

National Mental Health Commission

Annual Report 2014-15



Australian Government
National Mental Health Commission

Contact us

This Annual Report is available online at www.mentalhealthcommission.gov.au

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The Hon. Sussan Ley MP
Minister for Health
Minister for Aged Care
Minister for Sport
Parliament House
CANBERRA ACT 2600

Dear Minister

I am pleased to present the Annual Report of the National Mental Health Commission for the period ending 30 June 2015.

This Annual Report has been prepared in accordance with section 70 of the *Public Service Act 1999* and section 46 of the *Public Governance, Performance and Accountability Act 2013*. The Annual Report has been prepared to meet the requirements of section 70(2) of the *Public Service Act 1999* and in accordance with the *Annual Reports for Departments, Executive Agencies and Other Non-Corporate Commonwealth Entities approved by the Joint Committee of Public Accounts and Audit, June 2015*.

I submit this Annual Report in accordance with section 70(1) of the *Public Service Act 1999* for presentation to the Australian Parliament.

The Annual Report includes the National Mental Health Commission's audited financial statements as required by section 39 of the *Public Governance, Performance and Accountability Act 2013*.

I certify that I am satisfied the National Mental Health Commission has in place appropriate fraud control mechanisms to meet the needs of the National Mental Health Commission and to comply with the Commonwealth's Fraud Control Guidelines.

Yours sincerely

A handwritten signature in black ink, appearing to read 'David Butt', with a stylized flourish at the end.

David Butt
Chief Executive Officer
Commissioner

22 October 2015

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National Mental Health Commission

Contributing Lives, Thriving Communities

Starting with our vision, mission and values...

... we will develop and value our people and effectively use our resources...

... to let Australians know how mental health and suicide prevention systems are performing through credible, independent reports and advice and effective collaborations...

Our vision

All people in Australia achieve the best possible mental health and wellbeing.

Our mission

To give mental health and suicide prevention national attention, influence reform and help people live contributing lives, by leading, reporting, advising and collaborating.

Our values

- We value people
- We value leadership that makes a difference
- We value truth, accountability and independence
- We value collaboration

Our resources

Commissioners

- develop as a group that holds itself to account, acts independently and with purpose
- develop a culture where people work across teams but have a sense of their own contribution

Staff

- maintain a culture of professionalism with leadership and resources that enable a high standard of performance
- are committed, skilled, motivated and responsive
- are afforded opportunities to build their skills and continuous learning is promoted

Partners

- collaborate to influence change and improvement, and maximise effort and resources

Good governance and management

- prioritise and maximise our use of resources

Our work

The National Mental Health Commission (the Commission) provides insight, advice and evidence on ways to continuously improve Australia's mental health and suicide prevention systems, and acts as a catalyst for change to achieve those improvements. This includes increasing accountability and transparency in mental health through the provision of independent reports and advice to the Australian Government and the community.

The Commission will provide cross-sectoral leadership on the policy, programmes, services and systems that support better mental health and social and emotional wellbeing in Australia.

The Commission will support the Australian Government to ensure investment in mental health is both effective and efficient. The

Commission works with stakeholders – particularly with people with lived experience, their families and other support people – to ensure reforms are collectively owned and actioned and enable participation in government process.

In 2015-16, the Commission will:

- analyse, monitor and report on mental health and suicide prevention
- promote participation of people with lived experience, their families and other carers at all levels of the system
- provide support and advice to the Australian Government on mental health and suicide prevention
- analyse the economic impact of different interventions which improve mental health and wellbeing, including productivity and participation
- promote a person centred approach: embedding mental health within primary health care
- work towards elimination of seclusion and restraint
- collaborate to prevent suicides, suicide attempts and self-harm
- enhance workplace mental health
- promote and monitor the mental health peer workforce
- lead a strategic approach to the mental health research agenda

... to improve the mental health and wellbeing of people, families, and communities and help people to live contributing lives...

Our goals

- Ensure mental health and wellbeing continues to be a national priority
- Increase accountability and transparency through credible and useful public reporting and advice, informed by collaboration
- Provide leadership and information that helps to empower people with lived experience, their families and support people
- Work with others to influence decision-making, set goals and transform systems and supports to improve people's lives.

Role and Functions

The purpose of the National Mental Health Commission (the Commission) is to provide insight, advice and evidence on ways to continuously improve Australia's mental health and suicide prevention systems, and to act as a catalyst for change to achieve those improvements. This includes increasing accountability and transparency in mental health through the provision of independent reports and advice to the Australian Government and the community.

The Commission provides cross-sectoral leadership on the policy, programmes, services and systems that support better mental health and social and emotional wellbeing in Australia. The Commission works with stakeholders – particularly with people with lived experience, their families and other support people – to ensure reforms are collectively owned and actioned and enable participation in government process.

Throughout its existence, the Commission has applied the *Contributing Life* framework to its work – a whole-of-person, whole-of-life approach to mental health and wellbeing. The Commission will work to ensure individuals live a contributing life; have equitable opportunity; have the best possible mental health and wellbeing; are included, and have knowledge, assurance and respect.

A contributing life can mean many things. It can mean a fulfilling life enriched with close connections to family and friends, good health and wellbeing to allow those connections to be enjoyed, having something to do each day that provides meaning and purpose – whether it be a job, supporting others or volunteering – and a home to live in, free from financial stress and uncertainty.

Indigenous people have significantly higher rates of mental distress, trauma, suicide and intentional self-harm, as well as exposure to risk factors such as stressful life events, family breakdown, unemployment, discrimination, imprisonment, crime victimisation and alcohol and substance misuse. The Commission supports Aboriginal and Torres Strait Islander mental health and social and emotional wellbeing as an overarching strategic priority which sits across all of our work areas.

The Commission also works across all areas that promote mental health and prevent mental illness and suicide – not just government and not just health, but the broader system including education, housing, employment, human services, justice and social support.

The Chair and Commissioners, who bring a range of expertise and perspectives, reflect the evidence they gather from the community, research and data. They are committed to giving a voice to the experiences of people living with mental health difficulties or suicide risk and their families and support people.

The Commission looks at a range of actions that promote good mental health, prevent mental health difficulties and aids recovery using four key strategies:

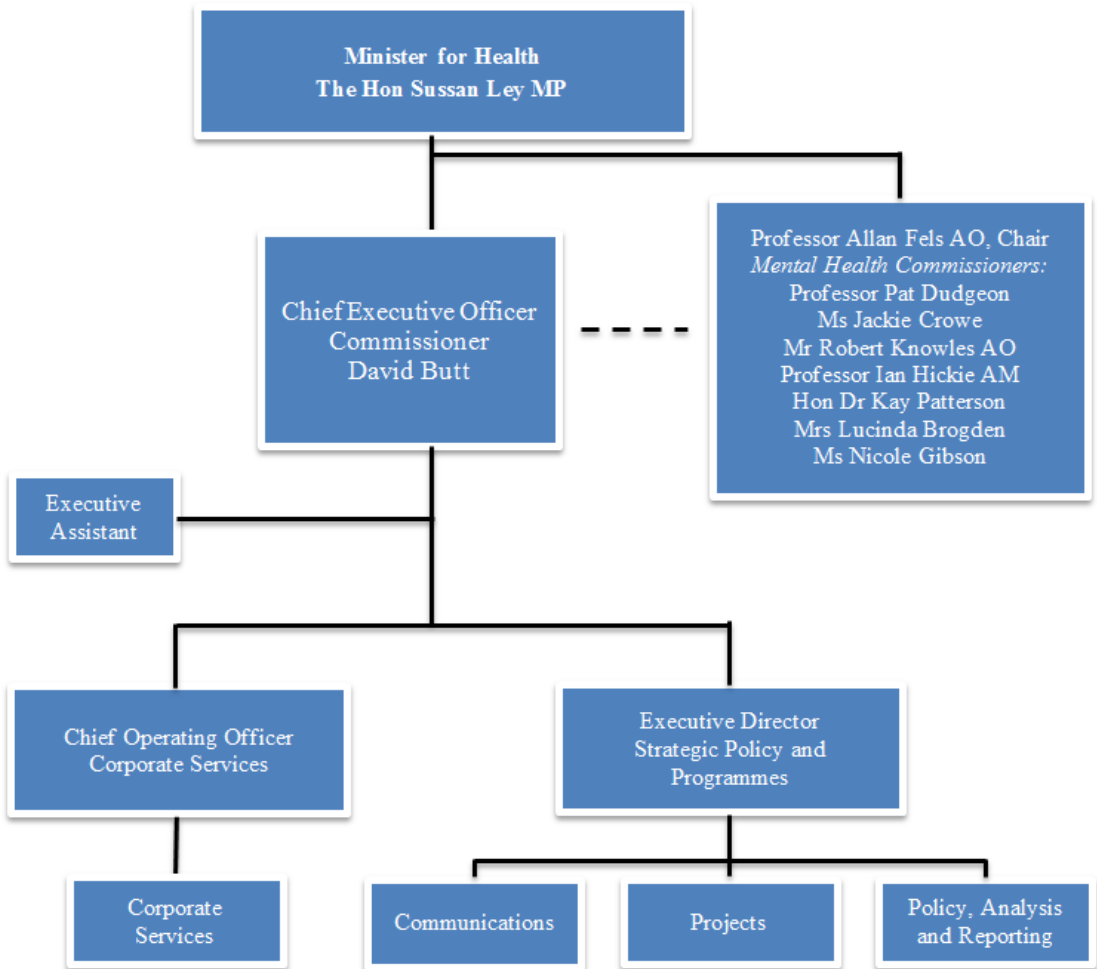
Leading: The Commission takes a leadership role and is committed to driving change that supports people's ability to lead a contributing life and maximise their potential.

Collaborating: The Commission aims to include people with lived experience in 100% of our projects that have governance and advisory arrangements. We also work collaboratively across governments and sectors on projects that require national or cross-sector approaches.

Advising: The Commission uses reports, relationships and influence to give honest and independent advice on where and how Australia can better support people with a lived experience of mental health difficulties, their families and support people.

Reporting: The Commission reports on national progress to improve mental health and prevent suicide.

National Mental Health Commission Structure as at 30 June 2015



Chief Executive Officer's Statement

In 2014-15 the National Mental Health Commission (the Commission) continued its work to ensure investment in mental health is both effective and efficient. The Commission worked with stakeholders – particularly with people with lived experience, their families and other support people – to ensure reforms are collectively owned and actioned and to enable participation in government process.

The Commission's primary focus for the first half of 2014-15 was delivering the *Contributing Lives, Thriving Communities Report of the National Review of Mental Health Programmes and Services* (the Review) to the Australian Government on 1 December 2014. The vision for the Review is in its title – Contributing Lives, Thriving Communities. It is framed by the Contributing Life principles which recognise that, if people can live fully contributing lives, this will enable socially and economically thriving communities, a more productive Australia, and stimulate economic growth.

The Review assessed the efficiency and effectiveness of existing national mental health programmes and services across all levels of government and the private and not-for-profit sectors that support individuals experiencing mental ill-health and their families and other support people. The Review describes nine strategic directions, with twenty-five recommendations and a detailed implementation framework. Together they form a strong, achievable and practical plan to government on system-wide reform to transform mental health and wellbeing across Australia.

Through the work of the Review the Commission found there is an extraordinarily high degree of consensus as to the directions needed to create a system which promotes good mental health and wellbeing and enables a contributing life. The Commission is confident that the adoption of the recommendations in the Review will result in transformational reform of the mental health system, promote significant innovation, particularly at a local level, and enable people, their families and communities to thrive.

The Commission received many heartfelt and moving submissions from people with a lived experience of mental health and suicide, including carers and other support people, which fed into the Review. I acknowledge and thank those people for the valuable contribution they provided to the Commission.

In the second half of 2014-15 the Commission continued working on a number of projects including the Mentally Healthy Workplace Alliance, the National Future Leaders in Mental Health project, the National Seclusion and Restraint Project, supporting the Peer Workforce and began work on the Data Linkage Project. The Commission also finalised its work on reporting back to Government and the community on progress against the Commission's recommendations in the 2012 and 2013 National Report Cards on Mental Health and Suicide Prevention.

Throughout the year the Commission held seven Commission meetings including a meeting in the Northern Territory to explore issues related to rural, regional, remote and Aboriginal and Torres Strait Islander mental health and suicide prevention. The Commissioners were grateful and honoured to hear the stories of elders and community members.

I wish to acknowledge and thank the Chair and Commissioners for their outstanding leadership and support this year and the significant contributions they made to the Commission's work. Their tireless effort in developing and promoting the Review while ensuring that the recommendations reflected the views of people with lived experience, their families and other support people, is commendable.

I also wish to convey my sincere thanks and appreciation to the staff of the Commission. Your hard work and commitment to improving the mental health and wellbeing of all Australians is exceptional.

David Butt
Chief Executive Officer
Commissioner

Our Commissioners

The Chair and Commissioners help set the Commission's strategic directions and priorities and provide independent advice and reports to the Australian Government.

Allan Fels AO – Chair



Professor Allan Fels was until recently Dean of the Australia and New Zealand of Government, an institution established by the governments of Australia, New Zealand, the states and territories and 16 leading universities that educate and train senior public sector leaders.

He also is Chairman of the Haven Foundation, which seeks to provide accommodation and support for the long-term mentally ill.

Professor Fels was Chairman of the Australian Competition and Consumer Commission from 1995 to 2003 and before that Chairman of the Trade Practices Commission and Chairman of the Prices Surveillance Authority.

