

# Annual Financial Report

September 30

# 2016

ABN 27 075 428 787

ReachOut Australia



Helping all young people  
be happy and well



## About ReachOut Australia

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ReachOut is Australia's leading online mental health organisation for young people and their parents. Their practical support, tools and tips help young people get through anything from everyday issues to tough times – and the information and coaching they offer parents makes it easier for parents to help their teenagers, too.

ReachOut has been changing the way people access help since launching as the world's first online mental health service nearly 20 years ago. Everything they create is based on the latest evidence and designed with experts, and young people or their parents. This is why ReachOut's digital self-help tools are trusted, relevant and easy to use.

Available for free anytime and pretty much anywhere, ReachOut is accessed by 132,000 people in Australia every month. That's more than 1.58 million each year.

### **Our vision**

Helping all young people be happy and well.

### **Our mission**

Delivering innovative e-mental health services that enable young people to take control of their mental health and wellbeing.

### **Our activities**

*Our work is mapped across three broad strategic priorities:*

1. Research, develop and implement new e-mental health products to better help more young people through ReachOut, especially young people who are unlikely to access traditional mental health services.
2. Lead transformational change to give young people the help they need, where and when they need it. This includes reaching as many young people with our service as possible, and pioneering new thinking and research that prepares the youth mental health sector for future service delivery models.
3. Be a high-performing organisation that effects social change, with highly capable employees, diverse funding sources, and first-class systems, policies and procedures.

**About ReachOut Australia (continued)**

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**Corporate Information**

ABN 27 075 428 787

**Directors as at 30 September 2016**

Helen Conway  
Zoe Gault  
Alison Hughes  
Michael Price  
Nigel Smyth  
Julie White (Chair)  
Andrew Wilson  
David Winterbottom

**Company Secretary**

Heather Doig

**Chief Executive Officer**

Jonathan Nicholas

**Registered office and principal place of business**

Level 2  
35 Saunders Street  
Pyrmont NSW 2009

**Company contact details**

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**Auditors**

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### **Auditor's Independence Declaration To the Responsible Entities of ReachOut Australia**

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as lead auditor for the audit of ReachOut Australia for the year ended 30 September 2016, I declare that, to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
2. no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



James Winter  
Partner - Audit & Assurance

Sydney, 28 November 2016

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## Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 September 2016

	Notes	30 Sep 2016 \$	30 Sep 2015 \$
Revenue	3	7,596,565	5,883,369
Financial income	3	166,925	163,337
Employee expenses		(3,383,876)	(2,841,362)
Marketing and fundraising expenses		(1,193,384)	(421,576)
Administration expenses		(270,425)	(259,780)
Travel expenses		(158,674)	(172,619)
Design and delivery of services		(2,305,077)	(1,998,197)
Occupancy expenses		(225,004)	(127,591)
Depreciation and amortisation expenses	4	(91,078)	(22,497)
<b>Surplus for the year</b>		<b>135,972</b>	<b>203,084</b>
Other comprehensive income:			
Net gain/(loss) on revaluation of financial assets		18,964	(59,821)
<b>Total comprehensive income for the year</b>		<b>154,936</b>	<b>143,263</b>

