



Eye research changing lives

ANNUAL REPORT

July-December

2022



AUSTRALIAN VISION RESEARCH
australianvisionresearch.org



Our Vision.

We seek to alleviate the burden from blindness and vision impairment through research that discovers new knowledge and improves patient outcomes and clinical practice.

Our Mission.

We support eye and vision research that prevents and treats disorders and discovers new knowledge in partnership with RANZCO and our stakeholders.

Contents

Chair's Report	4
Thank You	6
Grants Approved 2022 for 2023	8
Our Board	10
Our Research Advisory Committee	11
Directors' Report	12
Auditor's Independence Declaration	13
Statement of Profit or Loss	15
Statement of Financial Position	16
Statement of Changes in Equity	17
Statement of Cash Flows	18
Notes to the Financial Statements	19
Directors' Declaration	34
Independent Audit Report	35

Chair's report

July-Dec 2022

Australian Vision Research is pleased to present our July - December 2022 report.

One of the pleasures of writing this report is to look back over the reporting period and review the accomplishments of Australian Vision Research and thank those who have contributed to our success.

Our new 5 year strategic plan and fundraising plan was launched in 2022. It will build on and leverage the many achievements of Australian Vision Research as we enter our 70th year funding grants for ophthalmic research to discover new knowledge and improve outcomes for patients with vision and eye disease.

Following a decision by the board of directors and with the approval of the Australian Taxation Office (ATO), commencing January 2023, Australian Vision Research will move from a financial year to a calendar year annual reporting period. This will better align our reporting, grants program and annual general meetings held at the RANZCO congress each year.

This interim report covers our activities from July to December 2022. Given this is an interim report, we have provided within only a list of the successful grant recipients for the 2022-2023 round. Progress reports from the previous year will be published in our 2023 annual report.

In October 2022, after receiving 24 applications, the Australian Vision Research board awarded grants totalling \$498,663 to 10 successful

applicants resulting in 41% of submissions receiving a grant.

The Priming grant was awarded to one team to support RANZCO fellows who are new to research, with the Australian Vision Research Board providing strategic advice during grant preparation.

Thank you

I wish to acknowledge the wonderful work by our volunteers on the Research Advisory Committee (RAC) supported by numerous external reviewers and the Australian Vision Research team who vetted the applications submitted and ensured that Australian Vision Research applied the highest standards of governance and integrity in the management of the grants program. In particular, I wish to thank Professor Alex Hewitt (Committee Chair) and Associate Professor Sam Fraser-Bell (Committee Secretary) for their stewardship of the research committee.

The work of Australian Vision Research would not be possible without the support and donations of our members (consisting of 943 fellows as of November 2022), sponsors and the community. On behalf of the board, I wish to thank the Royal Australian and New Zealand College of Ophthalmologists (RANZCO), the Perth Eye Foundation, Australian and New Zealand Society of Retinal Specialists (ANZSRS), and the Australian and New Zealand Eye Foundation (ANZEF), along with the DW Fund, for their much-valued contributions.

I also wish to thank our Australian Vision Research team consisting of Phillip Cenere (CEO), Hayley Cummings (Administration), and Betsy Pineda (Fundraising) for their efforts in ensuring that we deliver on our mission and strategic goals.

5 Year Strategic Plan 2022 – 2027



Finally, I wish to thank all the members of our board of directors, including my fellow office bearers; Associate Professor Richard Mills (outgoing Secretary), Dr Jennifer Fan-Gaskin (incoming Secretary) and Clinical Associate Professor Paul Healey, NSW (Honorary Treasurer).

Australian Vision Research welcomes new sponsors and corporate partners.

As we enter our 70th year, we are actively seeking opportunities to partner with ophthalmologists, businesses, foundations and stakeholders who are keen to champion ophthalmic researchers.

