,724)	(1,648)
Finance costs	6(b)	(217)	(221)
Other expenses	6(b)	(13,997)	(15,185)
		3,957	103
Net gain on disposal of assets	6(a)	5,580	5,536
Impairment reversal - property, plant and equipment	12	407	-
Impairment expense – property, plant and equipment	12	(125)	-
Impairment expense – non current assets held for resale	11	(56)	(189)
Impairment reversal - intangible assets	14	-	24
Impairment expense - available for sale investments		(445)	(586)
Restructuring Costs	32	(1,805)	(2,457)
SURPLUS FOR THE YEAR		7,513	2,431
Other comprehensive income			
Items that may be reclassified subsequently to surplus or deficit:			
Net change in fair value of available for sale investments		3,029	8,003
Impairment loss on available for sale investments transferred to Statement of Comprehensive Income		445	586
Revaluation movements reversed on disposal of available for sale investments		(1,394)	(4,522)
		2,080	4,067
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		9,593	6,498

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2014

	Note	2014 \$'000	2013 \$'000
Current assets			
Cash and cash equivalents	24(a)	11,966	6,070
Trade and other receivables	7	2,991	3,685
Other financial assets	8	13,980	20,598
Inventories	9	1,225	1,167
Other current assets	10	787	966
		30,949	32,486
Assets classified as held for sale	11	2,232	1,792
Total current assets		33,181	34,278
Non-current assets			
Trade and other receivables	7	192	193
Other financial assets	8	82,394	73,639
Property, plant and equipment	12	96,744	94,780
Investment property	13	151	652
Intangible assets	14	1,613	1,969
Total non-current assets		181,094	171,233
Total assets		214,275	205,511
Current liabilities			
Trade and other payables	15	7,287	7,281
Provisions	16	8,198	8,985
Other current liabilities	17	2,947	3,252
Total current liabilities		18,432	19,518
Non-current liabilities			
Trade and other payables	15	3	155
Provisions	16	1,402	993
Total non-current liabilities		1,405	1,148
Total liabilities		19,837	20,666
Net assets		194,438	184,845
Equity			
Retained surplus	20	184,205	179,342
Reserves	19	10,233	5,503
Total equity		194,438	184,845

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2014

	Retained Surplus \$'000	General Reserve \$'000	Asset Revaluation Reserve \$'000	Total \$'000
Balance at 30 June 2012	176,911	850	586	178,347
Adjustment for impairment loss on available for sale investments recognised as an expense in the current year	-	-	586	586
Revaluation movements removed on disposal of available for sale investments	-	-	(4,522)	(4,522)
Revaluation increments on available for sale investments	-	-	8,003	8,003
Other Comprehensive Income	-	-	4,067	4,067
Surplus for the year	2,431	-	-	2,431
Total comprehensive income for the year	2,431	-	4,067	6,498
Balance at 30 June 2013	179,342	850	4,653	184,845
Adjustment for impairment loss on available for sale investments recognised as an expense in the current year	-	-	445	445
Revaluation movements removed on disposal of available for sale investments	-	-	(1,394)	(1,394)
Transfer of endowment fund to general reserve	(2,650)	2,650	-	-
Revaluation increments on available for sale investments	-	-	3,029	3,029
Other Comprehensive Income	(2,650)	2,650	2,080	2,080
Surplus for the year	7,513	-	-	7,513
Total comprehensive income for the year	4,863	2,650	2,080	9,593
Balance at 30 June 2014	184,205	3,500	6,733	194,438

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$'000	2013 \$'000
Cash flows from operating activities			
Cash receipts from operations		82,825	80,895
Interest received		1,074	1,539
Dividends received		4,164	4,739
Payments to suppliers and employees		(80,798)	(81,578)
Bank charges and borrowing costs		(217)	(221)
Net cash provided by operating activities	24(b)	7,048	5,374
Cash flows from investing activities			
Payment for property, plant and equipment		(6,050)	(4,086)
Payment for intangible assets		(795)	(592)
Payment for investments and term deposits		(44,476)	(73,246)
Proceeds from sale of property, plant and equipment		521	398
Proceeds from sale of investments		49,648	57,327
Net cash (used in) investing activities		(1,152)	(20,199)
Net increase / (decrease) in cash and cash equivalents		5,896	(14,825)
Cash and cash equivalents at the beginning of the financial year		6,070	20,895
Cash and cash equivalents at the end of the financial year	24(a)	11,966	6,070

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 1. REPORTING ENTITY

Vision Australia Limited (“the Company”) is a company limited by guarantee, incorporated in Australia and operating in Australia.

The Company’s registered office and its principal place of business are as follows:

454 Glenferrie Road
KOOYONG Vic 3144
Tel: 1300 84 74 66

The financial statements of the consolidated entity (“the Group”) consist of Vision Australia Limited and its controlled entities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 2. APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS

2.1 New and revised AASBs affecting amounts reported and/or disclosures in the financial statements

In the current year, the Group has applied a number of new and revised AASBs issued by the Australian Accounting Standards Board (AASB).

AASB 2012-2 'Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities'	The Group has applied the amendments to AASB 7 'Disclosures – Offsetting Financial Assets and Financial Liabilities' for the first time in the current year. The amendments to AASB 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement. The amendments have been applied retrospectively. As the Group does not have any offsetting arrangements in place, the application of the amendments does not have any material impact on the consolidated financial statements.
AASB CF 2013-1 'Amendments to the Australian Conceptual Framework' and AASB 2013-9 'Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments' (Part A Conceptual Framework)	This amendment has incorporated IASB's Chapters 1 and 3 Conceptual Framework for Financial Reporting as an Appendix to the Australian Framework for the Preparation and Presentation of Financial Statements. The amendment also included not-for-profit specific paragraphs to help clarify the concepts from the perspective of not-for-profit entities in the private and public sectors. As a result the Australian Conceptual Framework now supersedes the objective and the qualitative characteristics of financial statements, as well as the guidance previously available in Statement of Accounting Concepts SAC 2 'Objective of General Purpose Financial Reporting'. The adoption of this amending standard does not have any material impact on the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

New and revised standards on consolidation, joint arrangements, associates and disclosures

In August 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued comprising AASB 10 'Consolidated Financial Statements', AASB 11 'Joint Arrangements', AASB 12 'Disclosure of Interests in Other Entities', AASB 127 (as revised in 2011) 'Separate Financial Statements' and AASB 128 (as revised in 2011) 'Investments in Associates and Joint Ventures'. Subsequent to the issue of these standards, amendments to AASB 10, AASB 11 and AASB 12 were issued to clarify certain transitional guidance on the first-time application of the standards.