The accompanying notes form part of these financial statements

## Statement of Financial Position

As at year ended 30 September 2016

	Notes	30 Sep 2016 \$	30 Sep 2015 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	2,481,772	4,211,144
Trade and other receivables	6	168,783	154,843
<b>Total Current Assets</b>		<b>2,650,555</b>	<b>4,365,987</b>
<b>Non-Current Assets</b>			
Plant and equipment	7	306,897	175,587
Intangibles	8	139,564	21,420
Financial assets	9	2,445,702	2,422,880
<b>Total Non-Current Assets</b>		<b>2,892,163</b>	<b>2,619,887</b>
<b>Total Assets</b>		<b>5,542,718</b>	<b>6,985,874</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	10	502,226	569,852
Unspent project grants	11	2,759,748	4,290,890
Provisions	12	243,800	250,283
<b>Total Current Liabilities</b>		<b>3,505,774</b>	<b>5,111,025</b>
<b>Non-Current Liabilities</b>			
Provisions	12	46,307	39,148
<b>Total Non-Current Liabilities</b>		<b>46,307</b>	<b>39,148</b>
<b>Total Liabilities</b>		<b>3,552,081</b>	<b>5,151,173</b>
<b>Net Assets</b>		<b>1,990,637</b>	<b>1,835,701</b>
<b>Funds</b>			
Accumulated Funds		1,990,637	1,835,701
<b>Total Funds</b>		<b>1,990,637</b>	<b>1,835,701</b>

The accompanying notes form part of these financial statements

## Statement of Changes in Funds

For the year ended 30 September 2016

	Accumulated funds \$
<b>Balance at 1 October 2014</b>	<b>1,692,438</b>
Surplus for the year	203,084
Other comprehensive income for the year	(59,821)
Total comprehensive income for the year	<b>143,263</b>
<b>Balance at 30 September 2015</b>	<b>1,835,701</b>
<b>Balance at 1 October 2015</b>	<b>1,835,701</b>
Surplus for the year	135,972
Other comprehensive income for the year	18,964
Total comprehensive income for the year	<b>154,936</b>
<b>Balance at 30 September 2016</b>	<b>1,990,637</b>

*The accompanying notes form part of these financial statements*

## Statement of Cash Flows

For the year ended 30 September 2016

	Notes	30 Sep 2016 \$	30 Sep 2015 \$
<b>Cash flows from operating activities</b>			
Receipts from donations and other income		6,410,537	8,370,615
Payments to suppliers and employees		(7,966,308)	(5,990,816)
Interest received		166,925	163,337
<b>Net cash inflow (outflow) from operating activities</b>	18	<b>(1,388,846)</b>	<b>2,543,136</b>
<b>Cash flows from investing activities</b>			
Payment for purchase of plant and equipment and intangible		(340,526)	(182,410)
Acquisition of financial assets		-	(1,042,169)
<b>Net cash inflow (outflow) from investment activities</b>		<b>(340,526)</b>	<b>(1,224,579)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(1,729,372)</b>	<b>1,318,557</b>
Cash and cash equivalents at the beginning of the year		4,211,144	2,892,587
<b>Cash and cash equivalents at the end of the year</b>	5	<b>2,481,772</b>	<b>4,211,144</b>

The accompanying notes form part of these financial statements



## Notes to the Financial Statements

For the year ended 30 September 2016

### Note 1. Statement of significant accounting policies

The financial report is a general purpose - reduced disclosure requirement - financial report that has been prepared in accordance with the requirements of the Australian Accounting Standards and the Australian Charities and Not-for-profits Commission ("ACNC").

The Company is a not-for-profit entity and company limited by guarantee domiciled in Australia.

The financial report was authorised for issue by the Responsible Entities on 28 November 2016.

### Basis of preparation

These general purpose financial reduced disclosure requirements have been prepared in accordance with Australian Accounting Standards –Reduced Disclosure Requirements, the Australian Charities and Not-for-profits Commission Act 2012 and the Charitable Fundraising Act (NSW) 1991.

### Reporting basis and conventions

The financial report has been prepared on an accruals basis and is based on historical costs. The following material accounting policies, which are consistent with the previous period, have been adopted in the preparation of this report.

All amounts are in Australian dollars.

### Accounting policies

#### (a) Financial instruments

Non derivative financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables. These non-derivative financial instruments are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date i.e. the date that the Company commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled.

## Notes to the Financial Statements (continued)

For the year ended 30 September 2016

Cash and cash equivalents comprise cash balances, term deposits and corporate bonds. The company's investment strategy is to earn a financial return whilst guaranteeing capital preservation. In the current year that strategy has led to increased investment in corporate bonds to generate increased interest income.

