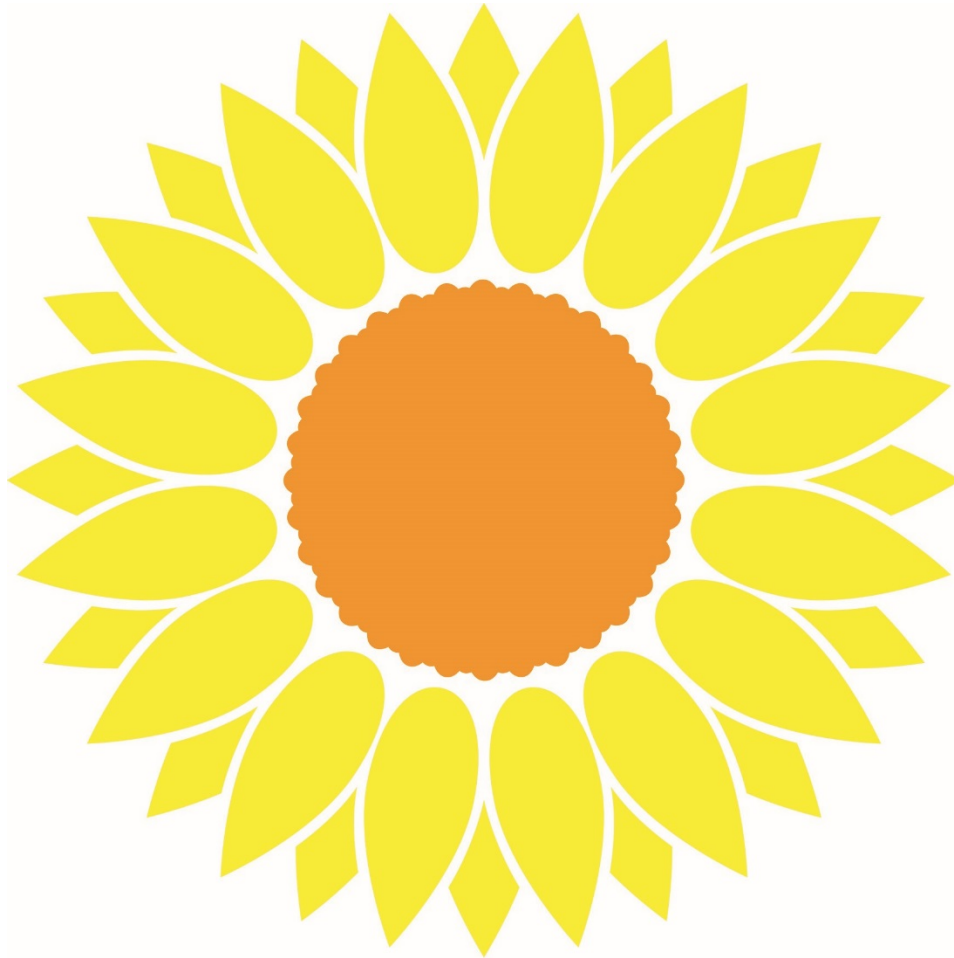


**Mental Illness Fellowship
of Western Australia Incorporated**
ABN 14 969 141 363

Annual Report for the year ended 30 June 2018



MIFWA

**Mental Illness Fellowship of WA Inc
Board of Management Report
For the year ended 30 June 2018**

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 2018 and the independent report thereon.

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)
Kellie McCrum (Vice-president)
Kristy Bradshaw (Vice-president)
Robyn Fitall (Vice-president) – to July 2017

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
Adrian Gallo - to January 2018
Erin Bourne – co-opted January 2018
Annette Watkins – co-opted January 2018

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's strategy is to deliver effective and reliable programs through efficient service provision with a strong emphasis on relationships. We will continue to monitor our success by seeking feedback and ratings from the people who choose our services. We will continue to empower our workforce to creatively manage programs and provide bespoke support for people living with mental illness. We will continue to attract and retain the best people. We will continue with our tailored delivery model focusing on the person not the diagnosis. With our strong leadership we will improve and provide solutions in the complex environment of mental illness. Our success will be realised one person at a time.

