

**Mental Illness Fellowship of Western Australia
Incorporated**
ABN 14 969 141 363

Annual Report for the year ended 30 June 2015

**Mental Illness Fellowship of WA Inc
Board of Management Report
For the year ended 30 June 2015**

The Board of Management (the board) present their report, together with the financial statements, on the Mental Illness Fellowship of Western Australia Incorporated (the fellowship) for the year ended 30 June 2015.

Office bearers

The following persons were office bearers of the fellowship during the whole of the financial year and up to the date of this report, unless otherwise stated:

Ann White
President – appointed 22 October 2014;
Treasurer – resigned 22 October 2014
Nicholas Hopkin
Treasurer – appointed 22 October 2014
Denise Bayliss
Vice-president - appointed 22 October 2014, resigned 18 August 2015
President – resigned 22 October 2014
Roy Dickman
Vice-president - resigned 22 October 2014
Ruth Webber
Vice-president

Board members

In addition to the office bearers, the following persons were members of the board of management of the fellowship during the whole of the financial year and up to the date of this report, unless otherwise stated:

Vivien Hannaford
Glenn Pickett
Kirri Campbell
Appointed 22 October 2014:
Robyn Fitall
Kellie McCrum
Resigned 22 October 2014:
Paul Hill
Glen Stiffold

Mission

The mission of the fellowship is:

- to work alongside people affected by mental health issues in a way that is meaningful to them;
- to promote acceptance and understanding of mental health in the community; and
- to be a leader in innovation and systemic reform in mental health service delivery.

Integral to achieving our mission are our values of accountability, integrity, inclusion and acceptance, collaboration and empowerment.

Strategy for achieving our mission

The fellowship has three strategic focus areas:

- excellence in service delivery
- profile, presence and influence
- sustainable and financial growth

The fellowship receives most of its funding from the Western Australian state government Mental Health Commission and the Commonwealth government Department of Social Services. We anticipate that as the National Disability Insurance Scheme grows, our funding from related sources will develop significantly.

**Mental Illness Fellowship of WA Inc
Board of Management Report
For the year ended 30 June 2015**

Principal activities

During the financial year the principal continuing activities of the fellowship were:

- personalised support for individuals;
- support for families and carers, and
- information and influence better understanding of mental illness.

Performance measures

The fellowship measures its performance in the changes in the lives of those it supports.

On behalf of the officer bearers

A handwritten signature in black ink that reads "Ann White". The signature is written in a cursive, flowing style.

Ann White
President
27 October 2015
Midland, WA

Mental Illness Fellowship of WA Inc
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For the year ended 30 June 2015

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General information

The financial statements cover Mental Illness Fellowship of Western Australia Incorporated as an individual entity. The financial statements are presented in Australian dollars, which is the fellowship's functional and presentation currency.

The financial statements were authorised for issue on 27 October 2015.

Mental Illness Fellowship of WA Inc
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2015

	Note	2015 \$	Restated (note 3) 2014 \$
Revenue	4	4,184,010	3,483,464
Expenses			
Personnel and related costs	5	(2,561,225)	(2,223,597)
Service delivery		(806,139)	(487,645)
Administration		(131,015)	(146,614)
Premises		(129,908)	(210,695)
IT and communications		(119,836)	(100,319)
Motor vehicle and travel		(175,761)	(138,158)
Depreciation and interest		<u>(76,563)</u>	<u>(81,381)</u>
Surplus before income tax expense		183,563	95,055
Income tax expense		<u>-</u>	<u>-</u>
Surplus after income tax expense for the year attributable to the members		183,563	95,055
Other comprehensive income for the year, net of tax	9, 17	<u>(64,750)</u>	<u>33,779</u>
Total comprehensive income for the year attributable to the members		<u>118,813</u>	<u>128,834</u>

Refer to note 3 for detailed information on restatement of comparatives.

