

General Purpose Financial Report

30 June 2023

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Directors' Report

The directors present this report together with the financial statements for the year ended 30 June 2023.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Ann McGuire
Bridget Silvestri (resigned 19 July 2022)
Craig Cumming
Joseph Calleja (resigned 19 July 2022)
Louise Southalan
Margaret Doherty
Virginia Catterall
Wendy Cream (appointed 19 July 2022)

Company Secretary

Louise Southalan held the role of company secretary during the year.

Significant Changes In The State Of Affairs

The company is a company limited by guarantee. It was an unincorporated body prior to this with a track record of financial management as it had bequest funds auspiced through arrangements with Richmond Wellbeing in 2015 and 2016 and later held by ConnectGroups and separate funds by the WA Association for Mental Health from 2016 until 2021 when it became a company limited by guarantee.

Principal Activities

The principal activities of the company during the year were to raise awareness of the issues contributing to and harm reduction around co-occurring mental health and alcohol and other drug use and to provide education and support for people affected by these health issues particularly those who have had involvement with the criminal justice system as well as their families and supporters.

Objectives

The objectives of the company are as follows:

- To build capacity for people experiencing mental health distress, alcohol and other drug use and engagement with the criminal justice system to share their knowledge and expertise with services and the wider community;
- To raise awareness of the health impacts on people with diagnoses of mental health conditions and alcohol and other drug use, and their families and supporters;
- To support and educate the service systems as to how to embed lived experience perspectives meaningfully throughout the systems;
- To produce and provide beneficial resources and options specific to the shared spaces of mental health, alcohol and other drug use and criminal justice;
- To provide advocacy and lead change with and for people affected by mental health challenges;
- To support the development and embedding of consumer and family/carer peer workforces, particularly in the multiple, unmet needs areas.

Strategies

To achieve its stated objectives and progress the work of the organisation the company has a Board of directors who are volunteers who meet monthly to bring the voices and experiences of people and families at 'the pointy end' to decision makers such as politicians, senior public servants and community agency management.



Directors' Report

Key Performance Measures

The company measures its own performance based on the donations and grants received and how the funds are utilised to achieve the company's objectives.

Operating Results

The company undertook a number of projects during the year all of which were delivered to budget and within the agreed timeframes. In some cases there has been a budget surplus and where possible, management fees have been charged to help offset fixed expenses.

Operational expenses declined by 111% this financial year which is in part due to lower operational expenses but also less project activity. The loss before income tax last financial year of \$6,957 and this financial year of \$7,927 was impacted by funds of \$9,427 not being received until July 2023, however, the fees for this project were acquitted in June 2023. The net operating result for the year needs to be understood within this context.

The income carried over from 1 July 2022 as stated in the Statement of Comprehensive Income indicates a balance brought forward on 1 July 2022 of \$68,353. The Statement of Comprehensive Income is best read in conjunction with the Statement of Financial Position which indicates net assets of \$54,415 and includes a bank balance of \$48,021.

Meeting of Directors

During the year ended 30 June 2023 there were 9 meetings of directors held. Attendances by each director were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Ann McGuire	8	8
Craig Cumming	1	1
Louise Southalan	9	8
Margaret Doherty	9	9
Virginia Catterall	9	9
Wendy Cream	9	9

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 \$1 each towards meeting the debts and liabilities of the company or costs of winding up.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* for the year ended 30 June 2023 is set out immediately after this directors' report.

This directors' report is signed in accordance with a resolution of the directors.


MARGARET DOHERTY
 Director
 Date 18/09/2023



Milton L F Hunt

ABN. 13 751 151 364

Mobile: 0411 872 340
Email: mlfh@ozemail.com.au

**Auditor's Independence Declaration
under Subdivision 60C of Australian Charities
and Not-for-profits Commission Act 2012
to the Members of Mental Health Matters 2 Ltd.**

In accordance with the Subdivision 60C of the Australian Charities and Not-for-profits Commission Act 2012, I am pleased to provide the following declaration of independence to the members of Mental Health Matters 2 Ltd.

As the auditor of the financial statements of Mental Health Matters 2 Ltd for the year ended 30th June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

1. the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
2. any applicable code of professional conduct in relation to the audit.