Significant Changes

The Fellowship has experienced growth in National Disability Insurance Scheme income. This represented 35% of overall funding and is expected to increase in future years. This income is claimed retrospectively and represents a change to other forms of prepaid block funding agreements. Other funding is through contracts with the Western Australian state government Mental Health Commission (MHC) and the Commonwealth Government Department of Social Services and WA Primary Health Alliance (WAPHA).

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.

On behalf of the officer bearers



Nicholas Hopkin
Treasurer
28 August 2018

Mental Illness Fellowship of WA Inc
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For the year ended 30 June 2018

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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 2018

	Note	2018	2017
		\$	\$
Revenue	4	4,558,509	4,229,802
Expenses			
Personnel and related costs		(3,511,625)	(2,995,272)
Service delivery		(438,567)	(472,122)
Administration		(148,327)	(158,331)
Premises		(132,122)	(184,425)
IT and communications		(107,650)	(103,890)
Motor vehicle and travel		(230,083)	(187,547)
Depreciation and interest		<u>(66,207)</u>	<u>(103,319)</u>
Surplus / (loss) for the year		(76,072)	24,896
Other comprehensive income for the year	9	<u>(74,556)</u>	<u>(72,000)</u>
Total comprehensive income / (loss) for the year		<u><u>(150,628)</u></u>	<u><u>(47,104)</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 2018

	Note	2018 \$	2017 \$
Assets			
Current assets			
Cash and cash equivalents	6	1,228,644	1,219,967
Trade and other receivables	7	31,964	40,972
Other	8	114,311	170,085
Total current assets		<u>1,374,919</u>	<u>1,431,024</u>
Non-current assets			
Property, plant and equipment	9	<u>2,898,880</u>	<u>3,071,195</u>
Total non-current assets		<u>2,898,880</u>	<u>3,071,195</u>
Total assets		<u>4,273,799</u>	<u>4,502,219</u>
Liabilities			
Current liabilities			
Trade and other payables	10	212,554	252,269
Employee benefits	11	290,056	194,844
Borrowings	12	166,876	231,637
Other	13	672,338	731,740
Total current liabilities		<u>1,341,824</u>	<u>1,410,490</u>
Non-current liabilities			
Employee benefits	11	30,699	37,468
Borrowings	12	<u>50,148</u>	<u>52,506</u>
Total non-current liabilities		<u>80,847</u>	<u>89,974</u>
Total liabilities		<u>1,422,671</u>	<u>1,500,463</u>
Net assets		<u>2,851,128</u>	<u>3,001,756</u>
Equity			
Retained earnings	14	2,094,266	2,170,338
Reserves	15	<u>756,862</u>	<u>831,418</u>
Total equity		<u>2,851,128</u>	<u>3,001,756</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 2018

	Retained earnings \$	Bequest reserve \$	Revaluation reserve \$	Total equity \$
Balance at 1 July 2016	<u>2,145,442</u>	<u>256,141</u>	<u>647,277</u>	<u>3,048,860</u>
Surplus for the year	24,896	-	-	24,896
Other comprehensive income for the year	<u>-</u>	<u>-</u>	<u>(72,000)</u>	<u>(72,000)</u>
Total comprehensive income for the year	<u>24,896</u>	<u>-</u>	<u>(72,000)</u>	<u>(47,104)</u>
Balance at 1 July 2017	<u>2,170,338</u>	<u>256,141</u>	<u>575,277</u>	<u>3,001,756</u>
Surplus/ (loss) for the year	(76,072)	-	-	(76,072)
Other comprehensive income for the year	<u>-</u>	<u>-</u>	<u>(74,556)</u>	<u>(74,556)</u>
Total comprehensive income for the year	<u>(76,072)</u>	<u>-</u>	<u>(74,556)</u>	<u>(150,628)</u>
Balance at 30 June 2018	<u><u>2,094,266</u></u>	<u><u>256,141</u></u>	<u><u>500,721</u></u>	<u><u>2,851,128</u></u>

