

# Annual Financial Report

## 30 June 2018

HelpingMinds Limited  
ACN 622 735 540  
ABN 26 183 089 857



## **HelpingMinds Limited**

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Annual Financial Report

30 June 2018

## HelpingMinds Limited

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## **HelpingMinds Limited**

### **DIRECTORS REPORT**

The directors present their report, together with the financial statements, on HelpingMinds Limited for the year ended 30 June 2018.

HelpingMinds Limited was incorporated on 8 November 2017 as part of transitioning the corporate registration of Mental Health Carers Arafmi (WA) Inc from the Western Australian Associations Incorporation Act to the Australian Corporations Act. HelpingMinds Limited is a continuing entity which is authorised under Part 6 of the Associations Incorporations Act which enables entities to transition from the State to the Australian jurisdiction. As a transitioning entity, the financial report is for the full year while registered in each jurisdiction.

This is the first financial report and director's report for HelpingMinds Limited completed in the new jurisdiction.

#### **Directors**

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

Patrick Hardwick  
Franco Guazzelli  
Andrew Reynolds  
Kerry Hawkins  
Bernadette Johnston (Wright)  
Joel Stein  
Elisabeth Stevenson  
Manjula Vekaria

#### **Objectives**

HelpingMinds Limited objectives are all related to providing direct assistance and support for people with mental health issues and their families and carers, to live their best possible lives. This continues more than 40 years of operation with the objective to support children, adults and families that are affected by mental illness, primarily in carer supports, early intervention, health promotion, advocacy and individualised supports.

#### **Strategy for achieving the objectives**

During the year HelpingMinds Limited reviewed and devised an updated strategic plan to continue providing and expanding services in Western Australia, and towards the end of the financial year to expand into Darwin in the Northern Territory.

#### **Principal activities**

During the financial year the principal continuing activities of the company were to support children, adults and families that are affected by mental illness. This is primarily in carer supports, early intervention, health promotion and individualised supports.

The activities of the company have been critical in providing much needed support to vulnerable members of the community dealing with mental illness.

## HelpingMinds Limited

### DIRECTORS REPORT (continued)

#### Performance measures

The company measures its performance in delivering services in accordance with the multiple Western Australian government and Australian government funding contracts being delivered. The key performance measures include number of clients serviced, number of sessions run and number of people serviced in the funded community areas as defined in the contracts. Individualised services are delivered in accordance with the plan held by each individual.

#### Information on directors

|                           |  |
|---------------------------|--|
| Name:                     | Patrick Hardwick   |
| Title:                    | Chair  |
| Qualification:            | Graduate Certificate in Management; MAICD  |
| Experience and expertise: | Patrick is passionate about enhancing services available for carers and families and advocating their rights and needs. He wants to see a cultural change where Mental Health Services and other providers take a more family centred approach to treatment, discharge and support. Patrick is Deputy Chair of the Private Mental Health Consumer Carer Network (Australia). He is a Director of Mental Health Australia, and President of Mental Health Carers Australia. He is also a member of the National Mental Health Consumer and Carer Forum. Patrick was Chair of the Guide Development Committee for the 'Practical Guide for Working with Carers of People with a Mental Illness'. |
| Special responsibilities: | Member of Partnership Review Sub-Committee   |

|                           |  |
|---------------------------|--|
| Name:                     | Franco Guazzelli   |
| Title:                    | Vice Chair   |
| Qualification:            | -  |
| Experience and expertise: | Franco brings significant lived experience of being a carer for a person with a mental health illness and with dementia and has been involved and supporting the Arafmi organisation since first joining and then running a share and care peer support group in 1996. In a time when the organisation was much smaller, Franco volunteered his time and skills including with the management of the purchase and refurbishment of the HelpingMinds head office building. He is a contractor, with many years of experience including previously running his own building company as a registered builder. |
| Special responsibilities: | Member of the Finance Sub-Committee and Governance Sub-Committee   |

## HelpingMinds Limited

### DIRECTORS REPORT (continued)

#### Information on directors (continued)

|                           |   |
|---------------------------|---|
| Name:                     | Andrew Reynolds   |
| Title:                    | Board Director  |
| Qualification:            | B.Com (Hons), CFTP Snr, CPA   |
| Experience and expertise: | Andrew has been on the HelpingMinds board since 2012, through most of that time as Treasurer having been inspired to join as the result of experience in caring for a relative with mental health care needs. He has been working in the not-for-profit sector for over 10 years. He is an accounting and finance advisor, having previously been a lecturer in Accounting at Curtin University, and before that with accounting firms and banks in Perth and the UK. He started his career investigating fraud for the Director of Public Prosecutions in WA. He is married with two children. |
| Special responsibilities: | Board Treasurer, Chair of the Finance Sub-Committee and Member of the Partnership Review Sub-Committee  |

