

Mental Health Australia Ltd

ABN 57 600 066 635

Financial Statements

For the year ended 30 June 2023

DIRECTORS' REPORT 30 JUNE 2023

The directors present their report together with the financial report of Mental Health Australia Limited for the year ended 30 June 2023.

Mental Health Australia Limited is a company limited by guarantee, incorporated under the *Corporations Act 2001* on 23 June 2014.

THE BOARD

The following held Board directorship during the year and to the date of this report:

Name	Position
Mr Matthew Berriman	Board Appointed Director, Chair
Dr Catherine Andronis	Elected Director
Ms Tamara Cavenett (from 24 November 2022)	Elected Director
Mr Jeremy Coggin (to 24 November 2022)	Elected Director
Ms Georgina Harman	Elected Director
Mr Joseph Hooper (to 24 November 2022)	Elected Director
Prof Sharon Lawn (Nanai)	Elected Director
Mr Mark Orr AM	Elected Director
Ms Maire Piu (from 24 November 2022)	Elected Director
Mr Ashley de Silva	Elected Director
Ms Carmel Tebbutt (to 16 June 2023)	Elected Director

PRINCIPAL ACTIVITIES

Mental Health Australia is the national peak body for the mental health sector. As a Company limited by guarantee, our members include national organisations representing consumers, carers, special needs groups, clinical service providers, professional bodies, public and private mental health service providers, researchers, and state/territory community mental health peak bodies.

This financial year the Board and staff continued to deliver on our vision for ***Mentally healthy people, mentally healthy communities*** with the focus on achieving the following core objectives of the [Strategic Plan 2021-2024](#):

1. Promote a national voice for those with lived experience of mental illness and for those who love and care for them.
2. Highlight the social determinants for mental ill health and advocate for lasting changes across the whole ecosystem.
3. Deliver value to our members and the wider mental health ecosystem

Mental Health Australia's principal activity has been to actively engage with stakeholders on a range of mental health policy issues and advocate at national level of government for policy reform. This has involved broad engagement, forging and maintaining partnerships and collaboration, and driving a clear coherent voice for reform on behalf of the sector.

Specific activities Mental Health Australia Limited undertook to deliver against its short and long term strategic objectives included:

- Policy submissions – throughout the 2022-23 financial year 11 key submissions were prepared covering a range of national mental health issues.

- The 2022 Parliamentary Advocacy Day achieved a record number of meetings with parliamentarians (approximately 65) and 60 member delegates attending the day at Parliament House to advocate for mental health reform. Attendees heard from the Assistant Minister for Mental Health and Suicide Prevention, the Hon Emma McBride MP, the Shadow Assistant Minister for Mental Health and Suicide Prevention, Mrs Melissa McIntosh MP, the Greens Health Spokesperson, Senator Jordan Steele-John and the Department of Health and Aged Care.
- The 2022 World Mental Health Day (WMHD) campaign was successfully in market throughout October promoting the tagline “Look after your mental health, Australia”. The campaign adopted secondary messaging of “Awareness, Belonging and Connection”, encouraging further action to sign up to the campaign website to create mindful habits for mental health during October. Paid social media generated a total 6.9 million reach, with 8.4 million impressions. Most of the registrations came from 25 - 45 year age group, most traffic and registration came from female audiences, and the region with the highest number of sessions and registrations was Victoria, followed by New South Wales and Queensland.
- The Embrace Multicultural Mental Health Project continued to work with the Federation of Ethnic Communities' Councils of Australia (FECCA) and the National Ethnic Disability Alliance (NEDA) as part of the Embrace Alliance, as well as engage with the Stakeholder Group and CALD Mental Health Consumer and Carer Group. During 2022-23, the Embrace Project team completed a 12-month program to support 13 Primary Health Networks to embed the Framework within their commissioning practices. The Project Team also continued the Community Engagement Project, engaging another three communities and contracting community organisations to identify mental health issues and develop culturally appropriate resources. The Project Team also commissioned two key research projects and commenced the Embrace Suicide Prevention Pilot Project, with R U OK? and Suicide Prevention Australia.
- The Policy and Research team continued to develop policy and advocacy across the social determinants of mental health. Considerable work has been undertaken in 2022-23 on housing, psychosocial disability, the Royal Commission into Defence and Veteran Suicide and the NDIS Review.
- In the lead up to the 2023 Federal Budget, the Policy and Research team drafted a Pre-Budget Submission which outlined priorities for the government to invest in:
 - lived experience leadership
 - government leadership and accountability
 - development of a community-focussed mental health system (including addressing social determinants of mental health)
 - the mental health workforce
- Subsequently, Mental Health Australia hosted a Members Policy Forum during Budget Week (11 May 2023) in Canberra with approximately 80 member representatives, which included presentations from the Assistant Minister for Mental Health and Suicide Prevention, the Hon Emma McBride MP, the Department of Health and Aged Care, representatives from NDIS review panel and a Lived Experience panel discussion.
- Regular media and communications activities continued to engage stakeholders, with distribution of regular CEO Update e-newsletters to more than 5,000 recipients weekly. The CEO's blog provides commentary on both key strategic issues and topical stories pertaining to mental health and, as well as being distributed via email, and shared via Mental Health Australia's owned media (LinkedIn, Facebook, Instagram and X (formerly Twitter)).