### (b) Plant and equipment and Computer Software (intangible)

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the item.

Software and IT systems and applications are recognised as intangibles and stated at cost less accumulated amortisation.

#### **Depreciation and amortisation**

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Class of plant and equipment	Useful Life
Office Equipment	5-10 years
Computer Hardware	3 years
Computer Software (intangible)	3-5 years
Leasehold Improvements	5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment and software is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit and loss.

#### **Impairment**

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

## Notes to the Financial Statements (continued)

For the year ended 30 September 2016

### (c) Available-for-sale financial assets

Available-for-sale financial assets are those financial assets that are designated as available for sale. When available-for-sale financial investments are recognised initially, they are measured at fair value. Any available-for-sale financial investments donated to the company are recognised at fair value at the date the company obtains control of the asset.

After initial recognition, available-for sale financial investments are measured at fair value with gains or losses being recognised in other comprehensive income until the investment is derecognised or until the investment is determined to be impaired, being either a significant or prolonged decline in value below cost, at which time, the cumulative gain or loss previously recognised in other comprehensive income is reclassified to the statement of profit or loss and other comprehensive income.

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date. For investments with no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions, reference to the current market value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models.

### (d) Provision for employee benefits

#### **Short-term employee benefits**

Liabilities for wages and salaries and annual leave expected to be settled within 12 months of the reporting date are recognised in current liabilities and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Company expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.

#### **Other long-term employee benefits**

The liability for long service leave not expected to be settled within 12 months of the reporting date is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to the Commonwealth Government bonds at the balance sheet date which have maturity dates approximating to the terms of the Company's obligations.

#### **Superannuation contributions**

Contributions to defined contribution superannuation plans are expensed in the period they are incurred.

### (e) Leased assets

## Notes to the Financial Statements (continued)

For the year ended 30 September 2016

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

### (f) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, net of the amount of Goods and Services Tax (GST).

### **Donations in kind**

The Company receives various pro-bono services and donations in kind. Revenue has not been brought to account in the financial statements for services as management are unable to reasonably estimate the value of these donations and services. Revenue has been brought to account in the financial statements for contributed assets as management are able to reasonably estimate the fair value of these assets.

### **Grants and project income**

Government grants received on the condition that specified services are delivered, or conditions are fulfilled, are considered reciprocal. Such grants are initially recognised as a liability, and revenue is recognised as services are performed or conditions fulfilled.

Project grants from non-government funders are subject to conditions and agreed terms, and are carried as unspent project grants (liability) until spent, as these funds are not deemed to be controlled under AASB 1004 until the project expenditure occurs

### **Donations and fundraising**

Income from donations and appeals is recognised as revenue upon receipt, in accordance with AASB 1004.

### **Interest**

Interest revenue is recognised as interest accrues using the effective interest method.

The Company's investment strategy is to earn a financial return whilst guaranteeing capital preservation.

### (g) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current. A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability

## Notes to the Financial Statements (continued)

For the year ended 30 September 2016

for at least twelve months after the reporting period. All other liabilities are classified as non-current.

### (h) Taxation

The company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended; it is therefore exempt from income tax.

### (i) Goods and Services Tax (GST)

Revenue, expenses and plant and equipment are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the balance sheet are shown inclusive of GST. Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

### (j) Comparative figures

Comparative figures of the Company for the previous 12 month period are included throughout these statements.