Partnership opportunities range from \$1,500 through to \$100,000 and beyond with the option of tailored packages. For more information, visit: www.australianvisionresearch.org or please contact our team at supporters@australianvisionresearch.org

Fellows and members of the public can also get behind vision research while increasing patient engagement at www.australianvisionresearch.org/members

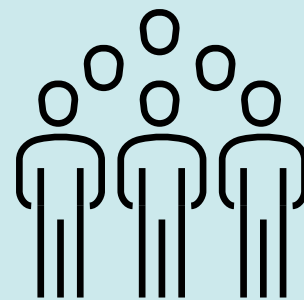
None of the work we do would be possible without the support of passionate people who continue to champion ophthalmic practice and research over the years.



**Professor Stephanie Watson OAM
Chair, Australian Vision Research**

Thanks to our reviewers

AVR would like to thank the external referees who kindly gave advice, helping with the allocation of the 2022/2023 grants. Their work is invaluable.



A/Prof James Elder

Dr Danial Roshandel

Dr Sarah Hull

Dr Maciej Daniszewski

A/Prof Riccardo Natoli

Dr Greg Moloney

A/Prof Matthew Simunovic

Dr Rachel W. Martin

Dr Simon Skalicky

Dr Alessandra Micera

Dr Jonathan Ruddle

Professor Robyn Guymer

A/Prof Rick Liu

Dr Rachael Heath Jeffery

Dr Doron Hickey

Prof Colin Green

David Stephensen

Dr Hamish Dunn

Dr Nick Di Girolamo

Dr Rod O'Day

Dr Glyn Chidlow

Dr Angelica Ly

A/Prof Zhichao Wu

A/Prof Fanfan Zhou

A/Prof Andrew White

A/Prof Chandra Balaratnasingam

Dr Amanda French

Dr Karl Brown

Dr Michael Goggin

Dr Shweta Kaushik

Dr Matthew Rutar

Dr Ivana Trapani

A/Prof Owen Siggs

Professor Stuart Graham

Professor Robyn Jamieson

Dr Sandy Shen-Chi Hung

Dr Simon Dean

Dr William Yates

Dr Jie Zhang

Dr Nathan Nielsen

Dr Lauren Wareham

Dr Jesse Gale

Professor Martine Jager

Dr Thomas Gin

Dr Michael Hogden

Dr Jonathon Ng

Dr Rachael Niederer

Professor David Mackey

Dr Johanna Jones

A/Prof Jod Mehta

Dr Brent Gaskin

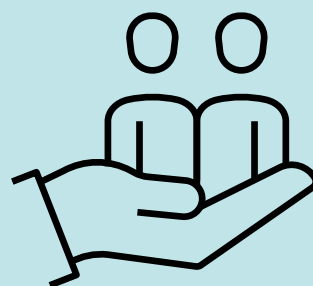
AVR would like to offer a special thank you to our generous donors, without whose support we would not have been able to fund such important research projects over the year.

Thanks to our partners

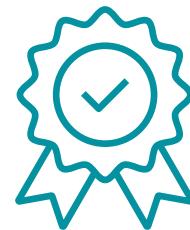


The support of partners and individual supporters committed to the advancement of eye health and the ophthalmic medical practice has been vital.

We would like to offer a special thank you to all our generous partners and donors, including the DW Fund, The Perth Eye Foundation, the Australian and New Zealand Society of Retinal Specialists, RANZCO and RANZCO NSW Branch.



