

LIFE SAVING VICTORIA LIMITED
ACN 102 927 364

30 JUNE 2013
ANNUAL FINANCIAL REPORT

100%

LIFE SAVING VICTORIA LIMITED
ACN 102 927 364

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LIFE SAVING VICTORIA
ACN 102 927 364

DIRECTORS REPORT (Continued)

This Report is made pursuant to the Corporations Act 2001

COMPANY PARTICULARS

The registered office of the Company is:

Life Saving Victoria Limited
200 The Boulevard
Port Melbourne VIC 3207

Life Saving Victoria Limited is a company limited by guarantee, incorporated in Australia and having its principal place of business at the address listed above.

MEMBERS LIABILITY

The Company is limited by guarantee. If the Company is wound up, the Constitution states that each member, of which there are approximately 30,000, is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the Company.

The directors present their report together with the financial statements of Life Saving Victoria Limited for the year ended 30 June 2013 and the Auditor's Report thereon.

DIRECTORS

The directors in office at any time during the year and to the date of this report are :-

Michael Martin AM President (resigned 24-11-2012)
Thomas Mollenkopf President (appointed 24-11-2012)
Nicolas Hall
Allan Holmes (appointed 17-9-2012)
Nancy Joseph (resigned 13-6-2013)
Dr Michael Kennedy OAM (resigned 20-10-2012)
Catherine McCraith (appointed 13-6-2013)
Darren McLeod (appointed 13-4-2013)
Richard Mitchell (resigned 17-9-2012)
David Schultz (appointed 27-4-2013)
Mark Scott (resigned 13-4-2013)
Stuart Wall
Martin Walsh (resigned 27-11-2012)
Peter Williams (appointed 27-4-2013)

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

Dr Michael Kennedy, OAM was appointed Company Secretary on 20-10-2012.

PRINCIPAL ACTIVITIES

The principal activities of Life Saving Victoria are Lifesaving Services and Water Safety and Education and Training.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Company.

RESULT AND REVIEW OF OPERATIONS

The financial activities for Life Saving Victoria (LSV) resulted in an operating surplus for 2012-13 of \$225,621 (surplus of \$276,150 in 2011-12). This result is after charging amortisation costs for LSV's Headquarters and Education Centre of \$322,689 (\$322,689 in 2011-12).

Fundraising activities undertaken by the Surf Life Saving Foundation on behalf of Life Saving Victoria are reported in the income category "Surf Lifesaving Foundation Distributions" and amounted to \$472,006 this year (\$341,216 in 2011-12).

As highlighted previously LSV continues to benefit from significant grant funding and this represents some 52% of total income. The major element was funding provided under the Victorian Government's Play it Safe by the Water Program totalling \$1,999,189 for a broad range of water safety programs. In 2012-13 the Victorian Government again made available \$2.0 million for Life Saving Club upgrades. The major projects facilitated in 2012-13 were construction of a new clubhouse for Carrum and upgrade for Torquay. Further projects are scheduled for 2013-14 and thereafter.

DIRECTORS REPORT (Continued)

Key grants for direct club assistance comprised

- Life Saving Club Upgrades \$1,600,000
- Volunteer Emergency Services Equipment Program Grants \$624,336
- Community Support Emergency Services Program Grants \$168,713
- Club Administration Support Grants \$137,000
- Special Club Administration Assistance Grants \$297,000
- Club Risk Management Assistance Grants \$145,000

The State Government continues to recognise the need for provision of specialist water safety programs and education within multicultural communities and \$316,000 was made available for this purpose in 2012-13.

DIVIDENDS

The Memorandum of Association of the chief entity provides that no income or property of the entity, shall be paid or transferred directly or indirectly by way of dividends to the members. Accordingly no dividend has been declared or paid since incorporation.

SUBSEQUENT EVENTS

Since the end of the financial year and the date of this report no significant transaction or events have occurred.

LIKELY DEVELOPMENTS

There are no likely developments in the operations of the economic entity subsequent to this financial year, that on reasonable grounds, the directors wish to disclose, as it would be likely to result in unreasonable prejudice to the economic entity.

INFORMATION ON DIRECTORS

Mr Michael Martin AM

LSV President (until November 2012)

Mike is a company director and was President of Life Saving Victoria from 2006 until 2012. He is also a Board member of Surf Life Saving Australia and the President of Surf Life Saving Victoria. He has been involved with the Anglesea SLSC since 1979 and is a Life Members of Anglesea SLSC, Surf Life Saving Australia and Life Saving Victoria. He expands his volunteer contributions with his committee membership of the Honours and Awards Committee.

Appointed	November 2002 – Resigned November 2012
Occupation	Company Director, Chemical Engineer
Meetings	4 - 5

Mr Tom Mollenkopf LL.B., B.Juris., MBA., FAICD., FCSA

LSV President and Board Chairman

Tom is a Company Director and Independent Advisor. He is a Board Director of Western Water, WaterAid Australia and Surf Life Saving Australia. He is a former Chair of the Water Industry Superannuation Fund and Director of Water Australia Solutions Ltd. Tom was CEO of the Australian Water Association from 2007 until 2013. Prior to that he was Deputy Executive Director of the International Water Association based in London. From 1995 to 2005 he was a General Manager at South East Water in Melbourne. Tom's background is in law, first in private practice and then as corporate counsel.