In the current year, the Group has applied for the first time AASB 10, AASB 11, AASB 12 and AASB 128 (as revised in 2011) together with the amendments to AASB 10, AASB 11 and AASB 12 regarding the transitional guidance. AASB 127 (as revised in 2011) is not applicable to the Group as it deals only with separate financial statements.

The impact of the application of these standards is set out below.

AASB 10 'Consolidated Financial Statements', AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards', and AASB 2012-11 'Amendments to Australian Accounting Standards - Reduced Disclosure Requirements and Other Amendments'

AASB 10 replaces the parts of AASB 127 'Consolidated and Separate Financial Statements' that deal with consolidated financial statements and Interpretation 112 'Consolidation – Special Purpose Entities'. AASB 10 changes the definition of control such that an investor controls an investee when a) it has power over an investee, b) it is exposed, or has rights, to variable returns from its involvement with the investee, and c) has the ability to use its power to affect its returns. All three of these criteria must be met for an investor to have control over an investee. Previously, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Additional guidance has been included in AASB 10 to explain when an investor has control over an investee. Some guidance included in AASB 10 that deals with whether or not an investor that owns less than 50 per cent of the voting rights in an investee has control over the investee is relevant to the Group.

The directors of the Company made an assessment as the date of the initial application of AASB 10 (i.e. 1 July 2013) and no new controls are identified. The adoption of this standard does not have any material impact on the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

AASB 12 'Disclosure of Interests in Other Entities', AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards', and AASB 2012-7 'Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements'

AASB 12 is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the application of AASB 12 does not have any material impact on the consolidated financial statements as there were no joint arrangements identified.

AASB 13 'Fair Value Measurement', AASB 2011-8 'Amendments to Australian Accounting Standards arising from AASB 13', and AASB 2012-1 'Amendments to Australian Accounting Standards Fair Value Measurement – Reduced Disclosure Requirements'

The Group has applied AASB 13 for the first time in the current year. AASB 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The scope of AASB 13 is broad; the fair value measurement requirements of AASB 13 apply to both financial instrument items and non-financial instrument items for which other AASBs require or permit fair value measurements and disclosures about fair value measurements, except for leasing transactions that are within the scope of AASB 117 'Leases', and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, AASB 13 includes extensive disclosure requirements.

AASB 13 requires prospective application from 1 July 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the Standard. In accordance with these transitional provisions, the Group has not made any new disclosures required by AASB 13 for the 2013 comparative period. Other than the additional disclosures, the application of AASB 13 does not have any material impact on the amounts recognised in the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

AASB 2012-10
'Amendments to
Australian Accounting
Standards – Transition
Guidance and Other
Amendments'

This standard amends AASB 10 and various Australian Accounting Standards to revise the transition guidance on the initial application of those Standards. This standard also clarifies the circumstances in which adjustments to an entity's previous accounting for its involvement with other entities are required and the timing of such adjustments. The adoption of this amending standard does not have any material impact on the consolidated financial statements.

AASB 119 'Employee
Benefits' (2011), AASB
2011-10 'Amendments
to Australian
Accounting Standards
arising from AASB 119
(2011)' and AASB 2011-
11 'Amendments to
AASB 119 (September
2011) arising from
Reduced Disclosure
Requirements'

In the current year, the Group has applied AASB 119 (as revised in 2011) 'Employee Benefits' and the related consequential amendments for the first time. AASB 119 (as revised in 2011) changes the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in the fair value of plan assets when they occur, and hence eliminate the 'corridor approach' permitted under the previous version of AASB 119 and accelerate the recognition of past service costs. In addition, AASB 119 (as revised in 2011) introduces certain changes in the presentation of the defined benefit cost including more extensive disclosures.

The application of the standard has resulted in the discounting of the long term employee benefits in the current financial year. There has been no material change due to the adoption of this standard in the retrospective periods in relation to this amendment.

The adoption of this standard does not have any material impact on the defined benefit plan of the group (Refer to note 3.6.2 and note 18 for details).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the Australian Charities and Not for-profits-Act 2012 and Australian Accounting Standards - Reduced Disclosure Requirements, and comply with other requirements of the law.

These financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a not-for-profit entity.

The financial report was authorised for issue by the directors on 28 August 2014.

3.2 Basis of preparation

The consolidated financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars unless otherwise noted.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability

if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of AASB 117, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in AASB 2 or value in use in AASB 136.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Vision Australia Limited is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors' report and the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

The principal accounting policies are set out below.

3.3 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;

- rights arising from other contractual arrangements; and

any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

3.3.1 Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/ permitted by applicable AASBs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under AASB 139, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3.4 Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity instruments issued by the Group in exchange for control of the acquiree. Acquisition costs are recognised in profit or loss as incurred.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Standard.

3.5 Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

3.6 Employee benefits

A liability is recognised 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 they are capable of being measured reliably.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

Liabilities recognised in respect of short term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

3.6.1 Defined contribution plans

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

3.6.2 Defined benefit plans

As the defined benefit plan is a multi-employer plan, the defined benefit plan is accounted for as if it were a defined contribution plan.

3.6.3 Termination benefit

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

3.7 Financial assets

All financial assets are recognised and derecognised on trade date where purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs.

