



**Mental Health  
Australia**

# **FINANCIAL REPORT 2018/19**

# **Mental Health Australia Ltd**

**ABN 57 600 066 635**

## **Financial Statements**

**For the year ended 30 June 2019**

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# DIRECTORS' REPORT 30 JUNE 2019

The Directors present their report together with the financial report of Mental Health Australia Limited for the year ended 30 June 2019.

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

As at 30 June 2019, there were 120 liable members made up of 68 voting members and 52 non-voting 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 \$240.

## THE BOARD

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

Name	Position
<b>Ms Jennifer Westacott</b> (to 3 August 2019)	Board Appointed Director, Chair
<b>Ms Robyn Kruk</b>	Board Appointed Director, Deputy Chair (to 2 August 2019), Interim Chair (from 3 August 2019)
<b>Dr Jennifer Bowers</b> (from 26 November 2018)	Elected Director
<b>Mr Jeremy Coggin</b> (from 26 November 2018)	Elected Director
<b>Mr Patrick Hardwick</b> (to 2 November 2018)	Elected Director
<b>Ms Georgina Harman</b>	Elected Director
<b>Mr Geoff Harris</b> (to 26 November 2018)	Elected Director
<b>Ms Robyn Hunter</b> (from 26 November 2018)	Elected Director
<b>Dr Kym Jenkins</b> (from 26 November 2018)	Elected Director
<b>Ms Janne McMahon</b>	Elected Director
<b>Ms Christine Morgan</b> (to 26 February 2019)	Elected Director
<b>Mr Jonathan Nicholas</b> (to 26 November 2018)	Elected Director
<b>Mr Arthur Papakotsias</b> (to 21 December 2018)	Elected Director
<b>Mr Sam Refshauge</b> (to 26 November 2018)	Elected Director
<b>Ms Carmel Tebbutt</b> (from 4 June 2019)	Elected Director

## DIRECTORS

### MS JENNIFER WESTACOTT AO - Chair

Appointed: 2013

Occupation: Chief Executive of the Business Council of Australia; Non-Executive Director of Wesfarmers Limited; Adjunct Professor City Futures Research Centre at UNSW; National Fellow of the Institute of Public Administration Australia; Chair, Western City & Aerotropolis Authority; Co-Chair, Australia-Canada Economic Leadership Forum Organising Committee; Director, ASA100; Member, Melbourne School of Government Advisory Board; Board Member, Cyber Security Research Centre (CSRC) Ltd; Co-Patron, Pride in Diversity; Patron of The Pinnacle Foundation; Fellow of the Australian Institute of Company Directors

Qualifications: BA (Hons); Grad.Cert. Management; Chevening Scholar London School of Economics; UNSW Sydney Honorary Degree recipient 2017 (Doctor of Letters)

### MS ROBYN KRUK AO - Deputy Chair (to 2 August 2019); Interim Chair (from 3 August 2019)

Appointed: 2015

Sub-Committees: Chairperson, Governance Committee

Occupation: Director, ANZOG; Chair, Oversight Committee into Aged Care; Director, RCK Trading Pty Ltd; Director, NDIA; Chair, Food Standards Australia and New Zealand; Chair, WA Sustainable Health Review

Qualifications: BSc Psych (Hons); M Admin, Harvard AMP

# DIRECTORS' REPORT 30 JUNE 2019 (CONTINUED)

## DIRECTORS (CONTINUED)

### **DR JENNIFER BOWERS - Director**

Elected: 2018  
Sub-Committees: Member, Governance Committee  
Occupation: CEO and Managing Director, Rural and Remote Mental Health Ltd  
Qualifications: BSc(Hons), PhD, FAICD

### **MR JEREMY COGGIN - Director**

Elected: 2018  
Sub-Committees: Member, Finance, Audit and Risk Management Committee  
Occupation: President, Mental Health Carers Australia; Director, Mind Australia  
Qualifications: Exec MBA, BSc (Architecture), BSc (Computing), GAICD

### **MR PATRICK HARDWICK - Director**

Elected: 2014  
Sub-Committees: Member, Governance Committee  
Occupation: Immediate past President, Mental Health Carers Australia; Immediate past Chair, HelpingMinds; Immediate past Deputy Chair, Private Mental Health Consumer Carer Network - Australia; Immediate past Member, National Mental Health Consumer and Carer Forum  
Qualifications: Grad.Cert. Management

### **MS GEORGINA HARMAN - Director**

Elected: 2017  
Sub-Committees: Member, Governance Committee (to April 2019); Chairperson, Finance, Audit and Risk Management Committee (from January 2019)  
Occupation: Chief Executive Officer *beyondblue*; Director, Victorian Pride Centre; Member, eSafety and Mental Health Steering Group; Member, Mentally Healthy Workplace Alliance; Member, Deakin Advisory Board; Member, Australian Institute of Company Directors  
Qualifications: BA (Hons), MA