Grants Approved 2022 for 2023



CHIEF INVESTIGATOR	OTHER INVESTIGATORS	GRANT NAME	RESEARCH PROJECT TITLE	AMOUNT
A/Prof Liu Guei-Sheung	Livia Carvalho, Bang V. Bui, Lewis Fry, David Cordeiro Sousa	Perth Eye Foundation Grant	RNA base editing for treatment of inherited retinal diseases	\$50,000
Dr Sandy Hung	Jon Ruddle, Leszek Lisowski, Andrew Deans, Rajendra KC	ANZSRS Grant	Engineering novel gene therapy and delivery system for correcting inherited retinal diseases	\$50,000
Dr Hemal Mehta	Adam Dunn, Vuong Nguyen	NSW RANZCO and Priming Grant	FRB! 2.0: Linking imaging to clinical registry outcomes to improve understanding of progression of age-related macular degeneration	\$50,000
Dr Jennifer Fan Gaskin	Elsa Chan	AVR Grant	Preventing glaucoma blindness – a new drug to control postoperative scarring	\$49,953
Dr Roderick O'Day	Xavier Hadoux, Peter van Wijngaarden	AVR Grant	Precisely Mapping Choroidal Tumour Margins	\$49,990
Dr Nick Di Girolamo	Mijeong Park, John Males	AVR Grant	Engineering a native cornea from spare-parts	\$49,902
Prof Alex Hewitt	Joseph Powell, Seyhan Yazar	AVR Grant	Trabecular Meshwork Cell-Specific Mapping of Intraocular Pressure Regulated Gene Networks	\$49,300
Dr Luis Alarcon-Martinez	Keith Martin	AVR Grant	Visualising the axovascular response in glaucoma: a revolutionary new method to measure single axonal and capillary function in the living optic nerve	\$49,875
A/Prof Ranjay Chakraborty	Richard Mills, Leon Lack, Hannah Scott, Nicola Anstice, Deepa A. Taranath	AVR Grant	Myopia in children – a result of inadequate melatonin production and circadian rhythm dysfunction?	\$49,993
A/Prof Michele Madigan	Peter McCluskey	AVR Grants	Expression of novel opsins in the human choroid?	\$49,650
Total approved in 2022 for 2023				\$498,663

Our People



Our Board



Prof Stephanie
Watson OAM



A/Prof Richard
Mills



Dr Bill Glasson
(RANZCO
Nominee)



A/Prof George
Kong



A/Prof Chameen
Samarawickrama



A/Prof Paul
Healey



Dr Jennifer
Fan-Gaskin



Prof Stuart
Graham



Prof David
Mackey



Prof Matthew
Simunovic



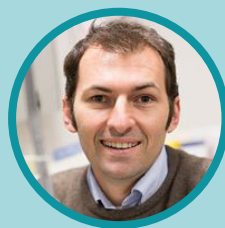
Dr Richard
Stawell



Dr Genevieve
Oliver (RANZCO
Observer)



A/Prof Samantha
Fraser-Bell



Prof Alex Hewitt



Prof Andrea
Vincent



A/Prof Peter van
Wijngaarden



Our Chief Executive Officer

Phillip Cenere

Research Advisory Committee 22-23

Prof Alex Hewitt (Chair)

A/Prof Samantha Fraser-Bell (Secretary)

Dr Jennifer Fan-Gaskin

A/Prof Michele Madigan

Dr Isabel Lopez Sanchez

Prof Andrea Vincent

Dr Samantha Lee

Dr Seyhan Yazar

Prof Stephanie Watson

Dr Graham Wilson (New Zealand
Save Sight Representative)

Dr John Wood

Dr Grace Lidgerwood

Dr Livia Carvalho

Professor Robert Casson

Professor Trevor Sherwin

Dr Thomas Campbell



Directors' report

31 December 2022

The directors present their report on The Ophthalmic Research Institute of Australia operating as Australian Vision Research for the six months from 1 July 2022 to 31 December 2022.

1. General information

Directors

The names of the directors in office at any time during, or since the end of, the period are:

Names	Position
Prof Stephanie Watson, NSW	Chair
Dr Jennifer Fan Gaskin, Vic	Honorary Secretary
A/Prof Paul Healey, NSW	Honorary Treasurer
Prof Richard Mills, SA	Board Member
A/Prof Sam Fraser Bell, NSW	Board Member
Prof Stuart Graham, NSW	Board Member
Prof Alex Hewitt, TAS	Board Member
A/Prof George Kong, VIC	Board Member
Prof David Mackey, WA	Board Member
Dr Charmeen Samarawickrama, NSW	Board Member
A/Prof Andrea Vincent, New Zealand	Board Member (Resigned 29/10/2022)
A/Prof Peter Van Wijngaarden, Vic	Board Member
Dr Richard Stawell AM, Vic	Board Member
Dr William (Bill) Glasson AO, QLD	RANZCO Nominee
Dr Matthew Simunovic, NSW	Board Member (Elected 30/10/2022)
Dr Genevieve Oliver, New Zealand	RANZCO Observer

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

Principal activities

The principal activity of The Ophthalmic Research Institute of Australia during the financial period was to provide funds for ophthalmic research.

