VISABILITY LIMITED

ABN 11 157 291 960
ACN 604 293 209

ANNUAL REPORT

FOR THE YEAR ENDED

30 JUNE 2018

Directors Report

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2018.

The following persons were directors of VisAbility Limited during the period and up to the date of this report:

Debbie Schaffer OAM (President and Chairperson)
David Bevan (Vice President)
David Ligovich (Treasurer and Company Secretary) resigned on 9/7/18
Jennifer Dawson
Lorraine Driscoll
Prof Iain Murray AM
Helen Smith OAM
Kym Georgiou
Sue Shoobridge (Treasurer and Company Secretary from 15/08/2018)
Scott Marston
Hayden White (appointed on 19/10/2017)

Our Vision

We have a vision for independence.

Our Purpose

We empower people living with disability.

Our Belief System

- We believe everyone has the right to live the life they choose.
- We believe giving creates connection and nurtures a deep sense of belonging.
- We believe opportunity uncovers greatness.
- We believe storytelling inspires empathy.
- We believe empathy can change perspectives, and in turn, change the world.

Our Values

Greatness: We are giants in our domain, the best at what we do. We lead, we achieve, we break new ground. We have a depth of knowledge that is unparalleled.

Opportunity: We believe in abundance and diversity. In a world where everyone can achieve their dreams and goals. In a world that continues to evolve, forever discovering new ways for people to grow.

Belonging: We welcome everyone. We see a world where everyone is equal, everyone is included.

Empathy: We walk this journey with you. We are brave, and vulnerable. We want to step inside your shoes. To see things from your perspective. To see things differently.

Visible: We communicate transparently. We trust, and can be trusted. We connect and participate. We are open, and true. We have a voice.

Strategic Focus

The company is focused on seven priority themes, each comprising strategic objectives that are fundamentally aligned with our Vision and Values. These strategic objectives will be key drivers in achieving successful outcomes for our clients and their families who are an integral part of VisAbility. The strategic themes are as follows:

- People: To work with all stakeholders for the independence of people with a disability.

- Innovation and Technology: To work in the spirit of creativity, innovation and entrepreneurialism. To invest in our business and in appropriate technologies that will support our organisation's transformation.

- Client Centred Practice: To embody our values in our client service delivery models; providing choice and control through client centred practice.

- Transformational Change: To re-define our way of thinking and working, be liberated from traditional structures and encumbrances and embrace innovative opportunities.

- Unique Defining Brand: To be known for our difference by effectively promoting our Brand Personality.

- Reputation and Recognition: To be publicly endorsed and recommended by our stakeholders. To win awards and meet compliance standards.

- Economic Viability: To create financial efficiencies and long-term sustainability.

Strategy for achieving the objectives
To achieve these objectives the company has prepared a detailed strategic plan to identify the opportunities and strengths of the company to provide sustainable services. The strategic plan focuses on the 7 strategic objectives and defines how the objectives will be achieved and how their success will be measured.

Performance measures
Our success will be measured from four perspectives:

Clients: How we create value for our clients; and how we continuously improve our level of service.

Financial: How we add value for our clients while controlling costs and: how we provide a balanced approach to investment in a full range of services.

Internal Business Processes: How we improve and excel in our joint business processes.

Learning and Growth: How we develop our people and build system capacity to meet future needs.

Information on directors

Name: Debbie Schaffer OAM
Title: Non-Executive Chair

Experience and expertise:
Debbie Schaffer has been a member of the Board since 2006 and was elected as President in 2009. Debbie and her family have been generous benefactors to VisAbility and she took on a very significant role on the Major Gifts Committee of the Association's 'Building our Vision Campaign'. Debbie has also been actively involved in the Ear Science Institute Capital Campaign and to date has provided leadership in raising $8 million for the development of a new Ear Science Institute. Debbie is a Director of the Schaffer Group of Companies and also a Board Director for Guide Dogs Australia.

Special responsibilities:
Member of the Board Audit and Risk Committee

Name: David Bevan
Title: Non-Executive Vice-Chair

Experience and expertise:
David has over 30 years' experience in the development and growth of businesses in the human resources and human services sector. For 14 years, he was the Managing Director of PVS Workfind; one of Australia's leading and most successful employment service providers. For the past eight years, David has held a Non-Executive Director role in a recruitment and employment services company in Australia and the UK. David currently manages a private investment trust. He joined the Board of VisAbility Limited in 2009.