Financial assets are classified into the following specified categories: 'held to maturity' investments, 'available-for-sale'

investments, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

3.7.1 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.7.2 Held-to-maturity investments

Investments with fixed or determinable receipts and fixed maturity dates that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortised cost using the effective interest method less any impairment.

3.7.3 Available-for-sale investments

Certain securities held by the Group are classified as being available-for-sale and are stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the asset revaluation reserve with the exception of impairment losses and interest calculated using the effective interest method, which are recognised in profit or loss. Where the investment is disposed of or determined to be impaired, the cumulative gain or loss previously recognised in the asset revaluation reserve is reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

3.7.4 Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

3.7.5 Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that have occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

A significant or prolonged decline in the fair value of an equity instrument below its cost is considered to be objective evidence of impairment. When the market value of an equity instrument held in the company's investment portfolios is below cost it is reviewed for impairment. The interpretation of impairment that has been used in the preparation of these accounts is that an impairment will have occurred when a stock has traded below its cost for more than 12 months or, at balance date, has a market value 20% or more less than its average cost.

For certain categories of financial asset, such as trade receivables, assets that are

assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 90 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance are recognised in profit and loss.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the cost would have been had the impairment not been recognised.

In respect of available-for-sale equity instruments impairment losses previously recognised in profit and loss are not reversed through profit and loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated in the asset revaluation reserve.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

3.8 Financial liabilities

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.9 Assets held for sale

Assets classified as held for sale are measured at the lower of carrying amount or fair value less costs to sell and are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for such a sale and the sale is highly probable. The sale of the asset must be expected to be completed within one year from the date of classification, except in circumstances where sale is delayed by events or circumstances outside the Group's control and the Group remains committed to a sale.

3.10 Intangible assets

Intangible assets are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over their useful lives as follows:

Audio Masters	5 years
Computer Software	3 years

3.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs are assigned to inventory on hand by the method most appropriate to each particular class of inventory, with the majority being valued on a weighted average basis. Manufactured goods include an appropriate portion of fixed and variable overhead expenses. Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale.

3.12 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured at cost, including transaction costs, less accumulated depreciation and impairment.

Depreciation is provided on investment property, 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 expected useful life to its estimated residual value.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

3.13 Property, plant and equipment

Land is valued at cost less accumulated impairment. Buildings, leasehold improvements, plant and equipment, motor vehicles and computers are stated at cost less accumulated depreciation and accumulated impairment. Cost includes expenditure that is directly attributable to the acquisition of the item.

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 cost each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis.

The following rates are used in the calculation of depreciation:

Buildings	2%
Leasehold Improvements	20%
Computer Equipment	33.33%
Furniture, Plant & Equipment	10-20%
Motor Vehicles	15%

Leasehold Improvements and assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

All repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.14 Leased assets

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. All other leases are classified as operating leases.

3.14.1 The Group as lessor

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

3.14.2 The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

3.15 Impairment of non-current assets other than financial assets

At each reporting date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of depreciated replacement cost and fair value less costs to sell. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss recognised immediately in the statement of profit or loss and other comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income.

3.16 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable

estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows (where the effect of the time value of money is immaterial).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.16.1 Restructurings

A restructuring provision is recognised when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation for those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

3.17 Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for customer returns.

3.17.1 Revenue: General and Specific Grant Income

General grant revenue is recognised at the time of receipt. Where specifically designated grant revenue and the designated expenditure for such grants during the year has not occurred or is incomplete and there is likely to be an obligation to repay, the resulting amount is carried forward and will be brought to account in future years as the funds are expended.

3.17.2 Donations, Bequests and Estates

Revenue from estates is recognised when the Group gains control of the contribution. The deemed cost of marketable securities is the market value of such securities at the date of transfer. Revenue from specifically designated bequests, where the designated expenditure for such bequests during the year has not occurred or is incomplete, and where there is an obligation to repay the funds, the resulting amount will be transferred to trade and other payables and will be brought to account in future years as the funds are expended. Revenue from donations is recognised at the time of receipt.

3.17.3 Fundraising

Revenue in relation to fundraising is recognised at the time the funds are received.

3.17.4 Sale of Goods and Disposal of Assets

Revenue from the sale of goods and disposal of other assets is recognised when all the following conditions are satisfied:

- a. the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- b. the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- c. the amount of revenue can be measured reliably;
- d. it is probable that the economic benefits associated with the transaction will flow to the Group; and
- e. the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Specifically, revenue from the sale of goods is recognised when goods are delivered and legal title is passed.

3.17.5 Rendering of Services

Revenue is recognised when the contract outcome can be reliably measured, control of the right to be compensated for the services determined and the stage of completion can be readily measured.

The stage of completion is determined for revenue for time and material contracts at the contractual rates as labour hours delivered and direct expenses incurred. Services revenue is recognised when services have been delivered.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

3.17.6 Contributions of Assets

Revenue arising from the contribution of assets is recognised when the Group gains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to the Group and the amount of the contribution can be measured reliably. Revenue from contributed assets is recorded at fair value at the date that control of the assets is assumed by the Group.

3.17.7 Liabilities Forgiven

The gross amount of liability forgiven by a creditor is recognised as revenue.

3.17.8 Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount or revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Gains and losses from the sale of investments are recorded at the time of sale.

3.17.9 Other Income

Income is recognised to the extent that it is probable that the economic benefits will flow to the Group and the income can be reliably measured.

3.18 Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Consolidated Statement of Financial Position.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO is classified as operating cash flows.

3.19. Income tax

Under Section 50-5 of the Income Tax Assessment Act 1997, the Group is exempt from income tax.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 4. CRITICAL JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4.1 Critical judgements in applying accounting policies

The following are the critical judgements that directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

4.1.1 Inventories

Note 3.11 sets out the basis of valuation of inventory. The net realisable value of inventories is the estimated selling price in the ordinary course of business less estimated costs to sell which approximates fair value less cost to sell. The key assumptions require the use of management judgement and are reviewed annually. These key assumptions are the

variables affecting the estimated costs to sell and the expected selling price. Any reassessment of cost to sell or selling price in a particular year may affect the valuation of inventory.

