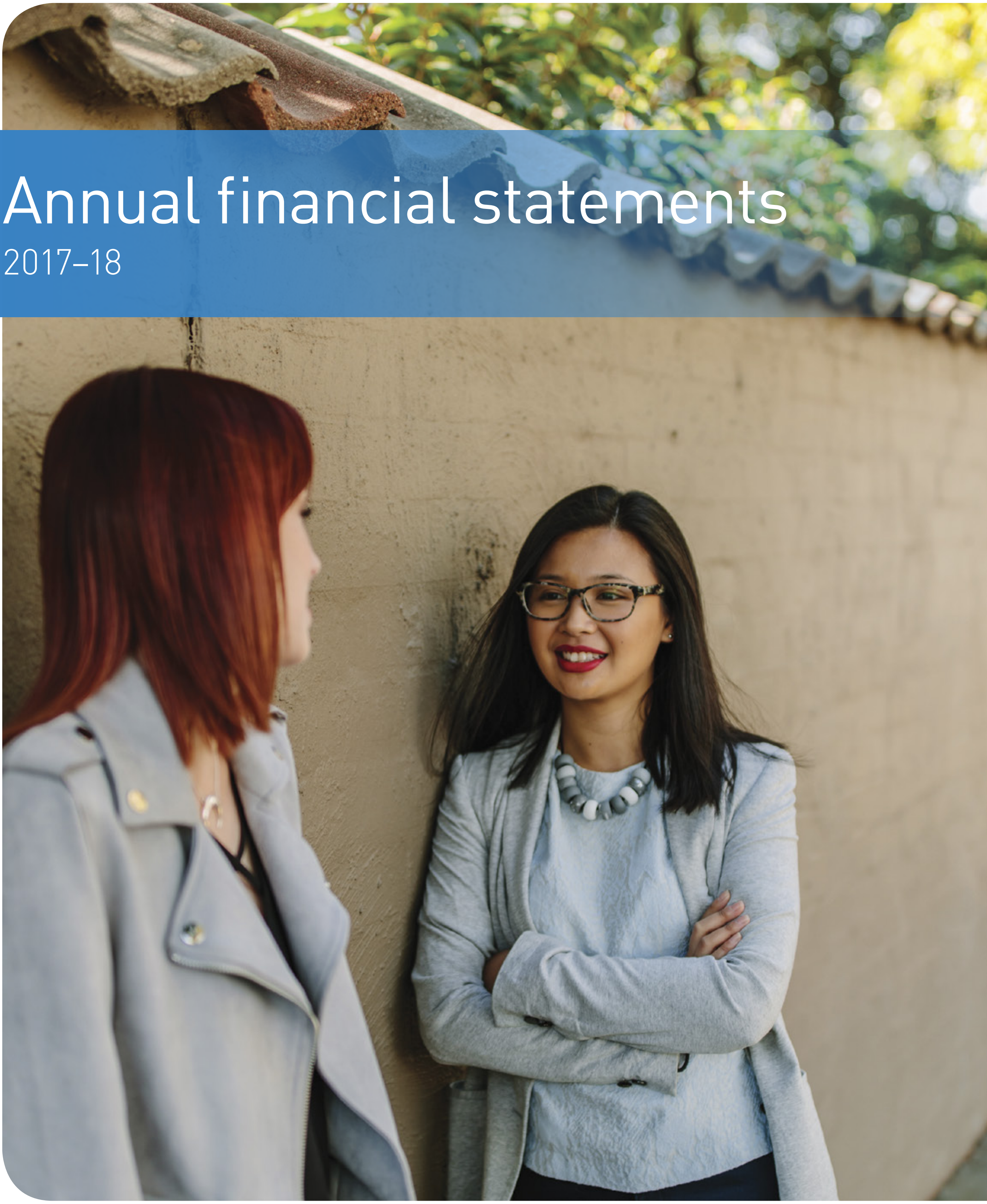
Beyond Blue

Annual financial statements

2017–18



Annual Financial Statements
Beyond Blue Limited

For the year ended 30 June 2018
ABN 87 093 865 840

Contents

Beyond Blue Limited
ABN 87 093 865 840

Directors' report
for the year ended 30 June 2018

The Directors present their report together with the consolidated financial statements of the Group comprising of Beyond Blue Limited ("the Company" or "*beyondblue*") and its' subsidiary Beyondblue Depression Research Ancillary Fund Trust for the financial year ended 30 June 2018 and the auditor's report thereon.

Directors

The Directors of the Company at any time during or since the end of the financial year are:

The Hon Julia Gillard AC, Board Chair	Chair of the Global Partnership for Education. Inaugural Chair of the Global Institute for Women's Leadership at King's College London. Distinguished Fellow with the Centre for Universal Education at the Brookings Institution in Washington. Honorary Professor at the University of Adelaide. Twenty seventh Prime Minister of Australia from 24 June 2010 to 27 June 2013, the first woman to ever serve as Australia's Prime Minister. *beyondblue* Director since 16 December 2014, due for reappointment in October 2018. Board Chair since 1 July 2017.
Tim Marney, Deputy Board Chair and Chair of the Audit, Finance and Risk Committee BEc (Hons), FCPA, MAICD	Mental Health Commissioner of Western Australia. Former Under Treasurer of WA. *beyondblue* Director since 19 August 2008, due for compulsory retirement in October 2019.
Georgina Harman, Chief Executive Officer	Current CEO of *beyondblue*. Victorian Pride Centre (Director), Mental Health Australia (Director). Former Deputy CEO of the National Mental Health Commission. *beyondblue* Director since 17 June 2014.
Professor Steven Larkin PhD, B.Soc.Wk, M.Soc.Sc	A Kungarakany man who has extensive leadership experience in Indigenous organisations, CEO at Batchelor Institute of Indigenous Tertiary Education, Northern Territory. Has a Doctor of Philosophy degree (PhD). *beyondblue* Director since 17 February 2009, due for compulsory retirement in October 2018.
Professor Michael Baigent MBBS, FRANZCP, FACHAM (RACP)	Clinical academic psychiatrist and addiction specialist, Clinical Advisor to *beyondblue* from 2006 to 2011. *beyondblue* Director since 21 June 2011, due for compulsory retirement in October 2020.
Professor Michael Kidd AM MBBS, MD, DCCH, Dip. RACOG, FRACGP, FACHI, FRCGP (Hon), FAFPM (Hon), FHKCFP (Hon), FRNZCGP (Hon), FCGPSL (Hon), FAICD	General Practitioner and Professor of Global Primary Care, Southgate Institute for Health, Equity and Society, Flinders University and Chair of Family and Community Medicine, University of Toronto. Former Executive Dean of the Faculty of Medicine, Nursing and Health Sciences at Flinders University (2009-2016). Past President of the Royal Australian College of General Practitioners (2002-2006) and Immediate President of the World Organization of Family Doctors (2013-2016). *beyondblue* Director since 12 December 2011, due for reappointment in October 2018.

Paul Howes	Partner in Charge of Customer, Brand & Marketing Advisory and National Sector Leader of Asset & Wealth Management at KPMG. Former National Secretary of the Australian Workers' Union. *beyondblue* Director since 25 February 2014, due for reappointment in October 2020.
Fiona Coote AM	Second heart transplant recipient in Australia. Awarded the Order of Australia for her services to the community for raising public awareness of heart disease and raising funds for seriously ill and terminally ill children. *beyondblue* Director since 17 April 2012, due for reappointment in October 2018.
Johanna Griggs	Television presenter on the Seven Network. Former competitive swimmer and Commonwealth Games medallist. *beyondblue* Director since 17 June 2014, due for reappointment in October 2020.
Dr Mukesh Haikerwal AC	A General Medical Practitioner since 1991. Former National President of the Australian Medical Association. Honorary Life Member of the Royal Australian College of General Practitioners. Council Chair of the World Medical Association from 2011 to 2015. Chair of the Advisory Committee for *beyondblue's* Doctors' Mental Health Program 2009 to 2016. Cancer Council Victoria (Director), Brain Injury Australia (Director). *beyondblue* Director since 21 April 2015, due for reappointment in October 2018.
Dr Jessica Dean	Junior Doctor working at Austin Health. Completed a Bachelor of Medicine and Bachelor of Laws from Monash University. State Finalist for Young Australian of the Year. Former President of the Australian Medical Students' Association and former Federal Councillor of the Australian Medical Association. *beyondblue* Director since 18 August 2015, due for reappointment in October 2018.
Kate Carnell AO FAICD FAIM, Deputy Board Chair	Inaugural Australian Small Business and Family Enterprise Ombudsman (ASBFEO). Former CEO of Australian Chamber of Commerce & Industry, *beyondblue*, the Australian Food and Grocery Council and Australian General Practice Network. ACT Chief Minister from 1995 to 2000. Inaugural Chair of the ACT Branch of the Pharmacy Guild of Australia and the first female to become the National Vice-President of the Pharmacy Guild of Australia. *beyondblue* Director from 19 August 2008 to 16 May 2014. Re-joined the Board on 13 December 2016, due for reappointment in October 2020.
The Hon. Robert Knowles AO	Farmer and Company Director. National Mental Health Commissioner 2012 to 2017. Chairman of the Royal Children's Hospital Melbourne, former Chair of Mental Health Australia and Commissioner on the National Health and Hospital Reform Commission. Former Victorian Minister of Health, Housing and Aged Care (1996-1999) and Member for Ballarat (1976-1999). *beyondblue* Director from 1 February 2017, due for reappointment in October 2020.

Company Secretary

The Company Secretary during and since the end of the financial year is:

Cheryl Geels GIA (Cert)	A member of the Governance Institute of Australia. Company Secretary appointed 16 December 2014. Ceased 5 January 2018.
Mark Burke	Appointed 14 March 2017, CPA and Grad. Dip of Applied Corporate Governance.
Malcolm Haynes	Appointed 5 June 2018, Bachelor of Economics; F.C.P.A.

Directors' meetings

The number of Directors' meetings (including meetings of committees of Directors) and number of meetings attended by each of the Directors of the Company during the financial year are:

Director	Board Meetings		Audit, Finance & Risk Committee Meetings		Nomination and Remuneration Committee Meetings	
	A	B	A	B	A	B
The Hon Julia Gillard AC	5	5				
Tim Marney	5	5	4	4	2	2
Kate Carnell AO	5	5	2	4		
Georgina Harman	5	5	4	4	1	2
Professor Steven Larkin	3	5				
Associate Professor Michael Baigent	5	5				
Professor Michael Kidd AM	5	5				
Fiona Coote AM	5	5				
Paul Howes	4	5			1	2
Johanna Griggs	4	5				
Dr Mukesh Haikerwal AC	5	5				
Dr Jessica Dean	5	5	4	4	2	2
The Hon Robert Knowles AO	4	5				

A – Number of meetings attended
B – Number of meetings held during the time the director held office during the year

Members' guarantee

The Company is limited by guarantee. The liability of the members is limited to a maximum of $50 each. The Company has nine members (2017: nine members).

Principal activities

During the financial year ended 30 June 2018, the principal activities of the Group were to:

- Reduce the prevalence and impact of depression and anxiety conditions, and suicide in the Australian community by supporting people to protect and manage their mental health and to recover when they are unwell.
- Reduce people's experiences of stigma and discrimination relating to depression, anxiety conditions and suicide.
- Improve people's opportunities to get effective support and services at the right time for depression and anxiety conditions and to prevent suicide.
- Use best practices to deliver integrated, evidence-based and cost-efficient initiatives through our people and resources.