No significant changes in the nature of the Company's activity occurred during the financial period

Members' guarantee

The Ophthalmic Research Institute of Australia is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the period prior to the winding up, is limited to \$ 10 for members that are corporations and \$ 10 for all other members, subject to the provisions of the company's constitution.

Operating results and review of operations for the year

Operating result

The surplus of the Company for the financial period after accounting for other comprehensive income was \$308,467 (for the year ended 30 June 2022: \$ (1,675,981) deficit).

Directors' Report

31 December 2022

Meetings of directors

During the financial year, 3 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Prof Stephanie Watson, NSW Chair	3	3
Dr Jennifer Fan Gaskin, Vic	3	2
A/Prof Paul Healey, NSW	3	3
Prof Richard Mills, SA	3	3
A/Prof Sam Fraser Bell, NSW	3	2
Prof Stuart Graham, NSW	3	2
Prof Alex Hewitt, TAS	3	2
A/Prof George Kong, VIC	3	3
Prof David Mackey, WA	3	3
Dr Chameen Samarawickrama, NSW	3	2
A/Prof Andrea Vincent, New Zealand	1	1
A/Prof Peter Van Wijngaarden, Vic	3	2
Dr Richard Stawell AM, Vic	3	3
Dr William (Bill) Glasson AO, QLD	3	3
Dr Matthew Simunovic, NSW	1	1
Dr Genevieve Oliver New Zealand	1	-

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of The Ophthalmic Research Institute of Australia.

2. Other items

Events after the reporting date

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.


Benefits received directly or indirectly by directors

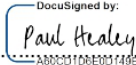
No director of the company has since the end of the previous financial year received or become entitled to receive a benefit not disclosed in the accounts as directors' emoluments by reason of a contract made by the company or a related corporation with the directors, or with a firm in which he or she has a substantial financial interest.

Auditor's Independence Declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the period ended 31 December 2022 has been received and can be found on page 4 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director: 
Prof Stephanie Watson, NSW Chair

Director: 
A/Prof Paul Healey, NSW

Dated 10 August 2023 | 8:53 PM AEST

10 August 2023 | 11:08 AM AEST

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of The Ophthalmic Research Institute of Australia

I declare that, to the best of my knowledge and belief, during the period ended 31 December 2022, 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.

Andrew Fisher FCA, Partner (auditor registration number 306364) on behalf of
Banks Group Assurance Pty Ltd, Chartered Accountants
Authorised audit company registration number 294178 (ACN 115 749 598)

Statement of Profit or Loss and other Comprehensive income

For the Six-Month Period Ended 31 December 2022 (With Comparative Figures for the 12 months Ended 30 June 2022)

	December 2022	June 2022
	\$	\$
Investment Income	53,882	572,482
Trust Distribution Income	23,000	13,035
Membership Fee Income	184,200	178,035
Donation Income	100,000	51,000
Realised gain on disposal of investments	38,777	151,780
Other Income	30,749	7,334
Total Income	430,608	973,666
Administrative expenses	(206,015)	(379,000)
Grants awarded	(498,663)	(539,258)
Employee Expenses	(76,184)	(125,537)
(Deficit) / Surplus before income tax	(350,254)	(70,129)
Income tax expense	-	-
(Deficit) / Surplus for the year	(350,254)	(70,129)
Net fair value movements for available-for-sale financial assets	658,721	(1,605,852)
Other comprehensive income for the year, net of tax	658,721	(1,605,852)
Total comprehensive (Deficit) / Surplus for the year	308,467	(1,675,981)

The accompanying notes form part of these financial statements.

