SANE Australia
ABN 92 006 533 606

Directors' Report and Financial Statements

For the Year Ended 30 June 2016

Directors' Report
Year Ended 30 June 2016

The Directors of SANE Australia present this report on the Company for the financial year ended 30 June 2016.

Directors

The names of each person who has been a Director during the year and to the date of this report are:

Dr Mark Cross – appointed 21 September 2016
Dr Colin Fryer
Ms Heather Gray
Ms Kylie Griffin
Mr Osher Günsberg – appointed 28 September 2016
Mr John Heath
Mr Paul Kelly – resigned 22 August 2016
Ms Lucy Myer
Mr John O'Connell AO
Ms Margaret O'Donnell AO – appointed 20 June 2016
Mr Michael Perrott AM
Ms Melinda Snowden
Dr Kathryn Strasser
Mr Stanley Wallis AC – resigned 17 August 2015

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

The following person held the position of company secretary at the end of the financial year: Jacqueline Lane.

Principal Activities

The principal activity of the Company during the financial year was to help all Australians affected by mental illness lead a better life.

Long-term and short-term objectives

The Company's long-term objectives are to help all Australians affected by mental illness lead a better life through:

- *Working for mental health reform*
  SANE Australia will champion mental health reform for better services, more effective treatments, improved resource allocation, and greater collaboration.

- *Reducing stigma*
  SANE Australia aims to improve understanding of mental illness and reduce stigma – reducing the impact of prejudice and discrimination, and encouraging earlier diagnosis and treatment.

- *Action programs*
  SANE Australia will expand and extend its programs so that by 2018, the lives of one million people will benefit – also informing our advocacy and strengthening our voice.

The Company's short-term objectives are to help all Australians affected by mental illness lead a better life through:

- *Support*
  through peer support and provision of urgently-needed information, advice, and referral for people affected by mental illness.

- *Training*
  to enable people affected by mental illness, family and other carers, mental health workers, employers, and other groups to better understand and manage the effects of the illness.

- *Education*
  to educate the community about mental illness, and provide people affected by mental illness with the information and advice they need to find help, and to understand and manage their conditions.

Strategies

To achieve its stated purpose, the Company has adopted the following strategies:

- Providing support via the SANE Helpline and the online SANE Forums
- Training in a range of areas, including workplace training to increase awareness and understanding about mental illness in the workplace, suicide prevention, and promotion of good physical health for people living with a mental illness
- Improving community understanding via the SANE Media Centre and StigmaWatch program
- Advocacy activities at a national level
- Promotion of improved community attitudes through the SANE Speakers program
- Development and delivery of information resources on mental health
- Conducting action research and supporting the research of others

Key performance measures

The Company measures its own performance through the use of both qualitative and quantitative evaluation. These metrics are used by the Board to assess the financial sustainability of the Company, and whether the Company's short and long-term objectives are being met.

Operating Results

The net current year loss of the Company, including donations and bequests, for the year ended 30 June 2016 amounted to $29,469 (2015: deficit $8,909). During the year the Investment Fluctuation Reserve was decreased by $231,502 as a result of the decrease in the fair value of listed investments from the prior year, offset by the sale of investments. This amount was included in the Statement of Profit and Loss and Other Comprehensive Income as other comprehensive income and resulted in total comprehensive loss for the year of $260,971 (2015: $48,638).

Significant Changes in State of Affairs

No significant changes in the Company's state of affairs occurred during the financial year.

After Balance Date Events

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

Future Developments

The Company expects to maintain the present status and level of operations and hence there are no likely developments in the Company's operations.

Environmental Issues

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Information on Directors

Chair:	Margaret O'Donnell AO, FAICD B Social Studies (B Soc Stud) Uni of QLD Appointed: 20 June 2016
Honorary Treasurer:	Mr John O'Connell AO BEc, FICAA, FAICD Director, Schiavello, Rubicon Systems Australia Former Partner, KPMG
Other Board Members:	
Dr Mark Cross MBChB, MRCPsych (UK), FRANZCP Consultant Psychiatrist, Northside Group, Sydney Appointed: 21 September 2016	Dr Colin Fryer BE (Hons), PhD, DipMicro Chair, Tandem Inc (Vic Mental Health Carers Network) Former director, Bechtel Australia
Ms Heather Gray BA (Hons) LLB (Hons) Partner, Hall & Wilcox	Mr Osher Günsberg TV and radio personality Appointed: 28 September 2016
Ms Kylie Griffin Dip Comm. Welfare Mental health worker	Mr John Heath BA (Hons) LLB Chief Executive Officer, SANE Australia Chair, Drogmi Health Institute
Ms Lucy Myer B.Comm Associate Partner, SEEK Member of Sidney Myer Fund, Education Committee former member the Myer Foundation, Youth Mental Health Committee	Mr Michael Perrott AM BCom, FAIM, FAICD Chairman, Duncraig Investment Services Pty Ltd
Ms Melinda Snowden Bec, LLB, Fellow FINSIA, GAICD Non Executive Director, Kennards Self Storage Pty Ltd Non Executive Director WAM Leaders Limited Non Executive Director Mercer Investments (Australia) Limited Council Member, Newington College Advisory Board Member, New South Wales Leaders Advisory Board Member, Hardtofind.com Pty Ltd	Dr Kathryn Strasser MBBS Medical practitioner