There were no significant changes in the nature of the activities of the Group during the year.

Review and result of operations

The Group's surplus from ordinary activities for financial year 2018 amounted to $3,692,387 (2017 Surplus: $4,313,067). The Company's surplus from ordinary activities for the financial year 2018 amounted to $4,251,008(2017 Surplus: $4,152,138).

The Group has been granted exemption from income tax under Section 50-5 of the Income Tax Assessment Act (1997). Beyond Blue Limited was initially funded for a five year term from 2000 to 2005. Commonwealth funding is contracted until 30 June 2019, State and Territory Government funding is contracted for periods up to 30 June 2021.

Change in state of affairs

Effective 1 July 2017 The Honourable Julia Gillard AC was appointed to the position of Chair of Beyond Blue Limited.

Dividends

The Company is limited by guarantee and is prohibited by its Constitution from paying a dividend to its members.

Events subsequent to reporting date

In the interval between the end of the financial year and the date of this report, no item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, has arisen to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Likely developments

It is not foreseen that the Group will undertake any change in its general direction during the coming financial year. The Group will continue to pursue its objective of increasing the capacity of the Australian community to respond effectively to depression and anxiety and to prevent suicide through its principal activities.

Indemnification and insurance of officers and auditors

Indemnification

The company has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer or auditor of the Company.

Insurance premiums

During the financial year the Company has paid premiums in respect of directors' and officers' liability and legal expenses insurance contracts for the year ended 30 June 2018. Such insurance contracts insure against certain liability (subject to specific exclusions) persons who are or have been directors or executive officers of the Company. The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability and legal expenses' insurance contracts, as such disclosure is prohibited under the terms of the contract.

Non-audit services

Non-audit services were provided by the auditors of the Group to the value of $338,317 as per Note 8.

Auditor's independence declaration

The auditor's independence declaration is set out on page 35.

This report is made with a resolution of the directors:

The Hon Julia Gillard AC
Director

Mr Tim Marney
Director

Dated at Melbourne this 11th day of September 2018

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Consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2018

	Note	Consolidated 2018 $	Consolidated 2017 $	Company 2018 $	Company 2017 $
Revenue	6	65,222,347	51,224,135	65,222,347	51,224,135
Project expenses		(46,794,013)	(35,274,770)	(46,074,092)	(35,274,770)
Travel and accommodation expenses		(453,523)	(510,971)	(453,523)	(510,971)
Personnel expenses	7	(13,461,487)	(10,648,957)	(13,461,487)	(10,648,957)
Occupancy expenses		(806,084)	(533,267)	(806,084)	(533,267)
Depreciation & amortisation expense		(256,024)	(192,522)	(256,024)	(192,522)
Website expenses		(336,662)	(411,623)	(336,662)	(411,623)
Other expenses		(992,338)	(785,854)	(992,338)	(785,784)
Surplus/(Deficit) from operating activities		**2,122,216**	**2,866,171**	**2,842,137**	**2,866,241**
Finance income	9	1,570,171	1,446,896	1,408,871	1,285,897
Net finance income		**1,570,171**	**1,446,896**	**1,408,871**	**1,285,897**
Surplus/(Deficit) before tax		3,692,387	4,313,067	4,251,008	4,152,138
Income tax expense	3(k)	-	-	-	-
Surplus/(Deficit) after tax		3,692,387	4,313,067	4,251,008	4,152,138
Other comprehensive income					
Other comprehensive income for the year, net of income tax		-	-	-	-
Total comprehensive Surplus/(Deficit) for the year		3,692,387	4,313,067	4,251,008	4,152,138

This statement should be read in conjunction with the accompanying notes.

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Consolidated statement of financial position as at 30 June 2018

	Note	Consolidated 2018 $	Consolidated 2017 $	Company 2018 $	Company 2017 $
Current assets					
Cash and cash equivalents	10	17,967,168	26,104,762	17,787,114	26,067,200
Trade and other receivables	11	1,486,727	1,196,995	1,486,727	1,196,995
Investments	12	47,767,575	47,062,100	41,905,856	40,499,268
Total current assets		**67,221,470**	**74,363,857**	**61,179,697**	**67,763,463**
Non-current assets					
Plant and equipment	13	700,499	350,088	700,499	350,088
Intangibles	14	-	-	-	-
Total non-current assets		**700,499**	**350,088**	**700,499**	**350,088**
Total assets		**67,921,969**	**74,713,945**	**61,880,196**	**68,113,551**
Current liabilities					
Trade and other payables	15	3,398,130	6,867,932	3,398,130	6,867,932
Deferred Income	16	8,548,631	15,736,633	8,548,631	15,736,633
Employee benefits	18	718,909	565,544	718,909	565,544
Total current liabilities		**12,665,670**	**23,170,109**	**12,665,670**	**23,170,109**
Non-current liabilities					
Employee benefits	18	76,324	56,248	76,324	56,248
Total non-current liabilities		**76,324**	**56,248**	**76,324**	**56,248**
Total liabilities		**12,741,994**	**23,226,357**	**12,741,994**	**23,226,357**
Net assets		**55,179,975**	**51,487,588**	**49,138,202**	**44,887,194**
Equity					
Retained surplus		55,179,975	51,487,588	49,138,202	44,887,194
Total equity		**55,179,975**	**51,487,588**	**49,138,202**	**44,887,194**

This statement should be read in conjunction with the accompanying notes.

