

Mates4Mates Limited

ABN 54 160 646 999

Annual Report – For the Year Ended 31 December 2016

Mates4Mates Limited
Financial report
For the year ended 31 December 2016

Contents	Page
Directors' Report	4
Auditor's Report	9
Statement of profit or loss and other comprehensive income	11
Statement of financial position	12
Statement of changes in equity	13
Statement of cash flows	14
Notes to the financial statements	15
Directors' declaration	26

General information

The financial report covers Mates4Mates Limited as an individual entity. The financial report is presented in Australian dollars, which is Mates4Mates Limited's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

Mates4Mates Limited is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

1 January to 26 June 2016:

<i>Registered office</i>	<i>Principal place of business</i>
4 Higgs Street	4 Higgs Street
Albion	Albion
Brisbane QLD 4010	Brisbane QLD 4010

27 June to 31 December 2016:

<i>Registered office</i>	<i>Principal place of business</i>
27 Douglas Street	27 Douglas Street
Milton	Milton
Brisbane QLD 4064	Brisbane QLD 4064

Mates4Mates Limited
Financial report
For the year ended 31 December 2016

A description of the nature of the company's operations and its principal activities are included in the Board of Directors of Mates4Mates (Directors) report, which is not part of the financial report.

The financial report was authorised for issue, in accordance with a resolution of directors, on 21 February 2017. The Directors have the power to amend and reissue the financial report.

Mates4Mates Limited
Directors' report
For the year ended 31 December 2016

The directors present their report, together with the financial statements, on the company for the year ended 31 December 2016.

Directors

The following persons were Directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

- Simon Roach AM
- Edward Davies CBE
- Terrance Meehan AM, JP
- Catherine Dwyer
- Rickman Ralph
- William Whitburn OAM (commenced 30th September 2015, ceased 20th January 2016)

Who we help

Mates4Mates supports our “Mates”, who are current and ex-serving Australian Defence Force (ADF) members (and their immediate families) who have suffered physical or psychological wounds, injuries or illnesses as a result of their service. This is supported by our:

- **Vision:** An Australia where all members of the Military Family are supported;
- **Mission:** To provide enduring physical and psychological support to the military family; and
- **Values:** Trust, Humility, Mateship, Empathy, and Dignity.

Objectives

The short-term objective of the company is that Mates4Mates has a core commitment to recognise and support the existing and emerging need amongst our Mates. Mates4Mates maintains an ethos that “every Mate and their family deserve our support”.

The long-term objective of the company is to extend its reach via the establishment of additional regional hubs throughout the nation, which will provide services in support of our principal activities.

Strategy for achieving the objectives

Mates4Mates has a comprehensive Strategic and Business plan that articulates business activities that will strengthen its presence through the delivery of services and subsequent expansion throughout the nation. These strategies are:

1. Deliver and evaluate evidence based treatment programs that provide enduring physical and psychological rehabilitation to the military family.
2. Provide a financial basis to meet current commitments and growth aspirations.
3. Garner corporate and community support to enhance service delivery and promote individual and family rehabilitation.
4. Grow the Mates4Mates culture to reflect the values of Trust, Humility, Mateship, Empathy, and Dignity.

Mates4Mates Limited
Directors' report
For the year ended 31 December 2016

Principal activities

During the financial year the principal continuing activities of the company were the following:

- Psychological Services;
- Physical Rehabilitation and Wellbeing Services;
- Employment and Education Support Services;
- Rehabilitation Adventure Challenges; and
- Social Connection Activities.

These service streams were delivered from our three Family Recovery Centres (Brisbane, Townsville and Hobart) and across outreach locations throughout Australia.

Performance measures

Psychological services are provided by qualified and accredited psychologists using Gold Standard best practices. Physical services are provided by qualified exercise physiologists utilising the Functional Movement Screen tool. To support our rehabilitation adventure challenges, all Mates and their families were 'screened' by our team of psychologists and exercise physiologists to ensure the activities deliver on expectations and are improving the physical, psychological and social rehabilitation of our Mates. In 2016 Mates4Mates commenced working with the Gallipoli Medical Research Foundation (GMRF) to evaluate service delivery streams, starting with the Equine Therapy Program. In 2017 we will be extending this evaluation to include the Functional Movement Screen tool.

The outcomes of the GMRF evaluation will allow the company to review KPIs and performance measurement metrics and processes as part of the strategies detailed in the Strategic Plan.