Australian Vision Research Annual Report July-Dec 2022

Statement of Financial Position

		December 2022	June 2022
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	4,231,937	2,881,102
Trade and other receivables	5	313,127	346,092
Investments	6	9,390,178	10,073,132
TOTAL CURRENT ASSETS		13,935,242	13,300,326
NON-CURRENT ASSETS			
Property, plant and equipment		3,947	4,537
TOTAL NON-CURRENT ASSETS		3,947	4,537
TOTAL ASSETS		13,939,189	13,304,863
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	1,483,937	1,168,262
Employee benefits		10,184	-
TOTAL CURRENT LIABILITIES		1,494,121	1,168,262
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		1,494,121	1,168,262
NET ASSETS		12,445,068	12,136,601
EQUITY			
Research Fund	8	2,638,254	2,638,254
Settled Funds	9	472,556	472,556
Financial Asset Revaluation Reserve	10	921,243	262,522
Capitalised Profit on re-arrangement of investments, capital distribution & transfers	11	7,426,618	7,426,618
Retained Surplus		986,397	1,336,651
TOTAL EQUITY		12,445,068	12,136,601

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Six-Month Period Ended 31 December 2022 (With Comparative Figures for the Year Ended 30 June 2022)

December 2022

	Research Fund	Settled Funds	Realised Profits on Capital Distributions and Transfers	Financial Assets reserve	Retained earnings	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	2,638,254	472,556	7,426,618	262,522	1,336,651	12,136,601
Surplus for the period	-	-	-	-	(350,254)	(350,254)
Unrealised movement in investments held at year end	-	-	-	658,721	-	658,721
Balance at 31 December 2022	2,638,254	472,556	7,426,618	921,243	986,397	12,445,068

June 2022

	Research Fund	Settled Funds	Realised Profits on Capital Distributions and Transfers	Financial Assets reserve	Retained earnings	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	2,638,254	472,556	7,426,618	1,868,374	1,406,780	13,812,582
(Deficit) for the year	-	-	-	-	(70,129)	(70,129)
Unrealised movement in investments held at year end	-	-	-	(1,605,852)	-	(1,605,852)
Balance at 30 June 2022	2,638,254	472,556	7,426,618	262,522	1,336,651	12,136,601

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Six Month Period Ended 31 December 2022 (With Comparative Figures for the Year Ended 30 June 2022)

	December 2022	June 2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Dividends Received	187,256	278,784
Interest Received	-	118
Trust Distributions	43,143	169,630
Other Revenue	51,984	499,300
RANZCO - Reimbursement of membership fees	184,200	178,035
Commissions	(38,789)	(89,950)
Research Grants Paid	(282,042)	(539,257)
Payments to suppliers and employees	(136,593)	(243,833)
Net cash provided by/(used in) operating activities	19 9,159	252,827
CASH FLOWS FROM INVESTING ACTIVITIES:		
Profit/(Loss) from sale of available-for-sale investments	682,955	2,436,480
Profit/(Loss) on sale of investments	658,721	(1,605,853)
Purchase of property, plant and equipment	-	(4,681)
Net cash provided by/(used in) investing activities	1,341,676	825,946
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase in cash and cash equivalents held	1,350,835	1,078,773
Cash and cash equivalents at beginning of period / year	2,881,102	1,802,329
Cash and cash equivalents at end of financial period/ year	4 4,231,937	2,881,102

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Period Ended 31 December 2022(With Comparative Figures for the Year Ended 30 June 2022)

The financial report covers The Ophthalmic Research Institute of Australia as an individual entity. The Ophthalmic Research Institute of Australia is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of The Ophthalmic Research Institute of Australia is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Corporations Act 2001*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

2.1. Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms.

Notes to the Financial Statements

For the Period Ended 31 December 2022(With Comparative Figures for the Year Ended 30 June 2022)

2 Summary of Significant Accounting Policies

2.1. Revenue and other income

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Investment and Trust Distribution Income

Revenue is recognised upon receipt of the dividend and trust distribution statement is received by the investment manager.

Membership Income

Is recognised when the Company becomes entitled to it.

2.2. Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

2.3. Goods and services tax (GST)

Revenue, 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).

Receivables and payable are stated inclusive of GST.