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Consolidated statement of changes in equity for the year ended 30 June 2018

	Consolidated		Company	
	Retained Surplus	Total Equity	Retained Surplus	Total Equity
	$	$	$	$
Balance at 1 July 2016	47,174,521	47,174,521	40,735,056	40,735,056
Surplus for the year	4,313,067	4,313,067	4,152,138	4,152,138
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year	4,313,067	4,313,067	4,152,138	4,152,138
Transactions with owners, recorded directly in equity	-	-	-	-
Balance at 30 June 2017	**51,487,588**	**51,487,588**	**44,887,194**	**44,887,194**
Balance at 1 July 2017	51,487,588	51,487,588	44,887,194	44,887,194
Surplus for the year	3,692,387	3,692,387	4,251,008	4,251,008
Other comprehensive income	-	-	-	-
Total comprehensive surplus for the year	3,692,387	3,692,387	4,251,008	4,251,008
Transactions with owners, recorded directly in equity	-	-	-	-
Balance at 30 June 2018	**55,179,975**	**55,179,975**	**49,138,202**	**49,138,202**

This statement should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows
for the year ended 30 June 2018

	Note	Consolidated		Company	
		2018	2017	2018	2017
		$	$	$	$
Cash flows from operating activities					
Cash receipts from operations		62,607,262	69,660,340	62,607,262	69,660,340
Cash paid to program suppliers, other suppliers and employees		(71,001,622)	(57,636,863)	(70,281,700)	(57,636,793)
Interest received		1,570,171	1,446,896	1,408,871	1,285,897
Net cash (used in)/generated from operating activities	20	**(6,824,189)**	**13,470,373**	**(6,265,567)**	**13,309,444**
Cash flows from investing activities					
Acquisition of investments		(1,565,439)	(7,467,423)	(1,406,588)	(815,760)
Proceeds from investments		859,965	6,324,388	-	-
Acquisition of plant and equipment	13	(607,931)	(114,135)	(607,931)	(114,135)
Net cash (used in)/from investing activities		**(1,313,405)**	**(1,257,170)**	**(2,014,519)**	**(929,895)**
Net (decreased)/increase in cash and cash equivalents		(8,137,594)	12,213,203	(8,280,086)	12,379,549
Cash and cash equivalents at 1 July		26,104,762	13,891,559	26,067,200	13,687,651
Cash and cash equivalents at 30 June	10	**17,967,168**	**26,104,762**	**17,787,114**	**26,067,200**

This statement should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements for the year ended 30 June 2018

1. Reporting entity

Beyond Blue Limited (the "Company") is a company limited by guarantee, domiciled in Australia. The address of the Company's registered office is 290 Burwood Road, Hawthorn, VIC, 3122. The consolidated financial statements of the Company as at and for the year ended 30 June 2018 comprise the Company and its subsidiary (together referred to as the "Group".) The Company is a not-for-profit entity primarily involved in the business of creating change to protect everyone's mental health and improving the lives of individuals, families and communities in Australia, affected by anxiety, depression and suicide.

2. Basis of preparation

(a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-Profits Commission Act 2012. The financial statements were approved by the Board of Directors on 11 September 2018.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair values of the consideration given in exchange for assets.

(c) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Group's functional currency.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The major areas of judgement refer to plant and equipment, and intangible assets estimates with respect to:

- residual values;
- the estimated costs of dismantling, removing or restoring items of plant and equipment
- useful lives; and
- depreciation methods.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by group entities.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that the control is lost. Subsequently it is accounted for as an equity-accounted investment or as an available-for-sale financial asset depending on the level of influence retained.

(iii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Financial instruments

(i) Non-derivative financial assets

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial assets: financial assets at fair value through profit or loss, held-to-maturity financial assets, and trade and other receivables.

3. Significant accounting policies (continued)

(b) Financial instruments (continued)

(i) Non-derivative financial assets (continued)

Held-to-maturity financial assets

If the Group has the positive intent and ability to hold term deposits to maturity, then such financial assets are classified as held-to-maturity. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses. Held to maturity financial assets comprise term deposits.

Trade and other receivables

Trade and other receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, trade and other receivables are measured at amortised cost using the effective interest method, less any impairment losses. Refer to note 3(f).

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less from the acquisition date which are subject to insignificant risk of change in their face value,and are used by the Group in the management of its short term commitments.

(ii) Non-derivative financial liabilities

All financial liabilities are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Other financial liabilities comprise trade and other payables.

(iii) Share Capital

The Company is limited by guarantee and does not have any share capital. The liability of the members is limited to $50 each.

3. Significant accounting policies (continued)

(c) Plant and equipment

(i) Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

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

Gains and losses on disposal of an item of plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of plant and equipment and are recognised net within other income or expense in surplus or deficit.

(i) Subsequent costs

The cost of replacing a part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in surplus or deficit.

(iii) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised in surplus or deficit on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

The estimated useful lives in the current and comparative periods are as follows:

- Furniture and fittings	2–5 years
- Computer equipment	2–5 years
- Office equipment	2–5 years
- Leasehold improvements	1–5 years

Depreciation methods, useful lives and residual values are re-assessed at the reporting date.

3. Significant accounting policies (continued)

(d) Intangibles

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. Other intangible assets comprise computer software and website development.

(i) Subsequent expenditure

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

(ii) Amortisation

Amortisation is calculated over the cost of the asset, or another amount substituted for cost, less its residual value.

Amortisation is recognised in the surplus and deficit on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use. The estimated useful life for the current and comparative periods is as follows:

- Computer software	3 years
- Website development	3 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(e) Leased assets

All leases held during the year are operating leases and are not recognised in the Group's statement of financial position.