|                           |  |
|---------------------------|--|
| Name:                     | Kerry Hawkins  |
| Title:                    | Board Director   |
| Qualification:            | B Arts, Grad Dip Ed.   |
| Experience and expertise: | A graduate of Boston University's Global Leadership Institute's Recovery Class of 2013, Kerry is able to draw on both her lived experience as a family member of someone experiencing extreme and enduring distress, together with a professional career working as a project management consultant, strategic advisor for a federal government agency, and as a Director within the National Disability Insurance Agency (NDIA). She was the carer representative on the Western Australian Association for Mental Health (WAAMH) board for four years and is currently President of WAAMH. She is also the WA director for Emerging Minds, a national mental health organisation focusing on improving mental health outcomes for children, parents and families and a Board Member of Community Mental Health Australia (CMHA). She is a Commissioner on the National Mental Health Commission. |
| Special responsibilities: | Chair of the Governance Sub-Committee  |

## HelpingMinds Limited

### DIRECTORS REPORT (continued)

#### Information on directors (continued)

|                           |  |
|---------------------------|--|
| Name:                     | Bernadette Johnston (Wright)   |
| Title:                    | Board Director   |
| Qualification:            | -  |
| Experience and expertise: | From February 1997 to May 2016, Bernadette was the Senior Clinical Psychologist with WA's Transcultural Mental Health Service where she specialised in inter-relationship of mental health and cultural issues for migrants and refugees. She is now in a private transcultural mental health practice, a Co-Director of CrossCultural Intellect, and Adjunct Senior Lecturer at Curtin University. Bernadette's work encompasses direct clinical service delivery, advice to community groups and service providers, developing and delivering numerous training seminars and workshops on various aspects of culture and mental health. Her work at the Transcultural Mental Health Service included providing advice to government and community groups in addition to undertaking collaborative research and publications with various universities. Bernadette's comprehensive range of resource development initiatives were aimed at improving mental health literacy among ethnoculturally diverse groups and facilitating the transcultural process between the practitioner and consumer, their carer(s) and family. |
| Special responsibilities: | Member of the Governance Sub-Committee   |

|                           |   |
|---------------------------|---|
| Name:                     | Joel Stein  |
| Title:                    | Board Director  |
| Qualification:            | BCom, CPA, MAICD  |
| Experience and expertise: | Joel joined the HelpingMinds Board of Governance in November 2015. Joel is a CPA Australia qualified accountant and holds a Bachelor of Commerce degree (Corporate Finance, Investment Finance and Financial Accounting majors) from the University of Western Australia. Joel is also a member of the Australian Institute of Company Directors. Joel has previously held commercial analyst roles with Rio Tinto and News Corp Australia and is currently a Manager in Deloitte's Financial Advisory practice. Joel is passionate about utilising his practical financial skills and his lived experiences as a COPMI to help and improve the lives of all people impacted by mental illness. |
| Special responsibilities: | Member of the Finance Sub-Committee and Partnership Review Sub-Committee  |

## HelpingMinds Limited

### DIRECTORS REPORT (continued)

#### Information on directors (continued)

|                           |   |
|---------------------------|---|
| Name:                     | Elisabeth Stevenson   |
| Title:                    | Board Director  |
| Qualification:            | LLB (Hons).   |
| Experience and expertise: | Elisabeth has been exposed to the impact of mental illness on family life from early childhood, having had an aunt with a chronic mental illness and a sister who has lived with the same illness for the past 40 years. Having studied law as a mature aged student, Elisabeth has an LLB (Hons) and has been practising primarily in administrative law, for the past 15 years. Prior to studying law Elisabeth worked as a Senior Investigator for the State Ombudsman and in a variety of management roles in local government. She is married with a 'blended' family of 4 children. Elisabeth is keen to use the skills she has acquired in various different capacities to support the provision of services for carers of the mentally ill. |
| Special responsibilities: | Member of the Governance Sub-Committee and Chair of the Partnership Review Sub-Committee  |

|                           |  |
|---------------------------|--|
| Name:                     | Manjula Vekaria  |
| Title:                    | Board Director   |
| Qualification:            | -  |
| Experience and expertise: | Mani has been fortunate to have lived and worked in both the Public and Private sectors in three continents, Europe (London), Africa (Nairobi), and now Australia (Perth). She maintains a close relationship with her community, which originates from Kutch, Gujarat, India. She volunteers at various events throughout the year and has previously served on her community committee as Vice President for three years. Mani has an insight on how communities work when living in different countries and the challenges this brings for families. Mental Health is not talked about openly in many minority communities due to stigma. Families try to manage the mental illness internally rather than reach out for assistance. Having witnessed first-hand the trauma and difficulty that the person affected and the carer is faced with Mani wishes to bring awareness of the assistance and support that HelpingMinds can provide to assist the person, families and carers on their difficult journeys. |
| Special responsibilities: | Member of the Finance Sub-Committee and Partnership Review Sub-Committee   |