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 2018

	Note	2018	2017
		\$	\$
Cash flows from operating activities			
Grants received		4,400,324	4,420,204
Grants repaid		(2,657)	(81,726)
Donations received		18,146	21,083
Receipts from customers		154,142	230,679
Payments to suppliers and employees		<u>(4,540,355)</u>	<u>(4,078,889)</u>
		29,600	511,351
Interest received		15,844	16,847
Interest paid		<u>(11,658)</u>	<u>(20,075)</u>
Net cash from operating activities		<u>33,786</u>	<u>508,123</u>
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		25	23,593
Payments for property, plant and equipment		<u>(13,188)</u>	<u>(16,405)</u>
Net cash from (used in) investing activities		<u>(13,163)</u>	<u>7,188</u>
Cash flows from financing activities			
Proceeds from borrowings		-	-
Repayments of borrowings		<u>(11,946)</u>	<u>(8,601)</u>
Net cash from (used in) financing activities		<u>(11,946)</u>	<u>(8,601)</u>
Net increase in cash and cash equivalents			
Cash and cash equivalents at the beginning of the financial year		<u>1,219,967</u>	<u>713,257</u>
Cash and cash equivalents at the end of the financial year	6	<u>1,228,644</u>	<u>1,219,967</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 2018

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). The Fellowship is a not-for-profit entity.

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 2015 (Western Australia)*, and
- *Charitable Collections Act 1946 (Western Australia)*.

The financial statements for the year ended 30 June 2018 were approved and authorised for issue by the Board of Management of the Fellowship on 22nd August 2018.

2. Changes in accounting policies

Several new and revised standards became effective for the first time to annual periods beginning on or after 1 July 2017. None of these standards were determined to be of significance to the Fellowship.

3. Significant accounting policies

Basis of preparation

The 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 management to make judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. These judgements, estimates and assumptions are based on historical experience and on other various factors, including expectations of future events, which management believe to be reasonable under the circumstances. Actual results may be substantially different.

The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in the specific notes below.

Income tax

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

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are shown inclusive of GST. 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 in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2018

4. Revenue

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

Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and specific criteria relating to the type of revenue as noted below, has been satisfied.

Grants and service agreements

Several of the Fellowship's programs are supported by grants received from the federal and state governments.

If conditions are attached to a grant which must be satisfied before the Fellowship is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied. Where a grant is received on the condition that specified services are delivered to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year-end until the service is delivered.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the Fellowship obtains control of the funds, economic benefits are probable, and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied. Where the Fellowship receives a non-reciprocal contribution of an asset from a government or other party for no or nominal consideration, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

Sales revenue

Fees charged for events, training and other services provided to clients are recognised when the service is provided.

Donations

Donations collected are recognised as revenue when the Fellowship gains control, economic benefits are probable, and the amount of the donation can be measured reliably.

Interest income

Interest income is recognised on an accrual basis using the straight-line method.

	2018	2017
	\$	\$
<i>Grants and service agreements</i>		
Mental Health Commission	1,371,480	1,412,027
Department of Social Services	945,112	863,097
Black Swan Health (PIR)	388,388	362,162
Disability Services Commission	465,982	320,786
National Disability Insurance Scheme	1,062,770	892,941
WA Primary Health Alliance	120,994	28,956
Other	4,545	69,455
	<u>4,359,221</u>	<u>3,949,424</u>
<i>Sales revenue</i>		
Fees and charges	112,786	129,265
Meals and catering	17,699	18,956
Fundraising	826	89
	<u>131,310</u>	<u>148,310</u>
<i>Other revenue</i>		
Donations	18,146	21,083
Interest	15,844	16,847
Rent	3,000	66,000
Profit on sale of assets	2,216	11,400
Membership	1,678	2,017
Sundry	27,095	14,721
	<u>67,978</u>	<u>132,068</u>
Total revenue	<u>4,558,509</u>	<u>4,229,802</u>

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2018

5. Expenses

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

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.