In the field of mental health Professor Fels serves or has served on a number of government advisory boards. He also is patron of many mental health networks. He was a member of the Bayside Health Board for a number of years. Professor Fels is a long-term advocate of mental health policy reform and a carer for his daughter.

Message from the Chair

“The focus of the Commission during 2014 was to undertake a review of existing mental health services and programmes across the government, non-government and private sectors. On 1 December 2014 the Commission delivered the Contributing Lives, Thriving Communities, Report of the National Review of the Mental Health Programmes and Services (the Review) to the Australian Government. This is a significant piece of work which presents a clear case for reform to our mental health system.

As Chair of the Commission and an economist, it is concerning to me that mental health is such a significant problem for our economy. Whether we measure the cost of mental illness in terms of individual suffering or the burden it places across society, we currently are paying too high a price for a system in urgent need of reform.

It is clear from our Review that there is immense scope for significantly reducing the impact of mental illness – both socially and economically – and improving the outcomes for individuals, families and the community. If we enable people to live contributing lives – to have relationships, stable housing, and to maximise participation in education, employment and the community more broadly – we will help build economically and socially thriving communities, and a more productive Australia. Our Review shows this is achievable and sets out a blueprint on how we can get there.

Throughout the second half of 2014-2015 and the forward years, the Commission continues to undertake work that provides leadership, insight, advice and evidence on ways to continuously improve Australia's mental health and suicide prevention systems, and acts as a catalyst for change to achieve those improvements.

My fellow Commissioners and I are grateful for the opportunity to make a valuable contribution to improving and supporting a transformed mental health system through the Review and through our ongoing work. We would like to sincerely thank everyone who provided their expert advice and stories to us - particularly people with lived experiences, their families and other support people – we look forward to continuing to work collectively to achieve our vision that all Australians achieve the best possible mental health and wellbeing.”

David Butt – CEO and Commissioner



Mr David Butt was appointed CEO of the National Mental Health Commission in January 2014. Mr Butt has 30 years of experience in the health system, much of it at CEO and Executive level.

Prior to his appointment to the Commission, Mr Butt was Deputy Secretary of the Australian Department of Health from August 2011, head of Rural and Regional Health Australia, and the Commonwealth's first Chief Allied Health Officer.

This followed 15 years as CEO of three major health system organisations: Chief Executive of Australian Capital Territory (ACT) Health and Community Care, National CEO of Little Company of Mary Health Care (the Calvary group – one of Australia's largest not for profit hospitals and health services providers) and CEO of the Australian General Practice Network.

Prior to this Mr Butt worked as an executive in a number of positions in Queensland Health, including as Executive Director of Policy and Planning and for a brief time as Regional Director of Peninsula and Torres Strait health region.

Lucinda Brogden



Mrs Lucinda Brogden brings to the commission extensive experience in psychology and has a strong commitment to helping others and building stronger communities.

Mrs Brogden's primary areas of focus are issues facing Mental Health and Wellbeing particularly in the workplace and the community. She takes an evidence based approach to problem solving and social investment.

Mrs Brogden has more than 25 years' commercial experience with companies including Macquarie Group and Ernst & Young and more than ten years in organisational psychology. Specifically, Mrs Brogden has worked in trusted advisory roles with some of Australia's leading CEOs, Managing Partners, Ministers and Chairs in investment banking, finance, law and government.

Jackie Crowe



Ms Jackie Crowe is dedicated to encouraging greater understanding, compassion and respect for people affected by mental ill health, the suicidal mind and the families, friends and carers who journey with them. Ms Crowe has been involved in mental health and suicide prevention issues in various advocacy, advisory, public speaking, research, consultancy and commissioner roles – at the local, state, national and international levels over many years.

Ms Crowe works to help create a better world that values all people, social justice and ends discrimination. Her work is always grounded in the perspectives of people affected by mental ill health and suicidal concerns. Ms Crowe is solution focused and has an enthusiastic vision about what is possible. Ms Crowe enjoys engaging in differing opinions and views which inform her work.

Ms Crowe combines her lived experience, understanding of the grass roots and knowledge of high level strategic policy and planning, with her familiarity with recovery and well being to shift thinking about mental ill health and suicide.

Pat Dudgeon



Professor Pat Dudgeon is from the Bardi people of the Kimberley area in Western Australia.

Professor Dudgeon is a psychologist and research fellow at the School of Indigenous Studies at the University of Western Australia. Her areas of research include Indigenous mental health and social and emotional wellbeing, and suicide prevention.

Professor Dudgeon is a member of the executive board of the Australian Indigenous Psychologist's Association; the Co-chair of the national ministerial Aboriginal Torres Strait Islander Mental Health and Suicide Prevention Advisory Group, and Chair of the National Aboriginal and Torres Strait Islander Leadership in Mental Health.

Professor Dudgeon is the project leader of the National Empowerment Project, an Indigenous suicide prevention project working with eleven Aboriginal communities across the country. Professor Dudgeon is also project leader of an Office for Learning and Teaching initiative increasing cultural competence and Indigenous participation in psychology education, and is the project lead for the Aboriginal and Torres Strait Islander Suicide Prevention Evaluation Project.

Professor Dudgeon is actively involved with the Aboriginal community and has a commitment to social justice for Indigenous people. Professor Dudgeon was recognised for her work with the Deadly Award for Excellence in Aboriginal and Torres Strait Islander Health in 2013.

Ian Hickie AM



Professor Ian Hickie AM is the Executive Director of the Brain & Mind Research Centre at the University of Sydney.

He is recognised for his extensive knowledge and experience in early detection and improving treatments of depressive disorders.

Professor Hickie was one of the first round of National Health and Medical Research Council Australian Fellows; recognising excellence in Australian Medical Research, and appointed for the period 2008-2013. He is now a Senior Principal Research Fellow of the NHMRC (2013-2017).

Professor Hickie has published more than 400 peer-reviewed journal articles, 20 book chapters and 30 educational materials.

From 2000–2003 he was the inaugural CEO of *beyondblue*: the national depression initiative and from 2003-2006 served as the organisation's Clinical Advisor. Professor Hickie's research, clinical and health services development work focuses on expansion of population-based mental health research and development of international mental health strategies.

Rob Knowles AO



Mr Rob Knowles AO is a farmer and company director.

Mr Knowles has been Chair of Mental Health Australia, a member of the National Health and Hospitals Reform Commission and President of the Mental Illness Fellowship of Australia. He is currently Chair of the Royal Children's Hospital and the Brotherhood of St Laurence.

He is a former Victorian Health, Housing and Aged Care Minister and has a strong interest in services for people with a lived experience, their families and support people.

The Hon. Dr Kay Patterson



The Hon Dr Kay Patterson was elected to the Australian Senate in 1987. Prior to entering the Senate, she managed a small business before attending the University of Sydney and then Monash University where she was awarded a PhD in Psychology. Dr Patterson taught at Sydney and Monash Universities and held senior academic positions including Chairman of the School of Behavioural Sciences at the Lincoln Institute (now at LaTrobe University). Dr Patterson served on a number of Senate committees and in Government was appointed Parliamentary Secretary to the Minister for Immigration and the Minister for Foreign Affairs

In 2001, Dr Patterson was appointed to Cabinet as Minister for Health and Ageing and in October 2003 Minister for Family and Community Services and Minister Assisting the Prime Minister for Women's Issues. She retired from Cabinet in 2006 and from the Senate in June 2008.

Dr Patterson was a member of the Monash University Council 1978-1998. Dr Patterson was appointed a Monash University Vice-Chancellor's Professorial Fellow in 2008-2013 – a position she held in an honorary capacity until 2015. Dr Patterson Chaired (2011-2013) the Victorian Ministerial Advisory Council on Homelessness. Dr Patterson is active in the not-for-profit sector and has served on the Victorian Girl Guides Executive and State Council and is a life-member of the Victorian Association. Dr Patterson is a Director of the Brockhoff Foundation and was Director and Vice-President of Interplast Australia and New Zealand (2006-2015). Dr Patterson has also been involved in a number of training programs in governance with members of parliament from the Pacific Islands and Laos. She is a graduate of the Institute of Company Directors.

Ms Nicole Gibson



Ms Nicole Gibson is committed to making a positive difference in the lives of young people. After overcoming mental health challenges as a young person, in particular anorexia nervosa, Ms Gibson is channelling her energy into motivating other young people to be the best they can be. In 2011, Ms Gibson established The Rogue & Rouge Foundation to reverse the stigmatisation of mental health, body image and self-esteem issues in Australia's young people.

Ms Gibson has recently completed her national youth motivation tour, 'Champions for Change', which has seen her facilitate workshops at 300 schools with 50,000 young people across Australia to encourage young people to champion change in their communities through the development of innovative solutions.

Ms Gibson was a finalist for Young Australian of the Year 2014, named as one of Australia's 2012 Young Social Pioneers and is a current finalist for The Pride of Australia Medal.

Outcome and programme structure

The Commission's Outcome and Programme Objectives are set out in the Budget Statements 2014-15.

The Commission's stated Outcome for 2014-15 was:

Provide expert advice to the Commonwealth Government and cross-sectoral leadership on the policy, programmes, services and systems that support mental health in Australia, including through administering the annual National Report Card on Mental Health and Suicide Prevention, undertaking performance monitoring and reporting, and engaging consumers and carers.

The Commission's stated Programme Objectives for 2014-15 were:

Deliver the review of mental health programmes and services

The Commonwealth Government has assigned the Commission to conduct a national review of mental health services and programmes in 2014.

The review will examine existing programmes across the Government, private and non-government sectors. The Commission's final report to the Government in November 2014 will be informed by information: gathered by the Commission in its first two years; provided by Commonwealth and State and Territory agencies; and via a targeted call for submissions in accordance with the review Terms of Reference

Report on national progress to improve mental health and prevent suicide

The Commission's primary focus in 2014-15 will be to deliver the review, and this work superseded the development of a third National Report Card on Mental Health and Suicide Prevention. The Commission will, however, independently report back on progress against the 18 recommendations made in the 2012 and 2013 Report Cards.

Other projects to improve system accountability, evidence and results

In 2014-15, the Commission will add to the evidence base, continue to demonstrate national leadership and collaborate with others to strengthen public accountability and influence change through a number of existing projects.

These projects include mechanisms to ensure the meaningful contribution of people with lived experience of mental health issues, their families and other supporters to the Commission's work, for example through a new national leadership development and capacity building project.

A national Seclusion and Restraint study looking at best practice approaches that work to eliminate the seclusion and restraint of people with mental illness in a range of settings, including mental health services. The study will be informed by an international literature review, surveying and other consultation and data analysis, and will report in late 2014.

The Mentally Healthy Workplace Alliance is a national approach by a consortium of business, community and Government organisations to encourage Australian workplaces to become mentally healthy for the benefit of the whole community and economy. Other founding partners with the Commission are the Business Council of Australia and Council of Small Businesses Australia. In 2014-15, the Alliance will deliver practical advice and tools to assist employers to take action and work with business leaders.

Report on Performance

In 2014-15, the Commission met all the KPIs set out in the Programme Objectives and delivered against the Outcome.

The actual results for all deliverables and KPIs are set out in Table 1 below and an analysis of performance is contained in the 'Key Achievements' section of this Annual Report.

Financial Performance

The Commission delivered its stated Outcome within the Departmental and Administered funding appropriated by the Australian Government.

The 2014–15 Departmental expenses were \$2,724,896 (GST exclusive).

The 2014–15 Administered expenses were \$2,997,398 (GST exclusive).

Details on the Commission's financial performance are available in the audited financial statements and accompanying notes of this Annual Report.

Table 1: Actual results for all deliverables and KPIs for 2014-15.

Programme 1.1: Deliverables

Qualitative Deliverables for Programme 1.1

Deliver the review of mental health programmes and services

Deliverable: A review of mental health programmes and services in Australia across Government, non-government and private sectors to ensure existing resources are being targeted as efficiently and effectively as possible

Target: Review of Mental Health Services to be presented to the Minister for Health by 30 November 2014

Outcome: On 1 December 2014 the Commission delivered the *Contributing Lives, Thriving Communities*, Report of the National Review of the Mental Health Programmes and Services to the Commonwealth Government

Quantitative Deliverables for Programme 1.1

Other projects to improve system accountability, evidence and results

Deliverable: Commission meetings to be held each year to support the review and other projects

Target: Six (6) Commission meetings

Outcome: Seven (7) Commission meetings were held during 2014-15

Table 1 continued: Actual results for all deliverables and KPIs for 2014-15.

Programme 1.1: Key Performance Indicators

Qualitative Key Performance Indicators for Programme 1.1

Other projects to improve system accountability, evidence and results

Deliverable: Undertake and disseminate research, analysis, evaluation and advice on key national priorities and data gaps

Target: Commission and publish spotlight reports and analysis on key priorities and data gaps, such as seclusion and restraint and workplace participation

Outcome: A Contributing Life: the 2014 Report Back on the 2012 and 2013 National Report Cards on Mental Health and Suicide Prevention; National Seclusion and Restraint study; Future Leaders in Mental Health (Capacity building) Project; Data Linkage Project; Mentally Healthy Workplace Alliance; Mental Health Peer Work Qualification Development Project; The National Contributing Life Framework; Scoping Study on the Implementation of National Standards in Mental Health Services

Quantitative Key Performance Indicators for Programme 1.1

Deliverable 1: Percentage of Commission projects that have governance and advisory arrangements that include people with lived experience of mental health problems

Deliverable 2: Number of individuals with lived experience of mental health problems (either personally or as a family member or support person) participating in the Commission's leadership and capacity building project

Target 1: 100% of Commission projects

Target 2: Ten (10) individuals

Outcome 1: 100% of Commission projects

Outcome 2: Eleven (11) individuals

Key Achievements

Deliver the review of mental health programmes and services

Contributing Lives, Thriving Communities – Review of Mental Health Programmes and Services

In January 2014 the Commission received terms of reference from the Commonwealth Government to undertake a review to:

“... examine existing mental health services and programmes across the government, private and non-government sectors. The focus of the review will be to assess the efficiency and effectiveness of programmes and services in supporting individuals experiencing mental ill health and their families and other support people to lead a contributing life and to engage productively in the community.”