REVIEW AND RESULTS OF OPERATIONS

The Company's operations for the year resulted in a loss of \$100,104. For context, 2022 saw a loss of \$9,198. Despite the loss for the year, Mental Health Australia continues to have a strong financial base that will allow it to undertake planned activities and meet its strategic objectives.

Overall total income for the year was \$4,388,365 (2022: \$3,905,639). Key grants continue with the change in income reflecting increased activity associated with Mental Health Sector Support and Promotion and Embrace Project grants, offset, in part, by finalisation of initiatives associated with Covid-19 activities in 2021-22.

Total expenses for the year were \$4,488,469 (2022: \$3,914,837). The largest increases included: employee costs \$2,181,316 (2022: \$1,854,338); travel \$299,066 (2022: \$77,592) offset, in part, by a reduction in other expenditure \$195,537 (2022: \$283,855).

STATE OF AFFAIRS

In the opinion of the Directors there was no significant change in the state of affairs of the company during the financial year under review. The company continues to operate in an effective and efficient manner.

ENVIRONMENTAL LEGISLATION

The company is not subject to any particular or significant environmental regulation under a law of the Commonwealth or of any state or territory in Australia.

NON-AUDIT SERVICES

During the year, the Company paid \$3,500 (2022: \$5,700) to the auditor for non-audit services for the provision of accounting advice.

INFORMATION ON DIRECTORS

MR MATTHEW BERRIMAN – Director; Chair

Appointed: 2021

Occupation: Co-Founder and Managing Partner RealVC (early stage Venture Capital Fund), Chair Livewire Group, Chair Glow Dreaming and Chairman of Straight6 Group Consulting

DR CATHERINE ANDRONIS - Director

Elected: 2020

Sub-Committees: Member, Governance Committee (from 8 February 2021);

Occupation: General Practitioner; Delegate, Royal Australian College of General Practitioners; Member, Australian Association of Family Therapy; Member, Australian Society of Psychological Medicine; GP Provider, Access Health and Community; Independent Consultant, Emerging Minds, RACGP Representative, National Initial Assessment and Referral for Mental Health Care Project Advisory Group; Member, RANZCP Diploma of Psychiatry Expert Advisory Group; Member, RANZCP Diploma of Psychiatry Curriculum Authorship Group; Medical Educator, Eastern Health Medical School (Monash & Deakin Universities)

Qualifications: MBBS; FRACGP; DipFT; MCRC

MS TAMARA CAVENETT - Director (from 24 November 2022)

Appointed: 2022
Sub-Committees: Member, Governance Committee (from 20 February 2023)
Occupation: Delegate and Fellow, Australian Psychological Society; Board Director, Adelaide PHN; Fellow, APS College of Clinical Psychologists; Member, Australian Institute of Company Directors; Member, Master of Psychology (Clinical) Program (Uni SA) Advisory Board; Member, Gidget Foundation Clinical Advisory Committee
Qualifications: B.Behav.Sci (Hons) M.Psych (Clin) GAICD

MR JEREMY COGGIN – Director (to 24 November 2022)

Elected: 2018
Sub-Committees: Member, Finance, Audit and Risk Management Committee (to 24 November 2022)
Occupation: President, Mental Health Carers Australia; Director, Mind Australia; Chair, The Haven Foundation Ltd and The Haven Foundation Australia Ltd; Director, HomeBase Services; Member, Australian Mental Health Prize Committee.
Qualifications: Exec MBA; BSc (Architecture); BSc (Computing); GAICD