In addition to being a Life Member of Point Leo SLSC (where he maintains his lifesaving proficiency), Tom chairs the Gary Tierney Foundation.

Appointed	November 2012
Occupation	Company Director
Meetings	6 - 6

Mr Nicolas Hall

Nic currently works within local government in the aquatic and recreation industry. In his current role, he is the manager responsible for the operation of a number of community aquatic and leisure centres.

He has been involved in the provision of aquatic education, from beginner level 'learn to swim' through to the training of professional pool lifeguards, for almost four decades.

During this time he has held positions with the Community Aquatic Education Council at Life Saving Victoria and with its predecessor the Community Education Council of the Royal Life Saving Society, Victoria Branch where he continues as a member of the Board of Directors. Nic is a Life Member of Life Saving Victoria.

Appointed	August 2006
Occupation	Aquatics Manager
Meetings	10 - 11

DIRECTORS REPORT (CONTINUED)

Mr Allan Holmes

Allan is a retired former businessman. He is a former Victorian State Manager and Victorian Sales Manager of Auspine Limited and Wills Timber.

Allan has had an involvement in lifesaving spanning 47 years. He has been a member of the Apollo Bay Surf Life Saving Club for the past 45 years, during this period he has held many Executive Committee positions including President, Treasurer and Secretary. Also during this period he has held many Committee positions with Surf Life Saving Victoria and now Life Saving Victoria. For his commitment Allan has been awarded with Life Membership of Life Saving Victoria and the Apollo Bay Surf Life Saving Club.

Appointed	September 2012
Occupation	Retired
Meetings	9 - 9

Ms Nancy Joseph MBA

Nancy is a Communications and Government Affairs Manager, spanning a number of organisations including not-for-profit, federal politics, corporate and public sector.

Nancy is a long standing member of the lifesaving movement. Her contribution to lifesaving has spanned 23 years at club, state and national levels, where she has held numerous committee positions. She was made a Life Member of the Fairhaven SLSC for her ongoing contribution and in 2011 awarded the Graeme Long Memorial Medal - Victorian Volunteer of the Year and the DHL Australian Volunteer of the Year for her volunteer contributions to lifesaving, particularly her role in developing leadership programs to ensure the long term sustainability of lifesaving.

Nancy continues her commitment as an active member of the Fairhaven SLSC, and is currently a member of the SLSA Standing Development Committee and Youth Development Committee.

Appointed	March 2006 – Resigned June 2013
Occupation	Community & Stakeholder Manager
Meetings	8 - 9

Dr Michael Kennedy OAM., DBA., B.Bus., FAICD., FCILT., FLGPRO

LSV Company Secretary

Michael is Chief Executive Officer of Mornington Peninsula Shire Council. He is a Director of Inner East Community Health Service and Chair of Frankston Mornington Peninsula Local Learning and Employment Network.

Prior to Michael's twenty years as a local government CEO he held senior positions in the shipping, transport, logistics and manufacturing sectors.

Michael was Life Saving Victoria's founding Chairman, and an Independent Director for six years.

Appointed	November 2002 – Resigned October 2012
Occupation	Chief Executive Officer
Meetings	4 - 5

Ms Catherine McCraith B.App Sci (Phys Ed), LL.B (Hons)

Catherine is a mother of 3 & has a strong personal & close family association with lifesaving in Victoria. Catherine has worked in sport management, recruitment & is currently working in special education with the plan to eventually finish her Masters in education. Catherine has been as member various clubs including Rosebud, Gunnamatta, Mentone and Point Leo. For the last decade Catherine was LSV's Membership Protection Officer.

Appointed	June 2013
Occupation	Teacher
Meetings	1 - 1

Mr Darren McLeod

Darren is the Managing Director of a SME in the electronics industry which he has been part of for more than 30 years, and is a member of the Australian Institute of Emergency Services.

Darren has been actively involved in lifesaving since the early 80's where he joined Point Leo SLSC. He is the current President of Seaford LSV where he actively patrols.

In addition to being a Life Member of LSV, Darren is a Life Member of Hampton LSC.

Darren holds a number of committee positions with LSV including the Chair of LSV's Honours and Awards Committee

Appointed	April 2013
Occupation	Business Manager
Meetings	3 - 3

DIRECTORS REPORT (CONTINUED)

Mr Richard Mitchell

Ric is a Senior Site Manager for AE Smith Air Conditioning and has been in the Construction Industry for 45 Years. Ric is a Life Member of Venus Bay SLSC, Life Member of Life Saving Victoria and Life Member Surf Life Saving Australia. He is currently a member of Surf Life Saving Australia Rules and Technical Committee.

Appointed August 2010 – Resigned September 2012
Occupation Site Manager
Meetings 2 - 2

Mr Mark Scott

Mark is a building sub-contractor and has been involved in lifesaving since 1965 as a member of the Wonthaggi LSC. During this period he has held many committee and executive positions and is the current Club President. He also is a board member of the Royal Life Saving Society Australia, Victoria Branch.

Mark has been a LSV board member since 2006 and held the portfolio of Director of Lifesaving Operations. He continues his volunteer contribution on the LSOC Executive in the role of State Emergency Management Officer. He is also a sports coach, official, trainer, and assessor. He is a Life Member of the Wonthaggi LSC and LSV.