#### Company secretary

Deborah Childs GAICD, CPP, NZLE, (CEO)  
Ian Ludlow FCA, MAICD, AFAIM, (Deputy CEO)



## HelpingMinds Limited

### DIRECTORS REPORT (continued)

#### Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2018, and the number of meetings attended by each director were:

|                     | Full Board |      | Finance Sub-Committee |      | Governance Sub-Committee |      | Partnership Review Sub-Committee |      |
|---------------------|------------|------|-----------------------|------|--------------------------|------|----------------------------------|------|
|                     | Attended   | Held | Attended              | Held | Attended                 | Held | Attended                         | Held |
| Patrick Hardwick    | 11         | 11   | -                     | -    | -                        | -    | 3                                | 3    |
| Franco Guazzelli    | 10         | 11   | 9                     | 10   | 4                        | 4    | -                                | -    |
| Andrew Reynolds     | 7          | 11   | 10                    | 10   | -                        | -    | 3                                | 3    |
| Kerry Hawkins       | 10         | 11   | -                     | -    | 4                        | 4    | -                                | -    |
| Bernadette Johnston | 9          | 11   | -                     | -    | 3                        | 4    | -                                | -    |
| Joel Stein          | 9          | 11   | 8                     | 10   | -                        | -    | 2                                | 3    |
| Elisabeth Stevenson | 10         | 11   | -                     | -    | 4                        | 4    | 2                                | 3    |
| Manjula Vekaria     | 10         | 11   | 10                    | 10   | -                        | -    | 3                                | 3    |

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

#### Contributions on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$1 each. Honorary members are not required to contribute.

The total amount that members of the company are liable to contribute if the company is wound up is \$8, based on 8 current ordinary members.

#### Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Patrick Hardwick  
Director

Dated at Perth this 25<sup>th</sup> day of September 2018.

**RSM Australia Partners**

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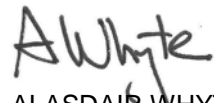
**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of HelpingMinds Limited for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

A handwritten version of the RSM logo, with the letters "RSM" in a stylized, cursive script.

RSM AUSTRALIA PARTNERS

A handwritten signature in dark ink, appearing to read "A Whyte".

ALASDAIR WHYTE  
Partner

Perth, WA  
Dated: 25 September 2018

**THE POWER OF BEING UNDERSTOOD**  
**AUDIT | TAX | CONSULTING**

RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

Liability limited by a scheme approved under Professional Standards Legislation

## HelpingMinds Limited

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For the year ended 30 June 2018

|   | Note | 30 June 2018       | 30 June 2017       |
|---|------|--------------------|--------------------|
| <b>Revenue and other income</b>                       | 4    | <b>\$7,654,211</b> | <b>\$8,232,395</b> |
| Rental expenses                                       |      | \$408,821          | \$378,680          |
| Communication expenses                                |      | \$142,516          | \$154,310          |
| Insurance   |      | \$98,777           | \$92,571           |
| Travel expenses                                       |      | \$118,571          | \$125,607          |
| Employee benefit expenses                             | 5    | \$5,274,901        | \$4,797,941        |
| Professional Development                              |      | \$142,917          | \$109,171          |
| Finance costs   |      | \$246              | \$19,830           |
| Other operational expenses                            |      | \$14,967           | \$19,714           |
| Small Asset purchases                                 |      | \$176,903          | \$133,329          |
| Program expenses                                      |      | \$106,655          | \$342,402          |
| Audit expenses  | 13   | \$14,410           | \$11,574           |
| Marketing expenses                                    |      | \$229,034          | \$406,738          |
| IT Support  |      | \$145,819          | \$111,958          |
| Administrative expenses                               |      | \$169,027          | \$142,246          |
| Transport expenses                                    |      | \$199,595          | \$217,423          |
| Professional fees                                     |      | \$7,077            | \$8,930            |
| Impairment expense                                    |      | \$44,652           | -                  |
| Other expenses  |      | \$519,513          | \$522,299          |
| <b>Total expenses</b>                                 |      | <b>\$7,814,401</b> | <b>\$7,594,723</b> |
| <b>(Loss)/profit before income tax expense</b>        |      | <b>(\$160,190)</b> | <b>\$637,672</b>   |
| Income tax expense                                    |      | -                  | -                  |
| <b>(Loss)/profit after income tax expense</b>         |      | <b>(\$160,190)</b> | <b>\$637,672</b>   |
| Other comprehensive income for the year, net of tax   |      | -                  | -                  |
| <b>Total comprehensive (loss)/profit for the year</b> |      | <b>(\$160,190)</b> | <b>\$637,672</b>   |