	Directors' Meetings		Risk Management and Audit Committee Meetings		Governance and Nominations Committee Meetings	
	Number Eligible to attend	Number attended	Number Eligible to attend	Number attended	Number Eligible to attend	Number attended
Mr John O'Connell AO	6	6	4	4		
Ms Margaret O'Donnell AO	1	1	1	1		
Dr Colin Fryer	6	4				
Ms Kylie Griffin	6	5				
Ms Heather Gray	6	6	4	4	2	2
Mr John Heath	6	6	4	4	2	2
Mr Paul Kelly retired 22.08.16	6	1				
Ms Lucy Myer	5	3				
Mr Michael Perrott AM	6	5	4	4		
Ms Melinda Snowden	6	5	4	3	2	2
Dr Kathryn Strasser	6	4			2	2
Mr Stanley Wallis AC retired 17.08.15	1	1				

Meetings of Directors

During the financial year, six (6) meetings of Directors were held, in addition to four (4) meetings of the Risk Management and Audit Committee, and 2 meetings of the Governance and Nominations Committee.

Indemnifying Officers

The Company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $100 each towards meeting any outstanding obligations of the entity. At 30 June 2016 the number of members was 10 (2015: 11).

The Company's Constitution provides indemnity for each officer of the Company ('officer' being a Director, Secretary, Treasurer or employee and includes a former officer) out of the assets of the Company to the relevant extent against any liability incurred by the officer in or arising out of the conduct of the business of the Company or in or arising out of the discharge of the duties of the officer unless the liability was incurred by the officer through his or her own dishonesty, negligence, lack of good faith or breach of duty.

During the period under review, the Company has paid a premium for an insurance policy for the benefit of those officers. In accordance with common commercial practice, the insurance policy prohibits disclosure of the nature of the liability and the amount of the premium.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2016 has been received and is attached.

Signed in accordance with a resolution of the Board of Directors.

Director

John O'Connell AO, Honorary Treasurer

Director

John Heath, Chief Executive Officer

Dated this 26th day of October 2016

Statement of Profit and Loss and Other Comprehensive Income
For the Year Ended 30 June 2016

	Note	2016 $	2015 $
Revenue	3	3,621,519	3,890,791
Net Profit / (Loss) on sale of investments		153,766	47,228
Net Profit / (Loss) on sale of plant and equipment		(101)	500
Personnel costs		(2,330,362)	(2,292,177)
Community awareness and program expenses		(768,763)	(809,001)
Fundraising		(152,258)	(215,572)
Auditor's remuneration		(20,456)	(19,091)
Depreciation		(17,517)	(22,611)
Office operational		(515,297)	(588,976)
Current Year Surplus / (Loss) Before Income Tax		**(29,469)**	**(8,909)**
Income tax expense		-	-
Net Current Year Surplus / (Deficit)		**(29,469)**	**(8,909)**
Other Comprehensive Income			
Items that will be re-classified subsequently to profit and loss when specific conditions are met		(231,502)	57,547
Total Other Comprehensive Income / (Loss) for the Year		**(231,502)**	**57,547**
Total Comprehensive Income / (Loss) for the Year		**(260,971)**	**48,638**

The accompanying notes form part of these financial statements

Statement of Financial Position
as at 30 June 2016

	Note	2016 $	2015 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,882,610	1,098,036
Accounts receivable and other debtors	5	196,716	115,319
TOTAL CURRENT ASSETS		**2,079,326**	**1,213,355**
NON - CURRENT ASSETS			
Financial assets	7	1,773,459	2,234,066
Plant and equipment	8	138,606	100,449
Other assets	6	32,565	32,565
TOTAL NON - CURRENT ASSETS		**1,944,630**	**2,367,080**
TOTAL ASSETS		**4,023,956**	**3,580,435**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	304,709	222,196
Income received in advance	10	21,370	21,316
Provisions	11	143,454	218,038
Funds received in advance	12	964,265	268,259
TOTAL CURRENT LIABILITIES		**1,433,798**	**729,809**
NON - CURRENT LIABILITIES			
Provisions	11	22,672	22,169
TOTAL NON - CURRENT LIABILITIES		**22,672**	**22,169**
TOTAL LIABILITIES		**1,456,470**	**751,978**
NET ASSETS		**2,567,486**	**2,828,457**
EQUITY			
Retained earnings		678,771	708,240
Investment fluctuation reserve		138,715	370,217
Endowment fund		1,750,000	1,750,000
TOTAL EQUITY		**2,567,486**	**2,828,457**