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

2.4. Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Notes to the Financial Statements

For the Period Ended 31 December 2022(With Comparative Figures for the Year Ended 30 June 2022)

2 Summary of Significant Accounting Policies

2.4. Financial instruments

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- fair value through other comprehensive income - equity instrument (FVOCI - equity)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through other comprehensive income

Equity instruments

The Company has a number of strategic investments in listed and unlisted entities over which they do not have significant influence nor control. The Company has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- investments measured at FVOCI

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

Notes to the Financial Statements

For the Period Ended 31 December 2022(With Comparative Figures for the Year Ended 30 June 2022)

2 Summary of Significant Accounting Policies

2.4. Financial instruments

Financial assets

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables has been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Notes to the Financial Statements

For the Period Ended 31 December 2022(With Comparative Figures for the Year Ended 30 June 2022)

2 Summary of Significant Accounting Policies

2.5. Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

2.6. Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - fair value of financial instruments

The Company has certain financial assets and liabilities which are measured at fair value. Where fair value has not able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Notes to the Financial Statements

For the Period Ended 31 December 2022(With Comparative Figures for the Year Ended 30 June 2022)

4 Cash and Cash Equivalents

	December 2022	June 2022
	\$	\$
Cash at bank and in hand	4,231,937	2,881,102
	<u>4,231,937</u>	<u>2,881,102</u>

5 Trade and Other Receivables

	December 2022	June 2022
	\$	\$
CURRENT		
Franking Credit Receivable	268,534	216,847
Other receivables	44,593	129,245
Total current trade and other receivables	<u>313,127</u>	<u>346,092</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

6 Investments

	December 2022	June 2022
	\$	\$
CURRENT		
Listed shares	9,390,178	10,073,132
	<u>9,390,178</u>	<u>10,073,132</u>

7 Trade and Other Payables

	December 2022	June 2022
	\$	\$
CURRENT		
Trade payables	56,235	25,181
Director of Research - Victoria	813,443	748,443
Grants Payable	511,259	294,638
Income received in advance	103,000	100,000
	<u>1,483,937</u>	<u>1,168,262</u>

Notes to the Financial Statements

For the Period Ended 31 December 2022 (With Comparative Figures for the Year Ended 30 June 2022)

8 Research Capital Fund

	December 2022	June 2022
	\$	\$
General		
Opening balance	2,316,897	2,316,897
Closing balance	<u>2,316,897</u>	<u>2,316,897</u>
Anselmi Estate		
Opening balance	290,979	290,979
Closing balance	<u>290,979</u>	<u>290,979</u>
Ivy May Stephenson Estate		
Opening balance	30,378	30,378
Closing balance	<u>30,378</u>	<u>30,378</u>
Total	<u><u>2,638,254</u></u>	<u><u>2,638,254</u></u>

9 Settled Funds

	December 2022	June 2022
	\$	\$
D.W Research Funds	200,000	200,000
Esme Anderson	124,326	124,326
G.J Williams	25,500	25,500
B. Mitchell	26,023	26,023
Dame Ida Mann (Est 32/3/84)	56,707	56,707
Ronald & Lois Lowe	40,000	40,000
Total	<u><u>472,556</u></u>	<u><u>472,556</u></u>

10 Financial Assets Reserve

	December 2022	June 2022
	\$	\$
CURRENT		
Opening balance 1 July	262,522	1,868,374
Revaluation (decrement)/ increment	658,721	(1,605,852)
Balance as at 31 December	<u><u>921,243</u></u>	<u><u>262,522</u></u>

Notes to the Financial Statements

For the Period Ended 31 December 2022 (With Comparative Figures for the Year Ended 30 June 2022)

11 Capitalised Profit on Re-Arrangement of Investments, Capital Distributions & Transfers

	Balance December 2022 \$	Allocation of Realised Profit/ (loss) on Rearrangement of Investments & Capital Distribution & Transfer \$	Balance 30 June 2022 \$
Research Fund			
General	153,433	-	153,433
Anselmi Estate	54,953	-	54,953
Ivy May Stephenson	140	-	140
D.W Research Funds	5,344,969	-	5,344,969
Esme Anderson	1,079,845	-	1,079,845
G.J Williams	185,689	-	185,689
B. Mitchell	183,752	-	183,752
Dame Ida Mann	259,323	-	259,323
Ronald & Loise Lowe	164,514	-	164,514
Total	7,426,618	-	7,426,618

Notes to the Financial Statements

For the Period Ended 31 December 2022(With Comparative Figures for the Year Ended 30 June 2022)

12 Financial Risk Management

The Company is exposed to a variety of financial risks through its use of financial instruments.