### **MR GEOFF HARRIS - Director**

Elected: 2014  
Sub-Committees: Member, Finance, Audit and Risk Management Committee  
Occupation: Executive Director, Mental Health Coalition of SA Inc.  
Qualifications: BAgSc, Postgrad Dip Arts (Public Policy); M. Pub. Admin. (Management); GAICD

### **MS ROBYN HUNTER - Director**

Elected: 2018  
Sub-Committees: Member, Finance, Audit and Risk Management Committee  
Occupation: CEO, Mind Australia  
Qualifications: BAppSc (Physiotherapy); MBA; GAICD

### **DR KYM JENKINS - Director**

Elected: 2018  
Sub-Committees: Member, Governance Committee  
Occupation: Consultant Psychiatrist; Immediate past President, Royal Australian and New Zealand College of Psychiatrists (RANZCP); Chair elect, Council of Presidents of Medical Colleges; Chair, Migrant and Refugee Health Partnership  
Qualifications: MB.ChB; FRANZCP; MPM; MEd; GAICD

### **MS JANNE McMAHON OAM - Director**

Elected: 2017  
Sub-Committees: Member, Governance Committee  
Occupation: Founder and Executive Officer, Private Mental Health Consumer Carer Network (Australia)  
Qualifications: Consumer advocate

# DIRECTORS' REPORT 30 JUNE 2019 (CONTINUED)

## DIRECTORS (CONTINUED)

### **MS CHRISTINE MORGAN - Director**

Elected: 2015  
Sub-Committees: Member, Finance, Audit and Risk Management Committee  
Occupation: Former CEO and Director of the Butterfly Foundation; National Director, National Eating Disorders Collaboration; CEO, National Mental Health Commission  
Qualifications: BA/LLB; Solicitor of the Supreme Court of NSW (1986); Grad Cert Management

### **MR JONATHAN NICHOLAS - Director**

Elected: 2013  
Sub-Committees: Member, Finance, Audit and Risk Management Committee  
Occupation: Former CEO, ReachOut Australia; Managing Director, Wellbeing Outfit; Board Member, Foundation for Alcohol Research and Education  
Qualifications: BA (Hons); MPH

### **MR ARTHUR PAPAKOTSIAS - Director**

Elected: 2011  
Sub-Committees: Chairperson, Finance, Audit and Risk Management Committee (to December 2018)  
Occupation: Former CEO, NEAMI National; CEO, YouthFocus; Chair, Housing Choices Australia  
Qualifications: GDip.Bus (Health Services Management); Authentic Leadership Development, Leading Change and Organisational Renewal, and Strategic Perspectives in Non Profit Management at Harvard Business School

### **MR SAM REFSHAUGE - Director**

Elected: 2017  
Occupation: Non Executive Director, batyr Australia Limited  
Qualifications: BCom

### **MS CARMEL TEBBUTT - Director**

Appointed: 2019 (casual vacancy)  
Occupation: CEO, Mental Health Coordinating Council  
Qualifications: BEc, GAICD

## COMPANY SECRETARY

### **MS MELANIE CANTWELL**

Appointed: 2013  
Occupation: Deputy CEO & Company Secretary, Mental Health Australia Limited  
Qualifications: BSc (Psych); GDip App Psych; GAICD; GDip Applied Corporate Governance (Chartered Secretary)

## FARM COMMITTEE EXTERNAL MEMBERS

Mental Health Australia would like to acknowledge the pro-bono contributions of the external members who joined the FARM Committee in February 2019.

### **MR DEAN BOLAND**

Appointed: 2019  
Sub-Committees: Finance, Audit and Risk Management Committee.  
Occupation: Principal, Deloitte (Audit and Assurance)  
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: Partner PwC; ACT Selections Committee Member, General Sir John Monash Foundation Scholarships  
Qualifications: MNucSci; MBA (Executive), AGSM; BEHons(Aeronautical); Dip Government (Management); Dip Bus (Frontline Management)

# DIRECTORS' REPORT 30 JUNE 2019 (CONTINUED)

## DIRECTORS' MEETINGS 2018-19

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
Ms Jennifer Westacott	7	7	-	-	-	-
Ms Robyn Kruk	7	4	-	-	4	4
Dr Jennifer Bowers	5	4	-	-	2	2
Mr Jeremy Coggin	5	4	2	2	-	-
Mr Patrick Hardwick	1	1	-	-	2	1
Ms Georgina Harman	7	5	3	3	3	1
Mr Geoff Harris	2	2	2	2	-	-
Ms Robyn Hunter	5	4	2	2	-	-
Dr Kym Jenkins	5	5	-	-	1	0
Ms Janne McMahon	7	5	-	-	4	2
Ms Christine Morgan	3	2	3	3	-	-
Mr Jonathan Nicholas	2	2	2	2	-	-
Mr Arthur Papakotsias	4	4	3	3	-	-
Mr Sam Refshauge	2	2	-	-	-	-
Ms Carmel Tebbutt	-	-	-	-	-	-
<b>FARM Committee External Members</b>						
Mr Dean Boland*	-	-	2	2	-	-
Mr Ken Maxwell*	-	-	2	2	-	-