Appointed July 2006 – Resigned April 2013
Occupation Sub Contractor
Meetings 7 - 8

Mr David Schultz MIEAust., CPEng., GAICD

David is a Civil Engineer and holds a Company Director Diploma. He is an independent member of the Bass Coast Shire Council Audit Committee and a Non Executive Director of South Gippsland Water.

David has been actively involved with the Inverloch Surf Life Saving Club since it started in 1998, being a member of the first patrol and President of the club from 1999 until 2006.

Previously David held various executive roles with GHD Global including Practice Leader of the Management Consulting practice and Senior Project Director Middle East.

Appointed April 2013
Occupation Civil Engineer
Meetings 1 - 2

Mr Stuart Wall

Stuart Wall is Managing Director – Business Development at Buff Wombat Media. He is an active member of the Woolamai Surf Life Saving Club. Stuart has been a board member since 2011 in the role of Director of Assessment and Training.

Appointed February 2011
Occupation Project Manager
Meetings 10 - 11

Mr Martin Walsh

Martin is partner at Ernst & Young, Melbourne in the practice areas of Financial Services specializing in asset management and superannuation.

Martin has been actively involved and a major contributor to the Lorne SLSC since 1970, where he held the positions of Beach Captain, Treasurer and Pier to Pub Race Director. He was the former Auditor and Finance Director of Surf Life Saving Victoria from 1996 to 2002. He was appointed to the LSV Board of Directors in 2006 and held the portfolio of Finance, Risk and Audit Committee Chair until 2012. He currently is a Board member of SLSA and Chair of the Surf Life Saving Foundation.

Appointed December 2006 – Resigned November 2012
Occupation Partner in Public Accounting Practice
Meetings 4 - 6

Peter Williams M.Sc., BEng(Mech), Dip Mech Eng.

Peter is a former executive manager with VicRoads and now provides technical assistance in the development and implementation of international development assistance projects. He has over 20 years experience in the delivery of international projects in Asia and the Middle East. His background is in environmental engineering having worked in the electricity industry and then as a consulting environmental engineer before moving into international project management.

Peter is a Life Member and President of Anglesea SLSC and continues to patrol there. He is also a Trustee of the Anglesea SLSC Foundation.

Appointed April 2013
Occupation Business Consultant
Meetings 2 - 2

DIRECTORS REPORT (CONTINUED)

Meetings of Directors

During the financial year 11 meetings of Directors were held.

The number of meetings attended by each Director during the year is stated earlier in the report.

COMMITTEE MEMBERSHIPS

At 30 June 2013 the Company had a Finance, Risk and Audit Committee, Governance Committee and Honours and Awards Committee of the Board of Directors. Members acting on the Committees of the Board during the year were :-

Finance, Risk and Audit Committee

Dr Michael Kennedy OAM *(Chair), Martin Walsh (Chair) – resigned November 2012, Neil Hough*, Garry Martin* Neil Morarty OAM* and Dean Sibun*.

Governance Committee

Dr Michael Kennedy OAM *(Chair), Matthew Finnis*, Jennifer Maclean* and Peter Robinson.

Honours and Awards Committee

Michael Martin AM *(Chair), Bree Ambry*, Andrew Bames*, Genevieve Lehmann*, Darren McLeod, Dianne Montalto ESM*, Neil Morarty OAM*, Eloise Payne* and Belinda Porter*.

*= Non-Director

INDEMNIFICATION AND INSURANCE OF OFFICERS

Indemnification

The Company has agreed to indemnify the current and former directors against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as directors of the Company, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

The Company has agreed to indemnify the Chief Executive Officer for all liabilities to another person (other than the Company or a related body corporate) that may arise from their position in the Company, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including legal fees.

Insurance premiums

Since the end of the previous financial year, the Company has paid insurance premiums of \$18,188 in respect of directors' and officers' liability and legal expenses insurance contracts, for current and former directors and officers through to the year ended 15 July 2013. Such insurance contracts insure persons who are or have been directors or officers of the Company against certain liabilities (subject to certain exclusions).

PROCEEDINGS ON BEHALF OF THE ENTITY

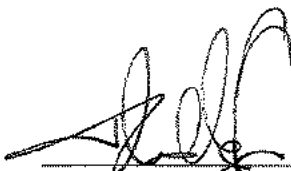
No person applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings.

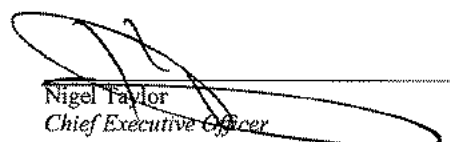
The entity was not party to any such proceedings during the year.

AUDITORS' INDEPENDENCE DECLARATION

The auditors' independence declaration is set out on page 27 and forms part of the Directors Report for the financial year 2013. This financial report is made with a resolution of the Directors.