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

Mental Illness Fellowship of WA Inc
Statement of financial position
For the year ended 30 June 2015

	Note	2015 \$	Restated (note 3) 2014 \$	Restated (note 3) 2013 \$
Assets				
Current assets				
Cash and cash equivalents	6	692,697	534,875	372,046
Trade and other receivables	7	111,288	24,753	118,712
Other	8	92,253	25,080	6,970
Total current assets		<u>896,238</u>	<u>584,708</u>	<u>497,728</u>
Non-current assets				
Property, plant and equipment	9	<u>3,123,885</u>	<u>3,090,676</u>	<u>3,157,237</u>
Total non-current assets		<u>3,123,885</u>	<u>3,090,676</u>	<u>3,157,237</u>
Total assets		<u>4,020,123</u>	<u>3,675,384</u>	<u>3,654,965</u>
Liabilities				
Current liabilities				
Trade and other payables	10	353,532	371,211	343,406
Employee benefits	11	179,291	177,616	128,191
Borrowings	12	193,954	-	36,000
Other	13	164,683	112,318	24,681
Total current liabilities		<u>891,460</u>	<u>661,145</u>	<u>532,278</u>
Non-current liabilities				
Employee benefits	14	31,074	29,447	21,199
Borrowings	15	<u>35,601</u>	<u>41,617</u>	<u>287,147</u>
Total non-current liabilities		<u>66,675</u>	<u>71,064</u>	<u>308,346</u>
Total liabilities		<u>958,135</u>	<u>732,209</u>	<u>840,624</u>
Net assets		<u>3,061,988</u>	<u>2,943,175</u>	<u>2,814,341</u>
Equity				
Retained earnings	16	2,088,570	1,905,007	1,701,394
Reserves	17	<u>973,418</u>	<u>1,038,168</u>	<u>1,112,947</u>
Total equity		<u>3,061,988</u>	<u>2,943,175</u>	<u>2,814,341</u>

Refer to note 3 for detailed information on restatement of comparatives.

Mental Illness Fellowship of WA Inc
Statement of changes in equity
For the year ended 30 June 2015

	Retained earnings \$	Bequest reserve \$	Revaluation surplus reserve \$	Total equity \$
Balance at 1 July 2013	1,315,498	256,141	-	1,571,639
Adjustment for correction of error (note 3)	385,896	-	-	385,896
Adjustment for change in accounting policy (note 3)	-	-	856,806	856,806
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 1 July 2013 - restated	1,701,394	256,141	856,806	2,814,341
	<hr/>	<hr/>	<hr/>	<hr/>
Surplus after income tax expense for the year	95,055	-	-	95,055
Other comprehensive income for the year, net of tax	108,558	-	(74,779)	33,779
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	203,613	-	(74,779)	128,834
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 1 July 2014	1,905,007	256,141	782,027	2,943,175
	<hr/>	<hr/>	<hr/>	<hr/>
Surplus after income tax expense for the year	183,563	-	-	183,563
Other comprehensive income for the year, net of tax	-	-	(64,750)	(64,750)
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	183,563	-	(64,750)	118,813
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 30 June 2015	<u>2,088,570</u>	<u>256,141</u>	<u>717,277</u>	<u>3,061,988</u>

Refer to note 3 for detailed information on restatement of comparatives.

Mental Illness Fellowship of WA Inc
Statement of cash flows
For the year ended 30 June 2015

	Note	2015 \$	Restated (note 3) 2014 \$
Cash flows from operating activities			
Grants received		3,923,195	3,517,123
Donations received		12,264	7,989
Receipts from customers		13,980	197,525
Payments to suppliers and employees		<u>(3,836,713)</u>	<u>(3,201,902)</u>
		112,726	520,735
Interest received		43,412	16,490
Interest paid		<u>(688)</u>	<u>(3,266)</u>
Net cash from operating activities		<u>155,450</u>	<u>533,959</u>
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		32,604	-
Payments for property, plant and equipment		<u>(22,255)</u>	<u>(87,777)</u>
Net cash from (used in) investing activities		<u>10,349</u>	<u>(87,777)</u>
Cash flows from financing activities			
Proceeds from borrowings		-	-
Repayments of borrowings		<u>(7,977)</u>	<u>(283,353)</u>
Net cash used in financing activities		<u>(7,977)</u>	<u>(283,353)</u>
Net increase in cash and cash equivalents		157,822	162,829
Cash and cash equivalents at the beginning of the financial year		<u>534,875</u>	<u>372,046</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>692,697</u></u>	<u><u>534,875</u></u>

