



# ANNUAL REPORT

2022 - 2023

# PRESIDENT'S REPORT

I am pleased to present my second report as Board President of the Mental Health Foundation (ACT).

During the reporting period, MHF has continued to provide our longstanding support strategies to the community we serve on the journey to better mental health.

These core services include accommodation, support co-ordination and recovery coaching, outreach and National Disability Insurance Scheme (NDIS) Plan Management and are funded under the NDIS. This accounts for about 75% of MHF revenues.

We have also continued to provide a Mental Health Discharge Accommodation Program (MHDAP) funded by the ACT Government so that patients leaving the Mental Health Unit at the Canberra Hospital have somewhere safe to reside in the important days following their discharge and receive the support they need while they establish themselves on the next stage of their recovery.

Both the NDIS sourced services and the discharge program make a practical difference in the lives of

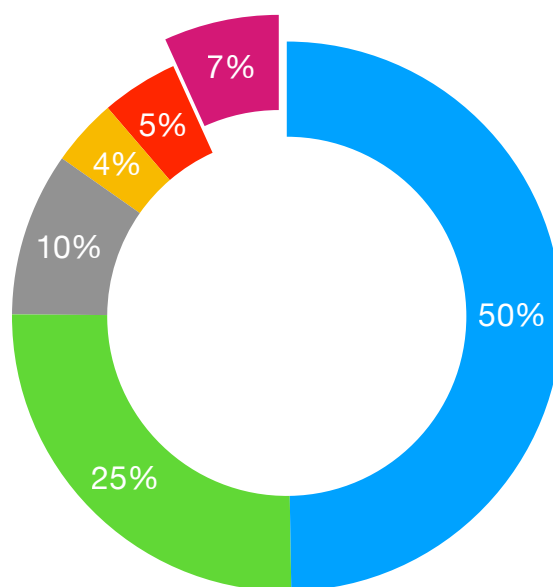
our participants which is why MHF operates.



In order to ensure the company's long-term viability, we have also finalised the last stages of transforming MHF to a company limited by guarantee

*Both the NDIS sourced services and the discharge program make a practical difference in the lives of our participants which is why MHF operates.*

**Support Services Provided**



- Support with Self Care
- Support with Community Access
- Support Coordination
- Mentoring
- Respite
- Discharge Program (Non-NDIS)

# PRESIDENT'S REPORT

which will enable us to explore wider opportunities.

Of course, none of this is possible without our dedicated and professional team of staff and directors.

At board level, this year we welcomed two new directors, Natalie Truong and Steven Han who bring expertise in governance, risk management, strategic-planning, and legal skills.

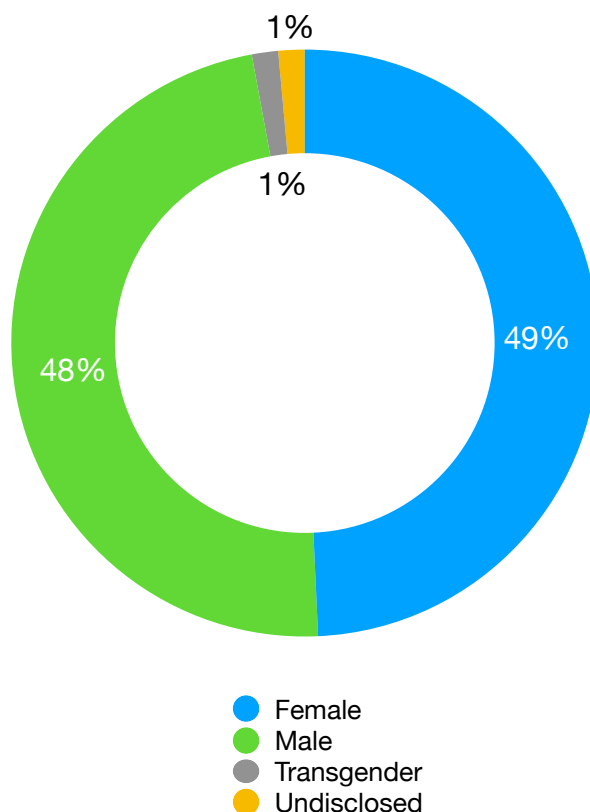
Our directors are busy people who offer their service on a volunteer basis, so I thank my colleagues for their generous and thoughtful contributions this year to support the CEO and provide clear direction to the organisation.

I also wish to thank Jenny Adams for her service to the board on her retirement earlier this year. Her practical contributions and passion for our work will be missed.

In January this year we welcomed Chris Ward as our new chief executive following a merit selection process. Chris has brought expertise, experience and empathy gained in various community sector leadership positions to his new role. He quickly established himself in the CEO role and has earned the respect of stakeholders, our staff and participants.

In a competitive market for talent, Chris has identified the skills MHF needs and recruited new directors and other staff. His innovation and

**Participants Supported**



communication skills in an organisation where so many of our staff work remotely is appreciated.

