



MIFWA

MENTAL ILLNESS FELLOWSHIP OF WESTERN AUSTRALIA

ANNUAL FINANCIAL REPORT

for the year ended 30 June 2016

MENTAL ILLNESS FELLOWSHIP OF WESTERN AUSTRALIA INCORPORATED

ABN 14 969 141 363

**Mental Illness Fellowship of WA Inc
Board of Management Report
For the year ended 30 June 2016**

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 2016.

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)
Nicholas Hopkin (Treasurer)
Denise Bayliss (Vice-president) - resigned 18 August 2015
Ruth Webber (Vice-president)
Kellie McCrum (Vice-president) – appointed 28 October 2015

Board members

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

Vivien Hannaford
Glenn Pickett
Kirri Campbell
Robyn Fitall
Adrian Gallo – co-opted 22 June 2016

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 (MHC) and the Commonwealth Government Department of Social Services. This year we have seen significant growth in individualised services funded by the National Disability Insurance Scheme and the state government Disability Services Commission.

Principal activities

During the financial year the principal activities of the Fellowship included providing personalised support for individuals with mental illness; support for families and carers, and providing information to promote better understanding and acceptance.

Performance measures

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

On behalf of the officer bearers



Nicholas Hopkin
Treasurer
28 September 2016

Mental Illness Fellowship of WA Inc
Contents
For the year ended 30 June 2016

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Mental Illness Fellowship of WA Inc
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2016

	Note	2016 \$	2015 \$
Revenue	4	4,537,724	4,184,010
Expenses			
Personnel and related costs	5	(3,089,174)	(2,561,225)
Service delivery		(689,691)	(806,139)
Administration		(197,639)	(131,015)
Premises		(115,211)	(129,908)
IT and communications		(111,782)	(119,836)
Motor vehicle and travel		(179,901)	(169,469)
Depreciation and interest		<u>(97,454)</u>	<u>(82,855)</u>
Surplus / (deficit) for the year		56,872	183,563
Other comprehensive income for the year	9	<u>(70,000)</u>	<u>(64,750)</u>
Total comprehensive income (loss) for the year		<u><u>(13,128)</u></u>	<u><u>118,813</u></u>

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
As at 30 June 2016

	Note	2016 \$	2015 \$
Assets			
Current assets			
Cash and cash equivalents	6	713,257	692,697
Trade and other receivables	7	126,788	111,288
Other	8	126,887	92,253
Total current assets		<u>966,932</u>	<u>896,238</u>
Non-current assets			
Property, plant and equipment	9	3,147,170	3,123,885
Total non-current assets		<u>3,147,170</u>	<u>3,123,885</u>
Total assets		<u>4,114,102</u>	<u>4,020,123</u>
Liabilities			
Current liabilities			
Trade and other payables	10	162,505	160,218
Employee benefits	11	227,723	179,291
Borrowings	12	230,705	193,954
Other	13	351,628	357,997
Total current liabilities		<u>972,561</u>	<u>891,460</u>
Non-current liabilities			
Employee benefits	11	41,075	31,074
Borrowings	12	51,606	35,601
Total non-current liabilities		<u>92,681</u>	<u>66,675</u>
Total liabilities		<u>1,065,242</u>	<u>958,135</u>
Net assets		<u>3,048,860</u>	<u>3,061,988</u>
Equity			
Retained earnings	14	2,145,442	2,088,570
Reserves	15	903,418	973,418
Total equity		<u>3,048,860</u>	<u>3,061,988</u>

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

Mental Illness Fellowship of WA Inc
Statement of changes in equity
For the year ended 30 June 2016

	Retained earnings	Bequest reserve	Revaluation reserve	Total equity
	\$	\$	\$	\$
Balance at 1 July 2014	1,905,007	256,141	782,027	2,943,175
Surplus for the year	183,563	-	-	183,563
Other comprehensive income for the year	-	-	(64,750)	(64,750)
Total comprehensive income for the year	183,563	-	(64,750)	118,813
Balance at 1 July 2015	2,088,570	256,141	717,277	3,061,988
Surplus for the year	56,872	-	-	56,872
Other comprehensive income for the year	-	-	(70,000)	(70,000)
Total comprehensive income for the year	56,872	-	(70,000)	(13,128)
Balance at 30 June 2016	2,145,442	256,141	647,277	3,048,860