	2018	2017
	\$	\$
Unrestricted		
Cash on hand	785	971
Cash at bank	896,134	887,271
Cash on deposit	<u>203,655</u>	<u>203,655</u>
	1,100,574	1,091,897
Restricted		
Cash on deposit	<u>128,070</u>	<u>128,070</u>
	<u>1,228,644</u>	<u>1,219,967</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 cost, less any provision for 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.

	2018	2017
	\$	\$
Trade receivables	<u>31,964</u>	<u>40,972</u>

8. Current assets - other

	2018	2017
	\$	\$
Accrued income	67,591	112,171
Prepayments	46,448	45,989
Security deposits	<u>273</u>	<u>11,925</u>
	<u>114,311</u>	<u>170,085</u>

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

Market value of land and building

Land and buildings are stated at re-valued amounts. Revalued amounts are fair market values based on appraisals prepared by external professional valuers once every three (3) years or more frequently if market factors indicate a material change in fair value. The latest revaluation date was as at 30 June 2018. Any improvements and or 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 upon appraisal of land and buildings is recognised in other comprehensive income and credited to the revaluation reserve in equity. To the extent that any revaluation decrease or impairment loss has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase recognised in and buildings are stated other comprehensive income. Downward revaluations of land and buildings are recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss. Any revaluation surplus remaining in equity on disposal of the asset is transferred to retained earnings.

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2018

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

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

Material residual value estimates and estimates of useful life are updated as required, but at least annually.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

	2018	2017
	\$	\$
Land and buildings – at valuation	<u>2,705,000</u>	<u>2,770,570</u>
Motor vehicles - at cost	206,334	298,592
Less: Accumulated depreciation	<u>(40,664)</u>	<u>(39,254)</u>
	<u>165,670</u>	<u>259,338</u>
Office equipment - at cost	152,434	148,233
Less: Accumulated depreciation	<u>(124,224)</u>	<u>(106,946)</u>
	<u>28,210</u>	<u>41,287</u>
	<u><u>2,898,880</u></u>	<u><u>3,071,195</u></u>

Reconciliation:

	Land and buildings	Motor vehicles	Office equipment	Total
	\$	\$	\$	\$
Balance at 1 July 2017	2,770,570	259,338	41,287	3,071,195
Additions	8,985	206,924	4,201	220,110
Disposals	-	(271,975)	-	(271,975)
Revaluations	(74,555)	-	-	(74,555)
Depreciation expense	<u>-</u>	<u>(28,617)</u>	<u>(17,278)</u>	<u>(45,895)</u>
Balance at 30 June 2018	<u><u>2,705,000</u></u>	<u><u>165,670</u></u>	<u><u>28,210</u></u>	<u><u>2,898,880</u></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 cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition

	2018	2017
	\$	\$
Trade payables	49,555	78,500
Employee benefits payable	65,911	59,100
BAS payable	<u>97,088</u>	<u>114,669</u>
	<u><u>212,554</u></u>	<u><u>252,269</u></u>

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2018

11. Employee benefits

Short-term employee benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits, and leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Long-term employee benefits

The Fellowship's liabilities for long service leave are included in other long-term benefits where they are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at the 10-year Treasury Bond rate. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

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 12 months after the reporting period, irrespective of when the actual settlement is expected to take place.

Employee benefit provisions

	2018	2017
	\$	\$
Current:		
Annual leave	191,315	145,563
Long Service Leave	<u>98,741</u>	<u>49,281</u>
	290,056	194,844
Non-current:		
Long Service Leave	<u>30,699</u>	<u>37,468</u>
	<u>320,755</u>	<u>232,312</u>

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. Personnel and related costs includes the following specific expense:

	2018	2017
	\$	\$
Superannuation expense - defined contribution plans	<u>278,498</u>	<u>245,993</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.