No doubt the future will continue to present various challenges for our directors and staff. I thank all my colleagues for their commitment to making a difference.

Brien Hallett  
President



# TREASURER'S REPORT

I am pleased to present the 2023 Treasurer's Report.

The budget strategy focused on maximising NDIS revenue and exploring alternative streams of revenue to continue to improve the financial sustainability of the MHF.

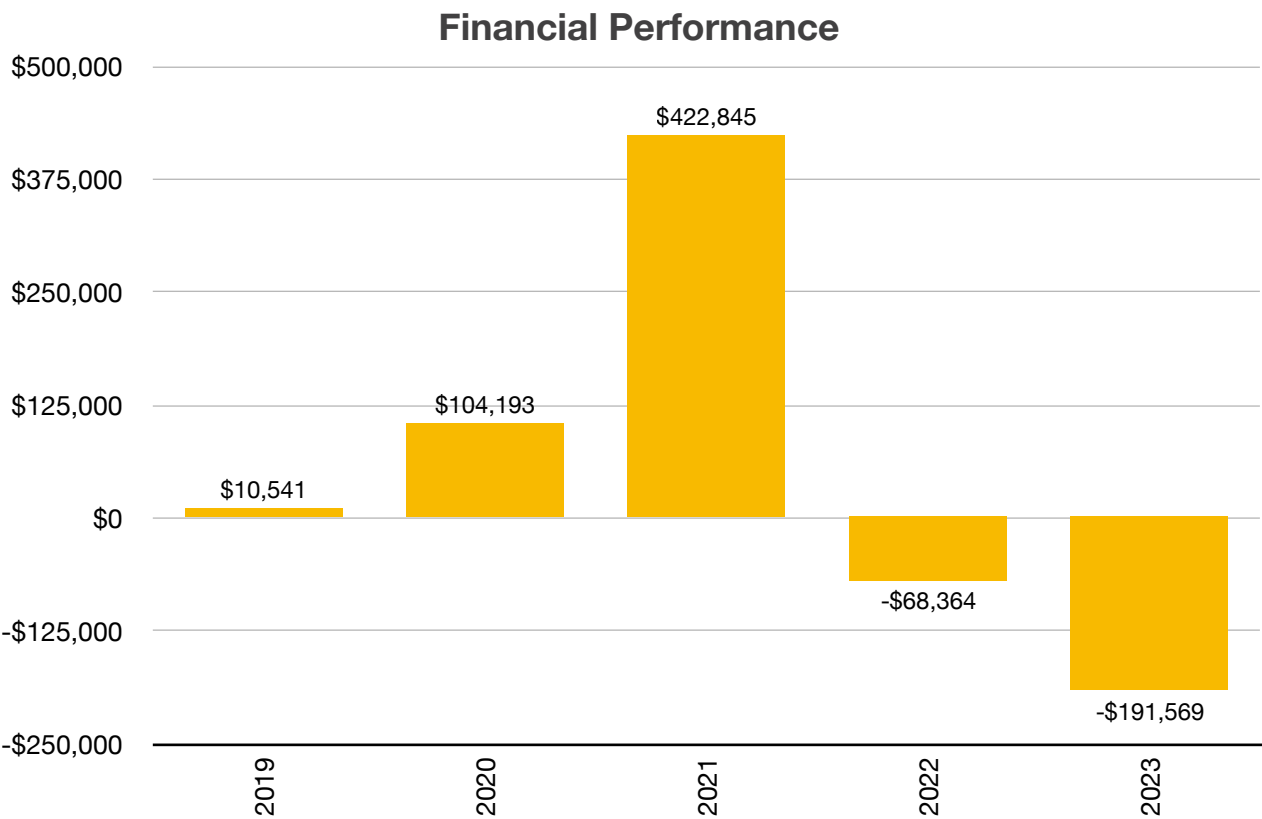
Outside of the NDIS, MHF continued the successful partnership with ACT Government's Mental Health Discharge Accommodation Program and invested assets to maximise the returns on available cash reserves. In FY 2022-23 MHF recorded a loss, against an ambitious budget. The budget was set in a time of

*a culture to encourage all staff to identify opportunities to enhance our service provision*

continued uncertainty from external factors, such as terminating contracts, community health concerns, and economic and inflationary pressures. The anticipated demand and growth targets for our programs were not met, resulting in our loss position.