4.1.2 Employee Entitlements

Management judgement is applied in determining the following key assumptions used in the calculation of long service leave at balance date:

- future increases in wages and salaries;
- future interest rates;
- future on-cost rates; and
- experience of employee departures and period of service.

Liabilities recognised in respect of long term employee benefits are measured as the present value.

4.1.3 Held to maturity financial assets

The Directors have reviewed the Group's held to maturity financial assets and have confirmed the Group's positive intention and ability to hold these assets to maturity. The carrying amount of the held to maturity financial assets is \$13,980,000 (2013: \$20,598,000).

4.2 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at balance sheet date, that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

4.2.1 Useful lives of property, plant and equipment and intangible assets

Useful lives of property, plant and equipment and intangible assets are reviewed annually. Any reassessment of useful lives in a particular year will affect the depreciation and amortisation expense (either increasing or decreasing) through to the end of the reassessed useful life for both the current and future years.

NOTE 5. REVENUE

	2014 \$'000	2013 \$'000
An analysis of the consolidated entity's revenue for the year is as follows:		
Revenue from operations consisted of the following items:		
Revenue from the sale of goods	5,786	6,443
Revenue from services rendered	2,296	2,047
Commonwealth Government grant income	7,066	7,651
State Government grant income	25,151	24,100
Other grant income	117	33
Legacies, bequests and donations	41,476	38,942
Rental revenue	472	401
Interest revenue	754	1,219
Dividend revenue	4,164	4,739
Other revenue	480	163
	87,762	85,738

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 6. SURPLUS FOR THE YEAR

	2014 \$'000	2013 \$'000
(a) Net Gain on disposal of assets		
Surplus for the year has been arrived at after crediting/ (charging) the following gains and losses on disposal of assets:		
Loss on disposal of property, plant and equipment	(97)	(167)
Gain on disposal of investments	4,283	1,181
Derecognition of impairments on disposal of investments	1,394	4,522
	5,580	5,536
(b) Expenses		
Surplus for the year includes the following expenses:		
Employee benefit expense:		
Company contributions to superannuation plans	4,039	3,910
Termination benefits	162	407
Other employee benefits	47,462	46,573
	51,663	50,890
Depreciation and amortisation expense:		
Buildings	1,345	1,353
Investment property	5	5
Plant & equipment, furniture & fittings	1,241	1,660
Motor vehicles	791	862
Computers	395	411
Intangible assets (Note 14)	1,149	1,718
	4,926	6,009
Finance costs:		
Other finance costs	217	221
	217	221
Other expenses includes:		
Equipment and technology	3,853	3,204
Events and fundraising	8,577	10,167
Miscellaneous	1,567	1,814
	13,997	15,185
Operating lease rental expenses included in occupancy expense:		
Minimum lease payments	2,340	2,473
Sub-lease payments received	(356)	(373)
	1,984	2,100

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 7. TRADE AND OTHER RECEIVABLES

	2014 \$'000	2013 \$'000
Current		
Trade receivables ⁽ⁱ⁾	1,343	1,456
Allowance for doubtful debts	(25)	(28)
	1,318	1,428
Interest and dividends receivable	1,138	1,458
Sundry debtors	535	727
Net goods and services tax recoverable	-	72
	2,991	3,685
Non-current		
Sundry debtors	192	193
Movement in the allowance for doubtful debts		
Balance at the beginning of the year	28	27
Amounts written off as non collectible	-	(6)
Amounts recovered during the year	(9)	(10)
Amounts provided for during the year	6	17
Balance at the end of the year	25	28
Ageing of past due but not impaired trade receivables ⁽ⁱⁱ⁾		
current	939	1,090
30-60 days	113	188
60-90 days	76	60
90+ days	190	90
	1,318	1,428
Ageing of impaired trade receivables		
60-90 days	-	-
90+ days	25	28
	25	28

- i. The credit period provided by Vision Australia Limited on sales of goods and services is 30 days from the date of the invoice. No interest is charged on the trade receivables. An allowance has been made for estimated irrecoverable amounts from the sale of goods and services, determined by reference to specific debtor balances.
- ii. Receivables past due but not impaired are considered collectible despite being outside Vision Australia Limited's standard terms of trade as there are a number of debtors (typically business and government) that pay in 60 – 90 day cycles. This results in amounts being in the 90+ day category.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 8. OTHER FINANCIAL ASSETS

	2014 \$'000	2013 \$'000
Current		
Held to maturity investments carried at cost:		
Interest bearing deposits	13,980	20,598
	13,980	20,598
Non-current		
Available for sale investments carried at fair value:		
Managed trusts and funds	12,170	8,654
Fixed interest securities	19,639	17,847
Shares	50,585	47,138
	82,394	73,639

NOTE 9. INVENTORIES

Goods available for sale at cost ⁽ⁱ⁾	1,274	1,204
Provision for stock obsolescence	(49)	(37)
	1,225	1,167
(i) Goods available for sale at balance date comprise the following:		
Equipment Solutions	853	820
Other goods for sale	421	384
	1,274	1,204

NOTE 10. OTHER CURRENT ASSETS

Prepaid Rent	157	148
Prepaid Insurance	40	39
Prepaid IT services and support fees	554	398
Prepaid Fundraising campaign	-	351
Other prepayments	36	30
Prepayments	787	966

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 11. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	2014 \$'000	2013 \$'000
Gross carrying amount		
Balance at beginning of financial year	1,989	1,989
Transfer from assets classified as investment property	600	-
Balance at end of financial year	2,589	1,989
Accumulated depreciation and impairment		
Balance at beginning of financial year	(197)	(8)
Net impairment losses charged to surplus	(56)	(189)
Transfer from assets classified as investment property	(104)	-
Balance at end of financial year	(357)	(197)
Net book value	2,232	1,792