The *Contributing Lives, Thriving Communities – Review of Mental Health Programmes and Services* (the Review) was delivered to the Commonwealth Government on 1 December 2014 and officially released by The Hon. Sussan Ley MP on 16 April 2015.

The Commission’s primary area of focus was the efficiency and effectiveness of Commonwealth services and programmes, as well as overall investment and spending patterns. The Commission did not evaluate specific clinical treatments and could not evaluate state and territory-funded programmes, services and systems.

The review was informed by the *Contributing Life Framework* – a whole-of-person, whole-of-life approach to mental health and wellbeing.

A Contributing Life is where people living with a mental health difficulty can expect the same rights, opportunities and health as the wider Australian community. Simply put, this is about having a home, meaningful work, good health care and opportunities for education and training, and connections with family, culture and community, all without experiencing discrimination due to having a mental health difficulty.

The Commission delivered a cross-portfolio assessment of the strengths and weaknesses of the mental health and support system as a whole. The more than 2,000 submissions provided by the public, as well as the previous work done in developing the first two Report Cards, were a significant input to these considerations.

The Review includes a particularly strong focus on the social and emotional wellbeing of Aboriginal and Torres Strait Islander people, given the very high burden of mental ill-health, suicide and self-harm in this population.

To achieve the required systems reforms, the Commission recommended changes to improve the longer-term sustainability of the mental health system based on three key components:

1. Person-centred design principles
2. A new system architecture
3. Shifting funding to more efficient and effective ‘upstream’ services and supports.

The Commission made twenty five recommendations across nine strategic directions which guide a more detailed implementation framework of activity over the next decade and provides a comprehensive plan for action in mental health reform. Taken together, they were presented as an achievable plan to take advantage of this unique opportunity to reform Australia’s mental health system for the wellbeing of Australia and Australians.

Other projects to improve system accountability, evidence and results

A Contributing Life: the 2014 Report Back on the 2012 and 2013 National Report Cards on Mental Health and Suicide Prevention

The 'A Contributing Life: the 2014 Report Back on the 2012 and 2013 National Report Cards on Mental Health and Suicide Prevention' was finalised in June 2014.

In developing the 2014 Report Back, the Commission surveyed Federal, state and territory governments to seek their input and advice on local progress. Responses were received from five Commonwealth Departments: Education, Employment, Health, Social Services and Prime Minister and Cabinet; and all state and territory governments. In 2014, for the first time, the Commission also sought input from the non-government sector. Twenty three non-government organisations provided data.

The information received from these sources was summarised and, along with the actions taken by the Commission, provides a picture of progress against the eighteen recommendations contained in the 2012 and 2013 National Report Cards. In addition to this summary, a Supplementary Paper was developed that presents an overview of government and non-government activities in response to the priorities and recommendations. It includes responses received by the Commission. It also includes a summary of government activity identified through publicly available information.

Working Towards the Reduction and Elimination of Seclusion and Restraint

In May 2015 the Commission released a Position Paper and Position Statement on seclusion and restraint.

The Position Paper was informed by an international literature review, surveys and focus groups with people who have a lived experience of seclusion and restraint. This work was undertaken by the University of Melbourne, and in partnership with the Mental Health Commission of Canada and key Australian partners, including the Safety and Quality Partnerships Sub-Committee of the Mental Health and Drug and Alcohol Subcommittee of the Australian Health Ministers Advisory Council, Australian Human Rights Commission, and interested state mental health commissions. In addition, the Core Reference Group provided expert advice to the Commission and the project team, and oversaw the project team's work.

The Commission urges all Australian governments to support the commitment made in 2005 to reduce and where possible to eliminate the use of seclusion and restraint by giving priority to achieving:

- jurisdictional agreement on definitions for seclusion, physical restraint, mechanical restraint and chemical restraint that is then reflected in jurisdictional legislation
- targets and reporting frameworks that ensure that we have consistent, national data that give an accurate and meaningful account of what's really going on
- a national approach to the regulation of seclusion and restraint that includes:
 - standards and guidelines to support national consistency in approach to reducing the use of seclusion and restraint
 - inclusion of a standard specifically addressing restrictive interventions in the next revision of the National Safety and Quality Health Service Standards
 - national monitoring and reporting on seclusion and restraint across jurisdictions and services.

In addition, the Commission considers it essential that research is undertaken into the evidence of what works in the prevention and safe management of behavioural emergencies.

National Future Leaders in Mental Health (Capacity Building) Project

The National Future Leaders in Mental Health Project was an initiative of the National Mental Health Commission in collaboration with Mental Health Australia, and with the support of the National Mental Health Consumer and Carer Forum.

The project offered an individual mentoring and leadership development programme specifically designed for current and emerging leaders and advocates in mental health, to build leadership capacity in the mental health sector. As part of the programme, participants also had the opportunity to contribute to the National Mental Health Commission's work and national forums.

The first of the mentoring and leadership development programme workshops took place in May 2014. During 2014-15 the group participated in their second and final workshops where they built on their learnings from the first workshop, and advanced their skills in leadership, effective communication and participation in advisory roles at a national level. The participants graduated from the programme in February 2015. Pivotal to their success was the intensive involvement and commitment to the programme by former Mental Health Commissioner Janet Meagher AM and former Commissioner and CEO Robyn Kruk AM.

Data Linkage Project

To inform the Review in 2014, the Commission funded the Australian Bureau of Statistics (the ABS) to link a subset of items from the Medical Benefits Scheme, the Pharmaceutical Benefits Scheme and the Census of Population and Housing (Census). This work combines a wealth of de-identified information about people's lives drawn from the Census 2011 and mental health related information from Medicare and Pharmaceutical Benefits usage from 2010-2012. It can be aggregated for different geographic areas, including Primary Health Networks and by remoteness.

The purpose of the data is to assist planners to develop a better understanding of the needs of local communities. Although the dataset does not represent the full range of services that individuals might use (such as state health services), it does provide a new resource to strengthen local decision making.

The first publication was released by the ABS in November 2014 (*Characteristics of people using mental health services and prescription medication, 2011, cat. no. 4329*) and is available from the ABS website.

Mentally Healthy Workplace Alliance

During 2014-15 the Commission continued to lead and work with the Mentally Healthy Workplace Alliance (the Alliance). The Alliance is a national collaboration of business, community and government to encourage Australian workplaces to become mentally healthy for the benefit of the whole community and businesses, big and small.

Established by the Commission on 1 July 2013, the Alliance aims to make sure all people in the workplace, including those who experience mental health difficulties, their families and those who support them, are supported and work in an environment free from stigma and discrimination. This includes minimising harm, promoting protective factors and having positive cultures that are conducive to mental wellbeing. It also recognises that a mentally healthy workplace is not just good for people but leads to increased productivity and a more prosperous economy.

In addition to the Commission, Alliance members include: the Australian Chamber of Commerce and Industry, the Australian Industry Group, The Australian Psychological Society Ltd, *beyondblue*, Black Dog Institute, Business Council of Australia, Comcare, Council of Small Businesses of Australia, Mental Health Australia, Safe Work Australia, SANE, SuperFriend and The University of New South Wales.

A central piece of work conducted for the Alliance and funded by the Commission was an Australian-first review of the research on workplace mental health. The *Developing a Mentally Healthy Workplace: A review of the literature*, November 2014, was produced by the University of New South Wales and the Black Dog Institute. The Report brought leading mental health and business experts together for the first time to look at the evidence of what works in creating and maintaining a mentally healthy workplace. Where possible, it also provides practical advice for businesses.

The report identifies six key success factors for creating a mentally healthy workplace and suggests a five-step process for embedding them within the workplace. This information was translated into a business-friendly guide which adds to the resources developed in the previous year.

Mental Health Peer Work Qualification Development Project

The Mental Health Peer Work Qualification was developed as a nationally recognised qualification for peer workers (Certificate IV in Mental Health Peer Work) to help facilitate recognition and broader engagement of peer workers throughout the mental health sector.

The project was funded by the National Mental Health Commission and coordinated by the Mental Health Coordinating Council on behalf of Community Mental Health Australia.

The development of training resources to support the qualification involved a rigorous process with input from technical and advisory groups including peer workers and people with a lived experience. The resources were piloted in 2014-15 and are now available on our website for free download by registered training organisations and trainers.

In June 2015 the Commission funded thirty 'champions' from around Australia to undertake a five day intensive training course, conducted by the Mental Health Coordinating Council, to qualify them to teach the Certificate IV in Mental Health Peer Work. Feedback from the Champions was very positive; with some saying the course was life-changing.

National Standards in Mental Health Services

During 2014-15 the National Mental Health Commission worked with the Australian Commission on Safety and Quality in Health Care (ACSQHC) to explore barriers and enablers to the implementation of the (non-mandatory) National Standards in Mental Health Services.

In August 2014 the ACSQHC produced the '*Scoping Study on the implementation of National Standards in Mental Health Services*'. The Scoping Study provided a comprehensive understanding of the levels of implementation of both the National Standards in Mental Health Services and the National Safety and Quality Health Standards, the enablers, barriers and challenges to their implementation, in particular, from the perspective of people with a mental health difficulty and their families and supporters, and potential gaps with respect to safety and quality in both standards. This work will make a significant contribution to the review of the National Safety and Quality Health Service Standards being undertaken by the ACSQHC.

The National Contributing Life Project

This project produced nationally consistent qualitative information about people's every day and whole-of-life experiences, especially those living with a mental health difficulty, their families and support people.

This information supports a better understanding of what makes a real difference to people's life experiences and outcomes and whether investment in services and programmes across all relevant areas of government spending – and not just health – is targeted and effective.

This project collected information by experts in their field using four methodologies: a population computer assisted telephone survey, an on-line survey, discussions and yarns. The Commission also contracted the AIHW to consider options for use of the methodologies or elements of them in future surveys and data collections.

Commission Meetings

There were seven Commission meetings held in 2014-15. The meetings were held in Sydney, Melbourne and Darwin.

Commission meetings often include community and stakeholder engagement to reflect the importance of hearing directly from people with lived experience of mental health issues, their families and support people, as well as those working in the various systems and services that provide support.

A highlight for the Commission was a visit to the Northern Territory to explore issues related to rural, regional, remote and Aboriginal mental health, social and emotional wellbeing and suicide prevention. This included visiting Elcho Island off Arnhem Land to meet with the local community and mental health care professionals at the Miwatj Aboriginal Health Corporation in Galiwin'ku; meeting with the Danila Dilba Health Service in the Yilli Rreung region; a yarning session with Aboriginal elders and other representatives from communities in Darwin, Katherine, Maningrida, Nhurru and Elcho Island; and hearing about remote mental health care from the Malabam Health Board Aboriginal Corporation, *beyondblue* and Anglicare Way Back Support Service (NT), Menzies Institute research in remote environments and learning more about the *Northern Territory's Suicide Prevention Strategic Action Plan 2015-2019*.

Further information

The Review, Project reports and updates, minutes of meetings and other key documents are available on the Commission's website www.mentalhealthcommission.gov.au .

Management and accountability

Corporate Governance

The Commission was established on 1 January 2012 by order of the Governor-General as an independent executive agency under the *Public Service Act 1999*. Since 1 July 2014 the Commission has operated in accordance with the *Public Governance, Performance and Accountability Act 2013*. The Commission is part of the Minister for Health's portfolio and reports directly to the Minister for Health.

Mr David Butt was appointed CEO and Commissioner from January 2014. The CEO is the accountable authority under the *Public Governance, Performance, and Accountability Act 2013* and is responsible for the governance and performance of the Commission and for working with the Chair and Commissioners to steer and manage the deliverables of the Commission. The Chief Financial Officer function was also performed by the CEO in 2014-15.

The Commission includes a Chair and a number of Mental Health Commissioners (as determined by the Minister from time to time), as well as the CEO as ex-officio Commissioner. The Commission is chaired by Professor Allan Fels AO. Commissioners and the Chair are paid a per diem fee which has been set by the Remuneration Tribunal.

The Commission's *Operating Principles* provide guidance to the Commissioners and staff. The Commission operates in a corporate services shared services environment provided by the Department of Health and regularly reviews internal systems and procedures to simplify and streamline its operations and make best use of resources.

The Commission's *Risk Management Framework* supports an enterprise-wide approach to risk management and a culture that supports risk management as an everyday part of the work of all staff. It also reflects the operating and resource realities of a very small agency. In this year the Commission reviewed and amended its risk management plan and fraud control plan.

The Commission's Audit Committee met three times in 2014-15. The Committee reviewed and endorsed the Commission's Financial Statements, the Internal Audit Report and reviewed the Commission's Risk Management Policy and Framework, Fraud Control Plan, Segregation of Duties Matrix and the Business Continuity and Disaster Recovery Plan. There were no instances of Fraud in 2014-15.