Special responsibilities:
Member of the Board Audit and Risk Committee

Name: David Ligovich
Title: Non-Executive Treasurer and Company Secretary

Experience and expertise:
David is currently the Chief Financial Officer of Silver Chain Group. As a Chartered Accountant with over 25 years' experience, 11 years

internationally with multi-national and global organisations, he has held a variety of responsibilities and roles including Auditor (external and internal), Financial Controller and Chief Financial Officer. David joined VisAbility's Finance and Audit Committee and the Board in 2010, was appointed as Company Secretary on 17/02/2016 and resigned from his position on 09/07/2018.

Special responsibilities:
Chair of the Board Audit and Risk Committee

Name: Jennifer Dawson
Title: Non-Executive Director

Experience and expertise:
Jennifer is totally blind, and with her husband, who is also blind, has raised two children to adulthood. Jennifer has a wealth of experience in access and advocacy. She has held positions on several disability access advisory committees including transport and local government. Jennifer was elected to in 2012, she is also Chair of VisAbility's Consumer Advisory Committee.

Special responsibilities: None

Name: Lorraine Driscoll
Title: Non-Executive Director

Experience and expertise:
Lorraine is a member of the Chartered Institute of Management Accountants, a Certified Global Management Accountant and an Associate Member of the Australian Institute of Company Directors. Lorraine has proven experience and track record in senior executive positions including Financial Controller for the Body Shop (Ireland) and General Manager positions within Lotterywest. She is currently Director: Corporate and Strategy for the City of Nedlands. Lorraine joined the Board of VisAbility Limited in 2011.

Special responsibilities: None

Name: Prof Iain Murray AM
Title: Non-Executive Director

Experience and expertise:
Iain is Senior Lecturer in the Department of Electrical & Computer Engineering at Curtin University. Iain's research at Curtin involves development of assistive technology to facilitate learning and literacy for people who are blind and vision impaired. Iain is the founder of the Curtin University Centre for Accessible Technology (CUCAT). Iain joined the Board of VisAbility Limited in 2010.

Special responsibilities: None

Name: Helen Smith OAM
Title: Non-Executive Director

Experience and expertise:
Helen has over 20 years' experience in the eye health industry. Helen was involved in the establishment of, and was a former Director of the Eye Surgery Foundation (Australia) Pty Ltd. Helen is a Fellow Australian Institute of Management, and a Paul Harris Fellow. Helen joined the Board of VisAbility Limited in 2009.

Special responsibilities: None

Name: Kym Georgiou
Title: Non–Executive Director

Kym Georgiou brings to the Board her extensive experience as a speech pathologist. In the mental health and disability sectors, through a range of allied health positions, Kym has worked with adults, adolescents and children in hospital and clinic settings as well as private practice. Kym is a Churchill Scholar, a published researcher and has been a member of the Board of Huntingdon's WA. Kym is passionate about supporting and advocating for services that improve the quality of life of children, adolescents and adults with a disability. Kym joined the Board of VisAbility Limited in 2015.

Special responsibilities: None

Name: Sue Shoobridge
Title: Non–Executive Director

Sue Shoobridge was appointed to the board in July 2016 following the merger of Guide Dogs Tasmania with VisAbility. She has been a member of the Guide Dogs Tasmania board since August 2013 and President since February 2015. She is now retired, but during her employment prior to 2015 held executive financial management roles in the finance, agribusiness and government business enterprise sectors. Sue is a Fellow of CPA Australia and a Fellow of the Australian Institute of Company Directors. She is also a member and President of the Tasmanian Divisional Council of CPA Australia. Sue was appointed Treasurer and Company Secretary on 15/08/2018.

Special responsibilities:
Chair of the Board Audit and Risk Committee

Name: Scott Marston
Title: Non–Executive Director

Scott Marston was appointed to the Board in July 2016 following the merger of Guide Dogs Tasmania with VisAbility. Scott has been a member of the Guide Dogs Tasmania Board since December 2012 and Vice President since February 2015. Scott is currently CEO of Earworx Pty Ltd and was previously Deputy CEO TasTAFE and immediately before that was Deputy Secretary with the Tasmanian State Government Department of Premier and Cabinet. Scott has a Bachelor of Business Degree and holds post graduate qualifications in Project Management and Franchising.