### **Prior- Period amendment**

The comparative 2015 Statement of Financial Position and Statement of Cashflows have been amended in this financial report to provide better presentation consistent with the current year. The table below outlines the amendment to prior year comparatives:

	Prior year presentation 30 Sep 2015 \$	Restated 30 Sep 2015 Comparative \$
Cash	6,634,024	4,211,144
Available for sale financial asset	-	2,422,880
	<b>6,634,024</b>	<b>6,634,024</b>
Receipts from donations and other income	10,389,217	8,370,615
Payments to suppliers and employees	(8,064,668)	(5,990,816)
Interest received	158,762	163,337
Net Cash from operating activities	<b>2,483,311</b>	<b>2,543,136</b>

### (k) Critical accounting estimates and judgements

## Notes to the Financial Statements (continued)

For the year ended 30 September 2016

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

### Note 2. Members' guarantee

The company is Limited by Guarantee under the Australian Charities and Not-for-profits Commission Act 2012. If the Company is wound up, the Constitution of the Company states that each member undertakes to contribute an amount not exceeding \$10 towards the meeting of any outstanding obligations of the Company.

There were 8 members of the Company at 30 September 2016.

### Note 3. Revenue

	30 Sep 2016	30 Sep 2015
	\$	\$
Revenue includes the following:		
Donations	895,273	897,519
Non-government grants	1,141,691	867,745
Government grants	5,375,335	3,769,218
Consulting	34,921	53,330
Fundraising events	102,740	268,533
Sundry income	46,605	27,024
	<b>7,596,565</b>	<b>5,883,369</b>
Interest income	166,925	163,337
<b>Total income</b>	<b>7,763,490</b>	<b>6,046,706</b>

## Notes to the Financial Statements (continued)

For the year ended 30 September 2016

## Note 4. Total comprehensive income from ordinary activities

(a) Operating surplus from ordinary activities has been arrived at after charging the following items:

	30 Sep 2016	30 Sep 2015
	\$	\$
Design and delivery of services	2,305,077	1,998,197
Operating lease rental expense	169,093	131,482
Depreciation of plant and equipment and amortisation of software	90,912	22,497
Loss on disposal of plant and equipment	166	-

## (b) Results of fundraising appeals

	30 Sep 2016	30 Sep 2015
	\$	\$
Gross donations, fundraising and non-government grants	2,139,704	2,033,797
Less: direct costs of fundraising	114,230	175,479
<b>Net surplus obtained from fundraising appeals</b>	<b>2,025,474</b>	<b>1,858,318</b>

## (c) Comparisons of certain monetary figures and percentages

	30 Sep 2016		30 Sep 2015	
	\$	%	\$	%
Direct cost of fundraising / Gross income from fundraising	114,230	5.3%	175,479	8.6%
Net surplus obtained from fundraising / Gross income from fundraising	2,025,474	94.7%	1,858,318	91.4%
Total costs of services provided (including employee expenses) / Total expenditure	7,513,288	98.5%	5,727,963	97.0%
Total costs of services provided (including employee expenses) / Total income received	7,513,288	96.7%	5,727,963	94.7%

## Notes to the Financial Statements (continued)

For the year ended 30 September 2016

## Note 5. Cash and cash equivalents

	30 Sep 2016	30 Sep 2015
	\$	\$
Cash at bank and on hand	2,315,241	3,066,112
Short term deposits	166,531	1,145,032
	<b>2,481,772</b>	<b>4,211,144</b>

## Note 6. Trade and other receivables

	30 Sep 2016	30 Sep 2015
	\$	\$
Receivables	27,530	736
Prepayments	57,058	85,877
Other debtors	84,195	68,230
	<b>168,783</b>	<b>154,843</b>

## Note 7. Plant and equipment

	Leasehold Improvements \$	Plant and Equipment \$	Total \$
<b>Cost</b>			
Balance as at 1 October 2015	238,595	352,471	591,066
Additions	156,842	44,465	201,307
Disposals	(107,402)	(231,030)	(338,432)
<b>Balance as at 30 September 2016</b>	<b>288,035</b>	<b>165,906</b>	<b>453,941</b>
<b>Depreciation</b>			
Balance as at 1 October 2015	(107,402)	(308,077)	(415,479)
Depreciation Charge	(42,515)	(27,316)	(69,831)
Disposals	107,402	230,864	338,266
<b>Balance as at 30 September 2016</b>	<b>(42,515)</b>	<b>(104,529)</b>	<b>(147,044)</b>
<b>Carrying amount</b>			
<b>Balance as at 30 September 2015</b>	<b>131,193</b>	<b>44,394</b>	<b>175,587</b>
<b>Balance as at 30 September 2016</b>	<b>245,520</b>	<b>61,377</b>	<b>306,897</b>