Signed in accordance with a resolution of the Directors:


Thomas Mollenkopf
President


Nigel Taylor
Chief Executive Officer

Melbourne,

16 OCTOBER 2013

LIFE SAVING VICTORIA LIMITED
ACN 102 927 364

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
REVENUE			
Sales		729,109	776,859
Fees for Services		3,276,138	3,035,132
Grants		7,690,396	5,471,229
Sponsorships		1,480,324	1,342,306
Surf Lifesaving Foundation Distributions		472,006	341,216
Other Fundraising and Donations		69,590	111,940
Function Centre		535,763	471,383
Interest Income		275,074	262,738
Realised gain on sale of Assets		68,374	152,251
Other Revenue		71,540	55,322
TOTAL REVENUE		14,668,314	12,020,376
EXPENSES			
Cost of Sales		455,370	451,230
Life Saving Operations		1,336,324	1,223,980
Training and Education Programs		2,834,771	2,600,206
External Services		2,305,741	2,037,177
Grant Distributions		4,355,457	2,252,738
Fundraising		191,061	181,430
Function Centre		476,637	424,072
Corporate Administration		1,808,009	1,933,407
Depreciation		589,342	567,061
Interest		-	-
Other Expenses		89,981	72,925
TOTAL EXPENSES		14,442,693	11,744,226
SURPLUS FOR THE PERIOD		225,621	276,150
COMPREHENSIVE RESULT ATTRIBUTABLE TO THE MEMBERS		225,621	276,150

The accompanying notes form part of these financial statements

LIFE SAVING VICTORIA LIMITED
ACN 102 927 364

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

	Note	2013 \$	2012 \$
ASSETS			
Cash and cash equivalents	4	1,992,234	4,786,955
Trade and other receivables	5	878,975	664,108
Financial assets	6	4,136,110	-
Inventories		128,426	124,817
TOTAL CURRENT ASSETS		7,135,745	5,575,880
NON-CURRENT ASSETS			
Property, plant and equipment	7	5,000,160	5,411,672
TOTAL NON-CURRENT ASSETS		5,000,160	5,411,672
TOTAL ASSETS		12,135,905	10,987,552
LIABILITIES			
Trade and other payables	8	4,126,071	3,259,523
Short term provisions	9	650,735	628,092
TOTAL CURRENT LIABILITIES		4,776,806	3,887,615
NON-CURRENT LIABILITIES			
Long term provisions	9	55,802	22,261
TOTAL NON-CURRENT LIABILITIES		55,802	22,261
TOTAL LIABILITIES		4,832,608	3,909,876
NET ASSETS		7,303,297	7,077,676
EQUITY			
Retained surplus		7,303,297	7,077,676
TOTAL EQUITY		7,303,297	7,077,676

The accompanying notes form part of these financial statements

LIFE SAVING VICTORIA LIMITED
ACN 102 927 364

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

	Retained Earnings
	2013
	\$
Balance at 1 July 2011	6,801,526
Surplus for the year	276,150
Balance at 30 June 2012	<u>7,077,676</u>
Surplus for the year	225,621
Balance at 30 June 2013	<u><u>7,303,297</u></u>

The accompanying notes form part of these financial statements.

LIFE SAVING VICTORIA LIMITED
ACN 102 927 364

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from sponsors, donors and customers		15,321,553	13,005,795
Cash paid to suppliers and employees		(14,281,892)	(10,433,049)
Interest received		275,074	262,738
Net cash provided by operating activities	11	<u>1,314,735</u>	<u>2,835,484</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant & equipment		(236,782)	(808,702)
Term Deposit held by Surf Life Saving Foundation		(4,000,000)	-
Proceeds on disposal of property, plant & equipment		127,326	289,871
Net cash used in investing activities		<u>(4,109,456)</u>	<u>(518,831)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		-	-
Net cash provided by financing activities		<u>-</u>	<u>-</u>
Net (decrease)/increase in cash & cash equivalents held		(2,794,721)	2,317,653
Cash and cash equivalents at the beginning of the financial year		4,786,955	2,469,302
Cash and cash equivalents at the end of the financial year	4	<u>1,992,234</u>	<u>4,786,955</u>

The accompanying notes form part of these financial statements.

LIFE SAVING VICTORIA LIMITED
ACN 102 927 364

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board, and the Corporations Act 2001.

The financial report covers Life Saving Victoria Limited as the chief entity, which is a not-for-profit public benevolent institution.

The financial report of Life Saving Victoria Limited complies with all Australian Accounting Standards and International Financial Reporting Standards (IFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of preparation

The accounting policies set out below have been consistently applied to all years presented.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Accounting Policies

(a) Revenue Recognition

Income is recognised as revenue at the time the company obtains control over the assets, this usually occurs upon receipt of the funds from the customer, fees and memberships received from members and sponsorships, fundraising and donations received from contributors.

Grant Income is recognised when the company obtains control over the assets comprising these receipts. Control over granted assets is normally obtained upon their receipt (or acquittal) and are valued at their fair value at the date of transfer.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at the year end the unused grant or contribution is disclosed as Income in Advance.

(b) 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 Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the 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 balance sheet. Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(c) Income Tax Expense

The Company has received an income tax exemption as a public benevolent institution in accordance with Subdivision 50-B of the Income Tax Assessment Act 1997.