The accompanying notes form part of these financial statements

Statement of Changes in Equity
For the Year Ended 30 June 2016

	Retained earnings	Investment fluctuation reserve (i)	Endowment fund	Total
	$	$	$	$
Balance as at 1 July 2014	717,149	312,670	1,750,000	2,779,819
Surplus / (Deficit) attributable to the Company	(8,909)	-	-	(8,909)
Other comprehensive income for the year	-	57,547	-	57,547
Balance at 30 June 2015	708,240	370,217	1,750,000	2,828,457
Surplus / (Deficit) attributable to the Company	(29,469)	-	-	(29,469)
Other comprehensive income / (loss) for the year	-	(231,502)	-	(231,502)
Balance at 30 June 2016	**678,771**	**138,715**	**1,750,000**	**2,567,486**

(i) The investment fluctuation reserve comprises the cumulative net change in the fair value of the available-for-sale financial assets until the assets are derecognised or impaired.

The accompanying notes form part of these financial statements

Statement of Cash Flows
For the Year Ended 30 June 2016

	Notes	2016 $	2015 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Corporate donations		35,313	100,661
Trusts, foundations and bequests		510,000	701,103
Individual donations		578,781	692,913
Government grants		2,390,441	1,867,771
Sales of publications		19,098	25,572
Professional advice		507,843	226,294
Interest and dividends		127,273	160,072
Sundry income		72,587	5,896
		4,241,336	3,780,282
Payments to employees and suppliers		(3,783,858)	(3,832,166)
Net cash provided / (used) by operating activities	**2**	**457,478**	**(51,884)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment of security deposits		-	(8,265)
Purchases of plant and equipment		(56,600)	(97,692)
Proceeds from sale of plant and equipment		825	500
Purchase of investments		(721,999)	(189,015)
Proceeds from sale of investments		1,104,872	192,982
Net cash provided / (used) in investing activities		**327,098**	**(101,490)**
Net increase / (decrease) in cash held		**784,574**	**(153,374)**
Cash at beginning of the year		1,098,036	1,251,410
Cash at end of the year	4	1,882,610	1,098,036

The accompanying notes form part of these financial statements

The financial statements cover SANE Australia as an individual entity, incorporated and domiciled in Australia. SANE Australia is a company limited by guarantee.

The financial statements were authorised for issue on 26 October 2016 by the directors of the Company.

Note 1: Summary of Significant Accounting Policies

The directors have prepared the financial statements on the basis that the Company is a non-reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Australian Charities and Not-for-profits Commission ("ACNC"). The Company is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the ACNC and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. These financial statements are presented in Australian dollars, which is the Company's functional currency. The amounts presented have been rounded to the nearest dollar.

Accounting Policies

a. Revenue

Non-reciprocal grant revenue is recognised in profit or loss when the entity 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 until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

SANE Australia receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in profit or loss.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised as it accrues using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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

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

b. Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and any impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

In the event the carrying amount of plant and equipment is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1 (e) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	10-25%

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise.

c. Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to entities in the economic entity, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

d. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument for financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

i. Financial assets at fair value through profit and loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

ii. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

iii. Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

iv. Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any re-measurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

v. Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is recognised.

Impairment

At the end of each reporting period, the Company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a 'loss event') having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

In the case of financial assets carried at amortised cost loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the written off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated the Company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

De-recognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are de-recognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

e. Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon on the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

f. Employee Provisions

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee provisions payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows attributable to employee provisions.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

g. Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

h. Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from customers and any outstanding grant receipts. 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.

i. 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 (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 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

j. 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.

k. Provisions

Provisions are recognised when the entity 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 recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

l. Comparative Figures

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

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies Items In its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

m. Accounts Payable and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

n. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments 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 the current trends and economic data, obtained both externally and within the Company.

Key estimates

i. Impairment

The Company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Company that may be indicative of impairment triggers.

ii. Useful lives of depreciable assets

The Company 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.

o. Economic Dependence

SANE Australia is dependent upon the ongoing receipt of Federal and State government grants and community and corporate donations to ensure the ongoing continuance of its programs. At the date of this report the Company has no reason to believe that this financial support will not continue.

p. New Accounting Standards for Application in Future Periods

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2016 and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the Company's financial statements.