Special responsibilities: None

Name: Hayden White
Title: Non–Executive Director

Hayden is a Chartered Accountant and member of the Australian Restructuring, Insolvency and Turnaround Association. Hayden has almost 20 years' experience in both the UK and Australia and Hayden is currently a Partner in KPMG's Restructuring Services Division, with a career focus on financial restructuring and turnaround assignments to assist businesses across a range of industries and geographies, having worked in a number of roles in professional practice, and for the

Financial Services Authority in London. Hayden joined the board on the 19th October 2017.

Special responsibilities:
Member of the Board Audit and Risk Committee

Meetings of Directors
During the financial year, 8 meetings of directors were held. Attendances by each director are as follows:

DIRECTORS MEETINGS 2017/18				
	BARC (Board Audit and Risk Committee)		Board (includes AGM)	
	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
Debbie Schaffer OAM	5	4	8	7
David Bevan	5	5	8	6
David Ligovich	5	5	8	7
Jennifer Dawson	-	-	8	7
Lorraine Driscoll	-	-	8	4
Prof Iain Murray AM	-	-	8	7
Helen Smith OAM	-	-	8	7
Hayden White	5	4	3	2
Kym Georgiou	-	-	8	5
Sue Shoobridge	-	-	8	7
Scott Marston	-	-	8	6

Contributions on winding up
In the event of the company being wound up, each member is required to contribute a maximum of $1.00 each.

On behalf of the directors

Debbie Schaffer OAM
President

Dated this 20th day of September 2018
Perth, Western Australia

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Entity

This financial report is prepared in Australian Dollars and covers VisAbility (Limited), formerly known as "VisAbility (Incorporated)" and previously the "Association for the Blind of Western Australia (Incorporated)", a public company limited by guarantee under the Corporations Act 2001 of Western Australia.

VisAbility Limited is a not for profit unlisted public company limited by guarantee.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 20th day of September 2018.

Registered Office

61 Kitchener Avenue, Victoria Park, Western Australia 6100

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 $	2017 $
Revenue	2	7,114,071	7,615,479
Other Income	2	6,603,610	5,331,802
Total Revenue		**13,717,681**	**12,947,281**
Costs of sales		(295,193)	(330,837)
Employee benefits expense		(9,390,686)	(9,643,217)
Rent, rates and property		(673,380)	(709,634)
Community education and fundraising expenses		(210,515)	(240,287)
Vehicle and transport costs		(277,057)	(214,393)
Depreciation and Amortisation expense	3	(873,794)	(1,010,622)
Computer and communications costs		(391,336)	(368,042)
Office expenses		(457,024)	(568,288)
Service delivery expenses		(764,039)	(1,384,403)
Other expenses		(375,909)	(345,904)
Surplus / (Deficit) from operations		**8,748**	**(1,868,346)**
Other Comprehensive Income			
Items that may subsequently be reclassified to profit or loss			
Available-for-sale financial assets - net change in fair value		228,421	264,787
Available-for-sale financial assets – reclassified to profit or loss		(85,322)	(85,378)
Total comprehensive income for the year, net of tax		**151,847**	**(1,688,937)**
Surplus / (Deficit) attributable to the members of the entity		**151,847**	**(1,688,937)**

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes set out on pages 14 to 36.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	Notes	2018	2017
		$	$
CURRENT ASSETS			
Cash and cash equivalents	4	7,397,770	5,653,620
Trade and other receivables	5	544,948	426,685
Assets held for sale	8b	11,018,015	-
Inventories	7	159,170	191,779
Total Current Assets		**19,119,903**	**6,272,084**
NON CURRENT ASSETS			
Goodwill		70,000	70,000
Investments	6	3,886,187	3,562,034
Property, plant and equipment	8a	2,872,557	14,732,026
Total Non-current Assets		**6,828,744**	**18,364,060**
Total Assets		**25,948,647**	**24,636,144**
CURRENT LIABILITIES			
Trade and other payables	9	2,873,041	1,977,687
Borrowings	10	3,150	3,150
Provisions	11	990,116	837,738
Total Current Liabilities		**3,866,307**	**2,818,575**
NON CURRENT LIABILITIES			
Borrowings	10	13,754	26,676
Provisions	12	587,856	462,010
Total Non-current Liabilities		**601,610**	**488,686**
Total Liabilities		**4,467,917**	**3,307,261**
NET ASSETS		**21,480,730**	**21,328,883**
EQUITY			
Retained surpluses		16,336,452	16,327,704
Merger Reserve	13	4,821,770	4,821,770
Revaluation Reserve	13	322,508	179,409
TOTAL EQUITY		**21,480,730**	**21,328,883**