Throughout the year we welcomed our new CEO who brought a new and refreshed focus on organisational growth and diversification opportunities. Chris has made structural and process changes and embedded a culture to encourage all staff to identify





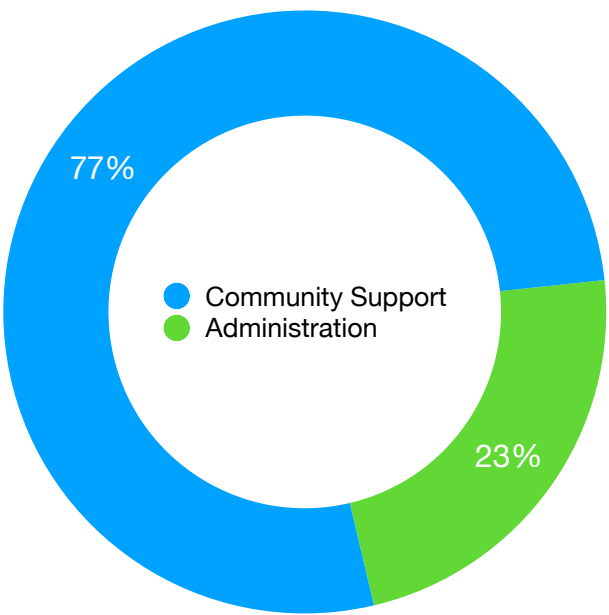
# TREASURER'S REPORT

opportunities to enhance our service provision and diversify offerings. In refocusing the organisation, the Board endorsed a breakeven budget to focus on stabilising and embedding recent changes; building a solid foundation to pursue new opportunities as they arise throughout FY 2023-24.

The audit report for FY 2022-23 presented an unmodified audit opinion. I would like to commend MHF's finance manager and team for their continued drive to improve financial practices and controls. MHF's management have provided a response to the audit observations which have been or will be addressed during FY 2023-24.

Thank you again to the Board, the Chief Executive Officer and broader MHF team for your dedication. The passion and quality services provision ensures MHF continues to make valuable impact across our community and enables MHF to continue to strengthen our reputation as a successful partner for government to provide people centric support. Support that creates hope and better mental health.

## Community Dividend



David Talbot  
Treasurer

## MHF by the Numbers

Revenue	\$2,097,683
Expenses	\$2,289,252
Deficit	\$191,569
Total Assets	\$1,210,016
Total Liabilities	\$411,505
Total Equity	\$798,511

# CEO'S REPORT



Joining the MHF team in late January has been a wonderfully rewarding experience. I

inherited a strong, values driven organisation, doing wonderful work in the community and I acknowledge the effort put in by Angie Ingram and those who played their part.

I also inherited an organisation under pressure. Financial pressure from a tightening NDIS payment schedule and system pressure from a compliance driven structure. This pressure has been absorbed by a dedicated team who put those we support first, and I cannot begin to explain how grateful I am to our people.

My focus over the past few months has been to release this pressure.



We're looking to leverage our margins more effectively where we can, to

support areas of community engagement where there is no margin. More importantly, we're

shifting our culture to a people-centred approach, rather than one of compliance and deadline pressure.

By streamlining systems and processes around risk, WH&S and most importantly, human resources, we are freeing our team up to focus on those we support. It's a long and challenging road we are on in a lot of respects, but the road has clear destination focussed on our people.

*"We're shifting our culture to a people-centred approach"*

This work on the ground

is complemented by a Board, actively and empathically steering the strategic direction. The Board are a dedicated team of volunteers, applying their skills and experiences to govern the organisation with strong values and necessary talent. The Board is currently in the process of developing a purpose plan that will chart our course for the next five years and I am excited to be heading a team that will deliver it.

Finally, I'd like to take a moment to also thank everyone at MHF for making me feel welcome from day one. It is a great organisation adding value to those in need and I am proud to play a part.

Chris Ward  
Chief Executive

## NDIS Programs

The community services MHF delivered during the year were dominated by support to people with an NDIS plan. Three quarters of our work centres on providing core NDIS support to participants throughout the ACT.

MHF oversees seven properties throughout Canberra, five of which directly accommodate participants with NDIS plans. The support we provide is primarily assisting people with their daily life activities and building social and community participation.

MHF also extends these supports to participants not housed in one of our homes through an extensive outreach style program. Such services are valued greatly by the



community and our challenge is to maintain these services in a sustainable way.

*“We’re shifting our culture to a people-centred approach”*

Our accommodation facilities also provide MHF with the opportunity to provide respite programs. MHF supported 4 people with respite throughout the year, for varying lengths of time. Availability of beds drives how active we are in promoting these services, and when we are able to, it is valued greatly.

Overall, MHF supported 69 people during the year, providing around 17,700 hours of direct support.

This reliance on NDIS programs is a significant

contributor to MHF’s overall performance and shows clearly that without scale and higher volumes, it is difficult to reinvest time and resources back into the programs and build momentum. Whilst NDIS programs came at a considerable bottom line pressure for the organisation during the year, the community dividend far outweighed the costs and we are committed to growing our community support services, not reducing.

Complementing our direct services is a small, highly skilled and experienced team of Support Coordinators. Their role is to work with participants and their families to make sure they receive the services and supports they need



to achieve their goals. This client-centred approach connects the participants to the potential service providers so they can fully exercise choice and control over their journey.

## Mental Health Discharge Accommodation Program

The remaining twenty-five percent of our services are provided through a partnership with ACT Health via a discharge program.

*“We have an incredibly resourceful and empathetic team on the ground”*

Our role in the partnership is to provide short term accommodation services to people being discharged from the Canberra hospitals. Homelessness is a constant issue for many people and a huge contributor to the overall mental health of people.