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

## HelpingMinds Limited

### STATEMENT OF FINANCIAL POSITION As at 30 June 2018

|                                      | Note | 30 June 2018       | 30 June 2017       |
|--------------------------------------|------|--------------------|--------------------|
| <b>Assets</b>                        |      |                    |                    |
| Cash and cash equivalents            | 6    | \$1,519,219        | \$1,311,244        |
| Trade and other receivables          | 7    | \$64,664           | \$16,608           |
| Short term deposits                  |      | \$1,050,000        | \$1,030,000        |
| Other current assets                 |      | -                  | \$40,968           |
| <b>Total current assets</b>          |      | <b>\$2,633,883</b> | <b>\$2,398,820</b> |
| Property, plant and equipment        | 8    | \$2,088,976        | \$2,239,444        |
| Intangible assets                    | 9    | -                  | \$44,965           |
| Security deposits                    |      | \$33,413           | \$15,213           |
| <b>Total non-current assets</b>      |      | <b>\$2,122,389</b> | <b>\$2,299,622</b> |
| <b>Total assets</b>                  |      | <b>\$4,756,272</b> | <b>\$4,698,442</b> |
| <b>Liabilities</b>                   |      |                    |                    |
| Trade and other payables             | 10   | \$230,277          | \$180,680          |
| Unexpended funds                     | 11   | \$585,906          | \$277,249          |
| Employee benefits                    | 12   | \$206,151          | \$250,476          |
| <b>Total current liabilities</b>     |      | <b>\$1,022,334</b> | <b>\$708,405</b>   |
| Employee benefits                    | 12   | \$60,959           | \$135,002          |
| Loans and borrowings                 |      | -                  | \$21,866           |
| <b>Total non-current liabilities</b> |      | <b>\$60,959</b>    | <b>\$156,868</b>   |
| <b>Total liabilities</b>             |      | <b>\$1,083,293</b> | <b>\$865,273</b>   |
| <b>Net assets</b>                    |      | <b>\$3,672,979</b> | <b>\$3,833,169</b> |
| <b>Equity</b>                        |      |                    |                    |
| <b>Retained earnings</b>             |      |                    |                    |
| Designated funds                     | 14   | \$268,094          | \$536,188          |
| Unrestricted funds                   |      | \$3,404,885        | \$3,296,981        |
| <b>Total equity</b>                  |      | <b>\$3,672,979</b> | <b>\$3,833,169</b> |

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

## HelpingMinds Limited

### STATEMENT OF CHANGES IN EQUITY For the year ended 30 June 2018

|   | Unrestricted<br>funds | Designated<br>funds | Total<br>equity    |
|---|-----------------------|---------------------|--------------------|
| <b>Balance at 1 July 2016</b>                       | <b>\$3,195,497</b>    | <b>-</b>            | <b>\$3,195,497</b> |
| <b>Profit after income tax for the year</b>         | <b>\$101,484</b>      | <b>\$536,188</b>    | <b>\$637,672</b>   |
| Other comprehensive income for the year, net of tax | -                     | -                   | -                  |
| <b>Total comprehensive profit for the year</b>      | <b>\$101,484</b>      | <b>\$536,188</b>    | <b>\$637,672</b>   |
| <b>Balance at 30 June 2017</b>                      | <b>\$3,296,981</b>    | <b>\$536,188</b>    | <b>\$3,833,169</b> |
| <b>Balance at 1 July 2017</b>                       | <b>\$3,296,981</b>    | <b>\$536,188</b>    | <b>\$3,833,169</b> |
| <b>Loss after income tax for the year</b>           | <b>\$107,904</b>      | <b>(\$268,094)</b>  | <b>(\$160,190)</b> |
| Other comprehensive income for the year, net of tax | -                     | -                   | -                  |
| <b>Total comprehensive loss for the year</b>        | <b>\$107,904</b>      | <b>(\$268,094)</b>  | <b>(\$160,190)</b> |
| <b>Balance at 30 June 2018</b>                      | <b>\$3,404,885</b>    | <b>\$268,094</b>    | <b>\$3,672,979</b> |

The above statement of changes in equity should be read in conjunction with the accompanying notes.