The Group intends to dispose of a number of freehold properties that were gifted or previously acquired for operational development purposes and now found to be surplus to requirements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 12. PROPERTY, PLANT AND EQUIPMENT

	Land at cost	Buildings at cost	Furniture, plant and equipment at cost	Motor vehicles at cost	Computers at cost	Capital work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross carrying amount							
Balance at 30 June 2012	38,722	53,707	14,313	6,482	8,008	1,661	122,893
Transfer	3,023	(3,023)	-	-	-	-	-
Additions	-	1,796	233	531	329	1,197	4,086
Disposals	-	(72)	(1,181)	(921)	-	-	(2,174)
Balance at 30 June 2013	41,745	52,408	13,365	6,092	8,337	2,858	124,805
Additions	4	454	344	420	121	4,707	6,050
Transfer	700	6,719	(9)	-	-	(7,410)	-
Disposals	-	(24)	(195)	(1,492)	(1,623)	-	(3,334)
Balance at 30 June 2014	42,449	59,557	13,505	5,020	6,835	155	127,521
Accumulated depreciation and impairment							
Balance at 30 June 2012	(753)	(6,987)	(9,655)	(2,624)	(7,342)	-	(27,361)
Disposals	-	72	1,084	466	-	-	1,622
Depreciation expense	-	(1,353)	(1,660)	(862)	(411)	-	(4,286)
Balance at 30 June 2013	(753)	(8,268)	(10,231)	(3,020)	(7,753)	-	(30,025)
Disposals	-	23	204	903	1,608	-	2,738
Reversal of impairment losses credited to surplus ⁽ⁱ⁾	174	233	-	-	-	-	407
Impairment losses charged to surplus ⁽ⁱ⁾	(87)	(38)	-	-	-	-	(125)
Depreciation expense	-	(1,345)	(1,241)	(791)	(395)	-	(3,772)
Balance at 30 June 2014	(666)	(9,395)	(11,268)	(2,908)	(6,540)	-	(30,777)
Net book value							
As at 30 June 2013	40,992	44,140	3,134	3,072	584	2,858	94,780
As at 30 June 2014	41,783	50,162	2,237	2,112	295	155	96,744

i. Impairment charge / release of impairment in the period where the depreciated replacement cost was less than its carrying value.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 13. INVESTMENT PROPERTY

	2014 \$'000	2013 \$'000
Gross carrying amount		
Balance at beginning of financial year	783	783
Transfer to non-current assets held for sale	(600)	-
Balance at end of financial year	183	783
Accumulated depreciation and impairment		
Balance at beginning of financial year	(131)	(126)
Depreciation expense	(5)	(5)
Transfer to non-current assets held for sale	104	-
Balance at end of financial year	(32)	(131)
Net book value	151	652

NOTE 14. INTANGIBLE ASSETS

	Audio Masters \$'000	Computer Software \$'000	Total \$'000
Consolidated Gross carrying amount			
Balance at 30 June 2012	6,106	5,666	11,772
Additions	437	155	592
Disposals	-	(19)	(19)
Balance at 30 June 2013	6,543	5,802	12,345
Additions	515	280	795
Disposals	-	(83)	(83)
Balance at 30 June 2014	7,058	5,999	13,057
Accumulated amortisation and impairment			
Balance at 30 June 2012	(4,499)	(4,190)	(8,689)
Reversal of amortisation on disposal	-	7	7
Impairment reversal	-	24	24
Amortisation expense	(834)	(884)	(1,718)
Balance at 30 June 2013	(5,333)	(5,043)	(10,376)
Disposals amortisation	-	81	81
Amortisation expense	(552)	(597)	(1,149)
Balance at 30 June 2014	(5,885)	(5,559)	(11,444)
Net book value			
As at 30 June 2013	1,210	759	1,969
As at 30 June 2014	1,173	440	1,613

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 15. TRADE AND OTHER PAYABLES

	2014 \$'000	2013 \$'000
Current		
Trade payables ⁽ⁱ⁾	779	928
Net goods and services tax payable	169	-
Other creditors and accrued expenses	6,339	6,353
	7,287	7,281
Non-current		
Payable to RPH Adelaide Inc (unsecured) ⁽ⁱⁱ⁾	-	151
Endowment and scholarship funds	3	4
	3	155

- i. The standard credit period on purchases is 30 days from the end of the month in which the invoice is received. No interest is charged on trade payables.
- ii. Vision Australia Limited merged its operations with RPH Adelaide Inc on 1 December 2011. Under the terms of the merger a debt to RPH Adelaide Inc was incurred for acquiring its assets and assumed liabilities. During the financial year RPH Adelaide was wound up by the liquidator and all debts were forgiven.

NOTE 16. PROVISIONS

Current		
Annual leave	2,626	3,341
Long service leave	5,458	5,457
Other leave	114	187
Total current employee benefits ⁽ⁱ⁾	8,198	8,985
Non-current		
Employee benefits – Long Service Leave	1,402	993

- i. The current provision for employee benefits includes \$4,490,000 (2013: \$4,489,000) of vested long service leave entitlements accrued but not expected to be taken within 12 months.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 17. OTHER CURRENT LIABILITIES

	2014 \$'000	2013 \$'000
Grant and other income received in advance	2,947	3,252
	2,947	3,252

NOTE 18. RETIREMENT BENEFIT PLANS

Vision Australia Limited is a member of Health Super Pty Ltd multi-employer defined benefit superannuation plan and is required to contribute a specified percentage of payroll costs to fund the retirement benefits of 6 (2013: 6) employees.

As some members of the fund are current and former members of other employers, for the purposes of applying AASB 119 Employee Benefits, the fund actuary does not believe there is sufficient information available to allocate obligations, assets and costs between the members of the fund.