(f) Impairment

(i) Non-derivative financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

3. Significant accounting policies (continued)

(f) Impairment (continued)

The Group considers evidence of impairment for receivables and held-to-maturity investment securities at both a specific asset and collective level. All individually significant receivables and held-to-maturity investment securities are assessed for specific impairment.

All individually significant receivables and held-to-maturity investment securities found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables and held-to-maturity investment securities that are not individually significant are collectively assessed for impairment by grouping together receivables and held-to-maturity investment securities with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

(i) Non-derivative financial assets (continued)

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in surplus or deficit and reflected in an allowance account against receivables or held-to-maturity investments. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event (e.g. repayment by a debtor) causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through surplus or deficit.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in surplus or deficit.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent

3. Significant accounting policies (continued)

that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

(g) Employee benefits

(i) Long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than defined benefit plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

(ii) Short-term employee benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. Liabilities for employee benefits for wages, salaries and annual leave represent present obligations resulting from employees' services provided to reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay as at reporting date including related on-costs, such as workers compensation insurance.

(h) Revenue

(i) Government funding

Funding comprises the amounts received from the Commonwealth, State and Territory Governments.

In 2016/17 the Group elected to early adopt the revenue recognition requirements of AASB 15 *Revenue from Contracts with Customers*. The standard has an application date of 1 January 2019 with early adoption permitted.

The standard has been applied retrospectively to each prior reporting period presented in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and the transitional provisions required under AASB 15 *Revenue from Contracts with Customers*.

Revenue from government funding is recognised when the specific performance obligations within an enforceable government funding contract are satisfied. Revenue is deferred where the performance obligations or the contractual milestones of the funding agreement have not been met and where the contractual arrangements require the repayment of funds not committed to program delivery. The amount of income deferral as at 30 June 2018 is $8,513,631 (2017: $15,736,633).

3. Significant accounting policies (continued)

(ii) Donations

Donations are recognised as revenue upon receipt.

(iii) Interest

Interest is recognised as revenue on an accruals basis.

(iv) Other investment income

Other investment income is recognised on contracted terms.

(i) Lease payments

Payments made under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other considerations required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

3. Significant accounting policies (continued)

(j) Finance income and expenses

Finance income comprises interest income on funds invested and fair value gains on financial assets at fair value through profit or loss. Interest income is recognised as it accrues, using the effective interest method. Finance expense comprises changes in the fair value of financial assets at fair value through profit and loss.

(k) Income tax

The Group has an exemption from income tax under Section 50-5 of the Income Tax Assessment Act (1997).

3. Significant accounting policies (continued)

(l) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australian Tax Office (ATO) is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(m) Adoption of new and revised Accounting Standards

Amendments to Accounting Standards that are mandatorily effective for the current reporting period

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for an accounting period that begins on or after 1 July 2017.

New and revised Standards and amendments thereof and Interpretations effective for the current year end that are relevant include:

- AASB 1048 Interpretation of Standards
- AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107
- AASB 2017-2 Amendments to Australian Accounting Standards – Further Annual Improvements 2014-2016
- Disclosures to Not-for-Profit Public Sector Entities

New and revised Australian Accounting Standards in issue but not yet effective

At the date of authorisation of the financial statements, the Group has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

3. Significant accounting policies (continued)

(m) Adoption of new and revised Accounting Standards (continued)

Standards and Interpretations in issue not yet effective

Standard/amendment	Effective for annual reporting periods beginning on or after
AASB 9 Financial Instruments (No impact in 2017/18)	1 January 2018
AASB 16 *Leases*	1 January 2019
AASB 2008-1 Amendments to Australian Accounting Standards – Annual Improvements 2015-2017 Cycle	1 January 2019
AASB 2008-2 Amendments to Australian Accounting Standards – Plan Amendment, Curtailment or Settlement (No impact in 2017/18)	1 January 2018

4. Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purpose based on the following methods.

When applicable, further information about the assumptions made in determining fair value is disclosed in the notes specific to the asset or liability.

5. Financial risk management

(a) Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout this financial report specifically under note 17.

(b) Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

5. Financial risk management (continued)

Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group, through its training and management standards and procedures, is developing a disciplined and constructive control environment in which all employees understand their roles and obligations.

(c) Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from operating activities and investments.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Geographically there is no concentration of credit risk.

Investments

The Group limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have a credit rating equal to or better than the Group.

(d) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

(e) Market risk

Market risk is the risk that changes in market prices, such as interest rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

All investment transactions are carried out within the guidelines of the Group's Investment Policy.

6. Revenue

	Consolidated		Company	
	2018	2017	2018	2017
	$	$	$	$
Government funding				
Commonwealth Government	46,469,927	33,149,655	46,469,927	33,149,655
Australian Capital Territory Government	538,100	364,100	538,100	364,100
New South Wales Government	1,200,000	1,200,000	1,200,000	1,200,000
Northern Territory Government	42,118	42,118	42,118	42,118
Queensland Government	645,086	645,086	645,086	645,086
South Australian Government	278,000	278,000	278,000	278,000
Tasmanian Government	88,969	88,953	88,969	88,953
Victorian Government	2,200,000	2,200,000	2,200,000	2,200,000
Western Australian Government	342,000	342,000	342,000	342,000
	51,804,200	38,309,912	51,804,200	38,309,912
Other revenue				
Donations	11,243,503	11,220,695	11,243,503	11,220,695
Distribution from trust for research projects	-	-	-	-
Other	2,174,644	1,693,528	2,174,644	1,693,528
	13,418,147	12,914,223	13,418,147	12,914,223
Total revenue	**65,222,347**	**51,224,135**	**65,222,347**	**51,224,135**