The above statement of financial position should be read in conjunction with the accompanying notes set out on pages 14 to 36.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Retained Surplus $	Merger Reserve $	Revaluation Reserve $	Total $
1 July 2016	**18,196,050**	**-**	**-**	**18,196,050**
Net (deficit) / surplus attributable to VisAbility's ongoing activities for the year	(1,868,346)	-	-	(1,868,346)
Excess of fair value of net assets over consideration	-	4,821,770	-	4,821,770
Changes in fair value of available for sale financial assets	-	-	179,409	179,409
At 30 June 2017	**16,327,704**	**4,821,770**	**179,409**	**21,328,883**
1 July 2017	**16,327,704**	**4,821,770**	**179,409**	**21,328,883**
Net (deficit) / surplus attributable to VisAbility's ongoing activities for the year	8,748	-	-	8,748
Changes in fair value of available for sale financial assets	-	-	143,099	143,099
At 30 June 2018	**16,336,452**	**4,821,770**	**322,508**	**21,480,730**

The above statement of changes in equity should be read in conjunction with the accompanying notes set out on pages 14 to 36.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 $	2017 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from governments (exclusive of goods and services tax)		7,202,897	6,158,120
Receipts from customers (exclusive of goods and services tax)		382,041	439,311
Bequests and fund raising		5,579,262	4,154,804
Other operating income		557,245	712,354
Interest received		115,038	136,601
Payments to suppliers and employees		(12,419,860)	(13,690,881)
Net cash (outflow) from operating activities		**1,416,623**	**(2,089,691)**
CASHFLOWS FROM INVESTING ACTIVITIES			
Transfer of cash from RGDT Merger		-	1,627,927
Payments for property, plant and equipment		(535,963)	(1,044,216)
Payments for business acquisition		-	(70,000)
Proceeds from investments		334,317	254,907
Proceeds from sale of property, plant and equipment		542,096	730,502
Net cash inflow / (outflow) from investing activities		**340,450**	**1,499,120**
CASHFLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowing		(12,923)	(12,411)
Net cash (outflow) from financing activities		**(12,923)**	**(12,411)**
Net (decrease) in cash and cash equivalents		**1,744,150**	**(602,982)**
Cash and cash equivalents at the beginning of the financial year		5,653,620	6,256,602
Cash and cash equivalents at the end of the financial year	4	**7,397,770**	**5,653,620**

The above statement of cash flows should be read in conjunction with the accompanying notes set out on pages 14 to 36.

1. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of Preparation

The financial statements are general purpose financial statements which have been prepared in accordance with the requirements of the *Corporations Act 2001,* Australian Accounting Standards Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board and the Australian Charities and Not for Profit Commission Act 2012. A Statement of Compliance with the International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB') cannot be made due to VisAbility applying not-for-profit specific requirements contained in the Australian Accounting Standards.

The directors have determined that VisAbility Limited is permitted to apply the Tier 2 reporting requirements (Australian Accounting Standards – Reduced Disclosure Requirements) as set out in AASB 1053 Application of Tiers of Australian Accounting Standards because it is a not-for-profit private sector entity that does not have public accountability. As such, the directors have early adopted AASB 1053 and AASB 2010-2 Amendments to Australian Accounting Standards Arising from Reduced Disclosure Requirements from 1 July 2010.

The financial report has been prepared on an accrual basis and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgments, estimates and assumption on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimate and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets
VisAbility Limited determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision
As discussed in note 1 (m), the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Income received in advance
A liability is raised for income received in advance where grants or donations are received with conditions attached that specify the areas the money shall be spent or services which must be delivered that must be fulfilled. As and when the services and conditions are met the corresponding income is recognised.

Available-for-sale investments
VisAbility follows the guidance of AASB 139 Financial Instruments: Recognition and Measurement to determine when an available-for-sale financial asset is impaired. This determination requires significant judgement. In making this judgement, the Company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost.