The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Company is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - currency risk, interest rate risk and price risk

Financial instruments used

The principal categories of financial instrument used by the Company are:

- Trade receivables
- Cash at bank
- Investments in listed shares
- Trade and other payables

	December 2022	June 2022
	\$	\$
Financial assets		
Held at amortised cost		
Cash and cash equivalents	4,231,937	2,881,102
Trade and other receivables	313,127	346,092
Fair value through Other Comprehensive Income		
Revaluation of listed investments	658,719	(1,605,852)
Total financial assets	5,203,783	1,621,342
Financial liabilities		
Trade payables	56,235	25,182
Total financial liabilities	56,235	25,182

Notes to the Financial Statements

For the Period Ended 31 December 2022(With Comparative Figures for the Year Ended 30 June 2022)

12 Financial Risk Management

Objectives, policies and processes

The Board of Directors have overall responsibility for the establishment of The Ophthalmic Research Institute of Australia's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, liquidity risk, credit risk and the use of derivatives.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and The Ophthalmic Research Institute of Australia's activities.

The Board of Directors receives monthly reports which provide details of the effectiveness of the processes and policies in place.

Mitigation strategies for specific risks faced are described below:

Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Company maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day period are identified monthly.

At the reporting date, these reports indicate that the Company expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

Notes to the Financial Statements

For the Period Ended 31 December 2022(With Comparative Figures for the Year Ended 30 June 2022)

12 Financial Risk Management

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

Sensitivity analysis

The following table illustrates the sensitivity of the net result for the year and equity to a reasonably possible change in interest rates of +-% and --% (2021: +1.00%/(1.00)%), with effect from the beginning of the year. These changes are considered to be reasonably possible based on observation of current market conditions and economist reports.

The calculations are based on the financial instruments held at each reporting date. All other variables are held constant.

	December 2022		June 2022	
	+1.00%	-1.00%	+1.00%	-1.00%
	\$	\$	\$	\$
Surplus/ (Deficit) for the year	1,484	(1,484)	1,827	(1,827)
Cash and cash equivalents	42,319	(42,139)	28,811	(28,811)

(i) Interest rate risk

Financial instrument composition and maturity analysis

The Company's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Non-interest Bearing	Total
	Jun 2022	Dec 2022	Dec 2022	Dec 2022
	%	%	\$	\$
Financial Assets:				
Cash and cash equivalents	0.40	0.40	4,231,937	4,231,937
Shares	-	-	9,390,178	9,390,178
Receivables	-	-	313,127	313,127
Total Financial Assets			13,935,242	13,935,242
Financial Liabilities:				
Trade and sundry payables	-	-	985,274	985,274
Total Financial Liabilities			985,274	985,274

(ii) Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held being available-for-sale or fair value through profit and loss.

There is no profit impact, except for investments held at fair value through profit or loss. Equity would increase / decrease as a result

Notes to the Financial Statements

For the Period Ended 31 December 2022(With Comparative Figures for the Year Ended 30 June 2022)

12 Financial Risk Management

of fair value movements through the financial asset reserve.

13 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 10 each towards meeting any outstanding obligations of the Company. At 31 December 2022 the number of members was 10 (June 2022: 10).

14 Grants Allocated/ Made During the Year

	December 2022	June 2022
	\$	\$
A/Prof Liu Guei-Sheung	50,000	-
Dr Sandy Hung	50,000	-
Dr Hemal Mehta	50,000	-
Dr Jennifer Fan Gaskin	49,953	-
Dr Roderick O'Day	49,990	-
Dr Nick Girolamo	49,902	-
Prof Alex Hewitt	49,300	-
Dr Luis Alarcon-Martinez	49,875	-
A/Prof Ranjay Chakraborty	49,993	-
A/Prof Michele Madigan	49,650	-
Prof Robyn Jamieson	-	50,000
Dr Jamie Craig	-	49,494
Dr Stephanie Watson	-	50,000
Dr Fan Fan Zhou	-	49,904
Dr Ling Zhu	-	49,856
Dr Vivek Gupta	-	49,856
Dr Kathryn Burdon	-	48,430
Dr Ayub Qassim	-	49,718
Dr Peter Van Wijngaarden	-	49,994
Dr Devaraj Basavarajappa	-	49,811
Dr Jessica Mountford	-	42,195
Sub total	498,663	539,258
Deduct Contributions from:		
Net	498,663	539,258