The Mental Health Discharge Accommodation Program exists for this reason. MHF receives patients upon discharge from the mental health units at the hospitals who might otherwise be discharged into homelessness. We provide a home for a few weeks and our staff works with them to find suitable long term accommodation.

During the year, MHF supported 40 people through the MHDAP,

with 726 days of accommodation. We had 2.5 full time staff dedicated to the program during the year and over 80% of the participants achieved their goal and found longer term accommodation. A very impressive outcome given the current accommodation climate throughout the ACT.

This is a valuable service, providing some of Canberra's

most vulnerable people with support they need to settle back into

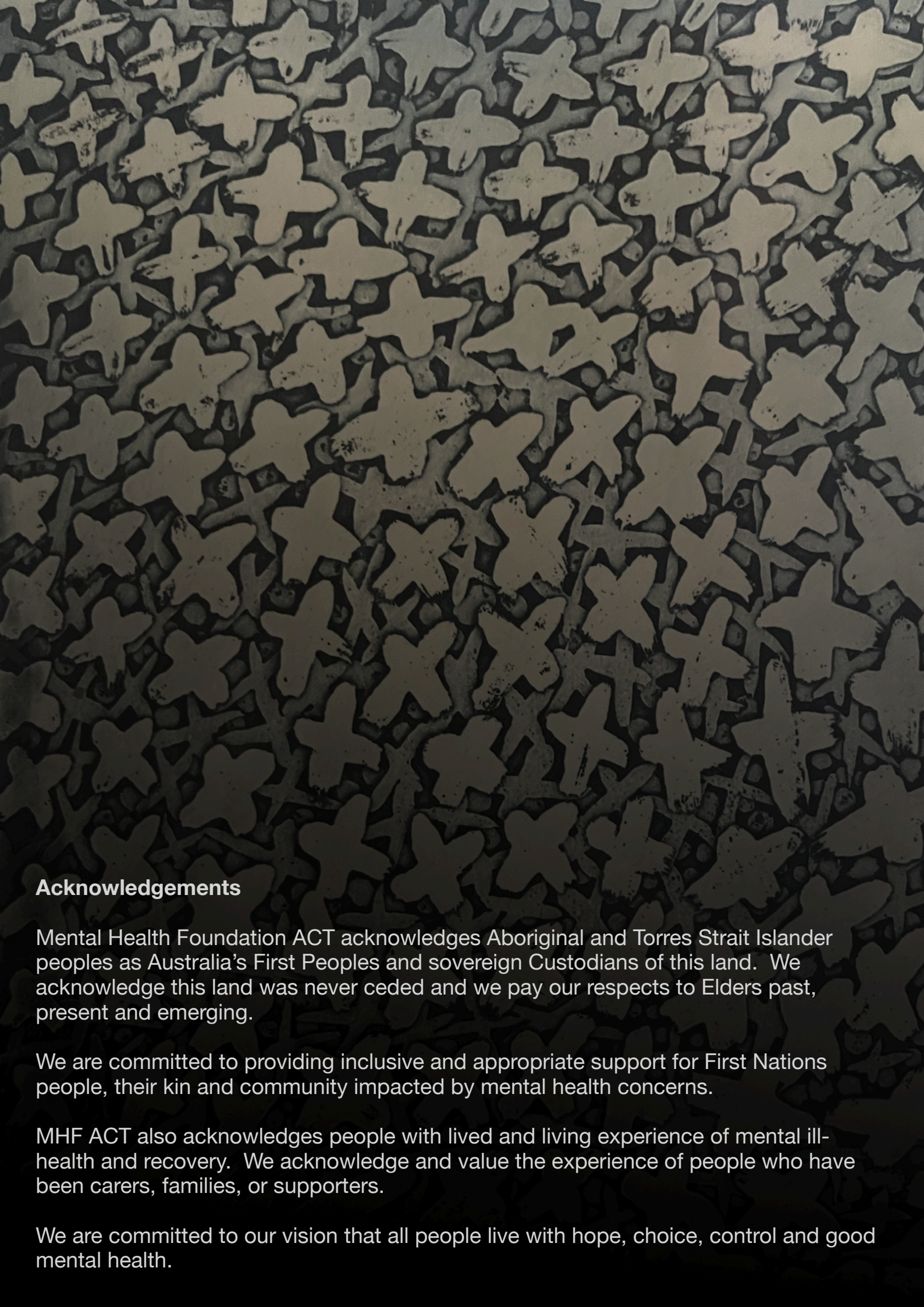
the community. Like much of what MHF does, it is challenging work, but work MHF is committed to do. The partnership has just been extended through next year.

## Our People

MHF ACT is a service organisation. Our people are our first, second and third most valuable resource in us delivering our community goals. We have an incredibly resourceful and empathic team on the ground providing amazing support to people in desperate need. I am in awe of the selfless approach they take day after day. I thank them one and all.