The above statement of changes in equity 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 2016

	Note	2016	2015
		\$	\$
Cash flows from operating activities			
Grants received		4,371,598	3,923,195
Donations received		9,355	12,264
Receipts from customers		137,222	13,980
Payments to suppliers and employees		<u>(4,398,071)</u>	<u>(3,836,713)</u>
		120,105	112,726
Interest received		16,002	43,412
Interest paid		<u>(16,757)</u>	<u>(688)</u>
Net cash from operating activities		<u>119,349</u>	<u>155,450</u>
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		17,974	32,604
Payments for property, plant and equipment		<u>(125,534)</u>	<u>(22,255)</u>
Net cash from (used in) investing activities		<u>(107,560)</u>	<u>10,349</u>
Cash flows from financing activities			
Proceeds from borrowings		20,000	-
Repayments of borrowings		<u>(11,229)</u>	<u>(7,977)</u>
Net cash used in financing activities		<u>8,771</u>	<u>(7,977)</u>
Net increase in cash and cash equivalents			
Cash and cash equivalents at the beginning of the financial year		<u>692,697</u>	<u>534,875</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>713,257</u></u>	<u><u>692,697</u></u>

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

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2016

1. General information and statement of compliance

The financial report includes the financial statements and notes of the Mental Illness Fellowship of Western Australia Incorporated (the Fellowship).

These financial statements are general purpose financial statements that have been prepared in accordance with:

- Australian Accounting Standards – Reduced Disclosure Requirements,
- Australian Charities and Not-for-profits Commission Act 2012,
- Associations Incorporation Act 1987 (Western Australia), and
- Charitable Collections Act 1946 (Western Australia).

The Fellowship is a not-for-profit entity.

The financial statements for the year ended 30 June 2016 were approved and authorised for issue by the Board of Management of the Fellowship on 28 September 2016.

2. Changes in accounting policies

A number of new and revised standards became effective for the first time to annual periods beginning on or after 1 July 2015. None of these policies were of significance to the Fellowship.

Early adoption of Accounting Standards

The Fellowship has early adopted AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure initiative: Amendments to AASB 10. The adoption of this Accounting Standard did not have any significant impact on the financial performance or position of the Fellowship.

The intent of this standard is to increase the relevance and understanding of the financial report. As a result significant accounting policies specific to one note are included within that note and where possible, wording has been simplified to provide clearer commentary on the financial report. Accounting policies determined not to be significant are not included in the financial statements.

3. Significant accounting policies

Basis of preparation

The consolidated financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

Significant management judgement in applying accounting policies

The preparation of the financial statements requires the Fellowship to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. The Fellowship continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses.

The Fellowship bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, which they believe 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 in the relevant notes:

- Trade receivables - impairment
- Property, plant & equipment
 - Impairment and revaluation to fair value
 - Useful lives of depreciable assets
- Employee benefits – long service leave
- Contingent liability

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2016

Note 3. Significant accounting policies (cont.)

Income tax

As the Fellowship is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997 it is exempt from paying income tax and no provision for income tax has been raised.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office. 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. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

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.

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.

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2016

4. Revenue

Revenue comprises revenue from the sale of goods, government grants, fundraising activities and client contributions. 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.

Client contributions

Fees charged for care or services provided to clients are recognised when the service is provided.

Donations

Donations are recognised when received.

	2016	2015
	\$	\$
<i>Sales revenue</i>		
Fees and charges	63,319	94,509
Meals and catering	19,293	16,845
Fundraising	905	416
	<u>83,517</u>	<u>111,770</u>
<i>Grants and service agreements</i>		
Mental Health Commission	2,115,652	2,172,347
Department of Social Services	1,008,142	1,181,183
Medicare Local	373,087	363,050
Disability Services Commission	272,767	31,196
National Disability Insurance Scheme	397,401	22,849
Other	205,815	161,548
	<u>4,372,864</u>	<u>3,932,173</u>
<i>Other revenue</i>		
Rent	33,550	38,600
Donations	9,355	12,264
Interest	16,002	43,412
Profit on sale of assets	3,650	13,651
Membership	1,473	1,545
Sundry	17,313	30,595
	<u>81,343</u>	<u>140,067</u>
Revenue	<u>4,537,724</u>	<u>4,184,010</u>