MS GEORGINA HARMAN – Director

Elected: 2017
Sub-Committees: Chair, Finance, Audit and Risk Management Committee
Occupation: CEO and Director, Beyond Blue; Member, National Mentally Healthy Workplace Alliance Steering Group; Member, Victorian Mental Health Ministerial Advisory Committee; Member, National COVID-19 Health and Research Advisory Committee; Member, The Victorian Pride Centre; Director, Kilfinan Australia; Deputy Chair, Australian National Advisory Council on Alcohol & Other Drugs; Patron, Out for Australia; Member, Victorian Mentally Healthy Workplaces Advisory Group; Member, Mental Health Reform Advisory Committee; Australian Institute of Company Directors
Qualifications: BA (Hons), MA

MR JOSEPH HOOPER – Director (to 24 November 2022)

Elected: 2020
Sub-Committees: Member, Governance Committee
Occupation: Chief Executive, Rural and Remote Mental Health; Member, Minds Incorporated Clinical Governance Committee; Member, SA Health Aboriginal and Torres Strait Islander Mental Health and Suicide Prevention Steering Committee.
Qualifications: LLB (Hons); BSc Nursing; Dip:App Sc; RN and Psych Nursing Cert.; GAICD; JP

PROF SHARON LAWN (NANAI) – Director

Appointed: 2021
Sub-Committees: Governance Committee (from 7 February 2022)
Occupation: Chair and Executive Director, Lived Experience Australia Ltd; Board Director, Australian Self-Care Alliance; Researcher, Flinders University; Committee Member, RANZCP Community Collaboration Committee; Committee Member, RANZCP Committee for Research; Carer representative, National Mental Health Consumer and Carer Forum; Lived Experience Member, National Safety and Quality Community Mental Health Service Standards Advisory Group; Lived Experience Member, NDIS Psychosocial Disability Stakeholder Reference Group; Member, Military and Emergency Services Health Australia International Service Families Research Consortium; Community Member, SA Branch RANZCP; Member, Mental Health Reform Advisory Committee.
Qualifications: BA, DipEd, MSW, PhD

MR MARK ORR AM - Director

Elected: 2020

Sub-Committees: Member, Governance Committee (until 24 November 2022); Chair, Governance Committee (from 24 November 2022)

Occupation: CEO, Flourish Australia; Director, Australian Federation of AIDS Organisations Ltd t/a Health Equity Matters; Director, Mental Health Coordinating Council Ltd; Independent Member, ACON Health Ltd Board Finance and Audit Committee; Chair, ACON Health Ltd Pride in Health and Wellbeing Advisory Group; Member, Department of Health Psychosocial Support Stakeholder Advisory Group; Member, Steering Committee for the National Stigma and Discrimination Reduction Strategy; Chair, Mental Health Commission of NSW Advisory Council.

Qualifications: BSc (Hons); M Hlth Serv Mgt; M e-Hlth (HI); Grad Dip Spec Ed; Grad Dip App Corp Gov; Grad Cert App Fin and Invest; GAICD; FGIA; FCG(CS); MAAPi; Registered Psychologist

MS MARIE PIU – Director (from 24 November 2022)

Appointed: 2022

Sub-Committees: Member, FARM Committee (from 20 February 2023)

Occupation: CEO, Tandem; Member, Mental Health Carers Australia; Member, Victorian Mental Health Advisory Committee; Member, Australian Psychological Society; Member, Eastern PHN Community Advisory Group; Member, Lived Experience Strategic Partnership; Mental health and AOD Exert Advisory group member, Northwest Melbourne PHN

Qualifications: BA, Grad Dip App Psych, MAPS, Registered Psychologist

MR ASHLEY DE SILVA - Director

Elected: 2019

Sub-Committees: Member, Finance, Audit and Risk Management Committee

Occupation: CEO, ReachOut Australia; Member, Global Advisory Council of the eMental Health International Collaborative; Member, National Digital Mental Health Advisory Group; Member.