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

Mental Illness Fellowship of WA Inc
Statement of cash flows
For the year ended 30 June 2015

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, revised or amending Accounting Standards and Interpretations adopted

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

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

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

The following Accounting Standards and Interpretations are most relevant to the fellowship:

- AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities
- AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets
- AASB 2014-1 Amendments to Australian Accounting Standards (Parts A to C)

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'), Western Australian legislation the Associations Incorporation Act 1987, the Charitable Fundraising Act 1946 and associated regulations, as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the fellowship's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the fellowship and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Sales revenue

Events and fundraising are recognised when received or receivable.

Grants

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. Grants not fully acquitted in the course of the year may be carried forward to the next financial year.

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the foundation obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the foundation 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.

Donations

Donations are recognised when received.

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2015

Note 1. Significant accounting policies (continued)

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

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

Income tax

As the fellowship is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

Property, plant and equipment

Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Motor vehicles	8 years
Office equipment	3-5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the fellowship. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 1. Significant accounting policies (continued)

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the fellowship prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2015

Note 1. Significant accounting policies (continued)

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 2. 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.

Estimation of useful lives of assets

The fellowship 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.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The fellowship assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the fellowship and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in note 1, 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.

Market value of land and building

Land and buildings were valued with an effective date of 30 June 2015 by independent assessments by members of the Australian Property Institute. The basis of the valuation of land and buildings is at fair market value, being the amounts for which the properties could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition, subject to similar leases and takes into consideration occupancy rates and returns on investment.

Deferred revenue

Conditional grants are recognised as income in advance on receipt. As and when services and conditions are met the corresponding grant income is recognised. In recognising the corresponding grant income the fellowship estimates the proportion of service delivered or grant conditions met.

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2015

Note 3. Prior year adjustments

(a) Change of accounting policy - Land and buildings revaluation

It was identified that the presentation of land and buildings at historical cost did not give a true representation of the assets of the fellowship. As a consequence it was decided that land and buildings should be independently valued to fair value and the movement in value recorded over the last two financial years in accordance with market movement. The movements are as follows:

	Perth	West Leederville \$	Midland \$	Total \$
Historical cost at 1 July 2012	775,000	603,194	-	1,378,194
Disposal	(775,000)	-	-	(775,000)
Purchase	-	-	1,503,257	1,503,257
Estimated Movement to 30 June 2013	-	856,806	-	856,806
Fair Value at 1 July 2013	-	1,460,000	1,509,529	2,963,257
Improvements	-	-	6,272	6,272
Estimated Movement to 30 June 2014	-	(35,250)	(39,529)	(74,779)
Fair value 30 June 2014	-	1,424,750	1,470,000	2,894,750
Estimated Movement to 30 June 2015	-	(34,750)	(30,000)	(64,750)
Fair value 30 June 2015	-	1,390,000	1,440,000	2,830,000

(b) Correction of error – recognition of fair value of contribution

The state of Western Australia advanced to the fellowship a non-interest bearing loan in 2002 to purchase the West Leederville property. This loan was mortgaged over the property with repayment due on 28 March 2052. At the time of granting, the present value of the effective interest should have been recognised as a contribution with the effective interest amortised annually. The retrospective adjustment as at 30 June 2013 was:

Contribution recognised	\$399,014
Less: adjustment for charges	\$ (100)
Less: amortisation to 30 June 2013	\$ (13,018)
Net effect on retained earnings:	<u>\$385,896</u>