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2016

5. Expenses

Expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

Operating leases

Where the Fellowship is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

Personnel and related costs includes the following specific expenses:

	2016	2015
	\$	\$
<i>Superannuation expense</i>		
Defined contribution superannuation expense	<u>239,711</u>	<u>197,770</u>

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

6. Current assets - cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

	2016	2015
	\$	\$
Unrestricted		
Cash on hand	1,050	1,102
Cash at bank	388,567	374,682
Cash on deposit	<u>195,570</u>	<u>188,843</u>
	585,187	564,627
Restricted		
Cash on deposit	<u>128,070</u>	<u>128,070</u>
	<u><u>713,257</u></u>	<u><u>692,697</u></u>

The restricted cash represents the amount of money bequeathed by Tecwyn Jones to MIFWA in 2004 applicable to the Lorikeet centre.

7. Current assets - trade and other receivables

Trade and other receivables are recognised at amortised cost, less any provision for impairment.

Impairment

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. No receivables were found to be impaired at balance date.

	2016	2015
	\$	\$
Trade receivables	<u>126,788</u>	<u>111,288</u>

8. Current assets - other

	2016	2015
	\$	\$
Accrued revenue	71,277	67,895
Prepayments	45,283	24,176
Security deposits	<u>10,327</u>	<u>182</u>
	<u><u>126,887</u></u>	<u><u>92,253</u></u>

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2016

9. Non-current assets - property, plant and equipment

Market value of land and building

Land and buildings are stated at fair value amounts less subsequent depreciation and impairment for buildings. Fair values are based on valuations by external professional valuers at least every 3 years. The valuations are undertaken more frequently if market factors indicate a material change in fair value. 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.

Any revaluation surplus arising on revaluation of land and buildings is recognised in other comprehensive income and credited to the revaluation reserve in equity. Any downward revaluations are initially recognised in other comprehensive income through to the revaluation reserve to the extent of any previous revaluation surplus of the same asset. Any remaining decrease is recognised in profit or loss.

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. An indicative assessment of market movement was undertaken on both properties by members of the Australian Property Institute as at 30 June 2016. As a result of these assessments, the value of the West Leederville property has been reduced by \$70,000 through the revaluation reserve against previous revaluation surpluses.

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.

Estimation of useful lives of assets

The Fellowship reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of each item of property, plant and equipment (excluding land). The following useful lives are applied:

Motor vehicles	8 years
Office equipment	3-5 years

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

	2016	2015
	\$	\$
Land and buildings – at independent valuation 30 June 2015	2,830,000	2,830,000
Less: estimated market movement to 30 June 2016	(70,000)	-
Property improvements	68,621	-
	<u>2,828,621</u>	<u>2,830,000</u>
Motor vehicles - at cost	321,086	325,374
Less: Accumulated depreciation	(71,022)	(68,827)
	<u>250,063</u>	<u>256,547</u>
Office equipment - at cost	148,404	95,704
Less: Accumulated depreciation	(79,918)	(58,366)
	<u>68,486</u>	<u>37,338</u>
	<u>3,147,170</u>	<u>3,123,885</u>

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2016

9. Non-current assets - property, plant and equipment (continued)

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 1 July 2015	2,830,000	256,547	37,338	3,123,885
Additions	68,621	242,604	56,913	368,138
Disposals (WDV)	-	(206,323)	-	(206,323)
Equipment written off	-	-	(2,034)	(2,034)
Revaluations	(70,000)	-	-	(70,000)
Depreciation expense	-	(42,765)	(23,731)	(66,496)
Balance at 30 June 2016	<u>2,828,621</u>	<u>250,063</u>	<u>68,486</u>	<u>3,147,170</u>

10. Current liabilities - 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

	2016 \$	2015 \$
Trade payables	30,051	79,070
Employee benefits payable	56,974	61,176
BAS payable	75,480	19,972
	<u>162,505</u>	<u>160,218</u>

11. 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 undiscounted amounts expected to be paid when the liabilities are settled.

The Fellowship presents employee benefit obligations as current liabilities in the statement of financial position if the Fellowship does not have an unconditional right to defer settlement for at least twelve (12) months after the reporting period, irrespective of when the actual settlement is expected to take place.