7. Personnel expenses

	Consolidated 2018	Consolidated 2017	Company 2018	Company 2017
Wages and salaries	13,288,047	10,635,946	13,288,047	10,635,946
Increase in liability for long service leave	24,488	(50,301)	24,488	(50,301)
Increase in liability for annual leave	148,952	63,312	148,952	63,312
	13,461,487	10,648,957	13,461,487	10,648,957
FTE as at June 30	150.9	112.3		

8. Auditors' remuneration

	Consolidated		Company	
	2018	2017	2018	2017
	$	$	$	$
Audit services				
Auditors of the Group				
Audit and review of financial reports	29,100	40,800	29,100	40,800
Grant audits	8,400	10,900	8,400	10,900
	37,500	51,700	37,500	51,700
Auditors of the Group – other services				
National Education Initiative-Plan part 1	104,188	-	104,188	-
National Education Initiative	130,235	-	130,235	-
National Education Initiative	88,560	-	88,560	-
Customer Relationship Management System – Contract Review	15,334	-	15,334	-
	338,317	-	338,317	-

The external auditor for the year ended 30 June 2018 is Deloitte Touche Tohmatsu.
The internal auditor for the year ended 30 June 2018 is MSI Ragg Weir & Co.

9. Finance income

Interest income from bank, term deposits and cheque accounts	1,570,171	1,446,896	1,408,871	1,285,897
Finance income	1,570,171	1,446,896	1,408,871	1,285,897

10. Cash and cash equivalents

Bank balances	17,967,168	26,104,762	17,787,114	26,067,200
Cash on hand	-	-	-	-
Cash and cash equivalents in the statement of cash flows	17,967,168	26,104,762	17,787,114	26,067,200

11. Trade and other receivables

Trade receivables	341,586	386,455	341,586	386,455
Intercompany	-	-	-	-
GST receivable	610,608	346,687	610,608	346,687
Other receivables and prepayments	534,533	463,853	534,533	463,853
	1,486,727	1,196,995	1,486,727	1,196,995

The average credit period is 30 days. No interest is charged on overdue amounts. All the trade receivables are considered recoverable and no allowance for doubtful debts is required refer note 17a.

12. Investments

	Consolidated		Company	
	2018 $	2017 $	2018 $	2017 $
Current				
Term deposits	47,767,575	47,062,100	41,905,866	40,499,268
Total investments	47,767,575	47,062,100	41,905,856	40,499,268

13. Plant and equipment

	Consolidated 2018 $	Consolidated 2017 $	Company 2018 $	Company 2017 $
Furniture and fittings				
At cost	116,219	116,219	116,219	116,219
Accumulated depreciation	(116,219)	(116,219)	(116,219)	(116,219)
	-	-	-	-
Computer equipment				
At cost	349,320	691,355	349,320	691,355
Accumulated depreciation	(177,891)	(555,459)	(177,891)	(555,459)
	171,429	135,896	171,429	135,896
Office equipment				
At cost	44,671	6,729	44,671	6,729
Accumulated depreciation	(18,768)	(6,729)	(18,768)	(6,729)
	25,903	-	25,903	-
Leasehold improvements				
At cost	806,134	356,987	806,134	356,987
Accumulated amortisation	(302,967)	(142,795)	(302,967)	(142,795)
	503,167	214,192	503,167	214,192
Total plant and equipment net book value	700,499	350,088	700,499	350,088

Reconciliations

Reconciliations of the carrying amounts for each class of plant and equipment are set out below:

	Consolidated 2018 $	Consolidated 2017 $	Company 2018 $	Company 2017 $
Furniture and fittings				
Balance at 1 July	-	6,803	-	6,803
Acquisitions	-	-	-	-
Disposals	-	-	-	-
Depreciation	-	(6,803)	-	(6,803)
Balance at 30 June	-	-	-	-

13. Plant and equipment (continued)

Computer equipment

	Consolidated		Company	
	2018	2017	2018	2017
	$	$	$	$
Balance at 1 July	135,896	79,871	135,896	79,871
Acquisitions	120,843	114,135	120,843	114,135
Disposals	(1,497)	-	(1,497)	-
Depreciation	(83,813)	(58,110)	(83,813)	(58,110)
Balance at 30 June	171,429	135,896	171,429	135,896
Office equipment				
Balance at 1 July	-	-	-	-
Acquisitions	37,941	-	37,941	-
Disposals	-	-	-	-
Depreciation	(12,038)	-	(12,038)	-
Balance at 30 June	25,903	-	25,903	-
Leasehold improvements				
Balance at 1 July	214,192	285,589	214,192	285,589
Acquisitions	449,147	-	449,147	-
Disposals	-	-	-	-
Depreciation	(160,172)	(71,397)	(160,172)	(71,397)
Balance at 30 June	503,167	214,192	503,167	214,192

14. Intangibles

	Consolidated 2018	Consolidated 2017	Company 2018	Company 2017
Software				
At cost	-	755,125	-	755,125
Accumulated amortisation	-	(755,125)	-	(755,125)
	-	-	-	-
Website				
At cost	-	548,016	-	548,016
Accumulated amortisation	-	(548,016)	-	(548,016)
	-	-	-	-
Total intangibles	-	-	-	-
Software				
Balance at 1 July	-	20,522	-	20,522
Acquisitions	-	-	-	-
Disposal	-	-	-	-
Amortisation	-	(20,522)	-	(20,522)
Balance at 30 June	-	-	-	-

14. Intangibles (continued)

Website

	Consolidated 2018 $	Consolidated 2017 $	Company 2018 $	Company 2017 $
Balance at 1 July	-	35,690	-	35,690
Acquisitions	-	-	-	-
Disposal	-	-	-	-
Amortisation	-	(35,690)	-	(35,690)
Balance at 30 June	-	-	-	-

15. Trade and other payables

Trade payables	2,094,441	3,885,256	2,094,441	3,885,256
Non-trade payables and accrued expenses	1,303,689	2,982,676	1,303,689	2,982,676
	3,398,130	**6,867,932**	**3,398,130**	**6,867,932**

The contractual maturities of trade and other payables are all within 30 days and equal the carrying amount.

