

# **Society for Mental Health Research Inc**

ABN 637 754 160 41

## **Financial Report**

For the Year Ended 30 September 2021

# Society for Mental Health Research Inc

ABN 637 754 160 41

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For the Year Ended 30 September 2021

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# **Society for Mental Health Research Inc**

ABN 637 754 160 41

## **Committees' Report 30 September 2021**

The committee members submit the financial report on Society for Mental Health Research Inc for the financial year ended 30 September 2021.

### **Committee Members**

The names of the committee members throughout the year and at the date of this report are:

Prof Frances Kay-Lambkin  
Dr Alison Calear  
Dr Christopher Gale  
Prof Cathy Mihalopoulos  
Prof Ian Hickie  
Prof Eoin Killackey  
Prof Daniel Hermens  
Dr Ashleigh Lin  
Dr Fiona Cocker  
Dr Louise Thornton  
Prof Sarah Hetrick  
Prof Stephen Wood  
Prof Mike Kyrios

### **Principal activities and significant changes in nature of activities**

The principal activities of the association during the financial year were to prevent mental illness by supporting mental health research, and researchers; facilitating collaboration between different disciplines of mental health research; raising awareness of mental health issues and supporting the inclusion of mental health issues in the development of health policies, funding and services.

### **Significant changes**

No significant change in the nature of these activities occurred during the year.

### **Operating result**

The deficit for the 2021 financial year amounted to \$15,367 (2020: deficit of \$43,599).

### **Events after the reporting date**

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

# Society for Mental Health Research Inc

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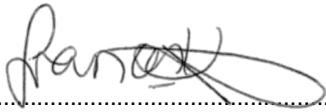
## Committees' Report

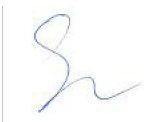
30 September 2021

### Auditor's independence declaration

The lead auditor's independence declaration for the year ended 30 September 2021 has been received and can be found on page 3 of the financial report.

Signed in accordance with a resolution of the Members of the Committee:

  
: .....  
Prof Frances Kay-Lambkin

  
: .....  
Prof Stephen Wood

Dated this .....18..... day of .....October..... 2022.

## AUDITOR'S INDEPENDENCE DECLARATION TO THE COMMITTEE MEMBERS OF SOCIETY FOR MENTAL HEALTH RESEARCH

I declare that, to the best of my knowledge and belief, during the year ended 30 September 2021 there have been:

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



**SW Audit** (formerly ShineWing Australia)  
Chartered Accountants



Hayley Underwood  
Partner

Melbourne, 18 October 2022



# Society for Mental Health Research Inc

ABN 637 754 160 41

## Statement of Comprehensive Income For the Year Ended 30 September 2021

	Note	2021 \$	2020 \$
<b>Revenue</b>			
Conference income		-	296,060
Membership income		13,783	14,581
Interest income		84	356
Donations / Fundraising income		1,963	4,530
		<u>15,830</u>	<u>315,527</u>
<b>Expenditure</b>			
Administrative expenses		(28,691)	(45,533)
Conference expenses		854	(307,434)
Career Coaching Program	2	-	(659)
Conference awards		(4,000)	(3,277)
Other expenses		(633)	(2,432)
		<u>(32,470)</u>	<u>(359,335)</u>
<b>Current year deficit</b>		<u>(16,640)</u>	<u>(43,808)</u>

The accompanying notes form part of these financial statements.

# Society for Mental Health Research Inc

ABN 637 754 160 41

## Statement of Financial Position

As At 30 September 2021

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	<b>139,728</b>	164,501
Other assets	4	<b>25,760</b>	24,423
<b>TOTAL CURRENT ASSETS</b>		<b>165,398</b>	188,924
<b>TOTAL ASSETS</b>		<b>165,398</b>	188,924
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	5	<b>33,583</b>	43,572
Contract liabilities	6	<b>11,048</b>	7,945
<b>TOTAL CURRENT LIABILITIES</b>		<b>44,631</b>	51,517
<b>TOTAL LIABILITIES</b>		<b>44,631</b>	51,517
<b>NET ASSETS</b>		<b>120,767</b>	137,407
<b>MEMBERS' FUNDS</b>			
Retained earnings		<b>120,767</b>	137,407
<b>TOTAL MEMBERS' FUND</b>		<b>120,767</b>	137,407

The accompanying notes form part of these financial statements.