Asset held for sale
As disclosed in Note 8(b), the Directors have classified the property at Kitchener Avenue, Victoria Park as an asset held for sale. This classification requires judgements to be made including but not limited to that as at reporting date, the sale is highly probable and will occur within twelve months and that the amount realised from the sale will be greater than the written down value of the property.

Business combination
Acquisition of businesses requires estimation of the fair value of the consideration transferred (including contingent consideration if any) and fair value of the assets acquired and liabilities assumed.

(b) Revenue Recognition

Revenue from the sale of goods and services is recognised upon the delivery of the goods or services to customers, and when it is probable that the economic benefit will flow to the organisation. Revenue is measured at the fair value of the consideration received or receivable.

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

Revenue from bequests and donations is not brought to account until the organisation is virtually certain of the income and of compliance with all attached conditions, if any.

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and VisAbility will comply with all attached conditions.

Grants relating to costs are deferred and recognised in the statement of profit or loss and other comprehensive income over the period necessary to match them with the costs that they are intended to compensate.

Grants relating to the purchase of plant and equipment or redevelopment of land and buildings are credited to the statement of profit or loss and other comprehensive income.

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

(c) Income Tax

VisAbility is exempt from payment of income tax pursuant to Section 50-5 of the Income Tax Assessment Act 1997.

(d) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor and not the organisation as lessee, are charged as expenses in the periods in which they are incurred.

Lease income from operating leases where the organisation is a lessor is recognised in income on a straight-line basis over the lease term.

(e) Impairment of Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows. These are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(f) Cash and Cash Equivalents

For statement of cash flows presentation purposes, cash and cash equivalents includes: cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(g) Trade and Other Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. Trade receivables are due for settlement no more than 30 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is established when there is objective evidence that VisAbility will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short term receivables are not discounted if the effect of the discounting is immaterial.

The amount of the impairment loss is recognised in the statement of profit or loss and other comprehensive income within costs of sales. When a trade receivable for which an impairment allowance had been recognised, becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of profit or loss and other comprehensive income.

(h) Inventories

Finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(i) Property, plant and equipment

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to VisAbility and the cost of the item can be measured reliably. Repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the reporting period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Buildings	40 years
Equipment Funded by Grants	1 year
Loan Equipment	1 year
Motor Vehicles	5 years
Plant and Equipment	5 years
IT Hardware	3 years
IT Software	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss and other comprehensive income.

(j) Trade and Other Payables

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

(k) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and redemption amount, is recognised in the statement of comprehensive income over the period of the borrowing, using the effective interest method.

(l) Provisions

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

(m) Employee Benefits

Wages and salaries and annual leave
Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date' are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave
A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of

employee departures, and the probability of employees reaching the required period of service to take long service leave.

Regardless of when settlement is expected to occur, liabilities for long service leave and annual leave are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period.

(n) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included with other receivables or payables in the statement of financial position.

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

(o) Rounding of Amounts

Amounts in the financial report have been rounded off to the nearest dollar.

(p) Comparative Figures

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

(q) Business Combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred and the amount of any non-controlling interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase or equity in certain circumstances involving merger of other charitable entities with no consideration involved.

(r) Merger of not-for-profit entity

The company adopts the pooling of interests method to account for merger of entities with the company.

The pooling of interest method involves the following:
- The assets and liabilities of the combining entities are reflected at their carrying amounts prior to the combination;
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities, that would other be done under the acquisition

method. The only adjustments that are made are to harmonise accounting policies;

- No 'new' goodwill is recognised as a result of the combination; and
- The only goodwill that is recognised is any existing goodwill relating to either of the combining entities. Any difference between the consideration paid/transferred (including liabilities assumed) and the entity 'acquired' is reflected within the equity under merger reserve.

The Statement of Profit or Loss and Other Comprehensive Income reflects the result of the combining entities from the date that the combination occurred. Financial information for the periods prior to the date the combination occurred is not restated.

(s) Investments

Available-for-sale financial assets are measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses are recognised in other comprehensive income and accumulated in the revaluation reserve. When these assets are derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

(t) Non-current assets and liabilities classified as held for sale and discontinued operations

When the Company intends to sell a non-current asset or a group of assets (a disposal group), and if sale within twelve (12) months is highly probable, the asset or disposal group is classified as 'held for sale' and presented separately in the statement of financial position. Liabilities are classified as 'held for sale' and presented as such in the statement of financial position if they are directly associated with a disposal group.