The Revised *Strategic Priorities: July 2014 – June 2015* were also in place to guide the work of the Commission to achieve its objectives.

Recognising the contribution of people with lived experience, their families and support people

The contribution of people with a lived experience of mental health issues, their families and support people is at the heart of the Commission's work. The Commission's *Paid Participation Policy* provides a daily or pro-rata payment for an individual's time when they are personally nominated or invited to give expert advice and share their experiences to inform the Commission's work; to pay for travel and accommodation costs and to reimburse any reasonable associated out of pocket expenses.

The Commission's *Operating Principles* make a commitment that any expert or advisory groups established by the Commission will be jointly chaired by a Commissioner or other expert and a person with lived experience. Expert participants on such groups, unless representing a government agency, will be offered payment according to the Commission's *Paid Participation Policy* or equivalent Remuneration Tribunal determination.

External Scrutiny

No judicial or administrative tribunal decisions relating to the Commission were handed down during 2014-15. There were no reports by the Auditor-General on the operations of the agency, other than the report on the financial statements contained in this annual report. There were no reports on the operations of the Commission conducted by a Parliamentary Committee or the Commonwealth Ombudsman in 2014-15.

Management of Human Resources

The Commission is committed to fostering a flexible, efficient and high performing workplace. The Commission implements and supports good practice as an employer which is responsive to the needs of employees. The Commission operates within the Australian Public Sector Employment Framework.

Staff are appointed under the *Public Service Act 1999* and remuneration and other employment terms of non-SES staff are set out under the conditions of the Commission's Enterprise Agreement 2012-2014. Performance pay is not used by the Commission.

The CEO and executive provide strategic leadership and align individual performance with the Commission's goals.

Staff are afforded opportunities to build their skills and continuous learning is promoted. Staff capability is developed through ongoing workforce planning and staffs' participation in the performance and development scheme.

Staffing statistics

As at 30 June 2015, the Commission had an establishment of 14 positions, not including the CEO. Nine of those positions were substantively occupied with employees employed under the *Public Service Act 1999*. The figures set out in the table below show the actual staff occupancy of 5.4 FTE as at 30 June 2015. Although nine positions were substantively occupied, two staff members were on secondment, one staff member was on leave and two staff members were working part time. There were five vacant positions and recruitment was underway in accordance with the APS interim recruitment arrangements with vacancies temporarily filled by contracted staff. No staff identified as Indigenous during 2013-14 and 2014-15.

Commission staff numbers by substantive classification and full-time or part-time status at 30 June 2015

Classification	Female		Male		Total
	Full-time	Part-time	Full-time	Part-time	
Senior Executive Band 2					
Senior Executive Band 1					
Executive Level 2	1.0				1.0
Executive Level 1		1.4			1.4
APS 6	1.0		1.0		2.0
APS 5					
APS 4			1.0		1.0
Total	2.0	1.4	2.0		5.4

Commission staff numbers by substantive classification and full-time or part-time status at 30 June 2014

Classification	Female		Male		Total
	Full-time	Part-time	Full-time	Part-time	
Senior Executive Band 2					
Senior Executive Band 1					
Executive Level 2	2.0				2.0
Executive Level 1	2.0	0.6	1.0		3.6
APS 6	2.0		1.0		3.0
APS 5	1.0				1.0
APS 4	1.0		1.0		2.0
Total	8.0	0.6	3.0		11.6

Purchasing

The Commission made all purchases in line with relevant procurement policies and principles, including the *Public Governance, Performance and Accountability Act 2013* and the Commonwealth Procurement Rules.

Further information on the Commission's financial performance is available in the audited Financial Statements and accompanying notes of this Annual Report.

Consultants

Consultants are engaged by the Commission to provide professional, independent and expert advice or services, where those services involve the development of an intellectual output that assists with agency decision-making, and/or the output reflects the independent views of the service provider.

All tenders and contractual arrangements undertaken in 2014–15 were carried out in accordance with the Commonwealth Procurement Rules.

During 2014–15, four new consultancy contracts were entered into involving total actual expenditure of \$193,185 (including GST).

This Annual Report contains information about actual expenditure on contracts for consultancies in the audited financial statements and accompanying notes. Information on the value of contracts and consultancies higher than \$10,000 is available on the AusTender website, www.tenders.gov.au.

Australian National Audit Office Access Clauses

All contracts entered into by the Commission during 2014-15 provided access for the Auditor-General to the contractor's premises where the contract value was above \$100,000 including GST.

Exempt Contracts

There were no contracts entered into by the Commission during 2014-15 that were exempt from being published in AusTender on the basis that it would disclose exempt matters under the *Freedom of Information Act 1982*.

Procurement Initiatives to Support Small Business

The Commission supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises and Small Enterprise participation statistics are available on the Department of Finance's website. www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts/

The Commission's practices are in line with the Australian Industry Participation Plans in whole-of government procurement and the Small Business Engagement Principles such as communicating in clear, simple language and presenting information in an accessible format.



INDEPENDENT AUDITOR'S REPORT

To the Minister for Health

I have audited the accompanying annual financial statements of the National Mental Health Commission for the year ended 30 June 2015, which comprise:

- Statement by the Chief Executive Officer and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Schedule of Commitments;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement;
- Schedule of Administered Commitments; and
- Notes to and forming part of the Financial Statements comprising a Summary of Significant Accounting Policies and other explanatory information.

Accountable Authority's Responsibility for the Financial Statements

The Chief Executive Officer is responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards and the rules made under that Act. The Chief Executive Officer is also responsible for such internal control as is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and

plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Accountable Authority of the entity, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Opinion

In my opinion, the financial statements of the National Mental Health Commission:

- (a) comply with Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the National Mental Health Commission as at 30 June 2015 and its financial performance and cash flows for the year then ended.

Australian National Audit Office



Brandon Jarrett
Executive Director

Delegate of the Auditor-General

Canberra
22 October 2015

**NATIONAL MENTAL HEALTH COMMISSION
STATEMENT BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER**

In our opinion, the attached financial statements for the year ended 30 June 2015 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*, and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the National Mental Health Commission will be able to pay its debts as and when they fall due.



Signed.....

Chief Executive Officer and Commissioner
National Mental Health Commission

22 October 2015



Signed.....

Chief Financial Officer
National Mental Health Commission

22 October 2015

NATIONAL MENTAL HEALTH COMMISSION
STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2015

	Notes	2015 \$	2014 \$
EXPENSES			
Employee benefits ¹	4A	1,584,651	1,531,370
Supplier expenses	4B	1,125,718	1,167,842
Depreciation and amortisation	4C	10,540	14,660
Write-down and impairment of assets	4D	3,987	-
Total expenses		2,724,896	2,713,872
LESS:			
OWN-SOURCE INCOME			
Own-source revenue			
Sale of goods and rendering of services		-	127
Total own-source revenue		-	127
Other revenue			
Resources received free of charge			
Remuneration of auditors		65,000	45,000
Total other revenue		65,000	45,000
Total own-source income		65,000	45,127
Net cost of services		2,659,896	2,668,745
Revenue from Government		2,830,000	2,987,000
Surplus attributable to the Australian Government		170,104	318,255

¹ Employee benefits in 2014 have increased by \$27,521 due to an adjustment required to the 2013-14 financial statements.

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

NATIONAL MENTAL HEALTH COMMISSION
STATEMENT OF FINANCIAL POSITION
as at 30 June 2015

	Notes	2015 \$	2014 \$
ASSETS			
Financial assets			
Cash and cash equivalents		270,086	100,026
Trade and other receivables	5	<u>552,096</u>	<u>335,715</u>
Total financial assets		<u>822,182</u>	<u>435,741</u>
Non-financial assets			
Property, plant and equipment	6A	-	6,167
Intangibles	6B	<u>2,090</u>	<u>10,451</u>
Total non-financial assets		<u>2,090</u>	<u>16,618</u>
Total assets		<u>824,272</u>	<u>452,359</u>
LIABILITIES			
Payables			
Suppliers ¹	7A	291,390	55,660
Other	7B	<u>35,152</u>	<u>31,411</u>
Total payables		<u>326,542</u>	<u>87,071</u>
Provisions			
Employee provisions	8	<u>163,138</u>	<u>71,130</u>
Total provisions		<u>163,138</u>	<u>71,130</u>
Total liabilities		<u>489,680</u>	<u>158,201</u>
Net assets		<u>334,592</u>	<u>294,158</u>
EQUITY			
Contributed equity		77,564	207,233
Retained earnings		<u>257,028</u>	<u>86,923</u>
Total equity		<u>334,592</u>	<u>294,156</u>

¹ Suppliers in 2014 have increased by \$27,521 due to an adjustment required to the 2013-14 financial statements.

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

NATIONAL MENTAL HEALTH COMMISSION
STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2015

	Contributed equity/capital		Retained earnings ¹		Total equity	
	2015	2014	2015	2014	2015	2014
	\$	\$	\$	\$	\$	\$
Opening balance						
Balance carried forward from previous period	207,233	182,233	86,924	(231,331)	294,157	(49,098)
Adjusted opening balance	207,233	182,233	86,924	(231,331)	294,157	(49,098)
Comprehensive income						
Surplus for the period	-	-	170,104	318,255	170,104	318,255
Total comprehensive income	-	-	170,104	318,255	170,104	318,255
Contribution by owners						
Return of capital	(165,669)	-	-	-	(165,669)	-
Departmental Capital Budget (DCB)	36,000	25,000	-	-	36,000	25,000
Sub-total transactions with owners	(129,669)	25,000	-	-	(129,669)	25,000
Closing Balance as at ended 30 June 2015	77,564	207,233	257,028	86,924	334,592	294,157

¹ Retained earnings have decreased in 2014 due to a prior year adjustment.

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

NATIONAL MENTAL HEALTH COMMISSION
CASH FLOW STATEMENT
for the period ended 30 June 2015

	Notes	2015 \$	2014 \$
OPERATING ACTIVITIES			
Cash received			
Appropriations		2,687,190	2,864,750
Sale of goods and rendering of services		-	2,748
Net GST received		<u>62,414</u>	<u>43,845</u>
Total cash received		<u>2,749,604</u>	<u>2,911,343</u>
Cash used			
Employees		(1,568,667)	(1,726,362)
Suppliers		(845,208)	(1,164,965)
Section 74 receipts transferred to OPA		-	(127)
Total cash used		<u>(2,413,875)</u>	<u>(2,891,454)</u>
Net cash flows from or (used by) operating activities	9	<u>335,729</u>	<u>19,889</u>
FINANCING ACTIVITIES			
Cash used			
Return of capital		<u>(165,669)</u>	-
Total cash received		<u>(165,669)</u>	-
Net cash flows from financing activities		<u>(165,669)</u>	-
Net increase in cash held		<u>170,060</u>	<u>19,889</u>
Cash and cash equivalents at the beginning of the reporting period		<u>100,026</u>	80,137
Cash and cash equivalents at the end of the reporting period		<u>270,086</u>	<u>100,026</u>

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

NATIONAL MENTAL HEALTH COMMISSION
SCHEDULE OF COMMITMENTS
as at 30 June 2015

	2015	2014
	\$	\$
BY TYPE		
Commitments receivable		
Other	75,630	-
Total commitments receivable	<u>75,630</u>	<u>-</u>
Commitments payable		
Other commitments		
Operating leases ¹	742,881	1,196,645
Other ²	556,052	-
Total other commitments	<u>1,298,933</u>	<u>1,196,645</u>
Net commitments by type	<u><u>1,223,303</u></u>	<u><u>1,196,645</u></u>
BY MATURITY		
Commitments receivable		
One year or less	29,676	-
From one to five years	45,954	-
Total commitments receivable	<u>75,630</u>	<u>-</u>
Commitments payable		
Operating lease commitments		
One year or less	237,395	280,751
From one to five years	505,486	915,894
Total operating lease commitments	<u>742,881</u>	<u>1,196,645</u>
Other commitments		
One year or less	556,052	-
Total other commitments	<u>556,052</u>	<u>-</u>
Net commitments by maturity	<u><u>1,223,303</u></u>	<u><u>1,196,645</u></u>

NB: All commitments are GST inclusive where relevant.

¹ Office accommodation lease payments are subject to periodic increases in accordance with the rent review provisions of the lease. The lease for 6 O'Connell Street Sydney, commenced during 2011-12 for a period of 6.67 years.

² Other commitments main component is the Shared Services arrangement with the Department of Health.

The above schedule should be read in conjunction with the accompanying notes.

NATIONAL MENTAL HEALTH COMMISSION
ADMINISTERED SCHEDULE OF COMPREHENSIVE INCOME
for the period ended 30 June 2015

	Notes	2015 \$	2014 \$
EXPENSES			
Supplier expenses	14	<u>2,997,398</u>	<u>3,431,722</u>
Total expenses		<u>2,997,398</u>	<u>3,431,722</u>
Deficit		<u>(2,997,398)</u>	<u>(3,431,722)</u>
Total comprehensive loss		<u>(2,997,398)</u>	<u>(3,431,722)</u>

The above schedule should be read in conjunction with the accompanying notes.