## HelpingMinds Limited

### STATEMENT OF CASH FLOWS For the year ended 30 June 2018

|   | Note | 30 June 2018       | 30 June 2017       |
|---|------|--------------------|--------------------|
| <b>Cash flows from operating activities</b>     |      |                    |                    |
| Receipts from funding bodies                    |      | \$7,812,665        | \$8,063,123        |
| Receipts from donations and other income        |      | \$57,834           | \$72,203           |
| Cash paid to suppliers and employees            |      | (\$7,664,726)      | (\$6,856,276)      |
| Interest received                               |      | \$44,313           | \$56,662           |
| Interest paid                                   |      | (\$245)            | (\$19,830)         |
| <b>Net cash from operating activities</b>       |      | <b>\$249,841</b>   | <b>\$1,315,882</b> |
| <b>Cash flows from investing activities</b>     |      |                    |                    |
| Acquisition of property, plant and equipment    |      | -                  | (\$129,355)        |
| Payment for short term deposits                 |      | (\$20,000)         | -                  |
| <b>Net cash used in investing activities</b>    |      | <b>(\$20,000)</b>  | <b>(\$129,355)</b> |
| <b>Cash flows from financing activities</b>     |      |                    |                    |
| Repayment of borrowings                         |      | (\$21,866)         | (\$315,829)        |
| <b>Net cash used in financing activities</b>    |      | <b>(\$21,866)</b>  | <b>(\$315,829)</b> |
| Net increase in cash and cash equivalents       |      | \$207,975          | \$870,698          |
| Cash and cash equivalents at beginning of year  |      | \$1,311,244        | \$440,546          |
| <b>Cash and cash equivalents at end of year</b> | 6    | <b>\$1,519,219</b> | <b>\$1,311,244</b> |

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

## **HelpingMinds Limited**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2018**

#### **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 or amended Accounting Standards and Interpretations adopted**

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

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

The company's registered office is: 182 Lord Street, Perth WA 6000.

The company's principal activity is the enhancement of the wellbeing of family, friends and others who care for people with mental illness and/or psychosocial disability by providing quality support, education and advocacy services.

##### **(a) Basis of preparation**

In the directors' opinion, HelpingMinds Limited is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and the Corporations Act 2001 requirements to prepare and distribute financial statements to the members of HelpingMinds Limited. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of HelpingMinds Limited.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

The financial report has been prepared under the historical cost convention.

The financial report is presented in Australian dollars (\$), unless otherwise stated.

##### **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 company'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.

## **HelpingMinds Limited**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2018**

#### **1. Significant Accounting Policies**

##### **(b) 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 the company's 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 the company's 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.

##### **(c) Trade and other payables**

These amounts represent liabilities for goods and services provided 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.

##### **(d) 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.



## **HelpingMinds Limited**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2018**

#### **1. Significant Accounting Policies**

##### **(e) Cash and cash equivalents**

Cash and cash equivalents include 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.

##### **(f) Trade and other receivables**

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

##### **(g) Property, plant and equipment**

###### *(i) Recognition and measurement*

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Generally small items of less than \$5,000 purchased from funded sources are written off on purchase.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "other income" or "other expenses" in profit or loss.

###### *(ii) Subsequent costs*

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

###### *(iii) Depreciation*

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Land is not depreciated.

Items of property, plant and equipment are depreciated from the date that they are installed and ready for use.

## HelpingMinds Limited

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

#### 1. Significant Accounting Policies

##### (g) Property, plant and equipment

###### *(iii) Depreciation*

The depreciation rates used for the significant items of property, plant and equipment as follows:

|                        | 2018      | 2017      |
|------------------------|-----------|-----------|
| Building improvements  | 2.5%      | 2.5%      |
| Furniture and fittings | 15% - 20% | 15% - 20% |
| Motor vehicles         | 20% - 25% | 20% - 25% |
| Plant and equipment    | 10% - 50% | 10% - 50% |

##### (h) Intangible assets

###### *(i) Software*

Other intangible assets that are acquired and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

###### *(ii) Subsequent expenditure*

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

###### *(iii) Amortisation*

Intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use.

The estimated useful lives are as follows:

|          | 2018    | 2017    |
|----------|---------|---------|
| Software | 2 years | 2 years |

## HelpingMinds Limited

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

#### 1. Significant Accounting Policies

##### (i) 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.

##### (j) Employee benefits

###### *(i) Short-term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

###### *(ii) Defined contribution superannuation plans*

Obligations for contributions to defined contribution superannuation plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

###### *(iii) Other long-term employee benefits*

The net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. Long Service Leave is accrued for employees with 6 or more years of service.