Qualifications: MBA (Executive); MSPOD; BBus (Mkt); BBus (Mgt)

MS CARMEL TEBBUTT – Director (to 16 June 2023)

Appointed: 2019

Sub-Committees: Chairperson, Governance Committee (to 24 November 2022); Member, Governance Committee (to 16 June 2023)

Occupation: CEO, Mental Health Coordinating Council (to 16 June 2023); Member, Community Mental Health Australia (to 15 June 2023); Chair, NSW Mental Health Commission Community Advisory Council

Qualifications: BEc; GAICD

COMPANY SECRETARY

MS KATHRYN SEQUOIA

Appointed: 1 July 2022

Occupation: Governance Advisor and Company Secretary, Mental Health Australia Limited;

Qualifications: CertGovNFP, CertGovPrac

FARM COMMITTEE EXTERNAL MEMBERS

Mental Health Australia would like to acknowledge the pro-bono contributions of the external members of the FARM Committee.

MR DEAN BOLAND

Appointed: 2019

Sub-Committees: Finance, Audit and Risk Management Committee

Occupation: Director, 1LM Finance Advisory

Qualifications: BCom (Accounting & Commercial Law); Member of Chartered Accountants Australia and New Zealand (CA ANZ)

MR KEN MAXWELL

Appointed: 2019

Sub-Committees: Finance, Audit and Risk Management Committee

Occupation: Strategic Adviser

Qualifications: MNucSci; MBA (Executive); AGSM; BEHons (Aeronautical); Dip Government Management; Dip Bus (Frontline Management)

DIRECTORS' MEETINGS 2022-23

The number of directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director is as follows:

	Board Meetings		Finance, Audit and Risk Management (FARM) Committee		Governance Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Mr Matthew Berriman	7	6	-	-	-	-
Dr Catherine Andronis	7	7	-	-	3	3
Ms Tamara Cavenett	4	4	-	-	1	1
Mr Jeremy Coggin	3	3	2	2	-	-
Ms Georgina Harman	7	7	5	5	-	-
Mr Joseph Hooper	3	3	-	-	2	2
Prof Sharon Lawn (Nanai)	7	7	-	-	3	3
Mr Mark Orr	7	7	-	-	3	3
Ms Marie Piu	4	4	2	*0	-	-
Mr Ashley de Silva	7	6	5	5	-	-
Ms Carmel Tebbutt	7	6	-	-	3	3
FARM Committee External Members						
Mr Dean Boland	-	-	5	5	-	-
Mr Ken Maxwell	-	-	5	5	-	-

**Absent due personal reasons, however participated directly with Committee Chair on information being discussed and approved at the two FARM Committee meetings.*

MEMBERS GUARANTEE

As at 30 June 2023, there were 132 liable members made up of 81 full members and 51 associate members. In the event the company is wound up, each member is required to contribute \$2 towards meeting outstanding obligations of the company, to a total contribution of \$264.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2023 has been received and can be found on page 9 of the financial report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001



Mr Matthew Berriman, Director



Ms Georgina Harman, Director

Dated: 3 November 2023

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Mental Health Australia Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

A handwritten signature in black ink that reads 'RSM'.

RSM AUSTRALIA PARTNERS

A handwritten signature in black ink that reads 'Rodney Miller'.

RODNEY MILLER
Partner

Canberra, Australian Capital Territory
Dated: 3 November 2023

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

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General information

The financial statements cover Mental Health Australia Limited as an individual entity. The financial statements are presented in Australian dollars, which is Mental Health Australia Limited's functional and presentation currency.

Mental Health Australia Limited is a not-for-profit unlisted public company limited by guarantee.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 3 November 2023. The Directors have the power to amend and reissue the financial statements.

Mental Health Australia Ltd
Statement of Comprehensive Income
For the year ended 30 June 2023

	Note	2023	2022
		\$	\$
Revenue	2	4,388,365	3,905,639
Expenses			
Consultancy and accounting expenditure		(1,002,314)	(981,672)
Employee costs		(2,181,316)	(1,854,338)
Marketing and fundraising		(119,440)	(51,235)
Meeting costs		(164,522)	(188,472)
Office and administration costs		(180,360)	(152,363)
Other expenditure		(195,537)	(283,855)
Sitting fees		(96,821)	(56,884)
Travel		(299,066)	(77,592)
Depreciation		(20,065)	(17,766)
Depreciation - right-of-use asset		(203,483)	(241,733)
Interest - lease liability		(25,545)	(8,927)
		<u>(4,488,469)</u>	<u>(3,914,837)</u>
Total comprehensive income/ (loss) for the year		<u><u>(100,104)</u></u>	<u><u>(9,198)</u></u>

The above statement comprehensive income should be read in conjunction with the accompanying notes