16. Deferred income

Deferred income	8,548,631	15,736,633	8,548,631	15,736,633
	8,548,631	**15,736,633**	**8,548,631**	**15,736,633**

17. Financial instruments

(a) Credit risk
Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	Note				
Cash at bank	10	17,967,168	26,104,762	17,787,114	26,067,200
Trade and other receivables	11	1,486,727	1,196,995	1,486,727	1,196,995
Investments	12	47,767,575	47,062,100	41,905,857	40,499,268
		67,221,470	74,363,857	61,179,698	67,763,463

Trade and other receivables
The Group's geographical exposure to credit risk for cash and cash equivalents, trade and other receivables and investments at the reporting date resides within Australia.

17. Financial instruments (continued)

Impairment losses

The ageing of the Group's trade and other receivables at the reporting date was:

Consolidated	Gross 2018 $	Impairment 2018 $	Gross 2017 $	Impairment 2017 $
Not past due	1,486,727	-	1,196,995	-
Past due 0-30 days	-	-	-	-
Past due 31-60 days	-	-	-	-
More than 61 days	-	-	-	-
	1,486,727	-	1,196,995	-
Company				
Not past due	1,486,727	-	1,196,995	-
Past due 0-30 days	-	-	-	-
Past due 31-60 days	-	-	-	-
More than 61 days	-	-	-	-
	1,486,727	-	1,196,995	-

Based on historic default rates, the Group believes that no impairment allowance is necessary, in the current or prior year, in respect of trade and other receivables. The Group has no concentration of customer risk.

17. Financial instruments (continued)

(b) Liquidity risk

The contractual maturities of trade and other payables are all within 30 days and equal the carrying amount.

The following table details the association and the Group's remaining contractual maturity for its non-derivative financial assets. The tables have been drawn based on the undiscounted contractual maturities of the financial assets that will be earned on those assets except where the Company/Group anticipates that the cash flow will occur in a different period.

	Weighted average effective interest rate %	Less than 1 month $	1-3 months $	3 months to 1 year $	Total $
Consolidated					
2018					
Fixed interest rate instruments	2.62	6,541,871	16,658,463	24,567,241	47,767,575
Trade receivables		1,486,727	-	-	1,486,727
Cash and cash equivalents		17,967,168	-	-	17,967,168
Total		**25,995,766**	**16,658,463**	**24,567,241**	**67,221,470**
2017					
Fixed interest rate instruments	2.62	8,665,662	10,233,356	28,163,082	47,062,100
Trade receivables		1,196,995	-	-	1,196,995
Cash and cash equivalents		26,104,761	-	-	26,104,761
Total		**35,967,418**	**10,233,356**	**28,163,082**	**74,363,856**
Company					
2018					
Fixed interest rate instruments	2.63	6,541,870	16,658,463	18,705,523	41,905,856
Trade receivables		1,486,727	-	-	1,486,727
Cash and cash equivalents		17,787,114	-	-	17,787,114
Total		**25,815,711**	**16,658,463**	**18,705,523**	**61,179,697**
2017					
Fixed interest rate instruments	2.63	8,665,662	10,233,356	21,600,250	40,499,268
Trade receivables		1,196,995	-	-	1,196,995
Cash and cash equivalents		26,067,200	-	-	26,067,200
Total		**35,929,857**	**10,233,356**	**21,600,250**	**67,763,463**

17. Financial instruments (continued)

(c) Interest rate risk

At the reporting date the interest rate profile of the Group's interest bearing financial instruments was:

	Note	Consolidated 2018 $	Consolidated 2017 $	Company 2018 $	Company 2017 $
Fixed rate instruments					
Investments					
Term deposits	12	47,767,575	47,062,100	41,905,857	40,499,268
Variable rate instruments					
Cash at bank balances	10	17,967,168	26,104,761	17,787,114	26,067,200

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through surplus or deficit. Therefore a change in interest rates at the reporting date would not affect surplus or deficit.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased (decreased) surplus or deficit by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis was performed on the same basis for 2018.

	Surplus or Deficit 100bp Increase Consolidated $	Surplus or Deficit 100bp Decrease Consolidated $	Surplus or Deficit 100bp Increase Company $	Surplus or Deficit 100bp Decrease Company $
30-Jun-18				
Cash and cash equivalents	179,672	(179,672)	177,871	(177,871)
30-Jun-17				
Cash and cash equivalents	261,048	(261,048)	260,672	(260,672)

(d) Currency risk

The Group does not have any exposure to currency risk.

18. Employee Benefits

	Consolidated		Company	
	2018	2017	2018	2017
	$	$	$	$
Current				
Liability for annual leave	602,273	453,321	602,273	453,321
Liability for long service leave	116,636	112,223	116,636	112,223
	718,909	565,544	718,909	565,544
Non-current				
Liability for long service leave	76,324	56,248	76,324	56,248
	795,233	**621,792**	**795,233**	**621,792**

19. Operating leases

Non-cancellable operating lease rentals are payable as follows:				
Payable within one year	731,261	529,804	731,261	529,804
Payable between one and 5 years	698,932	981,482	698,932	981,482
Payable later than 5 years	-	-	-	-
	1,430,193	**1,511,286**	**1,430,193**	**1,511,286**

The operating leases above relate to the lease of the Company's office premises.