## **HelpingMinds Limited**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2018**

#### **1. Significant Accounting Policies**

##### **(k) Revenue**

###### *(i) Government grants*

Grant revenue is recognised when the company obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity 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 as unexpended funds until those conditions are satisfied.

###### *(ii) Fundraising and donations*

Donations and bequests are recognised as revenue when it is received.

###### *(iii) Interest income*

Interest revenue is recognised using the effective interest rate method.

###### *(iv) In-kind donations*

Items received as donations are included at the fair value where this can be quantified, and a third party bears the cost. No amounts are included in the financial statements for services donated by volunteers.

##### **(l) Income tax**

HelpingMinds Limited is exempt from income tax under the provisions of Section 50-5 of the Income Tax Assessment Act 1997.

##### **(m) Fund accounting**

On occasion HelpingMinds Limited may receive resources for particular purposes. To facilitate observance of these limitations, the financial report lists separately those funds which are restricted or designated and those funds which are unrestricted.

- Restricted funds are those presently for use, but expendable only for operating purposes specified by contract.
- Designated funds are those presently available for use, but expendable only for operating purposes specified by the Board. Designated funds are not subject to a legal commitment and may be reallocated pursuant to Board approval.
- Unrestricted funds are those funds presently available for use at the discretion of the Board.

## **HelpingMinds Limited**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2018**

#### **1. Significant Accounting Policies**

##### **New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted for the annual reporting period ended 30 June 2018

The impact of the Standards and Interpretations in issue but not yet adopted is being assessed by the company.

##### **Note 2. Critical accounting judgements, estimates and assumptions**

The board evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

##### ***Impairment***

The company assess impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

## HelpingMinds Limited

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2018

#### Note 3. Correction of prior period errors

HelpingMinds Limited's head office building at 182 Lord Street Perth is jointly owned with another charity and was partly funded by grants in 2005 and 2007 and is subject to restrictions of ownership conditions until February 2027 (note 17). The asset and corresponding liability were being amortized over the period of the restrictions of ownership as set out in a deed dated 22 February 2007.

In June 2017, the company receipted grant funding which was deferred on the statement of financial position as at 30 June 2017.

Accounting for grants in accordance with accounting standards resulted in an addition to the company's assets and a reduction in the company's liabilities.

The impact of the correction of the errors on the amounts disclosed in the 30 June 2017 financial report was summarised as follows.

|   | 30 June 2017 | Impact of<br>correction of<br>error | 30 June 2017<br>Restated |
|---|--------------|-------------------------------------|--------------------------|
| <b>Statement of Financial Position</b>                                |              |                                     |                          |
| Total assets  | \$3,989,653  | \$708,789                           | \$4,698,442              |
| Total liabilities   | \$1,682,837  | (\$817,564)                         | \$865,273                |
| Retained earnings   | \$2,306,816  | \$1,526,353                         | \$3,833,169              |
| <b>Statement of profit or loss and other<br/>comprehensive income</b> |              |                                     |                          |
| Total comprehensive income for the<br>year                            | \$77,653     | \$560,019                           | \$637,672                |

## HelpingMinds Limited

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2018

| <b>4 Revenue and other income</b>                        | <b>30 June 2018</b> | <b>30 June 2017</b> |
|--|---------------------|---------------------|
| Government grants  | \$7,289,169         | \$7,832,841         |
| Interest income  | \$56,504            | \$56,662            |
| Fundraising and donations                                | \$18,186            | \$17,260            |
| Respite service income                                   | \$27,368            | \$49,465            |
| Management fees  | \$221,040           | \$221,040           |
| Vehicle  | \$29,664            | \$49,650            |
| Other Income   | \$12,280            | \$5,477             |
|  | <b>\$7,654,211</b>  | <b>\$8,232,395</b>  |
| <b>5 Employee benefits expenses</b>                      |                     |                     |
| Salaries and wages                                       | \$5,274,901         | \$4,797,941         |
|  | <b>\$5,274,901</b>  | <b>\$4,797,941</b>  |
| <b>6 Cash and cash equivalents</b>                       |                     |                     |
| Bank balances  | \$1,516,602         | \$1,309,147         |
| Petty cash   | \$2,617             | \$2,097             |
| Cash and cash equivalents in the statement of cash flows | <b>\$1,519,219</b>  | <b>\$1,311,244</b>  |
| <b>7 Trade and other receivables</b>                     |                     |                     |
| Trade debtors  | \$11,095            | \$16,608            |
| Other receivables  | \$53,569            | -                   |
|  | <b>\$64,664</b>     | <b>\$16,608</b>     |

