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# General Purpose Financial Report

30 June 2022



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General Purpose Financial Report  
30 June 2022

**Directors' Report**

The directors present this report together with the financial statements for the year ended 30 June 2022.

**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
- Edwin Seward (resigned 15 February 2022)
- Joseph Calleja
- Louise Southalan
- Margaret Doherty
- Virginia Catterall

**Company Secretary**

Louise Southalan was appointed as company secretary on 15 February 2022 following the resignation of Edwin Seward and held the role at the end of the financial year.

**Significant Changes In The State Of Affairs**

The company became a company limited by guarantee in February 2021. 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 provide support for people affected by mental health distress and 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.

Several large operational costs were incurred in the first full year of operation including accounting and audit fees, insurances and training for new directors. The net operating result for the year was a deficit of \$6,957 which needs to be understood within this context. The income carried over from 1 July 2021 as stated in the Statement of Comprehensive Income indicates a balance brought forward on 1 July 2021 of \$68,353. The Statement of Comprehensive Income is best read in conjunction with the Statement of Financial Position which indicates net assets of \$62,342 and includes a bank balance of \$74,321.

**Meeting of Directors**

During the year ended 30 June 2022 there were 12 meetings of directors held. Attendances by each director were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Ann McGuire	12	12
Bridget Silvestri	12	10
Edwin Seward	12	6
Joseph Calleja	12	11
Louise Southalan	12	11
Margaret Doherty	12	12
Virginia Catterall	12	12

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 2022 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 23 / 08 / 2022



Milton L F Hunt

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**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 30<sup>th</sup> June 2022, 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 seventeenth day of September 2022



**Statement of Comprehensive Income**

for the year ended 30 June 2022

	2022 \$	2021 \$
Revenue	68,200	74,604
Other income	153	28
	<b>68,353</b>	<b>74,632</b>
Administrative and other costs	(26,838)	(136)
Consultancy fees	(4,000)	-
Finance costs	(12)	-
Marketing and promotion costs	(1,500)	(25)
Professional fees	(9,669)	-
Travel and accommodation	-	(3)
Other expenses	(33,291)	(5,169)
Profit / (loss) before tax	(6,957)	69,299
Income tax benefit / (expense)	-	-
<b>Profit / (loss) after tax</b>	<b>(6,957)</b>	<b>69,299</b>
<b>Other comprehensive income after income tax</b>	<b>-</b>	<b>-</b>
<b>Other comprehensive income for the year, net of tax</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income attributable to members</b>	<b>(6,957)</b>	<b>69,299</b>



**Statement of Financial Position**

as at 30 June 2022

*Current assets*

Cash and cash equivalents  
Trade and other receivables

**Total current assets**

**Total assets**

*Current liabilities*

Trade and other payables  
Other liabilities

**Total current liabilities**

**Total liabilities**

**Net assets / (liabilities)**

*Equity*

Current year earnings  
Retained earnings

**Total equity**

	2022 \$	2021 \$
Cash and cash equivalents	74,321	69,299
Trade and other receivables	1,937	-
<b>Total current assets</b>	<b>76,258</b>	<b>69,299</b>
<b>Total assets</b>	<b>76,258</b>	<b>69,299</b>
Trade and other payables	1,650	-
Other liabilities	12,266	-
<b>Total current liabilities</b>	<b>13,916</b>	<b>-</b>
<b>Total liabilities</b>	<b>13,916</b>	<b>-</b>
<b>Net assets / (liabilities)</b>	<b>62,342</b>	<b>69,299</b>
Current year earnings	(6,957)	69,299
Retained earnings	69,299	-
<b>Total equity</b>	<b>62,342</b>	<b>69,299</b>



**GENERAL PURPOSE FINANCIAL REPORT**

30 June 2022

**MENTAL HEALTH MATTERS 2 LTD**

ACN 647 638 444

**Statement of Cash Flows**  
for the year ended 30 June 2022

*Cash flows from operating activities*

Project income and bequests

Interest received

Payments – consultants, suppliers, etc

**Net cash from operating activities**

**Net increase in cash held**

Cash and cash equivalents at the beginning of the year

**Cash and cash equivalents at the end of the year**

	2022 \$	2021 \$
Project income and bequests	66,263	74,604
Interest received	153	28
Payments – consultants, suppliers, etc	(61,394)	(5,333)
<b>Net cash from operating activities</b>	<b>5,022</b>	<b>69,299</b>
<b>Net increase in cash held</b>	<b>5,022</b>	<b>69,299</b>
Cash and cash equivalents at the beginning of the year	69,299	-
<b>Cash and cash equivalents at the end of the year</b>	<b>74,321</b>	<b>69,299</b>



**Notes to the Financial Statements**

for the year ended 30 June 2022

**Note 1 Summary of significant accounting policies**

**a. Basis of preparation**

The financial statements for the financial year ended 30 June 2022 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 23 August 2022 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 \$26,452.50 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 has no material events subsequent to 30 June 2022.

**Note 4 Contingent liabilities**

The company has no contingent liabilities as at 30 June 2022.



## 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 2022 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 23 / 08 / 2022



# Milton L F Hunt

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## 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 2022, 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 2022 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 2022, 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.

INDEPENDENT AUDITOR'S REPORT TO THE  
MEMBERS OF MENTAL HEALTH MATTERS 2 LTD - (Cont'd)

**Auditor's Responsibilities for the Audit of the Financial Report**

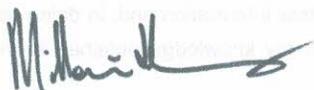
My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an 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.

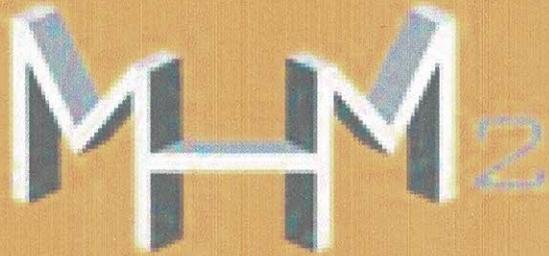
I also provide the directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



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

Dated at Perth this seventeenth day of September 2022.

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Mental Health Matters 2