Mental Health Australia Ltd
Statement of Financial Position
As at 30 June 2023

		2023	2022
		\$	\$
Assets	Note		
Current assets			
Cash and cash equivalents	3	2,099,388	959,938
Trade and other receivables	4	158,568	113,604
Other financial assets	5	2,125,260	3,134,854
Other assets	6	64,459	62,964
Total current assets		<u>4,447,675</u>	<u>4,271,360</u>
Non-current assets			
Property, plant and equipment	7(a)	35,789	40,712
Right-of-use assets	7(b)	399,820	21,436
Total non-current assets		<u>435,609</u>	<u>62,148</u>
Total assets		<u>4,883,284</u>	<u>4,333,508</u>
Liabilities			
Current liabilities			
Trade and other payables	8	407,568	328,011
Contract liabilities	9	1,506,531	1,411,342
Current tax liabilities	10	92,965	15,591
Provisions	11	128,047	149,535
Lease liabilities	14	184,295	7,054
Total current liabilities		<u>2,319,406</u>	<u>1,911,533</u>
Non-current liabilities			
Provisions	11	57,246	-
Lease liabilities	14	200,241	15,480
Total non-current liabilities		<u>257,487</u>	<u>15,480</u>
Total liabilities		<u>2,576,893</u>	<u>1,927,013</u>
Net assets		<u>2,306,391</u>	<u>2,406,495</u>
Equity			
Retained earnings		<u>2,306,391</u>	<u>2,406,495</u>
Total equity		<u>2,306,391</u>	<u>2,406,495</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Mental Health Australia Ltd
Statement of Changes in Equity
For the year ended 30 June 2023

	Retained earnings	Total equity
	\$	\$
Balance at 1 July 2021	2,415,693	2,415,693
Loss attributable to members of the Company	(9,198)	(9,198)
Balance at 30 June 2022	2,406,495	2,406,495
Balance at 1 July 2022	2,406,495	2,406,495
Loss attributable to members of the Company	(100,104)	(100,104)
Balance at 30 June 2023	2,306,391	2,306,391

The above statement should be read in conjunction with the accompanying notes

Mental Health Australia Ltd
Statement of Cash Flows
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Receipts from customers		4,822,563	4,475,305
Payments to suppliers and employees		(4,503,713)	(4,164,458)
Interest received		49,876	13,230
Lease interest paid		(25,545)	(8,927)
Net cash from/(used in) operating activities		<u>343,181</u>	<u>315,150</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(15,142)	(15,524)
Receipts (payments) for term deposits		<u>1,009,594</u>	<u>-</u>
Net cash from/(used in) investing activities		<u>994,452</u>	<u>(15,524)</u>
Cash flows from financing activities			
Lease liability paid		<u>(198,183)</u>	<u>(255,576)</u>
Net cash from/(used in) financing activities		<u>(198,183)</u>	<u>(255,576)</u>
Net increase in cash and cash equivalents		1,139,450	44,050
Cash and cash equivalents at the beginning of the financial year		<u>959,938</u>	<u>915,888</u>
Cash and cash equivalents at the end of the financial year	3	<u><u>2,099,388</u></u>	<u><u>959,938</u></u>

The above statement should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures issued by the AASB, the *Australian Charities and Not-for-profits Commission Act 2012* and associated regulations, as appropriate for not-for-profit oriented entities.

The financial statements, except for the cash flow information, 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

Revenue recognition

Grants

Grant funding that contains specific conditions and enforceable obligations on the use of those funds are recognised per AASB 15, such that income is recognised as and when the Company satisfies its performance obligations stated within the funding agreements. For such grants it is the policy of the Company to treat grant monies as contract liabilities in the statement of financial position where the Company is contractually obliged to provide the services in a subsequent financial period to when the grant is received or in the case of specific project grants where the project has not been completed. General grants that do not impose specific performance obligations on the Company are recognised as per AASB 1058 where income is recognised when the Company obtains control of those funds, which is usually on receipt.

Member subscriptions

Membership subscriptions is recognised for the period of the membership.

Donations and sponsorship

Donations and sponsorships are recognised as income when received.

Other revenue

Other revenue is recognised when it is received or the right to receive payment is established.

Interest

Interest income is recognised when it is probable that the economic benefit will flow to the Company and the amount of revenue can be reliably measured. Interest income is accrued on a time basis by reference to the principal and the effective interest rate applicable.