20. Reconciliation of cash flows from operating activities

Cash flows from operating activities				
Surplus/(Deficit) for the year	3,692,386	4,313,067	4,251,008	4,152,138
Adjustments for:				
Depreciation and amortisation	256,024	192,522	256,024	192,522
Write off of fixed assets	1,497	-	1,497	-
Cash flow from operating Surplus/(Deficit) before changes in working capital	3,949,907	4,505,589	4,508,529	4,344,660
(Increase)/Decrease in trade and other receivables	(289,732)	(362,376)	(289,732)	(362,376)
(Decrease)/Increase in trade and other payables	(3,469,802)	(6,422,483)	(3,469,802)	(6,422,483)
Increase/(Decrease) in deferred income	(7,188,002)	15,736,633	(7,188,002)	15,736,633
Increase/(Decrease) in employee benefits	173,440	13,010	173,440	13,010
Net cash (used)/generated from operating activities	**(6,824,189)**	**13,470,373**	**(6,265,567)**	**13,309,444**

21. Related parties

Transactions with key management personnel

Apart from the details disclosed in this note, no key management personnel have entered into a material contract with the Group and there were no material contracts involving key management personnel's interests existing at year end. Key management personnel include the directors of the Group. There were no key management personnel other than the directors.

Key management personnel compensation

The key management personnel's compensation, comprising of director's remuneration, included in 'personnel expenses' (see note 7) are as follows:

	2018 $	2017 $
Short term employee benefits	717,064	706,708
Post-employment benefits	-	-
	717,064	706,708

The directors and other members of key management personnel of the Group during the year were:

The Hon Julia Gillard AC

Tim Marney

Kate Carnell AO

Georgina Harman

Professor Steven Larkin

Associate Professor Michael Baigent

Professor Michael Kidd AM

Fiona Coote AM

Paul Howes

Johanna Griggs

Dr Mukesh Haikerwal AO

Dr Jessica Dean

The Hon Robert Knowles AO

The Hon Jeff Kennett AC

Other related parties

Key management personnel related entities

A number of key management personnel hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities.

There were no transactions during the year with any of these entities.

22. Economic dependency

The Group is largely dependent upon the Commonwealth, State and Territory Governments for ongoing funding.

Parent entity
As at, and throughout, the financial year ending 30 June 2017 the parent entity of the Group was Beyond Blue Limited.

Significant subsidiaries

	Country of incorporation	Ownership interest	
		2018	2017
Beyondblue Depression Research Ancillary Fund Trust	Australia	100	100

The Company, Beyond Blue Limited is the sole trustee of its subsidiary Beyond Blue Depression Research Ancillary Fund Trust.

23. Subsequent Events

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Group to affect significantly the operations of the Group, the results of those operation, or the state of affairs of the Group, in future financial years.

24. Contingencies and commitments

(a) Contingent liabilities at 30 June 2018

There are no contingent liabilities at 30 June 2018 (2017: nil).

(b) Commitments at 30 June 2018

- Beyond Blue Limited entered into a Memorandum of Understanding on 2 May 2017 with The National Health and Medical Research Council (NHMRC) to provide $3.750 million excluding GST in research grants, payable by five payments of $750,000. Due dates for the remaining payments are as follows:
-

2018/19	2019/20	2020/21	2021/22
$750,000	$750,000	$750,000	$750,000

These funding grants will be sourced from the Beyondblue Depression Research Ancillary Fund Trust.

- Operating leases at note 19.

Beyond Blue Limited
ABN 87 093 865 840

Directors' declaration
for the year ended 30 June 2018

The directors of Beyond Blue Limited declare that:

(a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;

(b) in the directors' opinion the attached financial statements and notes thereto are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the company and the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s.60.15 of the Australian Charities and Not-for-profits Commission Regulations 2013.

On behalf of the directors:

Dated at Melbourne this 11th day of September 2018.

The Honourable Julia Gillard AC
Director

Mr Tim Marney
Director 11 . 9 . 2018

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

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Board of Directors
Beyond Blue Limited
290 Burwood Road
HAWTHORN VIC 3122

11 September 2018

Beyond Blue Limited

Dear Members,

In accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the Directors of Beyond Blue Limited.

As the lead audit partner for the audit of the financial statements of Beyond Blue Limited for the financial year ended 30 June 2018, I declare to the best of my knowledge and belief, there have been no contraventions of:

i. the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

ii. any applicable code of professional conduct in relation to the audit.

Yours sincerely,

DELOITTE TOUCHE TOHMATSU

Rob Collie
Partner
Chartered Accountants
Melbourne

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

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Independent Auditor's Report to the Members of Beyond Blue Limited

Opinion

We have audited the financial report of Beyond Blue Limited (the "Entity") which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity, comprising the company and the entities it controlled at the year's end or from time to time during the financial year as set out on pages 7 to 34.

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

(a) giving a true and fair view of the Entity's financial position as at 30 June 2018 and of its financial performance for the year ended on that date; and

(b) complying with Australian Accounting Standards, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013.*

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the ethical requirements of the auditor independence requirements of the ACNC Act and the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

The Directors are responsible for the other information. The other information comprises the Director's Report, but does not include the financial report and our auditor's report thereon.

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

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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

The Responsibilities of the Directors for the Financial Report

The Directors are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and is appropriate to meet the needs of the members. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

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- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Robert Collie
Partner
Chartered Accountants
Melbourne, Australia

11 SEPTEMBER 2018

Beyond Blue

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beyondblue.org.au

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1300 22 4636

Email or chat to us online at beyondblue.org.au/getsupport

Head to Health

headtohealth.gov.au

Head to Health can help you find free and low-cost trusted online and phone mental health resources.

Beyond Blue acknowledges the Traditional Owners of the Land in Melbourne on which our head office is based, the Wurundjeri people, of the Kulin Nation. We pay our respects to Elders past and present, and extend our respect to all Elders and Aboriginal and Torres Strait Islander peoples across Australia.

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