Notes to the Financial Statements

For the Period Ended 31 December 2022(With Comparative Figures for the Year Ended 30 June 2022)

15 Key Management Personnel Remuneration

The remuneration paid to key management personnel of The Ophthalmic Research Institute of Australia during the year is as follows:

	December 2022	June 2022
	\$	\$
Short-term employee benefits	62,439	124,877
Long-term benefits	6,648	13,296
	<u>69,087</u>	<u>138,173</u>

16 Auditors' Remuneration

	December 2022	June 2022
	\$	\$
Remuneration of the auditor Banks Group Assurance Pty Ltd , for: - auditing or reviewing the financial statements	8,000	8,000
Total	<u>8,000</u>	<u>8,000</u>

17 Fair Value Measurement

The Company measures the following assets and liabilities at fair value on a recurring basis:

- Financial assets
 - Listed Shares

Fair value hierarchy

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

Notes to the Financial Statements

For the Period Ended 31 December 2022(With Comparative Figures for the Year Ended 30 June 2022)

17 Fair Value Measurement

Fair value hierarchy

The table below shows the assigned level for each asset and liability held at fair value by the company:

Recurring fair value measurements

Financial assets

	Level 1	Level 2	Level 3	Total
December 2022	\$	\$	\$	\$
Recurring fair value measurements				
Financial assets				
Listed Shares	9,390,178	-	-	9,390,178

Transfers between levels of the hierarchy

There were no transfers between levels of the fair value hierarchy.

18 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2022 (30 June 2022:None).

19 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

	December 2022	June 2022
	\$	\$
Net surplus/ (deficit)	308,465	(1,675,981)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	590	144
- fair value movements on investments	(658,719)	1,605,853
Changes in assets and liabilities:		
- increase/decrease in trade and other receivables	32,965	152,184
- increase/ decrease in trade and other payables	96,053	10,226
- increase/decrease in grants payable	216,621	30,401
- increase/decrease in allocation to Director of Research - Victoria	3,000	130,000
- increase/(decrease) in employee benefits	10,184	-
Cashflows from operations	<u>9,159</u>	<u>252,827</u>

Notes to the Financial Statements

For the Period Ended 31 December 2022(With Comparative Figures for the Year Ended 30 June 2022)

20 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

21 Statutory Information

The principal place of business of the company is:

The Ophthalmic Research Institute of Australia

94-98 Chalmers St

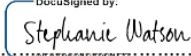
Surrey Hills NSW 2010

Directors' Declaration

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 5 to 23, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 31 December 2022 and of the performance for the year ended on that date of the entity.
2. In the directors' opinion, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director 
Prof Stephanie Watson, NSW Chair

Director 
A/Prof Paul Healey, NSW

Dated 10 August 2023 | 8:53 PM AEST

10 August 2023 | 11:08 AM AEST

Independent Audit Report to the members of the Ophthalmic Research Institute of Australia

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of The Ophthalmic Research Institute of Australia (the Company), which comprises the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 31 December 2022 and of its financial performance for the period ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

The Ophthalmic Research Institute of Australia

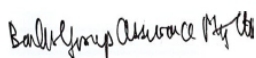
Independent Audit Report to the members of The Ophthalmic Research Institute of Australia

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



Banks Group Assurance Pty Ltd, Chartered Accountants
Authorised audit company number 294178 (ACN 115 749 598)

Andrew Fisher FCA, Partner
Registration number 306364

Melbourne, Australia

Date:

The Ophthalmic Research Institute of Australia trading as
Australian Vision Research is registered with the
Australian Charities and Not-for-profits Commission (ACNC) ABN 37008393146



AUSTRALIAN VISION RESEARCH
australianvisionresearch.org