	2018	2017
	\$	\$
Current:		
Interest bearing (motor vehicle finance)	<u>166,876</u>	<u>231,637</u>
Non-current:		
Non-interest bearing	34,619	32,175
Interest bearing	<u>15,529</u>	<u>20,331</u>
	<u>50,148</u>	<u>52,506</u>

Valuation of non-interest bearing loan

The loan is secured by a mortgage by the State of Western Australia on the Lorikeet premises. The face value of the loan is \$410,000 but is not repayable until 2052, unless there is a default event. It has been valued at present value by discounting at the current market interest rate that is available for similar financial liabilities.

The mortgage restricts the use of the premises to furthering the use of the objectives of the Fellowship and requires the Fellowship to maintain the property in its current state. Should the Fellowship default in these conditions or become insolvent, the full value of the mortgage would become payable at that time.

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2018

13. Current liabilities – other

	2018	2017
	\$	\$
Deferred income	518,237	540,100
Accrued expenses	153,546	173,826
Income in advance	<u>555</u>	<u>17,814</u>
	<u><u>672,338</u></u>	<u><u>731,740</u></u>

Deferred income

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.

14. Equity - retained earnings

Retained earnings include all current and prior period retained profits:

	2018	2017
	\$	\$
Retained earnings at the beginning of the year	2,170,338	2,145,442
Surplus / (deficit) for the year	<u>(76,072)</u>	<u>24,896</u>
Retained earnings at the end of the year	<u><u>2,094,266</u></u>	<u><u>2,170,338</u></u>

15. Equity – reserves

	2018	2017
	\$	\$
Revaluation reserve at the beginning of the year	575,277	647,277
Other comprehensive income for the year, net of tax	<u>(74,556)</u>	<u>(72,000)</u>
	500,721	575,277
Bequest reserve	<u>256,141</u>	<u>256,141</u>
	<u><u>756,862</u></u>	<u><u>831,418</u></u>

Revaluation reserve

The reserve comprises gains and losses from the revaluation of land and buildings (see note 9).

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 members of the Lorikeet Centre and the Fellowship in accordance with the terms of the bequest.

16. 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 agreement 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 \$90,000. On this basis the Fellowship's maximum liability is likely to be in the vicinity of \$6,000. It is possible the Fellowship may be required to make a contribution regardless of which party is at fault due to costs making legal action not viable.

Mental Illness Fellowship of WA Inc
Notes to the financial statements
For the year ended 30 June 2018

17. Operating lease commitments

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.

	2018	2017
	\$	\$
Current:		
Photocopiers	23,678	26,930
Mt Lawley property lease commitment - current:	-	8,635
	<u>23,678</u>	<u>35,565</u>
Non-current:		
Photocopiers	-	26,929
	<u>-</u>	<u>26,929</u>
Total	<u>23,678</u>	<u>58,486</u>

18. Related party transactions

Key management personnel

The aggregate compensation made to executive officers of the Fellowship is set out below:

	2018	2017
	\$	\$
Aggregate compensation	<u>163,154</u>	<u>160,322</u>

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.

19. Events after the reporting period

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

**Mental Illness Fellowship of WA Inc
Declaration by the board of management
For the year ended 30 June 2018**

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 2018 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 August 2018
Midland WA

INDEPENDENT AUDITOR'S REPORT

To the members of Mental Illness Fellowship of WA Inc.

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Mental Illness Fellowship of WA Inc, which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of Mental Illness Fellowship of WA, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the registered entity's annual report, but does not include the financial report and our auditor's report thereon.

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

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



If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the responsible entities determine 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, responsible entities are responsible for assessing the registered 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 the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit (WA) Pty Ltd

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

Dean Just

Director

Perth, 28 August 2018