Peter Lennon  
Business Development Manager





## Acknowledgements

Mental Health Foundation ACT acknowledges Aboriginal and Torres Strait Islander peoples as Australia's First Peoples and sovereign Custodians of this land. We acknowledge this land was never ceded and we pay our respects to Elders past, present and emerging.

We are committed to providing inclusive and appropriate support for First Nations people, their kin and community impacted by mental health concerns.

MHF ACT also acknowledges people with lived and living experience of mental ill-health and recovery. We acknowledge and value the experience of people who have been carers, families, or supporters.

We are committed to our vision that all people live with hope, choice, control and good mental health.

# Mental Health Foundation (ACT) Limited

ABN 92 890 393 025

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## Annual Financial Report

For the Year Ended 30 June 2023



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**Committee Members' Report**

For the Year Ended 30 June 2023

The committee members' present their report together with the financial statements of Mental Health Foundation (ACT) Limited ('the Company') for the financial year ended 30 June 2023 and the auditor's report thereon.

**1. Committee Members**

The names of the committee members' in office at any time during, or since the end of, the year are:

<b>Names</b>	<b>Position</b>	<b>Appointed/Resigned</b>
Brien Hallett	President	Appointed 16 <sup>th</sup> November 2021
Beatrice Makay	Vice President	Appointed 21 <sup>st</sup> November 2017
David Talbot	Treasurer	Appointed 19 <sup>th</sup> April 2016
Janine Robertson	Secretary	Appointed 15 <sup>th</sup> January 2013
Natalie Truong	Member	Appointed 20 <sup>th</sup> June 2023
Steven Han	Member	Appointed 18 <sup>th</sup> July 2023
Christopher Ward	Member	Appointed 31 <sup>st</sup> January 2023
Simonette Benedictos	Member	Resigned 20 <sup>th</sup> September 2022
Jennifer Adams	Member	Resigned 21 <sup>st</sup> February 2023
Daniel Ryall	Member	Resigned 20 <sup>th</sup> September 2022
Angela Ingram	Member and Public Officer	Resigned 20 <sup>th</sup> September 2022

Committee members' have been in office since the start of the financial year to the date of this report unless otherwise stated.

**2. Principal Activities**

The principal activities of the Company during the financial year were:

- to work with kindred organisations to ensure that mental health services in the ACT region achieve their full potential for treatment, provision of community facilities, accommodation and employment of mentally ill people, and for providing readily accessible diagnostic, preventative, legal, rehabilitative and primary health care facilities for mentally ill people;
- to encourage the active involvement of users of mental health services in mental health issues and in the planning, provision, management and evaluation of such services in the ACT region;
- to coordinate and assist the exchange of information amongst consumers and providers of mental health services, and to make recommendations to government;
- to participate in public debate and research activities on issues concerning mental health in the ACT region; and
- to educate the community in the ACT region to reduce the stigma associated with mental health issues.

**3. Operating Results and Review of Operations for the Year**

The deficit of the Company for the financial year amounted to (\$191,569) (2022: (\$68,364)).

## Committee Members' Report

For the Year Ended 30 June 2023

### 4. Significant Changes in State of Affairs

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Effective 13<sup>th</sup> May 2023, Mental Health Foundation (ACT) Limited transitioned from an Incorporated Association to a Company Limited by Guarantee. The Company changed its legal name from Mental Health Foundation (ACT) Incorporated to Mental Health Foundation (ACT) Limited.

In the opinion of the committee members', there were no significant changes in the state of affairs of the Company that occurred during the financial year under review.

### 5. Members' Guarantee

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Mental Health Foundation (ACT) Limited 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 year prior to the winding up, is limited to \$10.00 for members subject to the provisions of the Company's constitution.

At 30 June 2023, the collective liability of members was \$100 (2022: nil).

### 6. Events Subsequent to Reporting Date

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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.

### 7. Likely Developments

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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.

### 8. Auditor's Independence Declaration

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The lead auditor's independence declaration in accordance with section 60-40 of the *Charities and Not-for-profits Commission Act 2012*, for the year ended 30 June 2023 has been received and can be found on page 3 of the financial report.

Signed in accordance with a resolution of the committee members':



Committee Member

20 October 2023

Date



## Auditor's Independence Declaration

As lead auditor for the audit of Mental Health Foundation (ACT) Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements of section 60-40 of *the Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Mental Health Foundation (ACT) Limited during the period.