Information on directors

Name:	Simon Roach AM
Title:	Chairman.
Qualifications:	Masters-level academic qualifications in Strategy, Security and Defence.
Experience and expertise:	Thirty years leading servicemen and women, Senior Defence experience in operational planning, project delivery, strategy and change management. Stakeholder engagement nationally and internationally in defence, heavy industrial and transport sectors. Graduate of the Australian Institute of Company Directors. Chair and member of senior Army capability and resource committees.
Special responsibilities:	None.

Mates4Mates Limited
Directors' report
For the year ended 31 December 2016

Name: Edward Peter Davies CBE
Title: Director.
Qualifications: Masters-level academic qualification in Defence and business administration.
Experience and expertise: Twelve years' experience as a not-for-profit Director.
Seven years' senior commercial experience.
27 years leading servicemen and women; Senior Defence experience in the development and implementation of welfare strategy and policy.
Australian Institute of Company Directors; Australian Scholarship Fund and Perpetual NFP Scholar – Company Directors' Not-for-Profit Course.
Institute of Directors (UK); Strategic Business Leadership, Leading Strategic Change.
Special responsibilities: None.

Name: Terrence John Meehan AM JP
Title: Director.
Qualifications: Graduate of the Australian Institute of Company Directors and also language studies.
Experience and expertise: Chairman of RSL (Queensland Branch) (period from 1 January to 22 June 2015); Director (RSL [QLD]) since 2005; previously been the chairman of the Queensland Veterans' Advisory Committee; State Representative of the National Veterans' Affairs Committee since 2006; and is a practicing Veterans Advocate.
Active member of the Naval Association of Australia, a Justice of the Peace and maintains close ties with ex-serving members of the Royal Australian Navy (RAN) as well as with current and former Police Officers.
Special responsibilities: None.

Name: Catherine Miriam Dwyer
Title: Director.
Qualifications: Higher-level academic qualification in education and science.
Experience and expertise: Five years' experience as a not-for-profit Director.
CEO Gallipoli Medical Research Foundation.
Australian Institute of Company Directors – Strategy & Risk for Directors.
Special responsibilities: None.

Mates4Mates Limited
Directors' report
For the year ended 31 December 2016

Name: Rickman Charles Ralph
Title: Director.
Qualifications: Higher Education and Tertiary Qualifications in Management.
Justice of the Peace (Qualified).
Member Australian Institute Company Of Directors – Completion Company Directors modules.
Member Australian Institute of Management – Applied Management, Business Innovation.
Experience and expertise: Founder & Chief Executive Officer Waste Recycling Industry Association Queensland.
Founder & Executive Officer Waste Recycling Industry Association Northern Territory.
Company Director Specialised Industry Mentoring and Environmental Governance business.
35 years Public and Private Sector Industry, Commercial and Not for Profit Expertise.
Special responsibilities: None.

Name: William Joseph Alan Whitburn OAM
Title: Director (period from 30 September 2015 to 20 January 2016).
Qualifications: Higher-level academic qualification in education.
Experience and expertise: Ten years as either the President, Vice President or committee member of the Townsville RSL a not-for-profit organisation.
One year as a Director for the North Queensland District RSL as the Vice President.
Forty years Military service with extensive roles in leadership, management and training within the Defence arena.
Advisor (Military and Veteran's) to the board of the Townsville Day Surgery for the past two years.
Special responsibilities: None.

Mates4Mates Limited
Directors' report
For the year ended 31 December 2016

Meetings of directors

The number of meetings of the company's Board of Directors held during the year ended 31 December 2016, and the number of meetings attended by each director were:

	Full Board	
	Held	Attended
Simon Roach AM	5	5
Edward Davies CBE	5	5
Terrence Meehan AM, JP	5	3
Catherine Dwyer	5	3
Rickman Ralph	5	5
William Whitburn OAM	0	0

Held: represents the number of meetings held during the time the director held office.
There were no Board Committee meetings held in 2016.

Contributions on winding up

In the event of the company being wound up, all the Company's debts and liabilities and any property whatsoever, shall not be transferred or distributed among the members but shall be transferred to another organisation with similar objects to the Company and holding income tax status of Deductible Gift Recipient ("DGR").

Classes of Membership

Ordinary member

On behalf of the directors



Simon Roach AM
Chair

Date: 28 February 2017
Brisbane

INDEPENDENT AUDITOR'S REPORT

To the members of Mates4Mates Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Mates4Mates Limited, which comprises the statement of financial position as at 31 December 2016, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of Mates4Mates Limited, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the company's financial position as at 31 December 2016 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the company in accordance with the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* and the ethical requirements of 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.