## Note 8. Intangible



## Notes to the Financial Statements (continued)

For the year ended 30 September 2016

Cost	Intangible Computer Software \$
Balance 1 October 2015	25,200
Additions	139,225
<b>Balance 30 September 2016</b>	<b>164,425</b>

Amortisation	
Balance 1 October 2015	(3,780)
Amortisation charge	(21,081)
<b>Balance 30 September 2016</b>	<b>(24,861)</b>

## Carrying amount

<b>30 September 2015</b>	<b>21,420</b>
<b>30 September 2016</b>	<b>139,564</b>

## Note 9. Available-for- sale financial asset

	30 Sep 2016 \$	30 Sep 2015 \$
Listed Investment portfolio at fair value		
Australian Fixed Interest securities, Notes and Convertible Preference Shares	2,445,702	2,422,880
	<b>2,445,702</b>	<b>2,422,880</b>

The available-for-sale investments are quoted on the Australian Securities Exchange.

## Note 10. Trade and other payables

Current	30 Sep 2016 \$	30 Sep 2015 \$
Trade creditors	105,068	213,260
Sundry creditors	15,524	3,289
GST	124,326	241,738
PAYG withheld	41,920	55,678
Accruals	215,388	55,887
	<b>502,226</b>	<b>569,852</b>

## Note 11. Unspent project grants

Current	30 Sep 2016 \$	30 Sep 2015 \$
Unspent grants - government	2,189,355	3,739,494
Unspent grants – non government	570,393	551,396

## Notes to the Financial Statements (continued)

For the year ended 30 September 2016

	<b>2,759,748</b>	<b>4,290,890</b>
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### Note 12. Provisions

	30 Sep 2016	30 Sep 2015
	\$	\$
<b>Current</b>		
Employee benefits		
Annual leave	103,635	102,095
Fringe benefits	1,136	150
Long service leave	57,299	68,391
Superannuation	81,730	79,646
	<b>243,800</b>	<b>250,283</b>
<b>Non-Current</b>		
Employee benefits		
Long service leave	34,603	39,148
Office lease make good	11,704	-
	<b>46,307</b>	<b>39,148</b>

### Note 13. Commitments

Operating leases include premises and a printer.

	30 Sep 2016	30 Sep 2015
	\$	\$
<b>Payable</b>		
No longer than one year	162,764	138,239
Longer than one year but not longer than five years	506,068	642,197
Longer than five years	-	26,635
	<b>668,833</b>	<b>807,071</b>

The Company has a 5 year lease for its current premises expiring 30 November 2020 with an option for a further 3 year term.

### Note 14. Related Parties transactions

Nil

## Notes to the Financial Statements (continued)

For the year ended 30 September 2016

### Note 15. Key management personnel disclosures

Key management personnel are the Board of Directors, CEO and Deputy CEO. The Directors act in an honorary capacity and receive no paid compensation for their services.

The aggregate compensation made to key management personnel of the Company is set out below:

	30 Sep 2016	30 Sep 2015
	\$	\$
<b>Key management personnel disclosures</b>	<b>357,768</b>	<b>324,793</b>

### Note 16. Contingent liabilities

Below details the only contingent liability as at the end of the year other than those identified elsewhere in the report.

	30 Sep 2016	30 Sep 2015
	\$	\$
<b>Bank guarantee in respect of operating leases</b>	<b>166,531</b>	<b>103,627</b>

### Note 17. Events subsequent to reporting date

No matters or circumstances have arisen since the end of the year which may significantly affect the operations of the Company or the results of those operations for the period under report.