## HelpingMinds Limited

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2018

#### 8 Property, plant and equipment

|                                    | Land and<br>buildings | Furniture and<br>fittings | Motor vehicles   | Plant and<br>equipment | Total              |
|------------------------------------|-----------------------|---------------------------|------------------|------------------------|--------------------|
| <b>Cost</b>                        |                       |                           |                  |                        |                    |
| Cost at 1 July 2017                | \$2,400,198           | \$42,724                  | \$155,625        | \$129,355              | <b>\$2,727,902</b> |
| Additions                          | -                     | -                         | -                | -                      | -                  |
| Accumulated depreciation writeback | (\$20,984)            | -                         | -                | -                      | <b>(\$20,984)</b>  |
| Impairment                         | (\$44,652)            | -                         | -                | -                      | <b>(\$44,652)</b>  |
| Balance at 30 June 2018            | <b>\$2,334,562</b>    | <b>\$42,724</b>           | <b>\$155,625</b> | <b>\$129,355</b>       | <b>\$2,662,266</b> |
| <b>Accumulated depreciation</b>    |                       |                           |                  |                        |                    |
| Balance at 1 July 2017             | \$291,580             | \$22,211                  | \$124,268        | \$50,399               | <b>\$488,458</b>   |
| Depreciation for the year          | \$25,492              | \$2,308                   | \$18,098         | \$59,918               | <b>\$105,816</b>   |
| Accumulated depreciation writeback | (\$20,984)            | -                         | -                | -                      | <b>(\$20,984)</b>  |
| Balance at 30 June 2018            | <b>\$296,088</b>      | <b>\$24,519</b>           | <b>\$142,366</b> | <b>\$110,317</b>       | <b>\$573,290</b>   |
| <b>Carrying amounts</b>            |                       |                           |                  |                        |                    |
| At 1 July 2017                     | \$2,108,618           | \$20,513                  | \$31,357         | \$78,956               | <b>\$2,239,444</b> |
| At 30 June 2018                    | <b>\$2,038,474</b>    | <b>\$18,205</b>           | <b>\$13,259</b>  | <b>\$19,038</b>        | <b>\$2,088,976</b> |



## HelpingMinds Limited

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2018

|    |                                   | 30 June 2018     | 30 June 2017     |
|----|-----------------------------------|------------------|------------------|
| 9  | <b>Intangible asset</b>           |                  |                  |
|    | <i>Software</i>                   |                  |                  |
|    | Cost                              | \$100,532        | \$100,532        |
|    | Accumulated amortisation          | (\$100,532)      | (\$55,567)       |
|    |                                   | <b>-</b>         | <b>\$44,965</b>  |
| 10 | <b>Trade and other payables</b>   |                  |                  |
|    | Trade payables                    | \$219,777        | \$100,686        |
|    | Other payables and accruals       | \$10,500         | \$25,564         |
|    | GST payable                       | -                | \$54,430         |
|    |                                   | <b>\$230,277</b> | <b>\$180,680</b> |
| 11 | <b>Unexpended funds</b>           |                  |                  |
|    | Unexpended funds                  | \$585,906        | \$277,249        |
|    |                                   | <b>\$585,906</b> | <b>\$277,249</b> |
| 12 | <b>Employee benefits</b>          |                  |                  |
|    | <i>Current</i>                    |                  |                  |
|    | Superannuation                    | -                | \$34,248         |
|    | Centrelink for Maternity Leave    | -                | \$2,609          |
|    | Liability for annual leave        | \$206,151        | \$213,619        |
|    | Liability for long service leave  | -                | -                |
|    |                                   | <b>\$206,151</b> | <b>\$250,476</b> |
|    | <i>Non-current</i>                |                  |                  |
|    | Liability for long service leave  | \$60,959         | \$135,002        |
|    |                                   | <b>\$60,959</b>  | <b>\$135,002</b> |
| 13 | <b>Remuneration of auditors</b>   |                  |                  |
|    | Audit of the financial statements | \$14,410         | \$11,574         |
|    |                                   | <b>\$14,410</b>  | <b>\$11,574</b>  |
| 14 | <b>Designated funds</b>           |                  |                  |

Funding received from the Department of Social Services under the Mental Health Respite Carer Supports programme specifically related to the transition to NDIS have different acquittal requirements from other grants and under revenue recognition accounting standards do not qualify to be carried forward as unearned revenue. The funds have been designated to be used for the purposes of the funded programme equally between 2017/18 and 2018/19.