(d) Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

LIFE SAVING VICTORIA LIMITED
ACN 102 927 364

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONT)

(e) Property, Plant and Equipment

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

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

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

Development Costs

The Company has determined that development costs incurred in relation to the e-learning platform, to be used in the normal activities of the business, will be expensed in the year in which the costs are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, is depreciated on a straight-line basis over their useful lives commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Leasehold Improvements	20 years	Motor Vehicles	4.5 years
Other Assets	2 to 5 years		

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

Personal computers and laptop computers are expensed in the year of purchase.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

Impairment

At each reporting date, the Company reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Leasehold Improvements

Leasehold Improvements represent the construction costs of the State Headquarters building in Port Melbourne. The asset is being amortised over 20 years in accordance with the term of the lease for the land from Port of Melbourne Corporation.

(f) Inventories

Inventories are valued at lower of cost or net realisable value.

LIFE SAVING VICTORIA LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONT)

(g) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Company are classified as finance leases. The entity has not entered into any Finance Leases.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(h) Trade and other receivables

Trade and other receivables are carried at amounts receivable. The collectability of debts is assessed on an ongoing basis and specific provision is made for any accounts where the debt is considered unlikely to be collected. Debts which are uncollectable are written off.

(i) Trade and other payables

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

(j) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments and bank overdrafts. Bank overdrafts are shown as part of cash and cash equivalents and reduce the amount shown as cash at bank.

(k) Interest income

Interest income is recognised as it accrues.

LIFE SAVING VICTORIA LIMITED
ACN 102 927 364

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONT)

(l) AASB Accounting Standards and Interpretations

Certain new Australian accounting standards and interpretations have been published that are not mandatory for 30 June 2013 reporting period. as at 30 June 2013, the following standards and interpretations had been issued but were not mandatory for the reporting ended 30 June 2013. The Company has not and does not intend to adopt these standards early.

Standard/Interpretation	Summary	Application for reporting periods beginning on or ending on	Impact on Entities Annual Statements
AASB 9 Financial Instruments, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) and AASB 2012-6 Amendments to Australian Accounting Standards - Mandatory Effective Date of AASB 9 and Transition Disclosures	AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2015 but is available for early adoption. The derecognition rules have been transferred from AASB 139 Financial Instruments: Recognition and Measurement and have not been changed.	Beginning 1 Jan 2013	Detail of impact still being assessed.
2012-1 Amendments to Australian Accounting Standards - Fair Value Measurement - Reduced Disclosure Requirements [AASB 3, AASB 7, AASB 13, AASB 140 & AASB 141]	This amending Standard prescribes the reduced disclosure requirements in a number of Australian Accounting Standards as a consequence of the issuance of AASB 13 Fair Value Measurement.	Beginning 1 July 2013	Detail of impact is still being assessed.
AASB 2011-4: Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements [AASB 124]	This Standard amends AASB 124 Related Party Disclosures by removing the disclosure requirements in AASB 124 in relation to individual key management personnel (KMP).	Beginning 1 July 2013	Detail of impact is still being assessed.

In addition to those Accounting Standards listed above, the AASB has also released a number of other Accounting Standards and Australian Interpretations. The application of these Accounting Standards and Australian Interpretations are also not expected to have any significant impact on the Company's financial statements. Consequently, they have not been specifically identified above.

NOTE 2: SEGMENT INFORMATION

Segment information is presented in respect of the Company's business and geographic segments. The primary format and business segments are based on the Company's management and internal reporting structure.

The Company operates in the one geographic segment, Australia and a single business segment being water safety

NOTE 3: AUDITORS REMUNERATION

	2013	2012
	\$	\$
<i>Audit services</i>		
Auditors to the Company	29,800	27,560

LIFE SAVING VICTORIA LIMITED
ACN 102 927 364

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
NOTE 4: CASH AND CASH EQUIVALENTS		
Operating Bank Accounts	207,261	1,268,105
Term Deposits	1,783,123	3,517,000
Other	1,850	1,850
Total Cash and Cash Equivalents	1,992,234	4,786,955

Included in the cash balance above is the amount of \$3,651,616 (\$2,450,534 2012) in respect of income received in advance as per Note 7 where the related service provision has yet to be fulfilled. The service is expected to be provided within the next 12 months. Cash balances are held to meet the ongoing financial management of the organisation.

NOTE 5: TRADE AND OTHER RECEIVABLES

CURRENT

Trade Accounts Receivable	825,400	463,338
Provision for Doubtful Debts (a)	(29,300)	(22,000)
	796,100	441,338
Other Receivables and Prepayments	82,875	222,770
Total Trade and Other Receivables	878,975	664,108

(a) Provision for Doubtful Debts

Current trade receivables are generally on 30 day terms. These receivables are assessed for recoverability and a provision made for doubtful debts is recognised when there is objective evidence that an individual trade receivable is doubtful. These amounts have been included in other expense items. Movements in the provision for doubtful debts are as follows :

Balance at 1 July 2012	22,000	22,700
Charge for the year	17,760	1,053
Less - Amounts written off	10,460	1,753
Balance at 30 June 2013	29,300	22,000

NOTE 6: FINANCIAL ASSETS

	2013	2012
	\$	\$
Term Deposit held by Surf Life Saving Foundation on behalf of LSV	4,136,110	-