Assets classified as 'held for sale' are measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some 'held for sale' assets such as financial assets, continue to be measured in accordance with the Company's accounting policy for those assets. Once classified as 'held for sale', the assets are not subject to depreciation or amortisation.

(u) New, revised or amending Accounting Standards and Interpretations Adopted

VisAbility Limited has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2018 reporting periods and have not been early adopted by the company. The company's assessment of the impact of these new standards and interpretations is set out below.

Standard Name	Effective date for entity	Requirements
AASB 16 Leases	1st July 2019	This standard will replace the current accounting requirements applicable to leases in AASB 17: Leases and related interpretations. AASB 16 introduces a single lease accounting model that eliminates the requirements to be classified as operating or finance leases.
AASB 15 Revenue from Contracts with Customers	1st July 2019	The standard shifts the focus from the transaction-level to a contract-based approach. Recognition is determined based on what the customer expects to be entitled to (rights and obligations), while measurement encompasses estimation by the entity of the amount expected to be entitled for performing under the contract.
AASB 9 Financial Instruments	1st July 2018	AASB 9 replaces AASB 139: Financial Instruments: Recognition and Measurement. The objective of this Standard is to establish principles for the financial reporting of financial assets and financial liabilities that will present

		relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows.
AASB 1058 Income of Not-for-profit Entities	1st July 2019	This Standard is applicable to transactions that do not arise from enforceable contracts with customers involving performance obligations. The significant accounting requirements of AASB 1058 are as follows: - Income arising from an excess of the initial carrying amount of an asset over the related contributions by owners, increases in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable standards. - Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with the applicable Standards. The liabilities must be amortised to profit or loss as income when the entity satisfies its obligations under the transfer. An entity may elect to recognise volunteer services or a class of volunteer services as an accounting policy choice if the fair value of those services can be measured reliably, whether or not the services would have been purchased if they had not been donated. Recognised volunteer services should be measured at fair value and any excess over the related amounts (such as contributions by owners or revenue) immediately recognised as income in profit or loss.

		The transitional provisions of this Standard permit an entity to either: Restate the contracts that existed in each prior period presented in accordance with AASB 108 (subject to certain practical expedients); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. For this purpose, a completed contract is a contract or transaction for which the entity has recognised all of the income in accordance with AASB 1004: Contributions. Although the directors anticipate that the adoption of AASB 1058 may have an impact on the company's financial statements it is impracticable at this stage to provide a reasonable estimate of such impact

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	$	$
2. Revenue		
Revenue from (non-reciprocal) government grants and other grants:		
Commonwealth Government funding	1,933,602	2,065,009
State and Local Government funding	4,336,289	4,674,926
	6,269,891	6,739,935
Other Revenue:		
Interest received	115,038	149,837
Investment Income	347,101	227,678
Telephone and technology sales	382,041	498,029
	844,180	875,544
Total Revenue	7,114,071	7,615,479
Other Income		
Fundraising income, donations and bequests	5,579,262	4,154,804
Profit on disposal of plant and equipment	37,721	51,767
Property rental income	515,859	564,823
Other income	470,768	560,408
Total Other Income	6,603,610	5,331,802
Total Revenue and other income	**13,717,681**	**12,947,281**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	$	$
3. Expenses		
The (deficit)/surplus from operations includes the following specific expenses:		
Depreciation		
Depreciation of motor vehicles, plant and equipment	539,432	507,568
Depreciation of buildings	334,362	503,054
Total depreciation	**873,794**	**1,010,622**
Finance costs		
Interest and finance charges	968	1,478
Rental expenses relating to operating leases		
Minimum lease payments	**153,759**	**126,956**

	2018	2017
	$	$
4. Cash and Cash Equivalents		
Cash at bank	2,658,067	2,529,132
Cash on hand	17,319	11,180
Deposits	4,722,384	3,113,308
Total cash and cash equivalents	**7,397,770**	**5,653,620**

	2018	2017
	$	$
5. Trade and Other Receivables		
Trade receivables	429,864	213,899
Less: Provision for impairment of receivables	(182,078)	(53,229)
	247,786	**160,670**
Prepayments	60,237	58,006
Other receivables	236,925	208,009
	544,948	**426,685**

(a) Impaired trade receivables

As at 30 June 2018, VisAbility's current trade receivables with a nominal value of $182,078 (2017: $49,835) were impaired. No additional provision was expensed. The individually impaired receivables relate to amounts overdue by more than three months. A portion of the receivables is expected to be recovered.