Phillip Miller  
Director  
Vincent's Assurance & Risk Advisory

Brisbane QLD  
20 October 2023

**Statement of Profit and Loss and Other Comprehensive Income**

For the Year Ended 30 June 2023

		2023 \$	2022 \$
	<b>Note</b>		
Revenue	5	<b>2,097,683</b>	2,156,087
<b>Total revenue</b>		<b>2,097,683</b>	2,156,087
Employee expenses	6	<b>1,983,335</b>	1,914,364
Depreciation and amortisation expense		<b>2,622</b>	6,109
Program services and client support		<b>30,970</b>	25,519
Operational expenses		<b>272,325</b>	278,459
<b>Total expenses</b>		<b>2,289,252</b>	2,224,451
<b>(Deficit) for the Year</b>		<b>(191,569)</b>	(68,364)
<b>Other comprehensive income for the year</b>		<b>–</b>	–
<b>Total comprehensive income for the year</b>		<b>(191,569)</b>	(68,364)

*The accompanying notes form part of these financial statements.*

**Statement of Financial Position**

As at 30 June 2023

		2023 \$	2022 \$
<b>Assets</b>	<b>Note</b>		
<b>Current assets</b>			
Cash and cash equivalents	7	1,081,350	1,299,731
Trade and other receivables	8	64,069	92,300
Other assets	9	60,508	100,461
<b>Total current assets</b>		<b>1,205,926</b>	<b>1,492,492</b>
<b>Non-current assets</b>			
Plant and equipment	10	4,090	7,484
<b>Total non-current assets</b>		<b>4,090</b>	<b>7,484</b>
<b>Total assets</b>		<b>1,210,016</b>	<b>1,499,976</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	11	75,783	122,092
Employee benefits	12	97,435	135,277
Other liabilities	13	238,287	252,527
<b>Total current liabilities</b>		<b>411,505</b>	<b>509,896</b>
<b>Total liabilities</b>		<b>411,505</b>	<b>509,896</b>
<b>Net assets</b>		<b>798,511</b>	<b>990,080</b>
<b>Equity</b>			
Retained earnings		798,511	990,080
<b>Total equity</b>		<b>798,511</b>	<b>990,080</b>

*The accompanying notes form part of these financial statements.*



**Statement of Changes in Equity**

For the Year Ended 30 June 2023

	Retained Earnings \$	Total \$
<b>2023</b>		
<b>Balance at 1 July 2022</b>	<b>990,080</b>	<b>990,080</b>
Deficit for the year	(191,569)	(191,569)
Other comprehensive income	–	–
<b>Total comprehensive income</b>	<b>(191,569)</b>	<b>(191,569)</b>
<b>Balance at 30 June 2023</b>	<b>798,511</b>	<b>798,511</b>
<b>2022</b>		
Balance at 1 July 2021	1,058,444	1,058,444
Deficit for the year	(68,364)	(68,364)
Other comprehensive income	–	–
Total comprehensive income	(68,364)	(68,364)
Balance at 30 June 2022	990,080	990,080

*The accompanying notes form part of these financial statements.*

**Statement of Cash Flows**

For the Year Ended 30 June 2023

	2023 \$	2022 \$
<b>Note</b>		
<b>Cash flows from operating activities</b>		
Receipts from customers	2,143,600	1,791,564
Payments to suppliers and employees	(2,370,781)	(2,258,525)
<b>Cash generated from operating activities</b>	(227,181)	(466,961)
Interest received	8,028	5,570
<b>Net cash provided by/(used in) operating activities</b>	(219,153)	(461,391)
<b>Cash flows from investing activities</b>		
Payment for plant and equipment	–	(5,280)
Proceeds from sale of plant and equipment	772	–
<b>Net cash provided by/(used in) investing activities</b>	772	(5,280)
<b>Net increase/(decrease) in cash and cash equivalents held</b>	(218,381)	(466,671)
<b>Cash and cash equivalents at beginning of year</b>	1,299,731	1,766,402
<b>Cash and cash equivalents at end of financial year</b>	7 1,081,350	1,299,731

The accompanying notes form part of these financial statements.

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### Reporting Entity

Mental Health Foundation (ACT) Limited ('the Company') is domiciled in Australia. The address of the Company's registered office is Unit 11, 70 Maclaurin Crescent, Chifley ACT 2606.

The Company is a not-for-profit entity primarily involved in ensuring that mental health services in the ACT region achieve their full potential for treatment, provision of community facilities, accommodation and employment of mentally ill people, and for providing readily accessible diagnostic, preventative, legal, rehabilitative and primary health care facilities for mentally ill people.

### Note 1: Basis of Preparation

The financial statements are tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Simplified Disclosure Requirements adopted by the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements were authorised by the committee members on 17 October 2023.

The financial statements have been prepared on the historical cost basis. These financial statements are presented in Australian dollars, which is the Company's functional currency.

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.

### Note 2: Going Concern

The Company is in a net current asset surplus position. However, the Company has recorded a net loss for the past two financial years (2023: (\$191,569) and 2022: (\$68,364)). Additionally, the Company has generated negative cash flows from operations of (\$219,153) during the year (2022: (\$461,391)). The committee members of the Company have committed continuing financial support. Accordingly, the financial report has been prepared on a going concern basis.

### Note 3: Summary of Significant Accounting Policies

#### (a) Income Tax

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

#### (b) Volunteer Services

No amounts are included in the financial statements for services donated by volunteers.

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### Note 4: Critical Accounting Estimates and Judgments

The committee makes 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.