# Society for Mental Health Research Inc

ABN 637 754 160 41

## Statement of Changes in Equity For the Year Ended 30 September 2021

	<b>Retained Earnings</b>
<b>Note</b>	<b>\$</b>
<b>Balance at 1 October 2019</b>	<b>151,215</b>
Initial adoption of AASB 15 <i>Revenue from Contracts with Customers</i>	1(i) 30,000
<b>Comprehensive Income</b>	
Deficit for the year	(43,808)
<b>Balance at 30 September 2020</b>	<b>137,407</b>
<b>Balance at 1 October 2020</b>	<b>137,407</b>
<b>Comprehensive Income</b>	
Deficit for the year	(16,640)
<b>Balance at 30 September 2021</b>	<b>120,767</b>

The accompanying notes form part of these financial statements.



# Society for Mental Health Research Inc

ABN 637 754 160 41

## Statement of Cash Flows

For the Year Ended 30 September 2021

	2021	2020
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from operations	19,132	315,622
Payments to suppliers	(43,989)	(333,423)
Interest received	84	356
Net cash provided by/(used in) operating activities	7 <u>(24,773)</u>	<u>(17,445)</u>
Net increase/(decrease) in cash and cash equivalents held	(24,773)	(17,445)
Cash and cash equivalents at beginning of year	<u>164,501</u>	<u>181,946</u>
Cash and cash equivalents at end of financial year	3 <u><u>139,728</u></u>	<u><u>164,501</u></u>

The accompanying notes form part of these financial statements.

# Society for Mental Health Research Inc

ABN 637 754 160 41

## Notes to the Financial Statements For the Year Ended 30 September 2021

### 1 Summary of Significant Accounting Policies

The financial statements cover the Society for Mental Health Research Inc (the Association) as an individual entity. The Society for Mental Health Research is an association incorporated in Victoria and operating pursuant to the *Associations Incorporation Reform Act 2012*.

The financial statements were authorised for issue on the date of signing the Committee Members' Declaration.

#### Financial Reporting Framework

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the *Associations Incorporation Reform Act 2012*, the *Australian Charities and Not-for-Profits Commission Act 2012* and the needs of the members. The committee has determined that the Association is not a reporting entity. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

#### Basis of Preparation

The financial statements have been prepared on an accruals basis and are based on historic costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The Association's functional and presentation currency is Australian dollars. The amounts presented in the financial statements have been rounded to the nearest dollar.

The following significant accounting policies have been adopted in the preparation of these financial statements.

#### Statement of compliance

These special purpose financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards.

#### (a) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

#### (b) Trade and other receivables

Trade and other receivables include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable and other debtors are initially recognised at their transaction price (unless there is a significant financing component) less expected credit losses and subsequently measured at amortised costs using effective interest method.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The organisation applies the simplified approach to impairment, as applicable in AASB 9.

# Society for Mental Health Research Inc

ABN 637 754 160 41

## Notes to the Financial Statements For the Year Ended 30 September 2021

### 1 Summary of Significant Accounting Policies

#### (c) Revenue and other income

Revenue from the rendering of a service is recognised upon the delivery of the service to members.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

Membership fees are recognised when members pay for their membership or on a basis that reflects the timing, nature and value of the benefits provided.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax.

#### (d) 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 Tax Office (ATO). 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 ATO is included with other receivables or payables in the assets and liabilities statement.

#### (e) Trade and other payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

#### (f) Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

#### (g) Income Tax

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

#### (h) Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

# Society for Mental Health Research Inc

ABN 637 754 160 41

## Notes to the Financial Statements For the Year Ended 30 September 2021

### 1 Summary of Significant Accounting Policies

#### (i) Accounting standards not yet adopted by the Association

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Association. The Association has decided not to early adopt any of these new and amended pronouncements. These new and amended pronouncements are considered to have a limited impact on the Association's reporting.