\*Mr Dean Boland and Mr Ken Maxwell were appointed as external members of the Finance, Audit and Risk Management Committee in February 2019.

## MENTAL HEALTH AUSTRALIA'S VISION AND MISSION

Vision: Mentally healthy people, mentally healthy communities

Mission: To create the best mental health system in the world, characterised by:

- Full and meaningful participation by consumers and carers
- Priority given to mental health promotion, prevention and early intervention
- Recovery orientation
- Seamless integration and coordination of policies, services and programs
- Accessibility, effectiveness and efficiency.

# DIRECTORS' REPORT 30 JUNE 2019 (CONTINUED)

## MENTAL HEALTH AUSTRALIA'S OBJECTIVES

As the peak body for mental health in Australia, Mental Health Australia has a proven track record of providing value for Members, advocating for and informing governments on mental health policy, and looking at all aspects of mental health through the lens of consumer and carer needs.

To deliver on our Vision and Mission the core focus areas have been identified:

- *Consumer and Carer Co-design* - designing the best mental health system in the world
- *Engage* - enable the mental health sector to unite and speak with one voice
- *Advocate* - ensure governments, services and programs are effective and efficient
- *Responsive* - maintain the flexibility and resource capacity to deliver on new key projects and policy initiatives
- *Monitor* - promote targets, indicators, and analyse reform and system performance
- *Aspire* - foster a healthy and financially stable Mental Health Australia.

## PRINCIPAL ACTIVITIES

The principal activity of Mental Health Australia Limited during the financial year was to promote and advocate for the mental health sector. No significant changes in the nature of the Company's activity occurred during the financial year.

Specific activities Mental Health Australia Limited undertook to deliver against its short and long term mental health advocacy and promotion objectives included:

- Mental Health Australia has been advocating strongly in support of people with severe, complex and enduring mental illness and service providers to improve the pathway to accessing psychosocial services through the National Disability Insurance Scheme (NDIS). Mental Health Australia has overseen three NDIS-related projects. These were: to consult and document consumer and carer experiences of the NDIS and make recommendations to improve it; scoping existing psychosocial services delivery data and analysis with expert input to develop recommendations to ensure consumers and carers have access to the psychosocial services they require; and, consultation with health professionals on barriers and enablers to their engagement and support of the NDIS.
- Mental Health Australia's CEO was appointed by the Minister for Health as co-chair of the Primary Health Network (PHN) Advisory Panel on Mental Health to provide recommendations on, among other items, ongoing governance and coordination of PHN's commissioning of mental health services. The PHN Advisory Panel on Mental Health produced two reports: *Reform and System Transformation: A Five Year Horizon for PHNs*, which was distributed to PHNs in January 2019; and, *The report of the PHN Advisory Panel on Mental Health*, which was released in February 2019 to provide advice about the progress of mental health reform being implemented through PHNs.
- Mental Health Australia has supported the Productivity Commission (PC) Inquiry into Mental Health through two submissions to the PC in 2018-19. We commissioned KPMG to assist us in a submission on global evidence and have been working with them on a further submission focusing on intergovernmental arrangements.
- An Incoming Government Brief was developed and provided to the Minister for Health, Greg Hunt MP; Minister for NDIS, Stuart Robert MP, and Minister for Charities, Senator Zed Seselja following the Federal Election in May 2019.
- The National Mental Health Consumer and Carer Forum (NMHCCF) and the National Register of Mental Health Consumer and Carer Representatives continued to be supported by Mental Health Australia. We held one workshop for NMHCCF and National Register members in 2018-19. This workshop provided opportunities for members to further develop their skills, discuss national issues, and network. Work also included the selection of consumer and carer representatives to national committees and regular updates to members containing information from the sector and about the work of Mental Health Australia.