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2015

	2015	Restated (note 3) 2014
	\$	\$
Note 4. Revenue		
<i>Sales revenue</i>		
Fees and charges	94,509	84,973
Meals and catering	16,845	13,902
Fundraising	416	4,782
	<u>111,770</u>	<u>103,657</u>
<i>Grants and service agreements</i>		
Mental Health Commission	2,172,347	1,770,236
Department of Social Services	1,181,183	1,196,822
Medicare Local	363,050	107,026
Disability Services Commission	31,196	-
National Disability Insurance Scheme	22,849	-
Other	161,548	181,805
	<u>3,932,173</u>	<u>3,255,889</u>
<i>Other revenue</i>		
Rent	38,600	38,737
Donations	12,264	7,989
Interest	43,412	16,490
Profit on sale of assets	13,651	-
Membership	1,545	1,205
Sundry	30,595	59,497
	<u>140,067</u>	<u>123,918</u>
Revenue	<u>4,184,010</u>	<u>3,483,464</u>
Note 5. Expenses		
Personnel and related costs includes the following specific expenses:		
<i>Superannuation expense</i>		
Defined contribution superannuation expense	<u>197,770</u>	<u>158,781</u>
Note 6. Current assets - cash and cash equivalents		
Cash on hand	1,102	1,350
Cash at bank	374,682	226,365
Cash on deposit	316,913	307,160
	<u>692,697</u>	<u>534,875</u>
Note 7. Current assets - trade and other receivables		
Trade receivables	<u>111,288</u>	<u>24,753</u>
Note 8. Current assets - other		
Accrued revenue	67,895	15,466
Prepayments	24,176	7,319
Security deposits	182	2,295
	<u>92,253</u>	<u>25,080</u>

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2015

	2015 \$	Restated (note 3) 2014 \$
Note 9. Non-current assets - property, plant and equipment		
Land and buildings – at independent valuation	2,830,000	2,894,750
Motor vehicles - at cost	325,374	241,293
Less: Accumulated depreciation	<u>(68,827)</u>	<u>(126,767)</u>
	256,547	114,526
Office equipment - at cost	95,704	293,440
Less: Accumulated depreciation	<u>(58,366)</u>	<u>(212,040)</u>
	37,338	81,400
	<u>3,123,885</u>	<u>3,090,676</u>

Valuations of land and buildings

Land and buildings were valued with an effective date of 30 June 2015 by independent assessments by members of the Australian Property Institute. The basis of the valuation of land and buildings is at fair market value, being the amounts for which the properties could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition, subject to similar leases and takes into consideration occupancy rates and returns on investment.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land and buildings \$	Motor vehicles \$	Office equipment \$	Total \$
Balance at 1 July 2014	2,894,750	114,526	81,400	3,090,676
Additions	-	193,286	-	193,286
Disposals (WDV)	-	(18,952)	-	(18,952)
Equipment written off	-	-	(5,019)	(5,019)
Revaluations	(64,750)	-	-	(64,750)
Depreciation expense	-	(32,313)	(39,043)	(71,356)
Balance at 30 June 2015	<u>2,830,000</u>	<u>256,547</u>	<u>37,338</u>	<u>3,123,885</u>

Note 10. Current liabilities - trade and other payables

	2015 \$	Restated (note 3) 2014 \$
Trade payables	79,071	51,120
Grants unspent	193,313	213,526
Employee benefits payable	61,176	48,704
BAS payable	<u>19,972</u>	<u>57,861</u>
	353,532	371,211

Note 11. Current liabilities - employee benefits

Employee leave provision	179,291	157,512
Redundancy provision	<u>-</u>	<u>20,104</u>
	179,291	177,616