#### (i) Key estimates - provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

#### (ii) 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.

### Note 5: Revenue

	2023 \$	2022 \$
<b>Revenue</b>		
Interest received	8,028	5,570
Donations and fundraising	4,172	3,162
NDIS claims	1,573,534	1,687,336
Grant income	457,134	428,527
Other	54,815	31,492
<b>Total Revenue</b>	<b>2,097,683</b>	<b>2,156,087</b>

#### Accounting Policy

Revenue from the rendering of services is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST)

#### (i) 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

## Notes to the Financial Statements

For the Year Ended 30 June 2023

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 as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

### (ii) Specific revenue streams

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

#### Grants and donation income

Grants and donations where there is an enforceable contract with a customer with sufficiently specific performance obligations are accounted for under AASB 15, where by income is recognised as and when the performance obligations are satisfied. Grants and donations that are not enforceable or where the performance obligations are not sufficiently specific, are accounted for under AASB 1058 - where by income is recognized immediately on receipt.

#### Revenue from rendering of services

Revenue from rendering of services is recognised over the period in which the services are rendered. Revenue is recognised over time on a time proportionate basis over the period of the service as the Company's efforts or inputs are expended evenly throughout the performance period.

#### Interest

Interest income is recognised as interest accrues using the effective interest method.

#### Other income

Other income is recognised on an accruals basis when the Company is entitled to it

## Note 6: Expenses

	2023 \$	2022 \$
<b>Employee expenses</b>		
Wages and salaries	1,683,892	1,620,982
Superannuation	175,161	157,875
Other employee expenses	124,282	135,507
	<b>1,983,335</b>	<b>1,914,364</b>



## Notes to the Financial Statements

For the Year Ended 30 June 2023

### Note 7: Cash and Cash Equivalents

	2023 \$	2022 \$
Cash at bank	281,350	1,299,731
Term deposits	800,000	–
Total Cash and cash equivalents	1,081,350	1,299,731
Balance as per statement of cash flows	1,081,350	1,299,731

#### Accounting Policy

Cash and cash equivalents comprises 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.

#### Classification as cash equivalents

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24hours' notice.

#### Non-cash financing and investing activities

The Trust has no non-cash investing or financing activities for the financial reporting period (2022: Nil).

### Note 8: Trade and Other Receivables

	2023 \$	2022 \$
Trade receivables	102,499	92,300
Provision for doubtful debts	(38,430)	–
	64,069	92,300

#### Accounting Policy

Trade receivables are initially recognised at fair value and subsequently at amortised cost using the effective interest method, less an allowance for expected credit losses (impairment provision). The carrying value of trade and other receivables, less impairment provisions, is considered to approximate fair value, due to the short-term nature of the receivables.

#### Impairment of trade receivables

The collectability of trade and other receivables is reviewed on an ongoing basis. Individual debts which are known to be uncollectable are written off when identified. The Company recognises an impairment provision based upon anticipated lifetime losses of trade receivables. The anticipated lifetime losses are determined with reference to historical experience and are regularly reviewed and updated. The amount of the impairment loss is recognised in profit or loss within other expenses.

# Notes to the Financial Statements

For the Year Ended 30 June 2023

## Note 9: Other Assets

	2023 \$	2022 \$
Prepayments	55,060	91,875
Accrued income	5,448	8,586
	<b>60,508</b>	<b>100,461</b>

## Note 10: Plant and Equipment

	Motor Vehicles \$	Fixtures, Fittings and Equipment \$	Total \$
<b>30 June 2023</b>			
Balance at beginning of the year	1,381	6,103	7,484
Disposals	(772)	–	(772)
Depreciation	(609)	(2,013)	(2,622)
Balance at end of the year	–	4,090	4,090
<b>Cost</b>	<b>37,463</b>	<b>37,341</b>	<b>57,473</b>
Accumulated depreciation	(37,463)	(33,251)	(53,383)
Carrying value	–	4,090	4,090
<b>30 June 2022</b>			
Cost	37,463	37,341	74,804
Accumulated depreciation	(36,082)	(31,238)	(67,320)
Carrying value	1,381	6,103	7,484

### Accounting Policy

#### (i) Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Any gain or loss on disposal of an item of plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss, associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred. Subsequent expenditure is capitalised only when it is probable that the future economic benefits.

#### (ii) Depreciation

Items of plant and equipment are depreciated from the date that they are installed and are ready for use, in respect of internally constructed assets, from the date that the asset is completed and ready for use.

**Notes to the Financial Statements**

For the Year Ended 30 June 2023

Depreciation is calculated to write-off the cost of plant and equipment less their estimated residual values using the straight-line basis over their estimated useful lives. Depreciation is generally recognised in profit or loss, unless the amount is included in the carrying amount of another asset.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

<b>Fixed asset class</b>	<b>Depreciation rate</b>
Motor Vehicles	20%
Fixtures, Fittings and Equipment	20 - 40%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

*(iii) Impairment*

The carrying amount of the Company's plant and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

**Note 11: Trade and Other Payables**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Trade payables	<b>10,631</b>	25,250
Accrued expenses	<b>38,535</b>	38,882
Other payables	<b>33,870</b>	68,023
GST (receivable)	<b>(7,253)</b>	(10,063)
	<b>75,783</b>	122,092

**Accounting Policy**

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

**Goods and services tax**

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 taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part 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 Australian Taxation Office is included as a asset or liability in the statement of financial position.