# DIRECTORS' REPORT 30 JUNE 2019 (CONTINUED)

## PRINCIPAL ACTIVITIES (CONTINUED)

- The National Multicultural Mental Health Project underwent a new name and branding exercise and is now known as Embrace Multicultural Mental Health. The new website [www.embracementalhealth.org.au](http://www.embracementalhealth.org.au) and Framework for Mental Health in Multicultural Australia are intended to provide a hub of information, resources and support for communities and services working to improve mental health and wellbeing in our multicultural country. Relationship development with Primary Health Networks and key stakeholders is ongoing, and the project also shares public news and updates through its dedicated project mailing list (1,000 subscribers), to promote broader CALD community engagement.
- Policy submissions – throughout the 2018-19 financial year a number of key submissions were prepared covering a range of national mental health issues, including:
  - Submission to the Productivity Commission's National Disability Agreement review
  - Submission to the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry regarding the conduct of insurers and superannuation providers towards people with mental illness
  - Submission to the Royal Commission into Aged Care Quality and Safety
  - 2019-20 pre-Federal Budget submission
  - Mental Health Australia's submission to the Productivity Commission Inquiry into Mental Health on the need for a clear and detailed plan for national mental health reform
  - Mental Health Australia's second submission to the Productivity Commission Inquiry into Mental Health focussed on a global evidence review of mental health approaches.
- Mental Health Australia is represented on a range of national committees. Examples include: National Mental Health Commission's Mental Health Expert Reference Panel, Disability Carers Alliance, Mentally Healthy Workplace Alliance, National Disability Insurance Agency's National Mental Health Sector Reference Group, NDIS CEO Forum, NDIS Industry Reference Group, the Australian National Advisory Council on Alcohol and Drugs, Mental Health Information Strategy Standing Committee, Safety and Quality Partnership Standing Committee, Equally Well Implementation Committee, and others.
- The 2018 World Mental Health Day campaign was again a huge success using the theme 'Do You See What I See?' to shed a positive light on mental health and help reduce stigma. To build on the success of WMHD 2017, and to leverage the well-established following for enhanced engagement in 2018, the campaign aimed to challenge negative perceptions and encourage a positive view of mental health by again asking people to make a #MentalHealthPromise and promote help seeking behavior with more than 3,500 mental health promises made during the 2018 campaign.
- The Grace Groom Memorial Oration was delivered in November 2018 by prominent media personality and gender rights advocate Ms Tracey Spicer OAM to a sellout attendance of more than 150 people at the National Gallery of Australia. The night was also highlighted by the awarding of Grace Groom Memorial Scholarship to ANU postgraduate student Ms Aliza Hunt to undertake challenging and novel research on the mental health status of older adults.
- More than 90 members, delegates and stakeholders attended the Parliamentary Advocacy Day and Members Policy Forum at Parliament House in Canberra in November 2018. Delegates met with some 20 Senators and MPs as well as heard from Minister for Health Greg Hunt MP, Minister for Social Services Paul Fletcher MP, Shadow Minister for Mental Health Julie Collins MP and Senator Deborah O'Neill. The March 2019 Members Policy Forum at Old Parliament House was a further opportunity for more than 80 delegates to hear from Assistant Productivity Commissioner Rosalyn Bell, as well as chance for members and stakeholders to hear from Senator O'Neill and Greens Spokesperson for Mental Health Senator Rachel Siewert, and a video address from Minister Hunt.
- Mental Health Australia provided members and stakeholders with our annual Federal Budget summary, and then followed that through into the Federal Election campaign with letters to the leaders of all major parties, asking parties and candidates in the 2019 Election to signal their commitment to a range of aims and actions critical to the success of mental health reform in Australia.

# DIRECTORS' REPORT 30 JUNE 2019 (CONTINUED)

## PRINCIPAL ACTIVITIES (CONTINUED)

- Regular media and communications activities continued to engage stakeholders, with distribution of more than 45 CEO Update e-newsletters to more than 4,300 people weekly. A key piece of regular and informative content for members, stakeholders and individuals in the sector, the CEO Update is augmented by regular content delivered on social media – Twitter, Facebook, YouTube and Instagram – to a combined potential audience of more than 45,000.

## STRATEGIC PLAN 2017-2020

Three key strategic priorities will drive the next few years, with the following focus for the coming 12-18 months:

OBJECTIVE 2017-2020	STRATEGY 2019-20	KEY PERFORMANCE INDICATORS 2019-20
<p><b>1. Growing the long-term investment in mental health</b></p>	<ul style="list-style-type: none"> <li>i. <i>Target new government investment in mental health</i> – new investment in mental health to scale up proven interventions (such as KPMG <i>Investing to Save</i> recommendations and National Mental Health Commission <i>10 Best Buys in Promotion and Prevention</i>, and others)</li> <li>ii. <i>Prosecute investments, policy and operational governance improvements</i>: to ensure mental health focus in government decisions and recommendations of major inquiries</li> <li>iii. <i>Community based services</i> – advocate for expanded community based services to better meet the needs of mental health consumers and carers</li> </ul>	<ul style="list-style-type: none"> <li>i. A focus on mental health in the 2020 Federal Budget and/or new announcements relating to mental health</li> <li>ii. Intergovernmental arrangements expand and enhance community based mental health support services</li> <li>iii. Mental Health Australia advocacy influences government decisions and reports of major inquiries</li> <li>iv. Mental Health Australia advocacy influences government commitment to balanced biomedical and psychosocial care.</li> </ul>
<p><b>2. Improve systems design and interface</b></p>	<ul style="list-style-type: none"> <li>i. <i>Maintain and advance advocacy influence</i> to ensure mental health service integration</li> <li>ii. <i>Consumer and carer co-design</i>: continue to influence stakeholders to engage with consumers and carers</li> <li>iii. <i>Primary Health Networks</i> – engage with PHNs to improve mental health services</li> <li>iv. <i>Efficiency and effectiveness</i>: continue to influence mental health design and architecture</li> </ul>	<ul style="list-style-type: none"> <li>i. National Psychosocial Supports is recovery oriented and is integrated with existing systems</li> <li>ii. PHN program architecture is positively influenced by the mental health sector</li> <li>iii. Clear interface between NDIS and mental health systems</li> <li>iv. Findings from major inquiries into mental health reflect more integrated, effective solutions that are consumer and carer driven</li> <li>v. Sustained arrangements for ongoing and active involvement of consumers and carers in policy and advocacy</li> <li>vi. Mental Health Australia advocacy influences Primary Health Networks to adopt appropriate mental health and related procurement practices</li> <li>vii. Mental Health Australia provides well researched, informed and influential advice on mental health systems architecture.</li> </ul>

# DIRECTORS' REPORT 30 JUNE 2019 (CONTINUED)

OBJECTIVE 2017-2020	STRATEGY 2019-20	KEY PERFORMANCE INDICATORS 2019-20
<p><b>3. Sustainability of Mental Health Australia</b></p>	<ul style="list-style-type: none"> <li>i. <i>Maintain and increase our own revenue and resource capability and sustainability</i> – undertake projects that support our strategic objectives</li> <li>ii. <i>Continuous quality improvement of governance and administrative systems</i></li> <li>iii. <i>Robust and health organisational culture and staff performance</i></li> </ul>	<ul style="list-style-type: none"> <li>i. Members, stakeholders and funders value activities undertaken by Mental Health Australia</li> <li>ii. Contract projects enhance the value and long term strategic objectives and capability of Mental Health Australia</li> <li>iii. Efficient and effective business processes in place and regularly reviewed</li> <li>iv. Biennial external review of Board and Director performance</li> <li>v. Mental Health Australia is an employer of choice and monitors and improves strategies for staff retention</li> <li>vi. Mental Health Australia is perceived as a culturally safe and aware employer for ATSI, CALD, LGBTIQ communities and people with lived experience</li> <li>vii. Staff engagement survey results indicate high levels of engagement in the work of Mental Health Australia.</li> </ul>

## REVIEW AND RESULTS OF OPERATIONS

The company's operations for the year resulted in a surplus of \$439,769. For context, 2018 saw a loss of \$13,983.

Mental Health Australia had a core funding contract 1 July 2016 to 30 June 2019 with the Australian Government Department of Health under its Health Peak and Advisory Bodies Programme. Additional core grant funds were received from the Department this year to support our work on the NDIS and with PHNs. These funds were received very late in the financial year, impacting on the surplus result. In 2019-20, Mental Health Australia will continue this important work around the NDIS and PHNs.

Mental Health Australia has new core funding contracts in place with the Department for 1 July 2019 to 30 June 2022.

## 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.

## EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial year which significantly affect or may significantly affect the operations or results of the company.

## 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

The Board of Directors, in accordance with advice from the Finance, Audit & Risk Management Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Australian Charities and Not-for-profits Commission Act 2012*.

# DIRECTORS' REPORT 30 JUNE 2019 (CONTINUED)

The Directors are satisfied the services did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Finance, Audit & Risk Management Committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

There were no fees paid to the external auditors for non-audit services during the year ending 2019.

## INDEMNIFICATION AND INSURANCE OF OFFICERS

During or since the end of the previous financial year the company has paid insurance premiums of \$6,291 in respect of Directors' and Officers' professional indemnity insurance, for current and former Officers, including Executive Officers of the Company, and Directors.

The insurance premiums relate to:

- Costs and expenses incurred by the relevant Officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- Other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

The premiums were paid in respect of the following officers of the Company: Dr Jennifer Bowers, Director; Ms Melanie Cantwell, Company Secretary; Mr Jeremy Coggin, Director; Mr Patrick Hardwick, Director; Ms Georgina Harman, Director; Mr Geoff Harris, Director; Ms Robyn Hunter, Director; Dr Kym Jenkins, Director; Ms Robyn Kruk, Director; Ms Janne McMahon, Director; Ms Christine Morgan, Director; Mr Jonathan Nicholas, Director; Mr Arthur Papakotsias, Director; Mr Sam Refshauge, Director; Ms Carmel Tebbutt, Director; and Ms Jennifer Westacott, Director.