Emphasis of matter - Basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the company's financial reporting responsibilities under the *ACNC Act*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other information

The directors of the company are responsible for the other information. The other information comprises the information in the company's annual report for the year ended 31 December 2016, 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 accordingly we do not express any form of assurance conclusion thereon.

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.

Responsibilities of directors' for the Financial Report

The directors of the company 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*. 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 company'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 company or to cease operations, or has 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_files/ar3.pdf.

This description forms part of our auditor's report.

BDO Audit Pty Ltd



A J Whyte
Director

Brisbane, 28 February 2017

Mates4Mates Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2016

	Notes	2016 \$	2015 \$
Revenue	3	4,589,970	4,124,521
Expenses	4		
Advertising and Promotion		200,901	231,783
Cost of Sales		26,239	28,297
Depreciation		28,042	38,775
Donations and Welfare		9,500	-
Employee Benefits		2,022,395	1,535,468
Meetings and Travel Costs		374,523	361,243
Professional Fees		155,813	112,597
Property Outgoings		797,221	472,168
Psychological Services		629,716	570,003
Service Delivery		703,357	707,383
Other Expenses		96,457	52,251
Total Expenses		5,044,164	4,109,968
Surplus/(deficit) before Income Tax Expense		(454,194)	14,553
Income Tax Expense	1	-	-
Surplus/(deficit) after Income Tax Expense for the year	12	(454,194)	14,553
Other Comprehensive Income for the year, net of tax		-	-
Total Comprehensive Surplus/(deficit) for the year		(454,194)	14,553

The statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

Mates4Mates Limited
Statement of Financial Position
As at 31 December 2016

	Notes	2016 \$	2015 \$
Assets			
Current Assets			
Cash and Cash Equivalents	5	167,553	403,568
Trade and Other Receivables	6	46,432	45,071
Inventories	7	69,453	77,706
Other Current Assets	8	25,661	48,551
Total Current Assets		309,099	574,896
Non-Current Assets			
Property, Plant and Equipment	9	66,771	131,928
Total Non-Current Assets		66,771	131,928
Total Assets		375,870	706,824
Liabilities			
Current Liabilities			
Trade and Other Payables	10	212,027	105,126
Employee Benefits	11	94,548	82,063
Total Current Liabilities		306,575	187,189
Non-Current Liabilities			
Employee Benefits	11	9,980	6,126
Total Non-Current Liabilities		9,980	6,126
Total Liabilities		316,555	193,315
Net Assets		59,315	513,509
Equity			
Retained Surpluses	12	59,315	513,509
Total Equity		59,315	513,509

The statement of financial position is to be read in conjunction with the accompanying notes.

Mates4Mates Limited
Statement of Changes in Equity
For the year ended 31 December 2016

	Retained Surpluses \$	Total Equity \$
Balance at 31 December 2014	498,956	498,956
Surplus/(deficit) after Income Tax Expense for the year	14,553	14,553
Other Comprehensive Income for the year, net of tax	-	-
Total Comprehensive Surplus/(deficit) for the year	14,553	14,553
Balance at 31 December 2015	513,509	513,509
Surplus/(deficit) after Income Tax Expense for the year	(454,194)	(454,194)
Other Comprehensive Income for the year, net of tax	-	-
Total Comprehensive Surplus/(deficit) for the year	(454,194)	(454,194)
Balance at 31 December 2016	59,315	59,315

The statement of changes in equity is to be read in conjunction with the accompanying notes.

Mates4Mates Limited
Statement of Cash Flows
For the year ended 31 December 2016

	Notes	2016 \$	2015 \$
Cash flows from Operating Activities			
Payments to Suppliers and Employees		(4,852,747)	(4,069,040)
Donations Received		4,431,159	3,811,177
Grants Received		80,910	35,000
Other Receipts		<u>81,936</u>	<u>286,234</u>
Net cash from Operating Activities	18	<u>(258,742)</u>	<u>63,371</u>
Cash flows from Investing Activities			
Payments for Property, Plant & Equipment	9	-	(13,947)
Proceeds on disposal of Property, Plant & Equipment	9	<u>22,727</u>	<u>-</u>
Net cash used in Investing Activities		<u>22,727</u>	<u>(13,947)</u>
Cash flows from Financing Activities			
Net cash from Financing Activities		<u>-</u>	<u>-</u>
Net Increase/(Decrease) in Cash and Cash Equivalents		(236,015)	49,424
Cash and Cash Equivalents at the beginning of the year		<u>403,568</u>	<u>354,144</u>
Cash and Cash Equivalents at the end of the year	5	<u><u>167,553</u></u>	<u><u>403,568</u></u>

The statement of cash flows is to be read in conjunction with the accompanying notes.