## HelpingMinds Limited

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

#### 15. Operating leases

At the end of the reporting period, the future minimum lease payments (including GST) under non-cancellable operating leases are payable as follows.

Payable - minimum lease payments:

| Motor<br>Vehicles                  | 2018     | 2017     |
|------------------------------------|----------|----------|
| - not later than 12 months         | \$17,609 | \$37,499 |
| - between 12 months and five years |          | \$3,734  |
| - later than five years            | -        | -        |
| Total lease liability              | \$17,609 | \$41,233 |

| Printers                           | 2018    | 2017     |
|------------------------------------|---------|----------|
| - not later than 12 months         | \$4,990 | \$4,990  |
| - between 12 months and five years | \$4,158 | \$9,147  |
| - later than five years            | -       | -        |
| Total lease liability              | \$9,148 | \$14,137 |

#### 16. Commitments

With the exception of the operating lease commitments in note 15 above, there were no other commitments at the year end.

#### 17. Contingent Liabilities

HelpingMinds Limited's head office building at 182 Lord Street Perth is jointly owned with another charity and was partly funded by grants in 2005 and 2007 and is subject to restrictions of ownership conditions until February 2027. It is expected that these conditions will be met and repayment of the grant will not be required.

#### 18. Events after the reporting period

No matter or circumstance has arisen since 30 June 2018 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

## Directors' declaration

In the opinion of the Board of Directors of HelpingMinds Limited:

- 1) The attached financial statements and notes thereto comply with applicable accounting standards as described in Note 1 to the financial statements
- 2) The attached financial statements and notes thereto are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, and giving a true and fair view of the company's financial position as at 30 June 2018 and its performance for the year ended; and
- 3) In the Board's opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the directors:

On behalf of the Board



Patrick Hardwick  
Director

Dated at Perth this 25<sup>th</sup> day of September 2018.

**RSM Australia Partners**

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[www.rsm.com.au](http://www.rsm.com.au)**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
HELPINGMINDS LIMITED****Opinion**

We have audited the financial report of HelpingMinds Limited ("HelpingMinds"), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by the Board of Directors.

In our opinion, the financial report of HelpingMinds has been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of HelpingMinds' financial position as at 30 June 2018 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 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 HelpingMinds in accordance with 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.

**Basis of Accounting**

We draw attention to Note 1, which describes the basis of accounting. The financial report has been prepared to assist HelpingMinds to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**THE POWER OF BEING UNDERSTOOD  
AUDIT | TAX | CONSULTING**

RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

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## **Other Information**

The Board of Directors are responsible for the other information. The other information comprises the information included in HelpingMinds' annual report for the year ended 30 June 2018, but does not include the financial report and the 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, 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 Management and Board of Directors for the Financial Report**

The Board of Directors of HelpingMinds are responsible for the preparation of the financial report that gives a true and fair view in accordance with the basis of preparation described in Note 1 and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Board of Directors 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.

In preparing the financial report, the Board of Directors are responsible for assessing HelpingMinds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate HelpingMinds or to cease operations, or has no realistic alternative but to do so.

## **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 at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

## **Report on the requirements of the Charitable Collections Act (1946) (WA) and the Charitable Collections Regulations (1947) (WA)**

### **Opinion**

We have audited the financial report of HelpingMinds, as required by the *Charitable Collections Act (1946) (WA)* and the *Charitable Collections Regulations (1947) (WA)*.

In our opinion:

- (a) The financial report of HelpingMinds has been properly prepared, and the associated records have been properly kept for the year ended 30 June 2018, in accordance with the *Charitable Collections Act (1946) (WA)* and the *Charitable Collections Regulations (1947) (WA)*; and
- (b) Funds received as a result of fundraising activities conducted during the year ended 30 June 2018 have been properly accounted for and applied in accordance with the *Charitable Collections Act (1946) (WA)* and the *Charitable Collections Regulations (1947) (WA)*;

**Auditor's Responsibilities**

Our procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising activities pursuant to the *Charitable Collections Act (1946) (WA)* and the *Charitable Collections Regulations (1947) (WA)*.

Because of the inherent limitations of any assurance engagement, it is possible that fraud, error or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance with the requirements described in the above-mentioned Acts and Regulations as an audit is not performed continuously throughout the period and the audit procedures performed in respect of compliance with these requirements are undertaken on a test basis. The audit opinion expressed in this report has been formed on the above basis.

**RSM**  
RSM AUSTRALIA PARTNERS

**Al Whyte**  
ALASDAIR WHYTE  
Partner

Perth, WA  
Dated: 26 September 2018