## RELATED PARTY INTERESTS

As noted in the previous financial year's Directors' Report, there was a material contract entered into with a number of Member entities (the *Optimising Psychosocial Supports* project), one of which entities was the nominating Member for a Mental Health Australia Director. This contract was entered into at arm's length and Board meeting minutes reflect the abstention/ absence (where appropriate) of that Director for items pertaining to the contract. The Board's interest register carried this disclosure for each relevant Board and Board Committee meeting during this period. The value of that Member's contribution to the project contract was \$100,000 (ex GST) in total, across the two financial years.

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 2018-19, 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).

## PROCEEDINGS ON BEHALF OF THE COMPANY

Mental Health Australia sought judicial review of a decision made by the ACT Long Service Leave Authority (the Authority) regarding whether Mental Health Australia was required to be registered under the *Long Service Leave (Portable Schemes) Act 2009* (ACT) (the Act).

The Act provides a legislative scheme which enables employees in the community sector industry to transfer, and thus retain, their long serve leave entitlements when they move to another employer in the same industry. Mental Health Australia had received conflicting advice from the Authority since the commencement of the Scheme in July 2010 and was seeking clarification as to its employer obligations. The matter was heard in the Supreme Court of the Australian Capital Territory on 16 May 2019 (*Mental Health Australia Ltd v Registrar, ACT Long Service Leave Authority*).

# DIRECTORS' REPORT 30 JUNE 2019 (CONTINUED)

## PROCEEDINGS ON BEHALF OF THE COMPANY (CONTINUED)

On 19 July 2019, Justice Verity McWilliam handed down her ruling in favour of Mental Health Australia on all matters, most materially:

- Mental Health Australia was denied procedural fairness in relation to the Authority's decision-making processes.
- The Authority had misconstrued the Act and Mental Health Australia did not fall within the definition of an employer for the community sector industry within the meaning of the Act.

Mental Health Australia is in the process of pursuing the legal costs it was awarded by the Court, and finalising the refund of contributions paid to date.

## AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2019 has been received and can be found on page 12 of the financial report.

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



.....  
Ms Robyn Kruk, Director

.....  
Ms Georgina Harman, Director

Dated: 18 September 2019

**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 2019, 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.



**RSM Australia Partners**



**Ged Stenhouse**  
Partner

Canberra, Australian Capital Territory  
Dated: 23 September 2019

**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.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

**Mental Health Australia Ltd**  
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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 18 September 2019. The Directors have the power to amend and reissue the financial statements.

**Mental Health Australia Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2019**

	<b>Note</b>	<b>2019</b>	<b>2018</b>
		<b>\$</b>	<b>\$</b>
<b>Revenue</b>	<b>2</b>	4,276,977	3,478,270
<b>Expenses</b>			
Travel		(106,762)	(149,150)
Other expenditure		(128,209)	(69,199)
Meeting costs		(178,614)	(146,673)
Sitting fees		(95,665)	(79,322)
Marketing and fundraising		(127,970)	(100,208)
Employee costs		(2,115,056)	(1,989,748)
Office and administration costs		(497,109)	(432,076)
Consultancy and accounting expenditure		(475,060)	(472,505)
Depreciation		(112,763)	(53,372)
		<u>(3,837,208)</u>	<u>(3,492,253)</u>
<b>Total comprehensive surplus/(loss) income for the year</b>		<u><u>439,769</u></u>	<u><u>(13,983)</u></u>

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**Mental Health Australia Ltd**  
**Statement of financial position**  
**As at 30 June 2019**

		2019	2018
		\$	\$
<b>Assets</b>	<b>Note</b>		
<b>Current assets</b>			
Cash and cash equivalents	3	1,959,110	2,365,628
Trade and other receivables	4	159,462	101,480
Other financial assets	5	2,061,387	1,061,387
Other assets	6	51,947	45,343
Total current assets		<u>4,231,906</u>	<u>3,573,838</u>
<b>Non-current assets</b>			
Property, plant and equipment	7	42,683	76,044
Total non-current assets		<u>42,683</u>	<u>76,044</u>
<b>Total assets</b>		<u><b>4,274,589</b></u>	<u><b>3,649,882</b></u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	8	1,749,174	1,578,506
Current tax liabilities	9	1,551	113,614
Provisions	10	245,835	227,766
Total current liabilities		<u>1,996,560</u>	<u>1,919,886</u>
<b>Non-current liabilities</b>			
Provisions	10	145,449	37,185
Total non-current liabilities		<u>145,449</u>	<u>37,185</u>
<b>Total liabilities</b>		<u><b>2,142,009</b></u>	<u><b>1,957,071</b></u>
<b>Net assets</b>		<u><b>2,132,580</b></u>	<u><b>1,692,811</b></u>
<b>Equity</b>			
Retained earnings		<u>2,132,580</u>	<u>1,692,811</u>
<b>Total equity</b>		<u><b>2,132,580</b></u>	<u><b>1,692,811</b></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 2019**