NATIONAL MENTAL HEALTH COMMISSION
ADMINISTERED SCHEDULE OF ASSETS AND LIABILITIES
as at 30 June 2015

	Notes	2015 \$	2014 \$
ASSETS			
Financial assets			
Trade and other receivables	15	203,768	110,509
Total financial assets		<u>203,768</u>	<u>110,509</u>
Total assets		<u>203,768</u>	<u>110,509</u>
LIABILITIES			
Payables			
Suppliers	16	342,586	724,650
Total payables		<u>342,586</u>	<u>724,650</u>
Total liabilities		<u>342,586</u>	<u>724,650</u>
Net assets		<u>(138,818)</u>	<u>(614,141)</u>

The above schedule should be read in conjunction with the accompanying notes.

**NATIONAL MENTAL HEALTH COMMISSION
ADMINISTERED RECONCILIATION SCHEDULE**

	2015	2014
	\$	\$
Opening assets less liabilities as at 1 July	(614,141)	(750,107)
Expenses		
Payments to entities other than corporate Commonwealth entities	(2,997,398)	(3,431,722)
Administered transfers from Australian Government	3,542,949	3,605,954
Transfers to OPA	(70,228)	(38,266)
Closing assets less liabilities as at 30 June	<u>(138,818)</u>	<u>(614,141)</u>

The above schedule should be read in conjunction with the accompanying notes.

**NATIONAL MENTAL HEALTH COMMISSION
ADMINISTERED CASH FLOW STATEMENT**
for the period ended 30 June 2015

	Notes	2015 \$	2014 \$
OPERATING ACTIVITIES			
Cash received			
Net GST received		108,180	356,392
Total cash used		<u>108,180</u>	<u>356,392</u>
Cash used			
Suppliers		(3,581,766)	(3,924,080)
Total cash used		<u>(3,581,766)</u>	<u>(3,924,080)</u>
Net cash flows from or (used by) operating activities	17	<u>(3,473,586)</u>	<u>(3,567,688)</u>
FINANCING ACTIVITIES			
Cash from Official Public Account			
Appropriations		3,543,814	3,605,954
Total cash received		<u>3,543,814</u>	<u>3,605,954</u>
Cash to Official Public Account			
Appropriations		(70,228)	(38,266)
Total cash received		<u>(70,228)</u>	<u>(38,266)</u>
Net cash flows from or (used by) financing activities	17	<u>3,473,586</u>	<u>3,567,688</u>
Net increase in cash held		<u>-</u>	<u>-</u>
Cash and cash equivalents at the end of the period		<u>-</u>	<u>-</u>

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

NATIONAL MENTAL HEALTH COMMISSION
SCHEDULE OF ADMINISTERED COMMITMENTS
as at 30 June 2015

	2015	2014
	\$	\$
BY TYPE		
Commitments receivable		
GST recoverable on commitments	15,236	87,992
Total commitments receivable	15,236	87,992
Commitments payable		
Other commitments		
Other ¹	967,950	987,461
Total other commitments	967,950	987,461
Net commitments by type	952,714	899,469
BY MATURITY		
Commitments receivable		
One year or less	11,356	87,992
From one to five years	3,880	-
Total commitments receivable	15,236	87,992
Commitments payable		
Other commitments		
One year or less	925,272	987,461
From one to five years	42,678	-
Total other commitments	967,950	987,461
Net commitments by maturity	952,714	899,469

NOTE:

Commitments are GST inclusive where relevant.

¹ Other commitments include ongoing provision of statistical information and project support.

The above schedule should be read in conjunction with the accompanying notes.

NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

- Note 1: Summary of Significant Accounting Policies
- Note 2: Events after the Reporting Period
- Note 3: Net Cash Appropriation Arrangements
- Note 4: Expenses
- Note 5: Financial Assets
- Note 6: Non-Financial Assets
- Note 7: Payables
- Note 8: Provisions
- Note 9: Cash Flow Reconciliation
- Note 10: Contingent Liabilities and Assets
- Note 11: Senior Management Personnel Remuneration
- Note 12: Financial Instruments
- Note 13: Financial Assets Reconciliation
- Note 14: Administered Expenses
- Note 15: Administered Financial Assets
- Note 16: Administered Payables
- Note 17: Administered Cash Flow Reconciliation
- Note 18: Administered Contingent Assets and Liabilities
- Note 19: Administered Financial Instruments
- Note 20: Administered Financial Assets Reconciliation
- Note 21: Appropriations
- Note 22: Reporting of Outcomes
- Note 23: Budgetary Reports and Explanations of Major Variances
- Note 24: Administered Budgetary Reports and Explanations of Major Variances

NATIONAL MENTAL HEALTH COMMISSION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 1: Summary of Significant Accounting Policies

1.1 Objectives of the National Mental Health Commission (the Commission)

The National Mental Health Commission (the Commission) is a not-for profit Australian Government controlled entity. The objective of the Commission is to contribute to the government's agenda to improve outcomes for people with a lived experience of mental health issues, their families, carers and other support people.

The Commission is structured to provide expert advice to the Australian Government and cross-sectional leadership on the policy, programmes, services and systems that support mental health in Australia, undertaking performance monitoring and reporting, and engaging consumers and carers.

The continued existence of the Commission in its present form and with its present programmes is dependent on Government policy and on continuing funding by Parliament for the Commission's administration and programmes.

The Commission's activities contributing toward these outcomes are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, income and expense controlled or incurred by the Commission in its own right. Administered activities involve the management or oversight by the Commission, on behalf of the Government, of items controlled or incurred by the Government.

1.2 Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The financial statements and notes have been prepared in accordance with:

- a) The Financial Reporting Rule (FRR) for reporting periods ending on or after 1 July 2014; and
- b) Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest dollar unless otherwise specified.

Unless an alternative treatment is specifically required by an accounting standard or the FRR, assets and liabilities are recognised in the statement of financial position when and only when it is probable that future economic benefits will flow to the Commission or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under executory contracts are not recognised unless required by an accounting standard. Liabilities and assets that are unrecognised are reported in the schedule of commitments or the contingencies note.

Unless an alternative treatment is specifically required by an accounting standard, income and expenses are recognised in the Statement of Comprehensive Income when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

1.3 Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, the Commission has made the following judgements that have the most significant impact on the amounts recorded in the financial statements:

- The Australian Government short hand method has been used to estimate the present value of long service leave liabilities.

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next reporting period.

1.4 Changes in Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date as stated in the standard.

There have been no new standards, amended standards or interpretations that were issued by the Australian Accounting Standards Board prior to the sign off date that are applicable to the current reporting period and have a material impact on the Commission.

NATIONAL MENTAL HEALTH COMMISSION NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 1: Summary of Significant Accounting Policies

Future Australian Accounting Standard Requirements

There have been no future standards, amended standards or interpretations to be issued by the Australian Accounting Standards Board that the Commission believes will have a material impact on the Commission's future reporting requirements.

1.5 Revenue

Revenue from the sale of goods is recognised when:

- The risks and rewards of ownership have been transferred to the buyer;
- The Commission retains no managerial involvement or effective control over the goods;
- The revenue and transaction costs incurred can be reliably measured; and
- It is probable that the economic benefits associated with the transaction will flow to the Commission.

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

- The amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- The probable economic benefits associated with the transaction will flow to the Commission.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Resources Received Free of Charge

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another Government agency or authority as a consequence of a restructuring of administrative arrangements.

Revenue from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the Commission gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

1.6 Transactions with the Government as Owner

Equity Injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

1.7 Employee Benefits

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and termination benefits due within twelve months of the end of the reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the Commission is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is likely to be taken, including the Commission's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been calculated using the Australian Government short hand method. The estimate of present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

**NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 1: Summary of Significant Accounting Policies

Separation and Redundancy

Provision is made for separation and redundancy benefit payments. The Commission recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

Superannuation

The Commission's staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) and other superannuation plans.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap and the other superannuation plans are defined contribution schemes.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The Commission makes employer contributions to the employees' superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. The Commission accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the year.

1.8 Leases

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets. The Commission took over the lease for Level 12, 6-10 O'Connell Street Sydney from the Department of Prime Minister and Cabinet on 13 February 2015 and has been straight-lined from this point after previously being disclosed in property operating expenses.

There are currently no finance leases within the Commission.

1.9 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes:

- a) cash on hand,
- b) demand deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value, and
- c) cash held with outsiders.

1.10 Financial Assets

The Commission classifies its financial assets as loans and receivables.

Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period.

Financial assets held at amortised cost - if there is objective evidence that an impairment loss has been incurred for loans and receivables or held to maturity investments held at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the Statement of Comprehensive Income.

Financial assets held at cost - If there is objective evidence that an impairment loss has been incurred, the amount of the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate for similar assets.

**NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 1: Summary of Significant Accounting Policies

1.11 Financial Liabilities

Supplier payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

1.12 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

1.13 Acquisition of Assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

1.14 Property, Plant and Equipment

Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$2,000 which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

Revaluations

Fair value of each class of asset are determined as shown below:

Asset Class	Fair value measured at
Property, plant and equipment	Market selling price

Following initial recognition at cost, property, plant and equipment is carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depend upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets were recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the Commission using, in all cases, the straight line method of depreciation. Leasehold improvements are depreciated on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the useful lives in the table below.

Asset Class	2015	2014
Property, plant and equipment	3 to 4 years	3 to 4 years

**NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 1: Summary of Significant Accounting Policies

Impairment

All assets were assessed for impairment at 30 June 2015. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Commission was deprived of the asset, its value in use is taken to be its depreciated replacement cost.

No indicators of impairment were found for assets at fair value.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

1.15 Intangibles

The Commission's intangibles comprise purchased and internally developed software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses. These assets are carried at cost above the capitalisation threshold of \$10,000; below this amount they are expensed in the year of purchase.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the Commission's software are 3 years to 7 years. (2013-14: 3 to 7 years).

All software assets were assessed for impairment as at 30 June 2015. There were no indicators of impairment.

1.16 Taxation/ Competitive Neutrality

The Commission is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

1.17 Reporting of Administered Activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the administered schedules and related notes.

Except where otherwise stated below, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

Administered Cash Transfers to and from the Official Public Account

Revenue collected by the Commission for use by the Government rather than the Commission is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the administered cash held by the Commission on behalf of the Government and reported as such in the Administered Cash Flow Statement and in the Administered Reconciliation Schedule.

**NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 2: Events After the Reporting Period

Departmental and Administered

There was no subsequent event that had the potential to significantly affect the ongoing structure and financial activities of the Commission.

NATIONAL MENTAL HEALTH COMMISSION
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 3: Net Cash Appropriation Arrangements

	2015	2014
	\$	\$
Total comprehensive income less depreciation/amortisation expenses previously funded through revenue appropriations ¹	159,564	303,595
Plus: depreciation/amortisation expenses previously funded through revenue appropriation	<u>10,540</u>	<u>14,660</u>
Total comprehensive income - as per the Statement of Comprehensive Income	<u><u>170,104</u></u>	<u><u>318,255</u></u>

¹ From 2010-11, the Government introduced net cash appropriation arrangements, where revenue appropriations for depreciation/amortisation expenses ceased. Entities now receive a separate capital budget provided through equity appropriations. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required.

NATIONAL MENTAL HEALTH COMMISSION
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 4: Expenses

	2015	2014
	\$	\$
Note 4A: Employee benefits		
Wages and salaries	1,186,989	1,277,720
Superannuation:		
Defined contribution plans	132,097	76,058
Defined benefit plans	17,437	90,728
Leave and other entitlements	227,763	77,703
Other employee benefits	20,365	9,161
Total employee benefits	1,584,651	1,531,370
Note 4B: Suppliers		
Goods and Services		
Consultants and contracted services	575,914	590,592
Equipment, repairs and maintenance	-	213
General expenses	119,195	46,951
Property operating expenses	249,598	344,259
Travel expenses	62,618	160,323
Information management expenses	17,935	10,217
Total goods and services	1,025,260	1,152,555
Goods supplied in connection with		
Related parties	-	1,753
External parties	11,253	4,219
Total goods supplied	11,253	5,972
Services rendered in connection with		
Related parties	759,569	847,665
External parties	254,438	298,918
Total services rendered	1,014,007	1,146,583
Total goods and services	1,025,260	1,152,555
Other supplier expenses		
Operating lease rentals in connection with		
External parties		
Minimum lease payments ¹	84,402	-
Workers compensation premiums	16,056	15,287
Total other supplier expenses	100,458	15,287
Total supplier expenses	1,125,718	1,167,842

¹ The lease for Level 12, 6-10 O'Connell Street, Sydney was transferred from the Department of Prime Minister and Cabinet on 13 February 2015. The lease on the premises ends on 30 June 2018.