Note 2: Cash Flow Information

Reconciliation of cash flows from operations with net current year surplus / (deficit)

	2016	2015
	$	$
Operating surplus / (deficit) after income tax	**(29,469)**	**(8,909)**
Non-cash flows in operating surplus / (deficit)		
- depreciation	17,517	22,611
- net realised (gains) / losses on investments	(153,766)	(47,228)
- net realised (gains) / losses on sale of plant and equipment	101	(500)
Changes in assets and liabilities		
- (increase) / decrease in receivables	(81,397)	168,059
- increase / (decrease) in creditors	82,513	13,915
- increase / (decrease) in income received in advance	54	21,316
- increase / (decrease) in provisions	(74,081)	78,688
- increase / (decrease) in grants received in advance	696,006	(299,836)
Net cash provided by / (used) by operating activities	**457,478**	**(51,884)**

Note 3: Revenue

	2016	2015
	$	$
Corporate donations	35,313	190,661
Trusts and foundations	577,580	296,781
Bequests	100,643	407,760
Individual donations	577,715	692,913
Government grants	1,626,921	1,861,335
Sales of publications	18,447	24,092
Professional advice	497,392	247,087
Interest and dividends	114,939	164,199
Sundry income	72,569	5,963
	3,621,519	**3,890,791**

Note 4: Cash and cash equivalents

	2016	2015
	$	$
At bank	1,882,259	1,097,775
On hand	351	261
	1,882,610	**1,098,036**

Note 5: Accounts receivable and other debtors

	2016	2015
	$	$
Accounts receivable	63,376	74,425
Sundry receivables *	133,340	40,894
	196,716	**115,319**

* During the year, the Company identified an entitlement to claim refunds of franking credits totaling $99,643 in respect of franked dividends received during the years ended 30 June 2014 to 30 June 2015. Claims have been lodged with the Australian Taxation Office and the amounts claimed are expected to be received during the 2017 financial year.

Note 6: Other assets

	2016	2015
	$	$
Non-current		
Security deposits – rental	**32,565**	**32,565**

Note 7: Financial assets

	2016	2015
	$	$
Available-for-sale financial assets comprise:		
Listed investments, at fair value:		
- shares in listed corporations at market value	702,718	1,422,018
Unlisted investments, at fair value		
- units in managed funds at market value	1,070,741	812,048
Total available-for-sale financial assets	**1,773,459**	**2,234,066**

Note 8: Plant and equipment

	Equipment and furniture at cost	Leasehold improvements at cost	Total
	$	$	$
Cost	101,527	240,978	342,505
Accumulated depreciation	(49,518)	(192,538)	(242,056)
Balance at 30 June 2015	**52,009**	**48,440**	**100,449**
Cost	98,363	297,578	395,941
Accumulated depreciation	(54,367)	(202,968)	(257,335)
Balance at 30 June 2016	**43,996**	**94,610**	**138,606**

Note 9: Trade and other payables

	2016	2015
	$	$
Trade payables	132,886	86,715
Sundry payables	171,823	135,481
	304,709	**222,196**

Note 10: Income received in advance

	2016	2015
	$	$
ME eLearning receipts in advance	**21,370**	**21,316**

Note 11: Provisions

	2016	2015
	$	$
Current		
Employee benefits	143,454	198,038
Provision – Barbara Hocking Fellowship	-	20,000
	143,454	**218,038**
Non-current		
Employee benefits	22,672	22,169

Note 12: Funds received in advance

	2016	2015
	$	$
Government funded	796,173	32,654
Non-government funded	168,092	235,605
	964,265	**268,259**

Note 13: Auditor's remuneration

Amounts paid or payable to the auditors for:

	2016	2015
	$	$
Auditing of financial statements and acquittal audits	**20,000**	**20,000**

Note 14: Operating lease commitments

Non-cancellable operating lease contracted for but not capitalised in the financial statements.

	2016	2015
	$	$
Payable:		
- not later than 1 year	135,271	127,634
- later than 1 year but not later than 5 years	428,277	547,253
- later than 5 years	-	28,715
	563,548	**703,602**

Note 15: Members' guarantee

The Company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $100 towards meeting any outstanding obligations of the entity. As at 30 June 2016, the number of members was 10 (2015: 11).

Note 16: Entity details

The registered office of the Company is:

SANE Australia
Suite 202
120 Clarendon Street
Southbank VIC 3006

The principal place of business is:

SANE Australia
Suite 202
120 Clarendon Street
Southbank VIC 3006

Directors' Declaration

In the opinion of the directors of SANE Australia:

(a) the Company is not publicly accountable nor a reporting entity;

(b) the financial statements and notes, set out on pages 2 to 21, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:

  (i) giving a true and fair view of the financial position of the Company as at 30 June 2016 and of its performance, as represented by the results of its operations for the financial year ended on that date in accordance with the statement of compliance and basis of preparation described in Note 1; and

  (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) to the extent described in Note 1, and the Australian Charities and Not-for-profits Commission Regulation 2013; and

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

Dated at Melbourne on the 26th October 2016.

Director

John O'Connell AO, Honorary Treasurer

Director

John Heath, Chief Executive Officer