	<b>Retained surpluses</b>	<b>Total equity</b>
	<b>\$</b>	<b>\$</b>
Balance at 1 July 2017	1,706,794	1,706,794
Loss attributable to members of the entity	(13,983)	(13,983)
Balance at 30 June 2018	<u><b>1,692,811</b></u>	<u><b>1,692,811</b></u>
Balance at 1 July 2018	1,692,811	1,692,811
Surplus attributable to members of the entity	439,769	439,769
Balance at 30 June 2019	<u><b>2,132,580</b></u>	<u><b>2,132,580</b></u>

**Mental Health Australia Ltd**  
**Statement of cash flows**  
**For the year ended 30 June 2019**

	<b>Note</b>	<b>2019</b>	<b>2018</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers		4,526,306	3,697,189
Payments to suppliers and employees		(3,929,832)	(2,458,947)
Interest received		76,410	46,002
Net cash provided by (used in) operating activities		<u>672,884</u>	<u>1,284,244</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(79,402)	(5,927)
Payments for investments		(1,000,000)	-
Net cash used in investing activities		<u>(1,079,402)</u>	<u>(5,927)</u>
Net increase (decrease) in cash and cash equivalents		(406,518)	1,278,317
Cash and cash equivalents at the beginning of the financial year		2,365,628	1,087,311
Cash and cash equivalents at the end of the financial year	<b>3</b>	<u><b>1,959,110</b></u>	<u><b>2,365,628</b></u>

*The above statement's 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.

#### **Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('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.

#### **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.

#### **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.

#### **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.

#### **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.

**Note 1. Significant accounting policies (continued)**  
**Critical accounting judgements, estimates and assumptions (continued)**

*Estimation of useful lives of assets*

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

*Employee benefits provision*

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 2019**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>Note 2. Revenue</b>		
- Operating grants	3,565,532	2,826,097
- Member subscriptions	59,000	67,135
- Donations and sponsorship	45,217	34,161
- Other revenue	530,818	504,875
- Interest received	76,410	46,002
	<u><b>4,276,977</b></u>	<u><b>3,478,270</b></u>

**Accounting policy**

Non-reciprocal grant revenue is recognised in profit or loss when the Company obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Company and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor; otherwise the grant is recognised as income on receipt.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where the outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Donations are recognised as revenue when received. Interest revenue is recognised using the effective interest method. Membership income is recognised when the service is provided to the member.

**Note 3. Current assets - cash and cash equivalents**

Cash on hand	200	200
Cash at bank	1,958,910	2,365,428
	<u><b>1,959,110</b></u>	<u><b>2,365,628</b></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.

**Note 4. Current assets - trade and other receivables**

Trade receivables	145,420	92,853
Accrued income	14,042	8,627
	<u><b>159,462</b></u>	<u><b>101,480</b></u>

**Accounting policy**

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

**Note 5. Current assets – other financial assets**

Term deposits	<u><b>2,061,387</b></u>	<u><b>1,061,387</b></u>
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**Mental Health Australia Ltd**  
**Notes to the financial statements**  
**30 June 2019**

	2019 \$	2018 \$
<b>Note 6. Current assets – other assets</b>		
Prepayments	<u>51,947</u>	<u>45,343</u>
<b>Note 7. Non-current assets - property, plant and equipment</b>		
Office equipment - at cost	216,540	283,061
Less: Accumulated depreciation	<u>(202,047)</u>	<u>(263,661)</u>
	<b>14,493</b>	<b>19,400</b>
Leasehold improvements - at cost	292,054	262,663
Less: Accumulated depreciation	<u>(263,864)</u>	<u>(206,019)</u>
	<b>28,190</b>	<b>56,644</b>
	<u><b>42,683</b></u>	<u><b>76,044</b></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:

	Office equipment	Improvements	Total
Balance at 1 July 2018	19,400	56,644	76,044
Additions	79,402	-	79,402
Depreciation expense	<u>(84,309)</u>	<u>(28,454)</u>	<u>(112,763)</u>
Balance at 30 June 2019	<u><b>14,493</b></u>	<u><b>28,190</b></u>	<u><b>42,683</b></u>