Milton L. F. Hunt
Registered Company Auditor No. 13858

Dated at Perth this _____ first _____ day of _____ September _____ 2023



Statement of Comprehensive Income
for the year ended 30 June 2023

	2023 \$	2022 \$
Revenue	26,711	68,200
Other income	1,087	153
	27,798	68,353
Administrative and other costs	(7,436)	(26,838)
Consultancy fees	(17,507)	(4,000)
Finance costs	-	(12)
Marketing and promotion costs	-	(1,500)
Professional fees	(10,380)	(9,669)
Travel and accommodation	-	-
Other expenses	(402)	(33,291)
Profit / (loss) before tax	(7,927)	(6,957)
Income tax benefit / (expense)	-	-
Profit / (loss) after tax	(7,927)	(6,957)
Other comprehensive income after income tax	-	-
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income attributable to members	(7,927)	(6,957)



Statement of Financial Position

as at 30 June 2023

	2023 \$	2022 \$
<i>Current assets</i>		
Cash and cash equivalents	48,021	74,321
Trade and other receivables	9,710	1,937
Total current assets	57,731	76,258
<i>Non-current assets</i>		
Intangibles	11,550	-
Total non-current assets	11,550	-
Total assets	69,281	76,258
<i>Current liabilities</i>		
Trade and other payables	2,050	1,650
Other liabilities	12,816	12,266
Total current liabilities	14,866	13,916
Total liabilities	14,866	13,916
Net assets / (liabilities)	54,415	62,342
<i>Equity</i>		
Current year earnings	(7,927)	(6,957)
Retained earnings	62,342	69,299
Total equity	54,415	62,342



Statement of Cash Flows
for the year ended 30 June 2023

Cash flows from operating activities

Project income and bequests

Interest received

Payments – consultants, suppliers, etc

Net cash from operating activities

Net increase/(decrease) in cash held

Cash and cash equivalents at the beginning of the year

Cash and cash equivalents at the end of the year

	2023	2022
	\$	\$
	7,938	66,263
	1,087	153
	(35,325)	(61,394)
	(26,300)	5,022
	(26,300)	5,022
	74,321	69,299
	48,021	74,321



Notes to the Financial Statements

for the year ended 30 June 2023

Note 1 Summary of significant accounting policies**a. Basis of preparation**

The financial statements for the financial year ended 30 June 2023 are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

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.

The financial statements were authorised for issue on 12 September 2023 by the directors of the company.

b. Accounting policies

The company has consistently applied the following accounting policies to all periods presented in the financial statements.

c. Revenue

Donations and bequests are recognised as revenue when received.

d. Cash and cash equivalents

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.

e. Income tax

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

f. Trade and other payables

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

Note 2 Related party transactions

The company's related parties include its key management personnel (Directors). During the year two appropriately skilled and experienced directors provided independent, specific lived experience project management, consultation and facilitation services on defined projects. They received payments totalling \$18,682 for these services which were provided in the absence of any paid staff. Payments to directors are reported on monthly Treasurer's Reports to the Board to ensure full transparency.

Note 3 Events subsequent to reporting date

The company received the sum of \$9,427 on 13 July 2023 for project activities for which the fees were acquitted in June 2023.

Note 4 Contingent liabilities

The company has no contingent liabilities as at 30 June 2023.

Note 5 Other Liabilities

The sum of \$12,816 of which \$12,266 has been set aside in a reserve for lived experience payments for individuals who engage in activities on behalf of Mental Health Matters 2 Ltd and \$550 in relation to website costs payable by Mental Health Matters 2 Ltd in addition to the grant received from ConnectGroups.

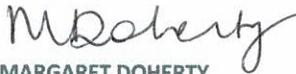


Directors' Declaration

In accordance with a resolution of the directors of Mental Health Matters 2 Ltd, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 7 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position of the company as of 30 June 2023 and of the performance for the year ended on that date; and
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.



MARGARET DOHERTY

Director

Date 18/09/2023

Milton L F Hunt

ABN. 13 751 151 364

Mobile: 0411 872 340

Email: mlfh@ozemail.com.au

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MENTAL HEALTH MATTERS 2 LTD

Opinion

I have audited the financial report of Mental Health Matters 2 Ltd ("the Entity") which comprises the Statement of financial position as at 30 June 2023, statement of comprehensive income, 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 the members of the board.

In my opinion, the accompanying financial report of the Entity is 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 Entity's financial position as at 30 June 2023 and of its financial performance and cash flows for the year then ended; 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

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report, I am independent of the Entity in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants ("the Code") that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, which has been given to the directors, would be in the same terms if given as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2023, but does not include the financial report and my auditor's report thereon.

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

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

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

Responsibilities of Management and the Directors for the Financial Report

The Directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards — Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, Directors are responsible for assessing the Entity'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 Directors either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

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

I also provide the directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



Milton L. F. Hunt

Registered Company Auditor No. 13858

Dated at Perth this first day of September 2023.