In accordance with the requirements of AASB 119, given the lack of sufficient information available, the plan is accounted for as if it were a defined contribution plan. Vision Australia Limited made total contributions to the plan of \$25,000 (2013: \$32,000) during the year which are recognised as an expense in the statement of profit or loss and other comprehensive income.

NOTE 19. RESERVES

	2014 \$'000	2013 \$'000
Asset Revaluation Reserve ⁽ⁱ⁾		
Balance at beginning of financial year	4,653	586
Mark to market revaluation increments on available for sale investments	3,029	8,003
Impairment loss on available for sale investments reclassified to Statement of Comprehensive Income	445	586
Impairment loss derecognised on disposal of available for sale investments	(1,394)	(4,522)
Balance at end of financial year	6,733	4,653
General Reserve ⁽ⁱⁱ⁾		
Balance at beginning of financial year	850	850
Transfer of endowment fund from retained earnings	2,650	-
Balance at end of financial year	3,500	850
Balance at end of financial year	10,233	5,503

- i. The asset revaluation reserve arises on the revaluation of investments to fair value.
- ii. The general reserve relates to designated donations received during the year for which there is no obligation to repay the funds.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 20. RETAINED SURPLUS

	2014 \$'000	2013 \$'000
Balance at beginning of financial year	179,342	176,911
Net surplus attributable to members of the parent entity	7,513	2,431
Transfer of endowment fund to general reserve	(2,650)	-
Balance at end of financial year	184,205	179,342

NOTE 21. CONTINGENT LIABILITIES

- Vision Australia Limited has an agreement with the Department of Housing (Victoria) regarding the funding contributed by the Department for the construction of Independent Living Units at Shepparton, Victoria. In the event that the agreement is terminated within the next eight years by Vision Australia Limited, there may be an obligation to repay an amount representing the amortised proportion of the market value of the property. The maximum amount at balance date for which Vision Australia Limited could potentially be liable is \$231,000 (2013: \$264,000).
- At 30 June 2014 Vision Australia Limited had a bank guarantee relating to a leased property in Canberra of \$27,654 (2013: \$26,187).
- An additional bank guarantee facility is available for leased properties as follows:

	2014 \$'000	2013 \$'000
Amount used	36	52
Amount unused	64	48
	100	100

NOTE 22. COMMITMENTS FOR EXPENDITURE

Capital expenditure commitments

Property

Not longer than 1 year	-	3,294
	-	3,294

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 23. LEASES

	2014 \$'000	2013 \$'000
Disclosures for lessees		
Operating leases		
Leasing arrangements		
Operating leases relate to rental property and office equipment leases. Rental property lease contract are typically five years and contain provisions for extending the lease on the same terms and conditions of the original lease. Leases for office equipment are for five years with a defined end date at which time the equipment is returned. The Group does not have an option to purchase the leased property or equipment at the expiry of the lease periods.		
Non-cancellable operating lease commitments:		
Not longer than 1 year	1,591	1,495
Longer than 1 year and not longer than 5 years	1,422	1,398
Longer than 5 years	-	19
	3,013	2,912
In respect of non-cancellable operating leases no liabilities have been recognised on the balance sheet.		
Disclosures for lessors		
Operating leases		
Leasing arrangements		
Operating leases relate to subleases on rental properties and lease for telecommunications towers located on Vision Australia Limited land. Subleases are provided on the same terms and conditions as the head lease.		
Non-cancellable operating lease receivables:		
Not longer than 1 year	142	73
Longer than 1 year and not longer than 5 years	351	140
Longer than 5 years	194	300
	687	513

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 24. NOTE TO THE CASH FLOW STATEMENT

	2014 \$'000	2013 \$'000
(a) Reconciliations of cash and cash equivalents		
For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:		
Cash at bank	6,872	2,310
At call accounts	5,094	3,760
Cash and cash equivalents	11,966	6,070
(b) Reconciliation of surplus for the year to net cash flows provided by operating activities		
Net surplus for the year	7,513	2,431
Depreciation	3,777	4,291
Amortisation	1,149	1,718
Net impairment expense	219	751
Net gain on sale or disposal of assets	(5,580)	(5,536)
Non-cash bequest of shares	(17)	(16)
(Increase) / decrease in provision for employee benefits	(378)	507
Decrease in trade receivables and sundry debtors	695	46
Decrease / (increase) in other current assets	179	(499)
(Increase) / decrease in inventories	(58)	88
(Decrease) / increase in trade payables and accruals	(146)	310
(Decrease) / increase in income in advance	(305)	1,283
Net cash provided by operating activities	7,048	5,374
(c) Financing facilities available		
Finance Lease Facility		
Amount used	-	-
Amount unused ⁽ⁱ⁾	280	280
	280	280

i. There is no line or unused limit fee associated with this facility

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 25. FINANCIAL INSTRUMENTS

25.1 Fair Value of Financial Instruments

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices;
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions; and
- the fair value of derivative instruments are calculated using quoted prices. Where such prices are not available use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments.

As detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recorded in the financial statements approximate their fair values.

	2014		2013	
	Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
Financial assets				
Cash and cash equivalents	11,966	11,966	6,070	6,070
Trade receivables	1,318	1,318	1,428	1,428
Other receivables	1,865	1,865	2,450	2,450
Interest bearing deposits	13,980	13,980	20,598	20,598
Shares	50,585	50,585	47,139	47,139
Managed trusts and funds	12,170	12,170	8,654	8,654
Fixed interest securities	19,639	19,639	17,847	17,847
	111,523	111,523	104,186	104,186
Financial liabilities				
Trade payables	779	779	928	928
Other payables	6,511	6,511	6,508	6,508
	7,290	7,290	7,436	7,436

25.2 Financial Instruments

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value based on the degree to which the fair value is observable.