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2015

	2015 \$	Restated (note 3) 2014 \$
Note 12. Current liabilities - borrowings		
Motor vehicle finance agreements	<u>193,954</u>	<u>-</u>
Note 13. Current liabilities - other		
Accrued expenses	103,013	32,318
Income in advance	1,670	20,000
Contingent liability	<u>60,000</u>	<u>60,000</u>
	<u>164,683</u>	<u>112,318</u>
Note 14. Non-current liabilities - employee benefits		
Employee leave provision	<u>31,074</u>	<u>29,447</u>
Note 15. Non-current liabilities - borrowings		
Non-interest bearing	27,788	25,826
Interest bearing	<u>7,813</u>	<u>15,791</u>
	<u>35,601</u>	<u>41,617</u>
<i>Valuation of non-interest bearing loan</i>		
The face value of the non-interest bearing loan is \$410,000 but the loan is not repayable until 2052 and is interest free. It has been valued at present value by discounting at the current market interest rate that is available for similar financial liabilities.		
Note 16. Equity - retained earnings		
Retained earnings at the beginning of the year	1,905,007	1,701,394
Surplus after income tax expense for the year	183,563	95,055
Other comprehensive income for the year, net of tax	<u>-</u>	<u>108,558</u>
Retained earnings at the beginning of the year	<u>2,088,570</u>	<u>1,905,007</u>
Note 17. Equity - reserves		
Revaluation surplus reserve at the beginning of the year	782,027	856,806
Other comprehensive income for the year, net of tax	<u>(64,750)</u>	<u>(74,779)</u>
	717,277	782,027
Bequest reserve	256,141	256,141
	<u>973,418</u>	<u>1,038,168</u>
<i>Bequest reserve</i>		
The reserve represents the amount of money bequeathed by Tecwyn Jones to MIFWA in 2004. The interest is applied to the benefit of the Lorikeet Centre and the fellowship in accordance with the terms of the bequest.		
<i>Revaluation surplus reserve</i>		
The reserve is used to recognise increments and decrements in the fair value of land and buildings.		
Note 18. Key management personnel disclosures		
<i>Compensation</i>		
The aggregate compensation made to officers and other members of key management personnel of the fellowship is set out below:		
Aggregate compensation	<u>145,345</u>	<u>153,638</u>

Mental Illness Fellowship of WA Inc
Statement of cash flows
For the year ended 30 June 2015

Note 19. Contingent liabilities

The fellowship recognised a contingent liability in the years ended 30 June 2014 and 30 June 2015 in relation to their share of possible repairs to the strata common property of the building they own in Midland. The estimate of \$60,000 is considered to be a conservative estimate.

Note 20. Commitments

The fellowship had no commitments for expenditure as at 30 June 2015 and 30 June 2014.

Note 21. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 18.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties

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

Loans to/from related parties

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

Note 22. Events after the reporting period


No matter or circumstance has arisen since 30 June 2015 that has significantly affected, or may significantly affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.

Mental Illness Fellowship of WA Inc
Declaration by the board of management
For the year ended 30 June 2015

In the opinion of the board of management of Mental Illness Fellowship of Western Australia Incorporated:

- the attached financial statements and notes comply with the Australian Accounting Standards - Reduced Disclosure Requirements;
- the attached financial statements and notes give a true and fair view of the fellowship's financial position as at 30 June 2015 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the fellowship will be able to pay its debts as and when they become due and payable.

On behalf of the board:



Ann White
President



Nicholas Hopkin
Treasurer

27 October 2015

INDEPENDENT AUDITOR'S REPORT

To the members of Mental Illness Fellowship of WA Inc,

Report on the Financial Report

We have audited the accompanying financial report of Mental Illness Fellowship of WA Inc, which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the declaration by the board of management.

Board of Management's Responsibility for the Financial Report

The Board of Management are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, the Associations Incorporation Act (WA) 1987 and Australian Charities and Not for Profits Commission Act 2012, and for such internal control as the Board of Management determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Mental Illness Fellowship of WA Inc as at 30 June 2015, and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements the Associations Incorporation Act (WA) 1987 and Australian Charities and Not for Profits Commission Act 2012.

Other matter

The financial statements of Mental Illness Fellowship of WA Inc for the year ended 30 June 2014 were audited by other auditors. Those auditors expressed an unqualified opinion on the financial statements in their report dated 10 October 2014.

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'BDO' followed by a stylized signature.

Dean Just

Director

Perth, 27 October 2015