- *AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*
- *AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date*
- *AASB 2020-3: Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments*
- *AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates (amends AASB 7, AASB 101, AASB 108, AASB 134 & AASB Practice Statement 2)*

# Society for Mental Health Research Inc

ABN 637 754 160 41

## Notes to the Financial Statements For the Year Ended 30 September 2021

### 2 Career Coaching Program

The SMHR coaching program was provided to 13 pairs of mentees/mentors (26 in total) over a 12-month period. Run by Serendis, the costs of participation in the program were \$3,000 (ex GST) per pair. SMHR contributed \$1,500 to the costs of participation for the mentee/mentor pair, and mentees provided the remaining \$1,500. Mentors were reimbursed up to \$500 to assist with travel to each of the in-person events in Noosa, Newcastle, and Melbourne.

### 3 Cash and Cash Equivalents

	2021	2020
	\$	\$
Cash at bank	139,728	164,501

### 4 Other assets

Seed funds	24,423	24,423
Prepayments	1,247	-
	<u>25,670</u>	<u>24,423</u>

### 5 Trade and other payables

Accrued expenses	32,002	34,002
Trade payables	-	5,002
GST payable	1,581	4,361
	<u>33,583</u>	<u>43,572</u>

### 6 Contract liabilities

Membership revenue in advance	11,048	7,945
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### 7 Cash Flow Information

#### Reconciliation of Cash Flow from Operating Activities with Current Year Surplus

	2021	2020
	\$	\$
Current year deficit	(16,640)	(43,808)
Changes in assets and liabilities:		
- Decrease in trade and other receivables	-	3,300
- Decrease in other assets	(1,247)	574
- (Decrease)/Increase in trade and other payables	(9,989)	23,688
- (Decrease)/Increase in contract liabilities	3,103	(1,199)
Cashflows from operating activities	<u>(24,773)</u>	<u>(17,445)</u>

### 8 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

# **Society for Mental Health Research Inc**

ABN 637 754 160 41

## **Notes to the Financial Statements For the Year Ended 30 September 2021**

### **9 Statutory Information**

The registered office and principal place of business of the Association is:

Society for Mental Health Research Inc

35 Poplar Road

Parkville VIC 3052

# Society for Mental Health Research Inc

ABN 637 754 160 41

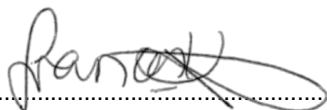
## Committee Members' Declaration

The committee members declare that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The committee members of the Association declare that:

1. The financial statements and notes, as set out on pages 4 to 12, are in accordance with the *Associations Incorporation Reform Act 2012 and the Australian Charities and Not-for-Profits Commission Act 2012* and:
  - (a) comply with Accounting Standards as stated in Note 1 to the financial statements; and
  - (b) give a true and fair view of the financial position as at 30 September 2021 and of the performance for the year ended on that date of the association
2. In the committee members' opinion, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the committee members.

Director .....  
  
Prof Frances Kay-Lambkin, Chairman

Dated this 18 day of October 2022

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF SOCIETY FOR MENTAL HEALTH RESEARCH INC.

#### Opinion

We have audited the financial report of Society for Mental Health Research Inc. (the Association), which comprises the statement of financial position as at 30 September 2021, 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 committee members' Declaration.

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

- a. giving a true and fair view of the Association's financial position as at 30 September 2021 and of its financial performance for the year then ended, 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 the Association in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

#### Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Association's financial reporting responsibilities under 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.





## **Responsibilities of Management and Those Charged with Governance for the Financial Report**

Management is responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. Management's responsibility also includes such internal control as management determines 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, management is responsible for assessing the Association'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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**SW Audit** (formerly ShineWing Australia)  
Chartered Accountants



Hayley Underwood  
Partner

Melbourne, 18 October 2022