Other long-term employee benefits

The liability for long service leave is recognised and measured at the present value of the estimated 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.

Post-employment benefits

The Fellowship provides post-employment benefits through defined contribution plans and pays fixed contributions into independent entities in relation to several state plans and insurance for individual employees. The Fellowship has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that relevant employee services are received.

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2016

11. Employee benefits (cont.)

Employee benefit provisions

	2016	2015
	\$	\$
Current:		
Annual leave	163,075	156,777
Long Service Leave	30,005	22,514
Redundancy	34,643	-
	<u>227,723</u>	<u>179,291</u>
Non-current:		
Long Service Leave	41,075	31,074
	<u>268,798</u>	<u>210,365</u>

12. 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.

	2016	2015
	\$	\$
Current:		
Interest bearing (motor vehicle finance)	<u>230,705</u>	<u>193,954</u>
Non-current:		
Non-interest bearing	29,904	27,788
Interest bearing	<u>21,702</u>	<u>7,813</u>
	<u>51,606</u>	<u>35,601</u>

Valuation of non-interest bearing loan

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.

13. Current liabilities – other

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.

	2016	2015
	\$	\$
Grants unspent (deferred revenue)	196,968	193,314
Accrued expenses	137,533	103,013
Provision for repairs	-	60,000
Income in advance	<u>17,127</u>	<u>1,670</u>
	<u>351,628</u>	<u>357,997</u>

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2016

14. Equity - retained earnings

Retained earnings include all current and prior period retained profits.

	2016	2015
	\$	\$
Retained earnings at the beginning of the year	2,088,570	1,905,007
Surplus / (deficit) for the year	<u>56,872</u>	<u>183,563</u>
Retained earnings at the end of the year	<u>2,145,442</u>	<u>2,088,570</u>

15. Equity - reserves

	2016	2015
	\$	\$
Revaluation reserve at the beginning of the year	717,277	782,027
Other comprehensive income for the year, net of tax	<u>(70,000)</u>	<u>(64,750)</u>
	647,277	717,277
Bequest reserve	<u>256,141</u>	<u>256,141</u>
	<u>903,418</u>	<u>973,418</u>

Bequest reserve

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.

Revaluation reserve

The reserve comprises gains and losses from the revaluation of land and buildings.

16. Key management personnel disclosures

Compensation

The aggregate compensation made to officers and other members of key management personnel of the Fellowship is set out below:

	2016	2015
	\$	\$
Aggregate compensation	<u>153,952</u>	<u>145,345</u>

17. Contingent liabilities

The fellowship has a contingent liability in relation to possible repairs to the strata common property of the building the Fellowship owns part of in Midland. The financial liability is dependent on a number of factors, including legal action to determine who is liable for the damage and who may be required to contribute to the expense of the repairs.

The worst case scenario would be that the Fellowship would have to pay 1/16th of the repairs. The last known estimates for repairs is for \$20,600 to make remedial repairs or \$70,000 to make full repairs. On this basis the Fellowship's maximum liability is likely to be in the vicinity of \$5,000. It is possible the Fellowship may be required to make a contribution regardless of which party is at fault due to legal costs making legal action not viable.

18. Operating lease commitments

For rent of Mt Lawley premises:

	2016	2015
	\$	\$
For rent of Mt Lawley premises:		
- no later than 1 year	39,497	-
- later than 1 year but no later than 5 years	<u>6,560</u>	-
	<u>46,057</u>	-

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2016

19. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 16.

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.

20. Events after the reporting period

No matter or circumstance has arisen since 30 June 2016 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 2016**

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 2016 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:



Nicholas Hopkin
Treasurer

28 September 2016
Midland WA

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 2016, 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 that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, the Associations Incorporation Act (WA) 1987 and the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) and for such internal control as the Board of Management 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.

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 Board of Management's preparation of the financial report that gives a true and fair view 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 registered 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 of Mental Illness Fellowship of WA Inc 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 2016 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Dean Just', written over a faint, larger 'BDO' logo.

Dean Just

Director

Perth, 28 September 2016

DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE BOARD OF MANAGEMENT OF MENTAL ILLNESS FELLOWSHIP OF WA INC.

As lead auditor of Mental Illness Fellowship of WA Inc for the year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of any applicable code of professional conduct in relation to the audit.



Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth, 28 September 2016