The ageing of these receivables is as follows:

	2018 $	2017 $
Over 3 months	182,078	49,835

Movements in the provision for impairment of receivables are as follows:

	2018 $	2017 $
At 1 July	53,229	53,229
Provision for impairment recognised during the year	142,701	-
Receivables written off during the year as uncollectible	(13,852)	-
Total provision for impairment of receivables	**182,078**	**53,229**

The creation and release of the provision for impaired receivables has been included in 'other expenses' in the statement of profit or loss and other comprehensive income. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

(b) Past due but not impaired

As of 30 June 2018, trade receivables of $59,174 (2017: $89,726) were past due but not impaired. These relate to customers and clients for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	2018 $	2017 $
1 to 3 months	22,583	60,723
Over 3 months	36,591	29,003
	59,174	**89,726**

6. Investments

	2018 $	2017 $
Available for sale financial assets	3,821,019	3,509,650
Imputation Credits	65,168	52,384
	3,886,187	**3,562,034**

7. Inventories

	2018 $	2017 $
Finished goods	159,170	191,779
Provision for impairment of inventories	-	-
	159,170	**191,779**

Inventories recognised as an expense during the year to 30 June 2018 amounted to $295,193 (2017: $330,837).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018 $	2017 $
8a. Property, Plant and Equipment		
Land and buildings		
At cost	2,456,525	17,669,312
Less: accumulated depreciation	(793,570)	(4,672,090)
	1,662,955	**12,997,222**
Plant, furniture & equipment at cost	2,968,635	2,958,568
Less: accumulated depreciation	(2,297,300)	(1,904,705)
	671,335	**1,053,863**
Motor vehicles at cost	796,459	877,430
Less: accumulated depreciation	(258,192)	(196,489)
	538,267	**680,941**
	2,872,557	**14,732,026**

Movements in the carrying amount for each class of property, plant and equipment between the beginning and the end of the financial year are:

	Land and Buildings $	Plant and Equipment $	Motor Vehicles $	Total $
Opening net book amount	12,997,222	1,053,863	680,941	14,732,026
Additions	13,027	15,407	507,539	535,973
Transfer to Assets held for sale	(11,012,932)	(5,083)	-	(11,018,015)
Disposals	-	-	(503,633)	(503,633)
Depreciation expense	(334,362)	(392,852)	(146,580)	(873,794)
Closing net book amount	1,662,955	671,335	538,267	2,872,557

8b. Assets held for sale

VisAbility has placed the property located at 61 Kitchener Avenue, Victoria Park, Western Australia on the market for sale. This property is a substantial asset built for a different service delivery model, a model of centralised services funded through government block funding. We are now transitioning to a new funding environment through NDIA and My Aged Care which favours agile, decentralised service providers who are embedded in multiple communities. The sale of this property will shift overhead costs into an income stream allowing an efficient, flexible service delivery model in this new economic environment.

The building redevelopment undertaken by VisAbility in 2007 was partially funded by Lotterywest. As a consequence VisAbility has entered into a Deed of Trust granting Lotterywest an equitable interest in the property at 61 Kitchener Avenue, Victoria Park, Western Australia and limiting the use of the building to benevolent and charitable purposes. The Deed of Trust expires in May 2028. Lotterywest have approved the sale of this property.

The sale of the property is anticipated to be completed within the next 12 months.