LIFE SAVING VICTORIA LIMITED
ACN 102 927 364

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

	2013	2012
	\$	\$
BUILDINGS		
Leasehold Improvements		
At cost	6,453,787	6,453,787
Less: accumulated depreciation	2,258,833	1,936,141
Total Leasehold Improvements	<u>4,194,954</u>	<u>4,517,646</u>
Total Buildings	<u>4,194,954</u>	<u>4,517,646</u>
PLANT AND EQUIPMENT		
Motor Vehicles		
At cost	1,021,610	1,052,910
Less: accumulated depreciation	322,288	312,277
Total motor vehicles	<u>699,322</u>	<u>740,633</u>
Computer and Office Equipment		
At cost	363,530	363,530
Less: accumulated depreciation	278,419	236,499
Total computer and office equipment	<u>85,111</u>	<u>127,031</u>
Gym Equipment		
At cost	16,455	16,455
Less: accumulated depreciation	16,455	16,455
Total gym equipment	<u>-</u>	<u>-</u>
Furniture and Fittings		
At cost	62,542	62,542
Less: accumulated depreciation	60,025	56,800
Total furniture and fittings	<u>2,517</u>	<u>5,742</u>
Rescue Equipment		
At cost	110,662	99,721
Less: accumulated depreciation	92,406	79,101
Total rescue equipment	<u>18,256</u>	<u>20,620</u>
Training Equipment		
At cost	16,200	16,200
Less: accumulated depreciation	16,200	16,200
Total training equipment	<u>-</u>	<u>-</u>
Total Plant and Equipment	<u>805,206</u>	<u>894,026</u>
Total Property, Plant and Equipment	<u>5,000,160</u>	<u>5,411,672</u>

LIFE SAVING VICTORIA LIMITED
ACN 102 927 364

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 7: PROPERTY, PLANT AND EQUIPMENT (CONT)

	2013	2012
	\$	\$
MOVEMENTS IN CARRYING AMOUNTS		
Movements in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year :		
BUILDINGS		
Leasehold Improvements		
Carrying amount at the beginning of the year	4,517,646	4,840,338
Less - Disposals	-	-
Less - Depreciation charge for the year	322,692	322,692
Carrying amount at end of year	4,194,954	4,517,646
PLANT AND EQUIPMENT		
Motor Vehicles		
Carrying amount at the beginning of the year	740,633	422,493
Acquisitions	225,842	668,978
Less - Disposals	58,956	138,428
Less - Depreciation charge for the year	208,197	212,410
Carrying amount at end of year	699,322	740,633
Computer and Office Equipment		
Carrying amount at the beginning of the year	127,031	-
Acquisitions	-	127,031
Less - Disposals	-	-
Less - Depreciation charge for the year	41,920	-
Carrying amount at end of year	85,111	127,031
Gym Equipment		
Carrying amount at the beginning of the year	-	-
Acquisitions	-	-
Less - Disposals	-	-
Less - Depreciation charge for the year	-	-
Carrying amount at end of year	-	-
Furniture and Fittings		
Carrying amount at the beginning of the year	5,742	8,966
Acquisitions	-	-
Less - Disposals	-	-
Less - Depreciation charge for the year	3,225	3,224
Carrying amount at end of year	2,517	5,742
Rescue Equipment		
Carrying amount at the beginning of the year	20,620	36,853
Acquisitions	10,944	12,500
Less - Disposals	-	-
Less - Depreciation charge for the year	13,308	28,733
Carrying amount at end of year	18,256	20,620

LIFE SAVING VICTORIA LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 7: PROPERTY, PLANT AND EQUIPMENT (CONT)

	2013	2012
	\$	\$
Training Equipment		
Carrying amount at the beginning of the year	-	-
Acquisitions	-	-
Less - Disposals	-	-
Less - Depreciation charge for the year	-	-
Carrying amount at end of year	-	-
	<hr/>	<hr/>
Total Property, Plant and Equipment	5,000,160	5,411,672
	<hr/>	<hr/>

NOTE 8: TRADE AND OTHER PAYABLES

CURRENT

Trade accounts payable	366,040	415,762
Other payables and accrued expenses	108,415	393,227
Income received in advance	3,651,616	2,450,534
Total trade and other payables	<hr/>	<hr/>
	4,126,071	3,259,523
	<hr/>	<hr/>

NOTE 9: PROVISIONS

CURRENT

Liability for annual leave	432,342	414,787
Liability for long service leave	198,393	193,305
Liability for other provisions	20,000	20,000
Total short term provisions	<hr/>	<hr/>
	650,735	628,092
	<hr/>	<hr/>

NON CURRENT

Liability for long service leave	<hr/>	<hr/>
	55,803	22,261
	<hr/>	<hr/>

Total Provisions

	<hr/>	<hr/>
	706,538	650,353
	<hr/>	<hr/>

**MOVEMENT IN PROVISIONS FOR
EMPLOYEE BENEFITS**

Opening balance 1 July 2012	650,353	575,036
Movement during the year	56,184	75,317
Balance as at 30 June 2013	<hr/>	<hr/>
	706,537	650,353
	<hr/>	<hr/>

LIFE SAVING VICTORIA LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 10: FINANCIAL INSTRUMENTS

Financial assets	Note	Category	Carrying amount 2013 \$	Carrying amount 2012 \$
Cash and cash equivalents	4	N/A	1,992,234	4,786,955
Receivables	5	Receivables (at amortised cost)	796,100	441,338
Financial Assets	6	Loans and Receivables	4,136,110	-
Financial liabilities				
Payables	8	Financial liabilities measured at amortised cost	366,040	415,762

(c) Credit risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The Company's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets as indicated in the balance sheet.