**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.

**Impairment of non-financial assets**

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 2019**

	2019	2018
	\$	\$
<b>Note 8. Current liabilities - trade and other payables</b>		
Trade payables	281,770	86,027
Accrued expenses	75,949	143,134
Deferred income	1,391,455	1,349,345
	<u><b>1,749,174</b></u>	<u><b>1,578,506</b></u>

**Accounting policy**

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

**Note 9. Current liabilities - tax**

PAYG	27,866	29,174
GST payable/(receivable)	(26,450)	79,629
ABN withholding	135	4,811
	<u><b>1,551</b></u>	<u><b>113,614</b></u>

**Note 10. Provisions**

Current		
Annual leave entitlements	153,686	144,343
Long service leave entitlements	92,149	83,423
	<u><b>245,835</b></u>	<u><b>227,766</b></u>
Non-Current		
Long service leave entitlements	125,449	17,185
Provision for make good (office lease)	20,000	20,000
	<u><b>145,449</b></u>	<u><b>37,185</b></u>

Mental Health Australia Limited was a member of the ACT Long Service Leave Scheme since July 2010. From 1 January 2017, Mental Health Australia Limited was de-registered from the ACT Long Service Leave Scheme. Subsequent to year end all funds previously paid into the scheme less any drawdowns were returned to the entity.

**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 11. 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:

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Aggregate compensation	<u><b>777,051</b></u>	<u><b>783,489</b></u>

**Note 12. Contingent liabilities**

The Company had no contingent liabilities as at 30 June 2019 and 30 June 2018.

**Note 13. Commitments**

**Operating Lease Commitments**

Non-cancellable operating leases contracted for but not recognised in the financial statements:

Payable - minimum lease payments:

not later than 12 months	219,204	241,915
between 12 months and 5 years	<u>458,334</u>	<u>-</u>
	<u><b>677,538</b></u>	<u><b>241,915</b></u>

**Lease Income Commitments**

Non-cancellable operating income leases contracted for but not recognised in the financial statements:

Receivables - minimum lease receipts:

not later than 12 months	259,251	272,346
between 12 months and 5 years	<u>498,796</u>	<u>-</u>
	<u><b>758,047</b></u>	<u><b>272,346</b></u>

**Accounting Policy**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Company are classified as finance leases. Finance leases are capitalised by recording an asset and a liability equal to the present value of the minimum lease payments including any guaranteed residual values. Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Company will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term. Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

**Note 14. Related party transactions**

As noted in the previous financial year's Directors' Report, there was a material contract entered into with a number of Member entities (the Optimising Psychosocial Supports project), one of which entities was the nominating Member for a Mental Health Australia Director. This contract was entered into at arm's length and Board meeting minutes reflect the abstention/ absence (where appropriate) of that Director for items pertaining to the contract. The Board's interest register carried this disclosure for each relevant Board and Board Committee meeting during this period. The value of that Member's contribution to the project contract was \$100,000 (ex GST) in total, across the two financial years

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 2018-19, 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).

**Mental Health Australia Ltd**  
**Notes to the financial statements**  
**30 June 2019**

**Note 15. Events after the reporting period**

On 19 July 2019, Justice Verity McWilliam handed down her ruling in favour of Mental Health Australia on all matters, most materially:

- Mental Health Australia was denied procedural fairness in relation to the Authority's decision-making processes.
- The Authority had misconstrued the Act and Mental Health Australia did not fall within the definition of an employer for the community sector industry within the meaning of the Act.

Mental Health Australia is in the process of pursuing the legal costs it was awarded by the Court and finalising the refund of contributions paid to date. The expected refund has been raised as a receivable and the Long Service Leave provision has been raised as at 30 June 2019.

No other matter or circumstance has arisen since 30 June 2019 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.

**Note 16. 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 entity. At 30 June 2019, the number of members was 120.

**Note 17. 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 2019**

In the Directors' opinion:

- the attached financial statements and notes comply with the Australian Accounting Standards - Reduced Disclosure Requirements, the *Australian Charities and Not-for-profits Commission Act 2012* 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 2019 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.

On behalf of the Directors



.....  
Ms Robyn Kruk, Director



.....  
Ms Georgina Harman, Director

Dated: 18 September 2019

**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 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial 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 2019 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards- Reduced Disclosure Requirements 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 2019, 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.

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.

#### THE POWER OF BEING UNDERSTOOD

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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- Reduced Disclosure Requirements 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](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.



**RSM Australia Partners**



**Ged Stenhouse**  
Partner

Canberra, Australian Capital Territory  
Dated: 23 September 2019

Mental Health Australia Ltd

[mhaustralia.org](http://mhaustralia.org)

ABN 57 600 066 635



**Mental Health  
Australia**