### Note 18. Reconciliation of cash flows from operating activities with net surplus for the year

	30 Sep 2016	30 Sep 2015
	\$	\$
<b>Net surplus for the year</b>	<b>135,972</b>	<b>203,084</b>
Non-cash flows in net surplus for the year:		
Depreciation and amortisation	90,912	22,497

**Notes to the Financial Statements (continued)****For the year ended 30 September 2016**

Loss/(gain) on disposal of software and hardware assets	160	-
Investment income	(3,858)	-
<b>Changes in operating assets and liabilities</b>		
Decrease / (increase) in trade and other receivables	(13,940)	(3,308)
Increase / (decrease) in trade and other creditors	(67,626)	192,402
Increase / (decrease) in unspent project grants	(1,531,142)	2,073,207
Increase / (decrease) in employee benefits	676	55,254
<b>New cash provided by operating activities</b>	<b>(1,388,846)</b>	<b>2,543,136</b>

**Note 19. Company Details**

The charity street address and principal place of business of the Company is:

Level 2, 35 Saunders Street  
Pymont NSW 2009  
Australia

The Company operates entirely in Australia providing charitable services to the community.

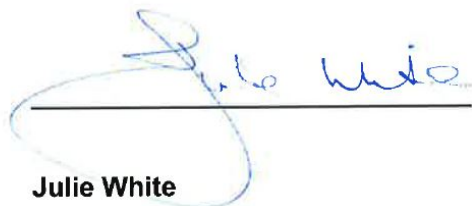
## Responsible Entities' Declaration

For the year ended 30 September 2016

In the Responsible Entities' opinion:

- 1 The attached financial statements and notes are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 including:
  - a. giving a true and fair view of the financial position of the Company as at 30 September 2016 and of its performance and its cash flows, for the year ended on that date; and
  - b. complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Regulation 2013;
- 2 There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- 3 The financial report shows a true and fair view of the financial result of fundraising appeals for the year;
- 4 The accounts and associated records have been properly kept by the Company during the year in accordance with the Charitable Fundraising Act 1991 and Regulations; and
- 5 Money received as a result of fundraising appeals conducted during that year has been properly accounted for and applied in accordance with the Charitable Fundraising Act 1991 and Regulations.

This declaration is made in accordance with a resolution of the Board of Directors (the Responsible Entities):



Julie White  
Chair

Sydney  
28 November 2016

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Sydney NSW 2000

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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REACHOUT AUSTRALIA**

We have audited the accompanying financial report of ReachOut Australia (the Company), which comprises the statement of financial position as at 30 September 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the responsible entities' declaration of the Company.

### **Responsible Entities Responsibility for the Financial Report**

The Responsible Entities of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Act 2012, and the Charitable Fundraising Act 1991. The Responsible Entities' responsibility also includes such internal control as the Responsible Entities 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Responsible Entities, as well as evaluating the overall presentation of the financial report.

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

### **Independence**

In conducting our audit, we have complied with the independence requirements of the Australian Charities and Not-for-profits Commission Act 2012.

### **Auditor's Opinion**

In our opinion:

1. the financial report of ReachOut Australia is in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
  - a. giving a true and fair view of the company's financial position as at 30 September 2016 and of its performance for the year ended on that date;
  - b. complying with Australian Accounting Standards- Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Regulation 2013;
2. the financial report agrees to the underlying records of ReachOut Australia, that have been maintained, in all material aspects, in accordance with the Charitable Fundraising Act 1991 and its regulations, for the year ended 30 September 2016; and
3. monies received by ReachOut Australia, as a result of fundraising appeals conducted during the year ended 30 September 2016, have been accounted for and applied, in all material aspects, in accordance with the Charitable Fundraising Act 1991 and its regulations.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



James Winter  
Partner - Audit & Assurance

Sydney, 28 November 2016