Financial assets that are either past due or impaired

Currently the Company does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

As at the reporting date, there is no indication that the financial assets have been impaired other than as disclosed in Note 5.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated. The following table discloses the ageing only of financial assets that are past due but not impaired.

LIFE SAVING VICTORIA LIMITED
ACN 102 927 364

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 10: FINANCIAL INSTRUMENTS (CONT)

Economic Entity

	Interest rate exposure				Past due by		
	Carrying amount	Fixed interest rate	Variable interest rate	Non-interest bearing	Less than 1 month	1-3 months	More than 3 months
2013							
Cash assets	1,992,234	1,783,123	207,261	1,850	-	-	-
Receivables	796,100	-	-	796,100	515,393	200,248	80,459
Financial Assets	4,136,110	4,136,110	-	-	-	-	-
	6,924,444	5,919,233	207,261	797,950	515,393	200,248	80,459
2012							
Cash assets	4,786,955	3,517,000	1,268,105	1,850	-	-	-
Receivables	441,338	-	-	441,338	348,103	50,438	42,797
	5,228,293	3,517,000	1,268,105	443,188	348,103	50,438	42,797

(d) Liquidity risk

Liquidity risk arises when the company is unable to meet its financial obligations as they fall due. The company operates under the policy of settling financial obligations within 30 days and in the event of a dispute, make payments within 30 days from the date of resolution. It also continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets and dealing in highly liquid markets.

LIFE SAVING VICTORIA LIMITED
ACN 102 927 364

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

NOTE 10: FINANCIAL INSTRUMENTS (CONT)

The Company's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Maximum exposure to liquidity risk is the carrying amounts of financial liabilities.

Economic Entity

Interest rate exposure and maturity analysis of financial liabilities

	Interest rate exposure				Maturity dates			
	Nominal amount	Fixed interest rate	Variable interest rate	Non-interest bearing	Less than 1 month	1-3 months	3 months – 5 years	More than 5 years
2013								
Payables	366,039	-	-	366,039	366,039	-	-	-
Loan	-	-	-	-	-	-	-	-
	366,039	-	-	366,039	366,039	-	-	-
2012								
Payables	415,762	-	-	415,762	415,762	-	-	-
Loan	-	-	-	-	-	-	-	-
	415,762	-	-	415,762	415,762	-	-	-

Unexpended grant liabilities are excluded from the maturity analysis as they have no contractual maturity date.

(e) Market risk

The Company's exposure to market risk is primarily through interest rate risk with currently no exposure to other price risk or foreign currency risk. Objectives, policies and processes used to manage this risk are disclosed in the paragraph below.

Interest rate risk

Exposure to interest rate risk might arise primarily through the Company's cash and deposits. Minimisation of risk is achieved by mainly undertaking fixed rate or non-interest bearing financial instruments.

Sensitivity Disclosure Analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience in financial markets, the Company believes the following movements are "reasonably possible" over the next 12 months – a parallel shift of +1% and -1% in market interest rates (AUD) from year end rates of 4.4 % (weighted average).

The following table discloses the impact on net operating result and equity for each category of financial instruments held by the Company at year end, if the above movements were to occur.

LIFE SAVING VICTORIA LIMITED
ACN 102 927 364

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 10: FINANCIAL INSTRUMENTS (CONT)

Economic Entity					
Market risk exposure					
	Carrying amount	Interest rate risk			
		-1% (100 basis points)		+1% (100 basis points)	
		Profit	Equity	Profit	Equity
2013					
Financial assets:					
Cash assets	1,990,384	(19,904)	(19,904)	19,904	19,904
Financial Assets	4,136,110	(41,361)	(41,361)	41,361	41,361
Financial Liabilities:					
Loans	-	-	-	-	-
2012					
Financial assets:					
Cash assets	4,785,105	(47,851)	(47,851)	47,851	47,851
Financial Liabilities:					
Loans	-	-	-	-	-

(f) Fair value

The fair values and net 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 in active liquid markets are determined with reference to quoted market prices; and
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models.

The Company considers that the carrying amount of financial assets and financial liabilities recorded in the financial report to be a fair approximation of their fair values, because of the availability of accurate market prices or their short-term nature and the expectation that they will be paid in full.