Income Tax

No provision for income tax has been raised as the Company is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

Note 1. Significant accounting policies (continued)

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Lease liability

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Comparative Figures

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

When the Company retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional statement of financial position as at the beginning of the preceding comparative period, in addition to the minimum comparative financial statements, must be disclosed. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 1. Significant accounting policies (continued)

Critical accounting judgements, estimates and assumptions

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

Employee benefits provision

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

Mental Health Australia Ltd
Notes to the Financial Statements
30 June 2023

	2023	2022
	\$	\$
Note 2. Revenue		
Operating grants	4,046,901	3,564,305
Member subscriptions	140,671	72,275
Donations and sponsorship	46,805	59,551
Other revenue	104,112	196,278
Interest received	49,876	13,230
	<u>4,388,365</u>	<u>3,905,639</u>

	2023	2022
	\$	\$
Note 3. Cash and cash equivalents		
Cash at bank	2,099,388	959,938
	<u>2,099,388</u>	<u>959,938</u>

Accounting policy

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

	2023	2022
	\$	\$
Note 4. Trade and other receivables		
Trade receivables	114,137	108,340
Accrued income	44,431	5,264
	<u>158,568</u>	<u>113,604</u>

Accounting policy

Trade and other receivables are recognised at amortised cost, less any allowance for expected credit losses.

	2023	2022
	\$	\$
Note 5. Other financial assets		
Term deposits	<u>2,125,260</u>	<u>3,134,854</u>

	2023	2022
	\$	\$
Note 6. Other assets		
Prepayments	<u>64,459</u>	<u>62,964</u>

Mental Health Australia Ltd
Notes to the Financial Statements
30 June 2023

	2023	2022
	\$	\$
Note 7(a). Property, plant and equipment		
Computers & Office equipment - at cost	301,330	286,188
Less: Accumulated depreciation	<u>(265,541)</u>	<u>(245,476)</u>
	<u>35,789</u>	<u>40,712</u>
Leasehold improvements - at cost	272,054	272,054
Less: Accumulated depreciation	<u>(272,054)</u>	<u>(272,054)</u>
	<u>-</u>	<u>-</u>
	<u>35,789</u>	<u>40,712</u>

Movements in carrying amounts

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

	Computers & Office Equipment	Leasehold Improvements	Total
Balance at 1 July 2022	40,712	-	40,712
Additions	15,142	-	15,142
Depreciation expense	<u>(20,065)</u>	<u>-</u>	<u>(20,065)</u>
Balance at 30 June 2023	<u>35,789</u>	<u>-</u>	<u>35,789</u>

Note 7(a). Non-current assets - property, plant and equipment (continued)

Accounting policy

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

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

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

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the Company commencing from the time the asset is available for use.

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

Leasehold improvements	7.5%
Office equipment	20% - 33.3%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise.

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the Company would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

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

Mental Health Australia Ltd
Notes to the Financial Statements
30 June 2023

	2023	2022
	\$	\$
Note 7(b). Property, plant and equipment		
Right of use asset is the Company's non-cancellable property lease of Mental Health Australia Limited's office and Motor Vehicle lease.		
AASB 16 related amounts recognised in the statement of financial position:		
Right-of-use asset - leased premises & motor vehicle	599,730	35,726
Less: Accumulated depreciation	<u>(199,910)</u>	<u>(14,290)</u>
	<u>399,820</u>	<u>21,436</u>
AASB 16 related amounts recognised in the statement of profit and loss:		
Depreciation charge relating to right-of-use asset	203,483	241,733
Interest expenses on lease liabilities	<u>25,545</u>	<u>8,927</u>
	<u>229,028</u>	<u>250,660</u>

The leased premise agreement expired 30 June 2022. A new lease agreement was signed August 2022.

	2023	2022
	\$	\$
Note 8. Trade and other payables		
Trade payables	289,467	197,785
Accrued expenses	<u>118,101</u>	<u>130,226</u>
	<u>407,568</u>	<u>328,011</u>

	2023	2022
	\$	\$
Note 9. Contract liabilities		
Contract liabilities	<u>1,506,531</u>	<u>1,411,342</u>

	2023	2022
	\$	\$
Note 10. Tax liabilities		
PAYG	71,074	41,056
GST (receivable)/payable	20,853	(26,226)
ABN withholding	<u>1,038</u>	<u>761</u>
	<u>92,965</u>	<u>15,591</u>

Mental Health Australia Ltd
Notes to the Financial Statements
30 June 2023

	2023	2022
	\$	\$
Note 11. Provisions		
Current		
Annual leave entitlements	92,799	114,031
Long service leave entitlements	35,248	35,504
	<u>128,047</u>	<u>149,535</u>
Non-Current		
Long service leave entitlements	10,000	-
Provision for make good (office lease)	47,246	-
	<u>57,246</u>	<u>-</u>

Accounting policy

Short-term employee provisions

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee provisions

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

Note 12. Key management personnel disclosures

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director is considered key management personnel.