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.

# Notes to the Financial Statements

For the Year Ended 30 June 2023

## Note 12: Employee Benefits

	2023 \$	2022 \$
Annual leave	97,435	135,277
	<b>97,435</b>	<b>135,277</b>

### (a) Movements in employee benefits

	Annual leave \$
Carrying amount as at 1 July 2022	135,277
Additions	18,111
Amounts charged	(55,953)
Carrying amount as at 30 June 2023	<b>97,435</b>

### Accounting Policy

#### (i) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### (ii) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

## Note 13: Other Liabilities

	2023 \$	2022 \$
Grants received in advance	238,287	252,527
	<b>238,287</b>	<b>252,527</b>

### Accounting Policy

Grant income received in advance is recognised in accordance with the specific performance obligations of each specific grant.

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### Note 14: Auditor's Remuneration

	2023 \$	2022 \$
Audit of the financial statements	4,597	4,225
Other services		
—Assistance in preparing financial statements	2,000	2,000
	6,597	6,225

### Note 15: Financial Assets and Liabilities

	2023 \$	2022 \$
<b>Financial assets held at amortised cost</b>		
Cash and cash equivalents	1,081,350	1,299,731
Trade receivables	64,069	92,300
<b>Total financial assets</b>	1,145,419	1,392,031
<b>Financial liabilities held at amortised cost</b>		
Trade and other payables	75,783	122,092
<b>Total financial liabilities</b>	75,783	122,092

### Accounting Policy

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs. The Company has equity investments which are carried at fair value through other comprehensive income. Subsequent measurement of financial assets and liabilities carried at amortised cost are described below.

#### *(i) Subsequent Measurement of Financial Assets*

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as fair value through profit or loss):

They are held with a business model whose objective is to hold the financial assets and collect its contractual cash flows. The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial, the Company's loans and advances, cash and trade and other receivables fall into this category of financial asset. All of the Company's financial liabilities are held at amortised cost.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expired.



## Notes to the Financial Statements

For the Year Ended 30 June 2023

### (ii) Impairment

The Company assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Whilst cash are also subject to the impairment requirements of AASB 9, there was considered to be no impairment loss on these instruments. For trade receivables, the Company applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due.

## Note 16: Related Parties

### (a) Key management personnel compensation

The key management personnel compensation was \$719,657 for the year ended 30 June 2023 (2022: \$766,028).

### (b) Transactions with related parties

Key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of the entity.

The entity below transacted with the Company in the reporting period.

The aggregate value of transactions and outstanding balances relating to key management personnel and the entity over which they have control or significant influence were as follows:

Entities	Transaction value year ended 30 June		Balance outstanding as at 30 June	
	2023	2022	2023	2022
	\$	\$	\$	\$
Mental Illness Fellowship of Australia Inc	(6,903)	(6,826)	(21)	–

## Note 17: Events Occurring After the Reporting Date

No other items, transactions or events of a material and unusual nature are likely, in the opinion of the committee members of the Company, to affect significantly the operations of the Company, the results of those operations or the state of affairs of the Company, in future financial years.

## Note 18: Contingencies

In the opinion of the committee members, the Company did not have any contingencies at 30 June 2023 (30 June 2022: None).

## Note 19: New Accounting Standards and Interpretations Issued but Not Yet Effective

There are no standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

## **Notes to the Financial Statements**

For the Year Ended 30 June 2023

### **Note 20: Statutory Information**

The registered office and principal place of business of the Company is:

Unit 11, 70 Maclaurin Crescent  
CHIFLEY ACT 2606

## Committee Members' Declaration

The committee members of the Company declares that:

1. The financial statements and notes, as set out on pages 4 to 17, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
  - a) comply with Australian Accounting Standards - Simplified Disclosures; and
  - b) give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the Company.
2. In the director's opinion, there are reasonable grounds to believe that the Company 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 Committee Members:



Committee Member

20 October 2023

Date

# Independent Audit Report

To the directors of Mental Health Foundation (ACT) Limited

## Opinion

We have audited the financial report of Mental Health Foundation (ACT) Limited (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act), including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosures to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

## 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 Statements* section of our report. We are independent of the Company in accordance with 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 statements in Australia. We have also fulfilled our other responsibilities in accordance with the Code.

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

## Emphasis of a Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Company's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

## Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report is information included in board's report (but does not include the financial report and our auditor's report thereon).

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

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

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

### ***Responsibilities of the 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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a 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 statements, 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 has 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 statements as a whole are 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.

As part of an audit in accordance with 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.



Phillip Miller  
Director  
Vincent's Assurance & Risk Advisory

Brisbane QLD  
20 October 2023