	2014 \$'000	2013 \$'000
Cash and cash equivalents	11,966	6,070
Trade and other receivables	3,183	3,878
Held to maturity investments	13,980	20,598
Available for Sale Financial Assets	82,394	73,640

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 26. KEY MANAGEMENT PERSONNEL REMUNERATION AND RELATED PARTY DISCLOSURES

The names and positions of those having authority for planning, directing and controlling the company's activities, directly or indirectly, during the financial year are:

- Mr Kevin Murfitt, Chair
- Mr Ron Hooton, Chief Executive Officer
- Mr David Speyer, Chief Financial Officer
- Ms Maryanne Diamond, General Manager, Advocacy and Engagement
- Mr Leigh Garwood, General Manager Victoria, South Australia and Seeing Eye Dogs
- Ms Jan Chisholm, General Manager Fundraising
- Mr Michael Simpson, General Manager New South Wales and AIS
- Ms Karen Knight, General Manager Queensland and Northern Territory (from 01/12/13)
- Ms Linda Hornsey, General Manager Business Transformation (from 01/12/13)
- Mr John Gow, General Manager People and Culture (from 01/12/13)
- Mr Graeme Craig, Project Director NDIS (from 01/12/13)
- Mr Michael Hansen, General Manager Organisational Development (to 13/01/14)
- Ms Glenda Alexander, General Manager Independent Living Services (to 06/12/13)

The aggregate compensation of the key management personnel of the Group is set out below:

	2014	2013
	\$	\$
Short term employee benefits	2,089,220	1,674,574
Post employment benefits	162,125	132,524
Other long term employee benefits	320,036	43,571
Termination benefits	280,001	-
	2,851,382	1,850,669

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

26.1 Parent entity

The parent entity of the Group is Vision Australia Limited.

26.2. Ownership interest in related parties

Details and ownership interest held in subsidiaries are disclosed in Note 27 to the financial statements

26.3. Loan disclosures

There were no loans between Vision Australia Limited and its directors or executives.

26.4. Director transactions

Mr Paul Gleeson, a director of Vision Australia Limited (retired 08/11/13), is a principal of the legal firm Russell Kennedy Pty Ltd, which provides legal services to the Group on a normal commercial basis. As such, he shares in any legal fees and disbursements which that firm receives from Vision Australia Limited. Legal fees and disbursements paid to Russell Kennedy Pty Ltd excluding GST during the financial year totalled \$72,000 (2013: \$93,000).

Some directors receive services from Vision Australia as clients on a normal commercial basis and pay applicable fees, if any, for these services.

NOTE 27. SUBSIDIARIES

The consolidated financial statements include the financial statements of Vision Australia Limited and the subsidiaries listed in the following table.

Name of entity	Country of incorporation	Ownership interest	
		2014 %	2013 %
Parent entity			
Vision Australia Ltd	Australia		
Subsidiaries			
Vision Australia Foundation	Australia	100%	100%
Vision Australia Trust	Not incorporated	100%	100%
RVIB Foundation (Charitable Trust)	Not incorporated	100%	100%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 28. PARENT ENTITY DISCLOSURES

The accounting policies of the parent entity, which have been applied in determining the financial information below, are the same as those applied in the consolidated financial statements. Refer to note 3 for a summary of the significant accounting policies relating to the Group.

	2014	2013
(Deficit) / Surplus of the parent entity	\$'000	\$'000
Deficit for the year	(440)	(5,597)
Total comprehensive surplus / (loss) for the year	7,916	(5,085)
Financial position of the parent entity		
Current Assets	18,405	23,175
Total Assets ⁽ⁱ⁾	125,909	125,982
Current Liabilities	(18,124)	(19,268)
Total Liabilities	(19,526)	(20,412)
Net assets	106,383	105,570
Total equity of the parent entity comprising of		
Asset Revaluation Reserve	4,650	1,597
Retained Surplus	101,733	103,973
Total equity attributable to Vision Australia Limited	106,383	105,570

- i. The contingent liabilities (Note 21) and the commitments for expenditure (Note 22) of the Group are the liabilities of the parent entity.

NOTE 29. REMUNERATION OF AUDITORS

	2014	2013
	\$	\$
Audit of the Financial Report	89,250	85,000
Audit of grant and lottery returns	56,438	53,750
	145,688	138,750

The auditor of the Group is Deloitte Touche Tohmatsu

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 30. INFORMATION REQUIRED BY THE CHARITABLE FUNDRAISING ACT 1991 (NSW)

Fundraising appeals conducted under the Charitable Fundraising Act 1991, included direct mailings, special events, foundation and corporate sponsorship. Other fundraising activities were lotteries and bequests.

	2014 \$'000	2013 \$'000
Net surplus from fundraising appeals	13,654	13,507
Net surplus from bequests	16,623	12,749
Grant income	32,334	31,784
Investment income	4,918	5,958
Gain on sale of property, plant & equipment	5,580	5,536
Sales & fee income	6,960	7,461
Miscellaneous income	952	565
	81,021	77,560
Applied to charitable purposes		
Cost of client and library & information services	(63,567)	(63,422)
Applied to organisation and management		
Cost of corporate services	(6,830)	(8,062)
Cost of marketing services	(1,087)	(437)
Restructure redundancy costs	(1,805)	(2,457)
Impairment of available for sale investments	(445)	(586)
Impairment on non-current assets	226	(165)
	(9,941)	(11,707)
Net surplus	7,513	2,431

	2014 \$'000	2014 %	2013 \$'000	2013 %
Total cost of fundraising / gross income from fundraising	11,781/25,435	46	13,226/26,734	49
Net surplus from fundraising / gross income from fundraising	13,654/25,435	54	13,507/26,734	51
Total cost of services / total expenditure ⁽ⁱ⁾	63,567/83,805	76	63,422/85,636	74
Total costs of services / total income received ⁽ⁱⁱ⁾	63,567/82,462	77	63,422/85,738	74