NATIONAL MENTAL HEALTH COMMISSION
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 4: Expenses

	2015	2014
	\$	\$
Note 4C: Depreciation and amortisation		
Depreciation:		
Property, plant and equipment	2,179	6,492
Total depreciation	2,179	6,492
Amortisation:		
Intangibles	8,361	8,168
Total amortisation	8,361	8,168
Total depreciation and amortisation	10,540	14,660
Note 4D: Write-down and impairment of assets		
Asset write-downs and impairments from:		
Write-down of property, plant and equipment	3,987	-
Total write-down and impairment of assets	3,987	-

NATIONAL MENTAL HEALTH COMMISSION
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 5: Financial Assets

	2015	2014
	\$	\$
Note 5A: Trade and other receivables		
Goods and Services:		
Goods and services - external parties	76,587	1,756
Total receivables for goods and services	<u>76,587</u>	<u>1,756</u>
Appropriations receivable:		
For existing programs	400,388	127,909
Undrawn equity injection	61,000	190,669
Total appropriations receivable	<u>461,388</u>	<u>318,578</u>
Other receivables:		
GST receivable from the Australian Taxation Office	14,121	15,381
Total other receivables	<u>14,121</u>	<u>15,381</u>
Total trade and other receivables	<u>552,096</u>	<u>335,715</u>

All receivables are expected to be recovered in the next 12 months

NATIONAL MENTAL HEALTH COMMISSION
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 6: Non-Financial Assets

Note 6A: Reconciliation of the opening and closing balances of property, plant and equipment 2015

	Property, plant and equipment	TOTAL
	\$	\$
As at 1 July 2014		
Gross book value	23,948	23,948
Accumulated depreciation	(17,782)	(17,782)
Net book value 1 July 2014	6,166	6,166
Depreciation expense	(2,179)	(2,179)
Disposals:		
Other disposals/write downs (gross book value)	(17,895)	(17,895)
Other disposals/write downs (gross accumulated depreciation)	13,908	13,908
Net book value 30 June 2015	-	-
Net book value as at 30 June 2015 represented by:		
Gross book value	6,053	6,053
Accumulated depreciation	(6,053)	(6,053)
	-	-

Note 6A: Reconciliation of the opening and closing balances of property, plant and equipment 2014

	Property, plant and equipment	TOTAL
	\$	\$
As at 1 July 2013		
Gross book value	23,948	23,948
Accumulated depreciation	(11,290)	(11,290)
Net book value 1 July 2013	12,658	12,658
Depreciation expense	(6,492)	(6,492)
Net book value 30 June 2014	6,166	6,166
Net book value as of 30 June 2014 represented by:		
Gross book value	23,948	23,948
Accumulated depreciation	(17,782)	(17,782)
	6,166	6,166

No property, plant and equipment is held under finance leases.

No indicators of impairment were found for property, plant and equipment.

No property, plant or equipment is expected to be sold or disposed of within the next 12 months.

NATIONAL MENTAL HEALTH COMMISSION
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 6: Non-Financial Assets

Note 6B: Reconciliation of the Opening and Closing Balances of Intangibles 2015

	Computer Software - Purchased	TOTAL
	\$	\$
As at 1 July 2014		
Gross book value	24,505	24,505
Accumulated amortisation and impairment	(14,054)	(14,054)
Net book value 1 July 2014	10,451	10,451
Amortisation expense	(8,361)	(8,361)
Net book value 30 June 2015	2,090	2,090
Net book value as at 30 June 2015 represented by:		
Gross book value	24,505	24,505
Accumulated amortisation and impairment	(22,415)	(22,415)
	<u>2,090</u>	<u>2,090</u>

Note 6B: Reconciliation of the Opening and Closing Balances of Intangibles 2014

	Computer Software - Purchased	TOTAL
	\$	\$
As at 1 July 2013		
Gross book value	24,505	24,505
Accumulated amortisation and impairment	(5,886)	(5,886)
Net book value 1 July 2013	18,619	18,619
Amortisation expense	(8,168)	(8,168)
Net book value 30 June 2014	10,451	10,451
Net book value as of 30 June 2014 represented by:		
Gross book value	24,505	24,505
Accumulated amortisation and impairment	(14,054)	(14,054)
	<u>10,451</u>	<u>10,451</u>

No indicators of impairment were found for intangible assets.
 No intangibles are expected to be sold or disposed of within the next 12 months.

NATIONAL MENTAL HEALTH COMMISSION
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 7: Payables

	2015	2014
	\$	\$
Note 7A: Suppliers		
Trade creditors and accruals	<u>291,390</u>	<u>55,660</u>
Total supplier payables	<u>291,390</u>	<u>55,660</u>
Supplier payables:		
Related parties	272,736	55,660
External parties	<u>18,654</u>	<u>-</u>
Total supplier payables	<u>291,390</u>	<u>55,660</u>

Settlement is usually made within 30 days with all supplier payables to be settled in the next 12 months.

Note 7B: Other Payables

Salaries and wages	24,487	27,147
Superannuation	4,584	4,264
Lease payable	<u>6,081</u>	<u>-</u>
Total other payables	<u>35,152</u>	<u>31,411</u>

All other payables are current.

NATIONAL MENTAL HEALTH COMMISSION
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 8: Provisions

	2015	2014
	\$	\$
<u>Note 8A: Employee provisions</u>		
Leave	<u>163,138</u>	<u>71,130</u>
Total employee provisions	<u>163,138</u>	<u>71,130</u>
Employee provisions are expected to be settled in:		
No more than 12 months	69,291	3,661
More than 12 months	<u>93,847</u>	<u>67,469</u>
Total employee provisions	<u>163,138</u>	<u>71,130</u>

NATIONAL MENTAL HEALTH COMMISSION
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 9: Cash Flow Reconciliation

	2015	2014
	\$	\$
Reconciliation of cash and cash equivalents as per Statement of Financial Position to Cash Flow Statement		
Report cash and cash equivalents as per:		
Cash flow statement	270,086	100,026
Statement of financial position	270,086	100,026
Difference	<u>-</u>	<u>-</u>
Reconciliation of net cost of services to net cash from operating activities:		
Net cost of services	(2,659,896)	(2,668,745)
Revenue from Government	2,830,000	2,987,000
Adjustment for non-cash items		
Depreciation/amortisation	10,540	14,660
Net write-down of assets	3,987	-
Movements in assets/liabilities		
Assets		
(Increase)/ decrease in appropriation receivable	(142,810)	(132,533)
(Increase)/ decrease in GST receivable	9,740	-
(Increase)/ decrease in other receivables	(74,831)	-
Liabilities		
Increase/ (decrease) in employee provisions	92,008	(190,072)
Increase/ (decrease) in supplier payable	263,251	20,487
Increase/ (decrease) in other payables	3,740	(10,909)
Net cash from (used by) operating activities	<u>335,729</u>	<u>19,888</u>

**NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 10: Contingent Assets and Liabilities

Quantifiable Contingencies

The Commission is not aware of any departmental quantifiable contingent liabilities or assets as at the signing date that would require disclosure in the financial statements.

Unquantifiable Contingencies

The Commission is not aware of any departmental unquantifiable contingent liabilities or assets as at the signing date that would require disclosure in the financial statements.

Significant Remote Contingencies

The Commission is not aware of any remote departmental contingent liabilities or assets as at the signing date that would require disclosure in the financial statements.

NATIONAL MENTAL HEALTH COMMISSION
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 11: Senior Management Personnel Remuneration

	2015	2014
	\$	\$
Short-term employee benefits:		
Salary	644,974	398,206
Performance bonuses	-	-
Other	75,136	20,685
Total Short-term employee benefits	<u>720,110</u>	<u>418,891</u>
Post-employment benefits:		
Superannuation	43,705	49,037
Total post-employment benefits	<u>43,705</u>	<u>49,037</u>
Other long-term benefits:		
Annual leave	19,151	15,105
Long service leave	4,410	2,344
Total other long-term benefits	<u>23,561</u>	<u>17,449</u>
Total	<u>787,376</u>	<u>485,377</u>

Notes:

The total number of senior management personnel that are included in the above table is 3 (2014: 3). This includes a senior manager on a temporary secondment arrangement (the CEO of the NMHC is a Deputy Secretary in the Department of Health acting under a secondment arrangement).

NATIONAL MENTAL HEALTH COMMISSION
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 12: Financial Instruments

	2015	2014
	\$	\$
<u>Note 12A Categories of financial instruments</u>		
Financial Assets		
Loans and receivables		
Cash and cash equivalents	270,086	100,026
Goods and services receivable	76,587	1,756
Total loans and receivables	<u>346,673</u>	<u>101,782</u>
Carrying amount of financial assets	<u>346,673</u>	<u>101,782</u>
Financial Liabilities		
At amortised cost:		
Trade creditors	291,390	55,660
Total	<u>291,390</u>	<u>55,660</u>
Carrying amount of financial liabilities	<u>291,390</u>	<u>55,660</u>

Note 12B Net Income and Expense from Financial Assets

There is no income or expense from financial assets (2014: Nil).

Note 12C Fair value of financial instruments

The fair values of financial instruments approximate their carrying amounts.

Note 12D: Credit Risk

The Commission has no financial assets exposed to credit risk.

Note 12E: Liquidity Risk

The Commission's departmental financial liabilities are supplier payables and are due on demand. Accordingly the Commission was not exposed to significant liquidity risk.

Note 12F: Market Risk

The Commission held basic departmental financial instruments that did not expose the Commission to market risk. The Commission was not exposed to interest risk, currency risk or other price risk.

NATIONAL MENTAL HEALTH COMMISSION
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 13: Financial Assets Reconciliation

Note 13: Financial Assets Reconciliation

		2015	2014
		\$	\$
Financial assets	Notes		
Total financial assets as per statement of financial position		822,182	435,741
Less: non-financial instrument components			
Appropriations receivables	5A	461,388	318,578
Other receivables	5A	14,121	15,381
Total non-financial instrument components		475,509	333,959
Total financial assets as per financial instruments note		346,673	101,782

NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 14: Administered Expenses

	2015	2014
	\$	\$
Note 14: Suppliers		
Goods and Services		
Outsourced providers, contractors and consultants	2,122,078	2,867,134
Equipment, repairs and maintenance	-	1,305
General expenses	725,361	346,108
Travel	149,074	54,264
Information communications and technology	885	162,911
Total suppliers	2,997,398	3,431,722
Goods supplied in connection with		
Related parties	-	2,626
External parties	17,310	5,167
Total goods	17,310	7,793
Services rendered in connection with		
Related parties	491,913	1,239,977
External parties	2,488,175	2,183,952
Total services	2,980,088	3,423,929
Total supplier expenses	2,997,398	3,431,722

NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 15: Administered Financial Assets

	2015	2014
	\$	\$
Note 15: Trade and other receivables		
Goods and services		
Goods and services receivable - external parties	-	261
Total goods and services	<u>-</u>	<u>261</u>
Other receivables:		
GST receivable from the Australian Taxation Office	203,768	110,248
Total other receivables	<u>203,768</u>	<u>110,248</u>
Total trade and other receivables	<u>203,768</u>	<u>110,509</u>

All receivables are expected to be recovered in the next 12 months.

**NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 16: Administered Payables

	2015	2014
	\$	\$
Note 16: Suppliers		
Trade creditors and accruals	<u>342,586</u>	<u>724,650</u>
Total supplier payables	<u><u>342,586</u></u>	<u><u>724,650</u></u>
Supplier payables expected to be settled in the next 12 months:		
Related entities	180,280	63,172
External parties	<u>162,306</u>	<u>661,478</u>
Total supplier payables	<u><u>342,586</u></u>	<u><u>724,650</u></u>

Settlement is usually made within 30 days with all suppliers payables to be settled in the next 12 months.

**NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 17: Administered Cash Flow Reconciliation

	2015	2014
	\$	\$
Reconciliation of cash and cash equivalents as per Administered Schedule of Assets and Liabilities to the Administered Cash Flow Statement		
Report cash and cash equivalents as per:		
Administered cash flow statement	-	-
Administered schedule of assets and liabilities	-	-
Difference	<u>-</u>	<u>-</u>
Reconciliation of net cost of services to net cash from operating activities:		
Net cost of services	2,997,398	3,431,722
Movements in assets/liabilities		
(Increase)/ decrease in net receivables	94,124	(67,651)
(Increase)/ decrease in supplier payables	382,064	203,617
Net cash from (used by) operating activities	<u>3,473,586</u>	<u>3,567,688</u>

**NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 18: Administered Contingent Assets and Liabilities

Quantifiable Administered Contingencies

The Commission is not aware of any administered quantifiable contingent liabilities or assets as at signing date that would require disclosure in the financial statements.

Unquantifiable Administered Contingencies

The Commission is not aware of any administered unquantifiable contingent liabilities or assets as at signing date that would require disclosure in the financial statements.

Remote Administered Contingencies

The Commission is not aware of any administered remote contingent liabilities or assets as at signing date that would require disclosure in the financial statements.

NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 19: Administered Financial Instruments

	2015	2014
	\$	\$
Note 19A: Categories of Financial Instruments		
Financial Assets		
Receivables		
Receivables	-	261
Total receivables	<u>-</u>	<u>261</u>
Total financial assets	<u>-</u>	<u>261</u>
Financial Liabilities		
Financial liabilities measured at amortised cost		
Payables	342,586	724,650
Total financial liabilities measured at amortised cost	<u>342,586</u>	<u>724,650</u>
Total financial liabilities	<u>342,586</u>	<u>724,650</u>

Note 19B: Net Gains or Losses on Financial Assets

There was no net income and expense generated by financial assets for 2014-15 (2013-14: Nil).

Note 19C: Fair Value of Financial Instruments

The fair value of financial instruments approximates their carrying amounts.

Note 19D: Credit Risk

The Commission has no financial assets exposed to credit risk.

Note 19E: Liquidity Risk

The Commission's administered financial liabilities are supplier payables and are due on demand. Accordingly the Commission was not exposed to significant liquidity risk.

Note 19F: Market Risk

The Commission held basic administered financial instruments that did not expose the Commission to market risk. The Commission was not exposed to interest risk, currency risk or other price risk.

**NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 20: Administered Financial Assets Reconciliation

	Notes	2015 \$	2014 \$
Total financial assets as per administered schedule of assets and liabilities	15	203,768	110,509
Less: non-financial instrument components			
Other receivables		203,768	110,248
Total non-financial instrument components		-	261
Total financial assets as per financial instruments note		-	261

NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 21: Appropriations

Note 21A: Annual Appropriations ('Recoverable GST exclusive')

Annual Appropriations for 2015

	Appropriation Act		PGPA Act			Appropriation applied in 2015 (current and prior years) \$	Variance ^(a) \$
	Annual Appropriation \$	AFM \$	Section 74 \$	Section 75 \$	Total appropriation \$		
Departmental							
Ordinary annual services	2,830,000	-	-	-	2,830,000	2,857,521	272,479
Total departmental	2,830,000	-	-	-	2,830,000	2,557,521	272,479
ADMINISTERED							
Ordinary annual services	3,617,000	-	865	-	3,617,865	3,349,049	268,816
Administered items	3,617,000	-	865	-	3,617,865	3,349,049	268,816
Total administered							

Notes:

(a) The variance between total annual appropriation available and total appropriation applied in 2015 relates to payments funded from unspent prior year appropriation items.

Annual Appropriations for 2014

	Appropriation Act		FMA Act				Appropriation applied in 2014 (current and prior years) \$	Variance ^(a) \$
	Annual appropriation \$	Appropriations reduced ^(a) \$	Section 30 \$	Section 31 \$	Section 32 \$	Total appropriation \$		
DEPARTMENTAL								
Ordinary annual services	3,012,000	-	-	127	-	3,012,127	2,847,482	164,645
Total departmental	3,012,000	-	-	127	-	3,012,127	2,847,482	164,645
ADMINISTERED								
Ordinary annual services	3,504,000	(255,040)	4,357	-	-	3,253,317	3,605,954	(352,637)
Administered items	3,504,000	(255,040)	4,357	-	-	3,253,317	3,605,954	(352,637)
Total administered								

Notes:

(a) Appropriations reduced under Appropriation Acts (No. 1, 3 & 5) 2012-13; sections 10, 11, and 12 and under Appropriation Acts (No. 2, 4 & 6) 2012-13; sections 12, 13, and 14. Departmental appropriations do not lapse at financial year-end. However, the responsible Minister may decide that part or all of a departmental appropriation is not required and request the Finance Minister to reduce that appropriation. The reduction in the appropriation is effected by the Finance Minister's determination and is disallowable by Parliament.
(b) The variance between total annual appropriation available and total appropriation applied in 2014 relates to payments funded from unspent prior year appropriation items.

NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 21: Appropriations

Note 21B: Departmental Capital Budget (Recoverable GST exclusive)

	2015 Capital Budget Appropriations		Capital Budget Appropriations applied in 2015 (current and prior years)			
	Annual Capital Budget	Total Capital Budget	Payments for non-financial assets ^(a)	Payments for other purposes	Total payments	Variance
	\$	\$	\$	\$	\$	\$
Departmental Ordinary annual services - Departmental Capital Budget ^(a)	36,000	-	-	-	-	36,000

Notes:

(a) Departmental Capital Budgets are appropriated through Appropriation Acts (No. 1, 3 & 5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts. For more information on ordinary annual services appropriations, please see Table A. Annual appropriations.

(b) The Commission did not use any capital budget in 2014-15 as the Department of Health IT platform does not require computers recorded as assets, it uses a desktop solution that has been provided by the Department of Health as part of the Shared Services Agreement.

	2014 Capital Budget Appropriations		Capital Budget Appropriations applied in 2014 (current and prior years)			
	Annual Capital Budget	Total Capital Budget	Payments for non-financial assets ^(a)	Payments for other purposes	Total payments	Variance
	\$	\$	\$	\$	\$	\$
Departmental Ordinary annual services - Departmental Capital Budget ^(a)	25,000	-	-	-	-	25,000

Notes:

(a) Departmental Capital Budgets are appropriated through Appropriation Acts (No. 1, 3 & 5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts. For more information on ordinary annual services appropriations, please see Table A. Annual appropriations.

(b) The Commission did not spend capital budget in 2013-14 with its pending move from the Department of Prime Minister and Cabinet to the Health portfolio.

**NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 21: Appropriations

Note 21C: Unspent Annual Appropriations ('Recoverable GST exclusive')

	2015	2014
	\$	\$
Departmental		
Appropriation Act (No. 2) 2011-12	-	165,669
Appropriation Act (No. 1) 2013-14	127,909	127,909
Appropriation Act (No. 1) 2013-14 - cash held by the Commission	-	100,026
Appropriation Act (No. 1) Capital Budget (DCB) 2013-14	25,000	25,000
Appropriation Act (No. 1) 2014-15	272,479	-
Appropriation Act (No. 1) 2014-15 - cash held by the Commission	270,086	-
Appropriation Act (No. 1) Capital Budget (DCB) 2014-15	36,000	-
Total departmental	<u>731,474</u>	<u>418,604</u>
Administered		
Appropriation Act (No. 1) 2013-14	-	906,688
Appropriation Act (No. 1) 2014-15	920,464	-
Total administered	<u>920,464</u>	<u>906,688</u>

**NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 22: Reporting of Outcomes

The Commission has a single outcome and therefore reports on the basis of identifiable actual costs.

Note 22: Net Cost of Outcome Delivery

	Outcome 1	
	2015	2014
	\$	\$
Departmental		
Expenses	(2,724,896)	(2,713,872)
Own-source Income	65,000	45,127
Administered		
Expenses	(2,997,398)	(3,431,722)
Net cost/(contribution) of outcome delivery	(5,657,294)	(6,100,467)

The Commission's outcome is described in Note 1.1. Net costs shown include intra-government costs that are eliminated in calculating the actual Budget outcome.

NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 23: Budgetary Reports and Explanations of Major Variances

The following tables provide a comparison of the original budget as presented in the 2014-15 Portfolio Budget Statements to the 2014-15 final outcome as presented in accordance with Australian Accounting Standards for the entity. The Budget is not audited.

Note 23: Departmental Budgetary Reports

Statement of Comprehensive Income

	Actual	Budget estimate	
		Original ¹	Variance ²
	2014-15	2014-15	2014-15
	\$	\$	\$
NET COST OF SERVICES			
Expenses			
Employee benefits	1,584,651	1,963,000	(378,349)
Suppliers	1,125,718	892,000	233,718
Depreciation and amortisation	10,540	39,000	(28,460)
Write-down and impairment of assets	3,987	-	3,987
Total expenses	2,724,896	2,894,000	(169,104)
Own-Source Income			
Other revenue			
Other revenue	65,000	25,000	40,000
Total own-source income	65,000	25,000	40,000
Net (cost of)/contribution by services	2,659,896	2,869,000	(209,104)
Net cost of services	2,659,896	2,869,000	(209,104)
Revenue from Government	2,830,000	2,830,000	-
Share of surplus/deficit of associates and joint ventures accounted for using the equity method	-	-	-
Surplus/(Deficit) before income tax on continuing operations	170,104	(39,000)	209,104

¹ The Commission's original budgeted financial statements were those presented to parliament in respect of the reporting period in the 2014-15 Portfolio Budget Statements (PBS). No revision to the 2014-15 PBS was made during the year.

² Explanations of variances between the actual and original budgeted amounts for 2014-15 which were considered significant are provided at the end of this note.

NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 23: Budgetary Reports and Explanations of Major Variances

Statement of Financial Position

	Actual	Budget estimate	
	2014-15	Original ¹	Variance ²
	\$	\$	\$
ASSETS			
Financial assets			
Cash and cash equivalents	270,086	10,000	260,086
Trade and other receivables	552,096	520,000	32,096
Total financial assets	822,182	530,000	292,182
Non-financial assets			
Property, plant and equipment	-	13,000	(13,000)
Intangibles	2,090	77,000	(74,910)
Total non-financial assets	2,090	90,000	(87,910)
Total assets	824,272	620,000	204,272
LIABILITIES			
Payables			
Suppliers	291,390	50,000	241,390
Other payables	35,152	-	35,152
Total payables	326,542	50,000	276,542
Provisions			
Employee provisions	163,138	285,000	(121,862)
Other provisions	-	138,000	(138,000)
Total provisions	163,138	423,000	(259,862)
Total liabilities	489,680	473,000	16,680
Net assets	334,592	147,000	187,592
EQUITY			
Parent entity interest			
Contributed equity	77,564	243,000	(165,436)
Appropriation (departmental capital budget)	36,000	-	36,000
Retained surplus/(Accumulated deficit)	221,028	(96,000)	317,028
Total equity	334,592	147,000	187,592

¹ The Commission's original budgeted financial statements were those presented to parliament in respect of the reporting period in the 2014-15 Portfolio Budget Statements (PBS). No revision to the 2014-15 PBS was made during the year.

² Explanations of variances between the actual and original budgeted amounts for 2014-15 which were considered significant are provided at the end of this note.

NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 23: Budgetary Reports and Explanations of Major Variances

Statement of Changes in Equity

	Contributed equity/capital		Retained earnings		Total equity	
	Actual	Budget estimate	Actual	Budget estimate	Actual	Budget estimate
	Original ¹	Variance ²	Original ¹	Variance ²	Original ¹	Variance ²
	2014-15	2014-15	2014-15	2014-15	2014-15	2014-15
	\$	\$	\$	\$	\$	\$
Opening balance						
Balance carried forward from previous period	207,233	(56,000)	86,924	-	294,157	(56,000)
Adjustment for errors	-	(1,000)	-	-	-	(1,000)
Adjusted opening balance	207,233	(57,000)	86,924	-	294,157	(57,000)
Comprehensive income						
Surplus/(Deficit) for the period	-	(39,000)	170,104	-	170,104	(39,000)
Total comprehensive income	-	(39,000)	170,104	-	170,104	(39,000)
Transactions with owners						
Contributions by owners	-	-	-	207,000	(207,000)	-
Equity injection - Appropriations	(165,669)	-	-	-	(165,669)	-
Return of capital	36,000	-	-	-	36,000	-
Departmental capital budget	-	36,000	-	(36,000)	-	36,000
Total transactions with owners	(129,669)	-	-	243,000	(129,669)	243,000
Transfers between equity components	-	-	-	-	-	-
Closing balance as at 30 June	77,564	(96,000)	257,028	243,000	334,592	147,000

¹ The Commission's original budgeted financial statements were those presented to parliament in respect of the reporting period in the 2014-15 Portfolio Budget Statements (PBS). No revision to the 2014-15 PBS was made during the year.

² Explanations of variances between the actual and original budgeted amounts for 2014-15 which were considered significant are provided at the end of this note.

NATIONAL MENTAL HEALTH COMMISSION
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 23: Budgetary Reports and Explanations of Major Variances

Cash Flow Statement

	Actual	Budget estimate	
	2014-15	Original ¹	Variance ²
	\$	\$	\$
OPERATING ACTIVITIES			
Cash received			
Appropriations	2,687,190	2,760,000	(72,810)
Net GST received	62,414	84,000	(21,586)
Total cash received	2,749,604	2,844,000	(94,396)
Cash used			
Employees	(1,568,667)	(1,959,000)	390,333
Suppliers	(845,208)	(801,000)	(44,208)
Net GST paid	-	(84,000)	84,000
Section 74 receipts transferred to OPA	-	-	-
Total cash used	(2,413,875)	(2,844,000)	430,125
Net cash from/(used by) operating activities	335,729	-	335,729
INVESTING ACTIVITIES			
Cash used			
Purchase of property, plant & equipment	-	(36,000)	36,000
Total cash used	-	(36,000)	36,000
Net cash from/(used by) investing activities	-	(36,000)	36,000
FINANCING ACTIVITIES			
Cash received			
Departmental capital budget	-	36,000	(36,000)
Total cash received	-	36,000	(36,000)
Cash used			
Return of capital	(165,669)	-	(165,669)
Total cash used	(165,669)	-	(165,669)
Net cash from/(used by) financing activities	(165,669)	36,000	(201,669)
Net increase/(decrease) in cash held	170,060	-	170,060
Cash and cash equivalents at the beginning of the reporting period	100,026	10,000	90,026
Cash and cash equivalents at the end of the reporting period	270,086	10,000	260,086

¹ The Commission's original budgeted financial statements were those presented to parliament in respect of the reporting period in the 2014-15 Portfolio Budget Statements (PBS). No revision to the 2014-15 PBS was made during the year.

² Explanations of variances between the actual and original budgeted amounts for 2014-15 which were considered significant are provided at the end of this note.

**NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 23: Budgetary Reports and Explanations of Major Variances

Explanations of major variances	Affected line items (and statement)
Expenses	
<p>The Commission made a small surplus of \$170,104 as opposed to a budget deficit for the reporting year. The surplus which was largely due to the Commission being underspent on employee benefit expenses by operating under its budgeted average staffing level in part offset by higher supplier expenses incurred in undertaking the activities of the Commission. In addition depreciation/amortisation expenses were lower than budget due to the lower level of non-financial assets utilised by the Commission. The write-down/impairment expense incurred in 2014-15 had not been budgeted for by the Commission.</p>	<p><i>Employees benefit expense (Statement of Comprehensive Income), Suppliers expense (Statement of Comprehensive Income), Contributed and total equity (Financial Position), Contributed and total equity (Statement of Changes in equity)</i></p>
Financial assets	
<p>The Commission recorded higher financial assets which was almost entirely due to balances of cash and cash equivalents being above budget by \$292,182. The higher cash and cash equivalents balances is in part due to the surplus generated by the Commission for the reporting year as well as being impacted by the timing of payments by the Commission.</p>	<p><i>Cash and cash equivalents (Statement of Financial Position), Cash and cash equivalents at the end of the reporting period (Cash Flow Statement)</i></p>
Non-financial assets	
<p>The Commission is below budget by \$87,910 due to Intangibles being near the end of their useful life and the disposal of computer equipment after the Commission's transfer from Department of Prime Minister and Cabinet to the Health portfolio. Under the Health portfolio the IT platform does not require computers of an assetable value to be acquired, a desktop solution has been provided to the Commission as part of the Shared Services Agreement.</p>	<p><i>Non-financial assets (Financial Position)</i></p>
Payables	
<p>The Commission is above budget for payables by \$276,542, principally through the higher level of suppliers payable at 30 June 2015. This level of suppliers payable is essentially driven by the timing of payments to external parties.</p>	<p><i>Total payables (Financial Position)</i></p>
Total provisions	
<p>The Commission is below budget for total provisions by \$259,862 primarily due to reduced leave provisions associated with the lower staffing levels. This includes a budget for other provisions of \$138,000 that was incorrect entered against other provisions when it should have been entered against employee provisions. This will be corrected during the next available budget process.</p>	<p><i>Total provisions (Financial Position)</i></p>
Statement of changes in equity	
<p>The Commission's Statement of changes in equity differs to that budgeted as a result of the surplus for the year as well as a non-budgeted Return of capital of \$165,669 which was made during the year.</p>	<p><i>Contributed and total equity (Statement of Changes in equity)</i></p>
Net cash held	
<p>Net cash held at 30 June 2015 was \$260,086 higher than the budgeted figure. This amount was impacted by higher cash balances resulting from operating activities with these balances offset in part by a non-budgeted return of capital totalling \$165,669. Net cash held at year 30 June 2015 was also impacted by a higher cash balance of net cash held at 30 June 2014 by \$90,026.</p>	<p><i>Cash used employees and suppliers (Cash Flow Statement), Suppliers (Payables).</i></p>

**NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 24: Administered Budgetary Reports and Explanations of Major Variances

The following tables provide a comparison of the original budget as presented in the 2014-15 Portfolio Budget Statements to the 2014-15 final outcome as presented in accordance with Australian Accounting Standards for the entity. The Budget is not audited.

Statement of Comprehensive Income for not-for-profit Reporting

	Actual 2014-15 \$'000	Budget estimate	
		Original ¹ 2014-15 \$'000	Variance ² 2014-15 \$'000
NET COST OF SERVICES			
Expenses			
Supplier expenses	2,997,398	3,617,000	(619,602)
Total expenses	2,997,398	3,617,000	(619,602)
Surplus/(Deficit) before income tax on continuing operations	2,997,398	3,617,000	(619,602)

Statement of Financial Position for not-for-profit Reporting Entities

	Actual 2014-15 \$'000	Budget estimate	
		Original ¹ 2014-15 \$'000	Variance ² 2014-15 \$'000
ASSETS			
Financial assets			
Cash and cash equivalents	-	-	-
Trade and other receivables	203,768	174,000	29,768
Total financial assets	203,768	174,000	29,768
Total assets	203,768	174,000	29,768
LIABILITIES			
Payables			
Suppliers	342,586	880,000	(537,414)
Total payables	342,586	880,000	(537,414)
Total liabilities	342,586	880,000	(537,414)
Net assets	(138,818)	(706,000)	567,182

¹ The Commission's original budgeted financial statements were those presented to parliament in respect of the reporting period in the 2014-15 Portfolio Budget Statements (PBS). No revision to the 2014-15 PBS was made during the year.

² Explanations of variances between the actual and original budgeted amounts for 2014-15 which were considered significant are provided at the end of this note.

NATIONAL MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 24: Administered Major Budget Variances for 2015

Explanations of major variances	Affected line items (and statement)
<p><u>Supplier expenses</u> Supplier expenses for the reporting year were under budget by \$619,602 which was largely due to an accounting reclassification from supplier expenses to the Schedule of Administered Commitment totalling \$481,998. This reclassification was determined on the basis of the timing of provision of services in future years.</p>	<p><i>Supplier expenses (Statement of Income)</i></p>
<p><u>Suppliers</u> Payables at 30 June 2015 were under the budgeted amount by \$537,414 as a result of the timing of payments for both suppliers payable and accrued expenses.</p>	<p><i>Suppliers expense (Statement of Comprehensive Income), Suppliers payable (Statement of Financial Position)</i></p>

Appendix 1 - Other Mandatory Information

Work health and safety

To help to ensure the health, safety and welfare of employees, the Commission has a First Aid Officer, Workplace Health and Safety representative and a Fire Warden. Due to the small staffing this year, a second fire warden was not appointed.

There were no injuries incurred by employees, nor were there any notifiable incidents recorded.

There were no investigations conducted under Part 10 of the *Work Health Safety Act 2011*.

Advertising and market research

No advertising campaigns were undertaken by the Commission during 2014-15.

Ecologically sustainable development and environmental performance

In 2014-15 the Commission maintained a range of measures which contributed to ecologically sustainable development (ESD), including:

- wherever possible, electronic mediums for communication, engagement and publications are favoured over other methods
- printing on both sides of the paper and in black and white where possible
- ensuring equipment such as desktop computers, photocopiers, dishwashers and printers incorporate energy-saving features
- implementing a lights out policy, and switching off all lights and computers at the end of each day
- paper recycle bins at workstations and recycling bin in the office
- the purchase of office plants.

The Commission does not provide any capital funding, project or grant funding for activities that have a measurable impact on ESD. As the Commission uses leased office space, there are limits to its ability to introduce environmental performance improvements.

Grants Programmes

The Commission does not administer grants.

Disability Reporting

Since 1994, Commonwealth departments and agencies have reported on their performance as policy adviser, purchaser, employer, regulator and provider under the Commonwealth Disability Strategy. In 2007-2008, reporting on the employer role was transferred to the Australian Public Service Commission's *State of the Service Report and the APS Statistical Bulletin*. These reports are available at www.apsc.gov.au. From 2010-11, departments and agencies have no longer been required to report on these functions.

The Commonwealth Disability Strategy has been overtaken by a new National Disability Strategy 2010-2012 which sets out a ten year national policy framework to improve the lives of people with disability, promote participation and create a more inclusive society. A high level two-yearly report will track progress against each of the six outcome areas of the Strategy and present a picture of how people with disability are faring. The first of these reports will be available in late 2014, and can be found at www.dss.gov.au.

Although the Commission is not a public service care agency as defined by the *Carer Recognition Act 2010*, the Commission through its core functions and day to day work supports the Statement for Australia's Carers and its ten key principles that set out how carers should be treated and considered in policy, programme and service delivery settings.

The Commission's mission is to give mental health and suicide prevention national attention, to influence reform and to help people with lived experience of mental health issues live contributing lives by leading, reporting, advising and collaborating. In doing so the Commission places the engagement of not only Australians living with mental health difficulties but their families, friends and other support people at the centre of its work to influence mental health policy and service improvements.

The Chair and a number of National Mental Health Commissioners represent the interests of families and carers and have direct experience of supporting people with mental health issues. These issues feature strongly in the Commission's deliberations on policy and system reform, consultation and engagement approaches and internal policies.

In addition, the Commission's employment provisions include recognition of the role of support people and the need to provide flexibility to enable them to meet their caring obligations. Personal leave and carer's leave may be used when an employee, or a member of their family or household, is ill or injured and is unable to attend for duty. Ongoing employees have a paid personal/carer's leave entitlement of 18 days per year. The Commission also considers flexible working arrangements (including working part-time) for staff, subject to operational requirements.

Freedom of Information

Agencies subject to the *Freedom of Information Act 1982* (FOI Act) are required to publish information to the public as part of the Information Publication Scheme (IPS). This requirement is in Part II of the FOI Act and has replaced the former requirement to publish a Section 8 statement in an annual report. Each agency must display on its website a plan showing what information it publishes in accordance with the IPS requirements. The Commission complies with this requirement.

List of requirements

In accordance with the *Requirements for Departmental Annual Reports*, the following compliance index is provided, including a page reference for the location of each item.

Part of report	Description	Requirement
Page 3	Letter of transmittal	Mandatory
Page 4	Table of contents	Mandatory
Page 78	Index	Mandatory
Page 80	Glossary	Mandatory
Page 2	Contact officer	Mandatory
Page 2	Internet home page address and Internet address for report	Mandatory
Review by Secretary		
Page 9	Review by departmental secretary/agency CEO	Mandatory
Departmental overview		
Page 7	Role and functions	Mandatory
Page 8	Organisational structure	Mandatory
Page 14	Outcome and programme structure	Mandatory
N/A	Where outcome and programme structures differ from PB Statements/PAES or other portfolio statements accompanying any other additional appropriation bills (other portfolio statements), details of variation and reasons for change	Mandatory
Report on Performance		
Page 15	Review of performance during the year in relation to programmes and contribution to outcomes	Mandatory
Page 15-16	Actual performance in relation to deliverables and KPIs set out in PB Statements/PAES or other portfolio statements	Mandatory
N/A	Where performance targets differ from the PBS/ PAES, details of both former and new targets, and reasons for the change	Mandatory
Page 17-21	Narrative discussion and analysis of performance	Mandatory
N/A	Trend information	Mandatory
N/A	Social inclusion outcomes	If applicable, mandatory
N/A	Performance against service charter customer service standards, complaints data, and the department's response to complaints	If applicable, mandatory
Page 15 and 25 financial statements	Discussion and analysis of the department's financial performance	Mandatory
N/A	Discussion of any significant changes from the prior year, from budget or anticipated to have a significant impact on future operations	Mandatory
Page 25 financial statements	Agency resource statement and summary resource tables by outcomes	Mandatory
Management and Accountability		
Corporate Governance		
Page 3	Agency heads are required to certify that their agency complies with the Commonwealth Fraud Control Guidelines	Mandatory
Page 22	Statement of the main corporate governance practices in place	Mandatory
External Scrutiny		
Page 22	Significant developments in external scrutiny	Mandatory
Page 22	Judicial decisions and decisions of administrative tribunals	Mandatory
Page 22	Reports by the Auditor-General, a Parliamentary Committee or the Commonwealth Ombudsman	Mandatory

Management of Human Resources		
Page 23	Assessment of effectiveness in managing and developing human resources to achieve departmental objectives	Mandatory
Page 23	Statistics on staffing	Mandatory
Page 23	Enterprise or collective agreements, IFAs, determinations, common law contracts and AWAs	Mandatory
Page 23	Performance pay	Mandatory
N/A	Assets management: Assessment of effectiveness of assets management	If applicable, mandatory
Page 24	Purchasing: Assessment of purchasing against core policies and principles	Mandatory
Page 24	Consultants: The annual report must include a summary statement detailing the number of new consultancy services contracts let during the year; the total actual expenditure on all new consultancy contracts let during the year (inclusive of GST); the number of ongoing consultancy contracts that were active in the reporting year; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST). The annual report must include a statement noting that information on contracts and consultancies is available through the AusTender website.	Mandatory
Page 24	Australian National Audit Office Access Clauses: Absence of provisions in contracts allowing access by the Auditor-General	Mandatory
Page 24	Exempt contracts: Contracts exempt from the AusTender	Mandatory
Pages 25 - 75	Financial Statements	Mandatory
Other Mandatory Information		
Page 76	Work health and safety (Schedule 2, Part 4 of the <i>Work Health and Safety Act 2011</i>)	Mandatory
Page 76	Advertising and Market Research (Section 311A of the <i>Commonwealth Electoral Act 1918</i>) and statement on advertising campaigns	Mandatory
Page 76	Ecologically sustainable development and environmental performance (Section 516A of the <i>Environment Protection and Biodiversity Conservation Act 1999</i>)	Mandatory
N/A	Compliance with the agency's obligations under the <i>Carer Recognition Act 2010</i>	If applicable, mandatory
Page 76	Grant programmes	Mandatory
Page 76	Disability reporting – explicit and transparent reference to agency-level information available through other reporting mechanisms	Mandatory
Page 77	Information Publication Scheme statement	Mandatory
N/A	Correction of material errors in previous annual report	If applicable, mandatory
Page 78	List of Requirements	Mandatory

Glossary

Commission: The Chair, Commissioners and Chief Executive Officer.

Contributing Life: A fulfilling life where people living with a mental health difficulty can expect the same rights, opportunities and health as the wider community. It is a life enriched with close connections to family and friends, supported by good health, wellbeing and health care. It means having a safe, stable and secure home and having something to do each day that provides meaning and purpose, whether it is a job, supporting others or volunteering.

Council of Australian Governments (COAG): the peak intergovernmental forum in Australia, comprising the Prime Minister, State Premiers, Territory Chief Ministers and the President of the Australian Local Government Association.

Formal Commission meeting: full meetings of the Commission, of which there will be a minimum of six per year in accordance with the Operating Principles. The Commission may also conduct business out-of-session.

Key performance indicators: used to assess and monitor the Commission's performance and to provide a record of our progress towards supporting the Government to meet its policy objectives, how public money was spent and whether planned achievements were on track.

Mental health: a state of wellbeing in which every individual realises his or her own potential, can cope with the normal stresses of life, can work productively and fruitfully and is able to make a contribution to his or her own community (World Health Organization definition).

Mental illness: disturbances of mood or thought that can affect behaviour and distress the person or those around them, so the person has trouble functioning normally. They include anxiety disorders, depression and schizophrenia.

Secretariat: staff supporting the Commission.

Support person: a person whose life is affected by virtue of a family or close relationship role with a person with mental illness.