NOTE 11: RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES WITH THE COMPREHENSIVE RESULT

	2013	2012
	\$	\$
Cash flows from operating activities		
Surplus/(Loss) for the period	225,621	276,150
Increase/(decrease) in provisions & employee benefits	56,184	75,317
Depreciation	589,342	567,061
(Gain)/Loss on sale of assets	(68,374)	(152,251)
Change in value of investments	-	-
Surplus before changes in working capital	802,773	766,277
Decrease/(increase) in trade & other receivables	(350,977)	462,204
(Increase)/decrease in inventory	(3,609)	(1,282)
Increase/(decrease) in trade & other payables	866,548	1,608,285
Net cash from operating activities	1,314,735	2,835,484

LIFE SAVING VICTORIA LIMITED
ACN 102 927 364

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 12: RELATED PARTIES

The following were key management personnel of the Company at any time during the reporting period and unless otherwise indicated were key management personnel for the entire period:

Non-executive directors

Michael Martin AM - resigned 24-11-2012
Thomas Mollenkopf – appointed 24-11-2012
Nicholas Hall
Allan Holmes – appointed 17-9-2012
Nancy Joseph – resigned 13-6-2013
Dr Michael Kennedy OAM – resigned 20-10-2012
Catherine McCraith – appointed 13-6-2013
Darren McLeod – appointed 13-4-2013
Richard Mitchell - resigned 17-9-2012
David Schultz – appointed 27-4-2013
Mark Scott – resigned 13-4-2013
Stuart Wall
Martin Walsh – resigned 27-11-2012
Peter Williams – appointed 27-4-2013

Company Secretary

Dr Michael Kennedy OAM – appointed 20-10-2012

Executives

Nigel Taylor ESJ the Chief Executive Officer (appointed December 2006) for the year ended 30 June 2013.

Key management personnel compensation

Compensation paid or payable, or otherwise made available, to seven (five in 2011-12) key management personnel of the Company are as follows:	2013 \$	2012 \$
Short term employee benefits	789,989	711,846
Post employment benefits	-	-

No director has entered into a material contract with the Company since the end of the previous financial year and there were no material contracts involving directors' interests existing at year-end.

The directors have not received fees for their services as directors.

Terms and conditions of transactions with related parties

Sales to and purchases from related parties are made as arms length transactions using both normal market prices and normal commercial terms.

Outstanding balances at year-end are unsecured and settlement occurs in cash.

There have been no guarantees provided or received from any related party receivables.

For the year ended 30 June 2013, the entity has not raised any provision for doubtful debts relating to amounts owed by related parties (2012: \$nil).

LIFE SAVING VICTORIA LIMITED
ACN 102 927 364

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 13: COMMITMENTS

	2013	2012
	\$	\$
Commitments arising from contracts for expenditure not provided in the accounts:		
Operating Leases		
Within 12 Months	21,796	21,796
Greater than 12 months but less than 5 years	40,000	51,796
Greater than 5 years	77,500	87,500
Total Operating Lease Commitments	139,296	161,092

NOTE 14: CONTINGENT LIABILITIES

Bank Guarantees	17,000	17,000
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NOTE 15: INTEREST IN SURF LIFE SAVING FOUNDATION INC

The Surf Life Saving Rescue Fund Trust (the Trust), of which the Foundation is the corporate Trustee (the Trustee), holds funds for the benefit of LSV, which may be distributed at the sole discretion of the Trustee and accordingly these funds are not recognised in the Statement of Financial Position. At 30 June 2013 LSV had a beneficial interest in funds within the Trust that had a market value of \$1,685,608 (\$1,421,955 June 2012).

LSV receives distributions from Surf Life Saving Australia of funds raised by the Surf Lifesaving Foundation Inc (the Foundation) from fundraising activities undertaken on behalf of LSV. Distributions received in 2012-13 totalled \$472,006 (\$341,216 in 2011-12).

Except for funds raised by the Foundation on behalf of LSV under a service contract, all future distributions to LSV from funds raised by the Foundation are at the sole discretion of Surf Life Saving Australia Ltd and accordingly the interest of LSV in these future distributions has not been recognised in the Financial Statements of LSV.

NOTE 16: SUBSEQUENT EVENTS

Since the end of the financial year and prior to the date of this report one significant transaction occurred. The LSV Board determined to lodge distributions totalling \$322,006 received in 2012-13 from the Surf Life Saving Foundation, with the Foundation for investment in the Surf Life Saving Rescue Fund Trust.

NOTE 17: MEMBERS LIABILITY

The Company is limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the Company.


LIFE SAVING VICTORIA LIMITED
ACN 102 927 364

DIRECTORS' DECLARATION

In the opinion of the directors of Life Saving Victoria Limited:

- (a) the financial statements and notes, set out on pages 4 to 21 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position of the Company as at 30 June 2013 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date; and
 - (ii) complying with Accounting Standards in Australia, IFRS and the Corporations Regulations 2001; and
- (b) 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:



Tom Mollenkopf
Director

Nigel Taylor
Chief Executive Officer

Melbourne,

16 October 2013

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
LIFE SAVING VICTORIA LIMITED
ACN 102 927 364**

Report on the Financial Report

We have audited the accompanying financial report of Life Saving Victoria Limited, which comprises the statement of financial position as at 30 June 2013 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing 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 financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the 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 entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to Life Saving Victoria Limited on 16 October 2013, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

(a) the financial report of Life Saving Victoria Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the company's financial position as at 30 June 2013 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Act 2001*.

DFK Collins

DFK COLLINS
CHARTERED ACCOUNTANTS

Robert Wernli

Robert Wernli
Partner

Melbourne
16 October 2013

AUDITOR'S INDEPENDENCE DECLARATION UNDER S307C OF THE CORPORATIONS ACT 2001

To: the directors of Life Saving Victoria Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2013 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

DFK Collins

DFK COLLINS
CHARTERED ACCOUNTANTS

Robert Wernli

Robert Wernli
Partner

Melbourne
16 October 2013