- i. In arriving at total expenditure, adjustments have been made to exclude impairment charges and redundancy costs arising from restructure. Impairment charges are disclosed on the face of the statement of profit or loss and other comprehensive income and redundancy costs are disclosed above
- ii. In arriving at total income received, adjustments have been made to exclude the one-off bequest income received in the last quarter of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

NOTE 31. INFORMATION REQUIRED BY THE CHARITABLES COLLECTIONS ACT (1946) [SECTION 15] WA

	2014 \$'000	2013 \$'000
Fundraising income	25,435	26,734
Less fundraising expenses:		
Salaries & wages	(2,253)	(2,118)
Telemarketing costs	(3,410)	(3,864)
Consulting fees	(81)	(24)
Face to face fundraising fees	(976)	(836)
Legal fees	(12)	(11)
Other fundraising expenses	(5,049)	(6,373)
	(11,781)	(13,226)
Net surplus from fundraising appeals	13,654	13,507
Bequest Income	17,164	13,237
Less bequest expenses:		
Salaries and Wages	(359)	(347)
Legal Fees	(27)	(2)
Other Bequest Expenses	(155)	(139)
	(541)	(488)
Net surplus from Bequests	16,623	12,749
Net surplus from fundraising appeals and bequests	30,277	26,256

NOTE 32. RESTRUCTURING COSTS

Termination Benefits	1,805	2,457
	1,805	2,457

NOTE 33. SUBSEQUENT EVENTS

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

NOTE 34. ACQUISITION OF BUSINESSES

There were no acquisitions of business in the current financial year.

DIRECTORS' DECLARATION

The directors declare that:

- a. in the directors' opinion, there are reasonable grounds to believe that the consolidated entity and company will be able to pay its debts as and when they become due and payable; and
- b. in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s.60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013.

On behalf of the Directors



Kevin Murfitt
Director

28 August 2014



Andrew Moffat
Director

28 August 2014

EXECUTIVES' DECLARATION

The Chief Executive Officer and the Chief Financial Officer of Vision Australia Limited declare that:

- a. in the executives' opinion, there are reasonable grounds to believe that the consolidated entity and company will be able to pay its debts as and when they become due and payable; and
- b. in the executives' opinion, the attached financial statements and notes thereto are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and in compliance with the Charitable Fundraising Act, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.



Ron Hooton
Chief Executive
Officer

28 August 2014



David Speyer
Chief Financial
Officer

28 August 2014

Deloitte.

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The Board of Directors
Vision Australia Limited
454 Glenferrie Road
Kooyong VIC 3144

28 August 2014

Dear Board Members,

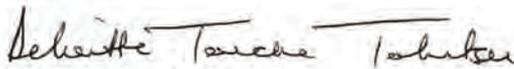
Vision Australia Limited

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

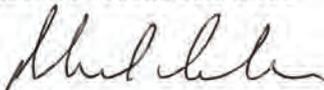
As the lead audit partner for the audit of the financial statements of Vision Australia Limited for the financial year ended 30 June 2014, I declare to the best of my knowledge and belief, there have been no contraventions of:

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

Yours sincerely,



DELOITTE TOUCHE TOHMATSU



Robert D D Collie
Partner
Chartered Accountants
Melbourne



Deloitte Touche Tohmatsu
ABN 74 490 121 060

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Independent Auditor's Report to the Members of Vision Australia Limited

We have audited the accompanying financial report of Vision Australia Limited, which comprises the consolidated statement of financial position as at 30 June 2014, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity, comprising the company and the entities it controlled at the year's end or from time to time during the financial year as set out on pages 15 to 54. In addition, we have audited Vision Australia Limited's compliance with specific requirements of the Charitable Fundraising Act 1991, Charitable Fundraising Act 1991(NSW) and Charitable Collections Act (1946) [Section 15] WA (collectively referred to as the "Charitable Fundraising Acts") for the year ended 30 June 2014.

Directors' Responsibility for the Financial Report and Compliance with the Charitable Fundraising Acts

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and for compliance with the *Charitable Fundraising Acts*. The directors are also responsible for such internal control as the directors determine is necessary to enable compliance with requirements of the *Charitable Fundraising Acts* and the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's compliance with specific requirements of the *Charitable Fundraising Acts* and the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the entity has complied with specific requirements of the *Charitable Fundraising Acts* and the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the company's compliance with specific requirements of the *Charitable Fundraising Acts* and amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of non-compliance with specific requirements of the *Charitable Fundraising Acts* and risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control, relevant to the company's compliance with the *Charitable Fundraising Acts* and preparation of the financial report that gives a true and fair view, 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Liability limited by a scheme approved under Professional Standards Legislation.
Member of Deloitte Touche Tohmatsu Limited

Deloitte

Inherent Limitations

Because of the inherent limitations of any compliance procedure, it is possible that fraud, error, or non-compliance with the *Charitable Fundraising Acts* may occur and not be detected. An audit is not designed to detect all weaknesses in Vision Australia Limited's compliance with the *Charitable Fundraising Acts* as an audit is not performed continuously throughout the period and the tests are performed on a sample basis.

Any projection of the evaluation of compliance with the *Charitable Fundraising Acts* to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

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

Auditor's Independence Declaration

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Opinion

In our opinion:

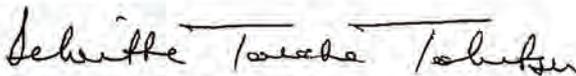
(a) the financial report of Vision Australia Limited is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2013*;

(b) the financial report agrees to the underlying financial records of Vision Australia Limited, that have been maintained, in all material respects, in accordance with the *Charitable Fundraising Acts* and its regulations for the year ended 30 June 2014; and

(c) monies received by Vision Australia Limited, as a result of fundraising appeals conducted during the year ended 30 June 2014, have been accounted for and applied, in all material respects, in accordance with the *Charitable Fundraising Acts* and its regulations.



DELOITTE TOUCHE TOHMATSU



Robert D D Collie
Partner
Chartered Accountants
Melbourne, 28 August 2014



**vision
australia**

blindness and low vision services