The totals of remuneration paid to key management personnel of the Company during the year are as follows:

	2023	2022
	\$	\$
Aggregate compensation	<u>676,187</u>	<u>671,264</u>

Note 13. Contingent liabilities

The Company had no contingent liabilities as at 30 June 2023.

Mental Health Australia Ltd
Notes to the Financial Statements
30 June 2023

	2023	2022
	\$	\$
Note 14. Lease liabilities		
Lease liability - current	184,295	7,054
Lease liability - non-current	200,241	15,480
	<u>384,536</u>	<u>22,534</u>

	2023	2022
	\$	\$
Note 15. Auditors Remuneration		
During the financial year the following fees were paid or payable for services provided by RSM Australia Partners		
Audit of financial statements	16,500	12,600
Audit of acquittals	6,000	6,800
Other services	3,500	5,700
	<u>26,000</u>	<u>25,100</u>

Note 16. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 12.

Transactions with related parties

The Chair and the directors nominated by a Consumer Member and a Carer Member may receive an annual honorarium. The amount of any honorarium is to be determined by the Board every year. The Board uses rates set by the Australian Government Remuneration Tribunal to guide its decision making.

In 2021-22, the annual amounts determined by the Board were \$8,000 per annum (Chair) and \$5,000 per annum (directors nominated by a Consumer Member and a Carer Member). An Elected Director received remuneration (\$2,494) for participation in National Mental Health Consumer & Carer Forum Committees.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 17. Economic dependency

The company receives significant financial support from the Department of Health and Aged Care in the form of grant funding. The core funding contract with the Department of Health commenced on 1 July 2019 and expired on 30 June 2022, a new grant was executed for an additional three years, concluding on 30 June 2025.

Note 18. Events after the reporting period

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Mental Health Australia Ltd
Notes to the Financial Statements
30 June 2023

Note 19. 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 \$2 each towards meeting any outstanding obligations to the Company. At 30 June 2023, the number of members was 131.

Note 20. Company Details

The registered office of the Company is:
Mental Health Australia Ltd
ALIA House, Level 1 9-11 Napier Close
Deakin ACT 2600

The principal place of business is:
Mental Health Australia Ltd
ALIA House, Level 1 9-11 Napier Close
Deakin ACT 2600

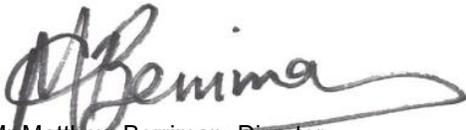
Mental Health Australia Ltd
Directors' Declaration
30 June 2023

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012 and associated regulations, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001

On behalf of the Directors



Mr Matthew Berriman, Director

Dated: 3 November 2023



Ms Georgina Harman, Director

Dated:

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT To the Members of Mental Health Australia Limited

Opinion

We have audited the financial report of Mental Health Australia Limited, which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, the financial report of Mental Health Australia Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2023 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards - *Simplified Disclosures* 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 Report* section of our report. We are independent of the Mental Health Australia Limited in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in Mental Health Australia Limited's annual report for the year ended 30 June 2023, but does not include the financial report and the 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.

THE POWER OF BEING UNDERSTOOD AUDIT | TAX | CONSULTING

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RSM Australia Partners ABN 36 965 185 036

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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 Management and Those Charged with Governance for the Financial Report

The Directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - *Simplified Disclosures* and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) 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 Mental Health Australia Limited'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 management either intends to liquidate Mental Health Australia Limited or to cease operations, or has no realistic alternative but to do so.

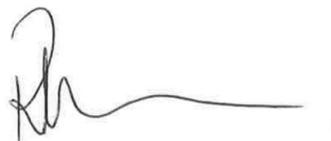
Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

A handwritten signature in black ink that reads 'RSM'.

RSM AUSTRALIA PARTNERS

A handwritten signature in black ink that reads 'Rodney Miller'.

RODNEY MILLER
Partner

Canberra, Australian Capital Territory
Dated: 3 November 2023