9. Trade and Other Payables

	2018	2017
	$	$
Trade payables	134,023	249,829
Income received in advance	2,180,540	1,247,534
Sundry payables	304,694	119,498
Employee benefits	253,785	360,826
	2,873,041	**1,977,687**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	$	$
10. Financial Liabilities		
Current		
Lease Liability Secured	3,150	3,150
	3,150	**3,150**
Non-current		
Lease Liability Secured	13,754	26,676
	13,754	**26,676**

	2018	2017
	$	$
11. Provisions – Current		
Employee benefits – long service and annual leave	**990,116**	**837,738**

The current provision for long service leave includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since VisAbility does not have an unconditional right to defer settlement. However, based on past experience, VisAbility does not expect all employees to take the full amount of accrued long service leave or require payment within the next 12 months.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	$	$
12. Provisions – Non-Current		
Employee benefits – long service leave	**587,856**	**462,010**

Analysis of total Provisions	$
Opening Balance at 1 July 2017	1,299,748
Additional provisions raised during the year	1,103,276
Amounts used	(825,052)
Balance at 30 June 2018	**1,577,972**

13. Reserves

a. Revaluation Reserve

In accordance with Australian Accounting Standard AASB 139 unrealised gains on investments of $143,099 (2017: $179,409) have been recognised through reserves except where losses are expected to be permanent.

b. Merger Reserve

The merger reserve reflects the contribution of net assets from Royal Guide Dogs for the Blind Association of Tasmania as a result of VisAbility Limited obtaining control over the assets at acquisition date.

14. Key Management Personnel Disclosures

(a) Directors

The following persons were non-executive members of the Board of the VisAbility during the financial year:

Debbie Schaffer OAM (President and Chairperson)

David Bevan (Vice President)
David Ligovich (Treasurer and Company Secretary) resigned on 09/07/2018
Jennifer Dawson
Lorraine Driscoll
Prof Iain Murray AM
Helen Smith OAM
Kym Georgiou
Sue Shoobridge
Scott Marston
Hayden White appointed on 19/10/2017

No amounts of remuneration have been paid to Board members during the year.

(b) Other Key Management Personnel

Name	Position
Dr CM Allen	Chief Executive Officer
DJ Barnes	Deputy Chief Executive Officer
CA Solosy	Executive Manager Governance
M Nota	Chief Financial Officer
K Macliver	Executive Manager Client Services
M Langdon	General Manager Tasmania

Key Management Personnel Compensation

	2018 $	2017 $
Short term employee benefits	1,033,145	1,159,913

(c) Other Transactions With Key Management Personnel

Nil.

15. Related Party Transactions

There were no related party transactions, (2017: Nil).

16. Commitments

(a) Capital Commitments

There are no capital commitments at reporting date.

	2018	2017
	$	$
(b) Lease Commitments (as Lessee)		
Operating lease commitments for offices, office equipment and kennels		
- not later than 1 year	124,682	136,181
- later than 1 year but not later than 5 years	174,482	330,282
	299,164	**466,463**

17. Events Occurring After the Reporting Date

No matter or circumstance has arisen subsequent to the reporting date that has significantly affected, or may significantly affect, VisAbility's operations, results or state of affairs in future financial years.

18. Contingent Liabilities

There are no known contingent liabilities at reporting date, (2017: Nil).

STATEMENT BY THE BOARD OF DIRECTORS

In the opinion of the Board of Directors of VisAbility Limited:

1. The attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Act 2012 and other mandatory professional reporting requirements;

2. The attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2018 and of its performance for the financial year ended on that date; and

3. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to subdivision 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.

On behalf of the directors

Debbie Schaffer OAM, President

Sue Shoobridge, Treasurer

Dated at Perth this 20th day of September 2018

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INDEPENDENT AUDITOR'S REPORT

To the members of VisAbility Limited

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of VisAbility Limited, which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial report of VisAbility 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 registered entity's financial position as at 30 June 2018 and of its financial performance for the year then ended; and

(ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Qualified Opinion

Cash donations are a significant source of revenue for VisAbility Limited. VisAbility Limited has determined that it is impracticable to establish control over the collection of cash donations prior to entry into its financial records. Accordingly, as the evidence available to us regarding revenue from this source was limited, our audit procedures with respect to cash donations had to be restricted to the amounts recorded in the financial records amounting to $2,982,378 (2016: $ 3,017,637). We therefore are unable to express an opinion whether cash donations VisAbility Limited recorded are complete.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Report section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the VisAbility Limited's annual report, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of responsible entities for the Financial Report

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

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

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

Auditor's responsibilities for the audit of the Financial Report

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

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

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

This description forms part of our auditor's report.

BDO Audit (WA) Pty Ltd

BDO

Dean Just

Director

Perth, 20 September 2018