Mates4Mates Limited
Notes to the financial statements
For the year ended 31 December 2016

Note 1. Significant accounting policies

Mates4Mates Limited is a company incorporated in Australia. The company is an unlisted public company limited by Guarantee.

Basis of preparation

In the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial statements.

These financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act (ACNC Act 2012)*.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies adopt the recognition and measurement requirements of the Australian Accounting Standards and have been consistently applied to all the years presented, unless otherwise stated.

The financial statements were approved by the Board of Directors on 21 February 2017.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Going Concern

Due to the stage of infancy of the company until sustainable profitable operations are achieved, the company is reliant upon financial support from the Returned & Services League of Australia (Queensland Branch) (RSL QLD) to meet its debts as and when they fall due. RSL QLD has confirmed its support in writing provided Mates4Mates submits an annual budget to RSL QLD and that RSL QLD will not unnecessarily hold such approval so as to impact the operations of Mates4Mates. Therefore on this basis the directors have continued to adopt the going concern assumption in the preparation of the financial statements.

Mates4Mates Limited
Notes to the financial statements
For the year ended 31 December 2016

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Sales revenue

Events, fundraising and raffles are recognised when received or receivable.

Donations

Donations are recognised at the time when the company gains control, when the economic benefits are probable and the amount of the donation can be measured reliably.

Grants

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions have been complied with.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

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

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

Inventories

Inventories comprise of goods for resale. Inventories of goods purchased for resale are valued at cost. The cost of bringing each item to its present location and condition is determined on a first-in, first-out basis. Recoverable amount is based on lower of cost and replaceable cost if the company was deprived of the asset.

Property, plant and equipment

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 items.

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

Furniture and fittings	10-40%
Other equipment	10-40%
Motor vehicles	12-30%

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 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 or loss.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. Where the future economic benefits of an asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of the asset.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Mates4Mates Limited
Notes to the financial statements
For the year ended 31 December 2016

Long service leave

The liability for long service leave is recognised in current and non-current liabilities, depending on the unconditional right to defer settlement of the liability for at least 12 months after the reporting date. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

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

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated exclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

New, revised or amending Accounting Standards and Interpretations adopted

The company has adopted all of the new, revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the year ended 31 December 2016. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation charge for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Note 3. Revenue

	2016 \$	2015 \$
<i>Sales Revenue</i>		
Merchandise	27,110	35,615
	<u>27,110</u>	<u>35,615</u>
<i>Other Revenue</i>		
Donations - Founder	3,878,500	2,850,000
Donations - Other	548,491	953,317
Grants	80,910	35,000
Sponsorship	-	79,476
Other Revenue	54,959	171,113
	<u>4,562,860</u>	<u>4,088,906</u>
	<u><u>4,589,970</u></u>	<u><u>4,124,521</u></u>

Mates4Mates would like to acknowledge the support of all organisations who provided grant funding including:

The Partners In Recovery (PiR) program in Tasmania which is offered by a consortium of organisations led by Anglicare Tasmania Inc. This funding (\$50 651 EX GST) allowed the development of a Peer Treatment

Mates4Mates Limited
Notes to the financial statements
For the year ended 31 December 2016

Note 3. Revenue (continued)

Pilot: increasing access and engagement project which supports our Mates located in Tasmania who have complex and persistent mental health problems and complex needs.

The Department of Infrastructure and Regional Development's Stronger Communities Programme, which contributed to the fit out of the new Family Recovery Centre in Milton (\$20,000 grant which was matched by Mates4Mates).

The Department of Veterans' Affairs which supported the administrative work undertaken by the Mates4Mates Team across Queensland and Tasmania (\$9,090.91).

Note 4. Expenses

	2016 \$	2015 \$
Surplus/(deficit) before income tax includes the following specific expenses:		
<i>Superannuation Expense</i>		
Defined contribution superannuation expense	194,635	144,572
<i>Depreciation Expense</i>		
Depreciation Expense	28,042	38,775
<i>Lease/Rental Expenses</i>		
Lease/Rental Expenses	399,333	249,336

Note 5. Current assets - cash and cash equivalents

	2016 \$	2015 \$
Cash at bank	<u>167,553</u>	<u>403,568</u>
	<u><u>167,553</u></u>	<u><u>403,568</u></u>

Note 6. Current assets - trade and other receivables

	2016 \$	2015 \$
Other receivables	136	4,304
GST receivable	<u>46,296</u>	<u>40,767</u>
	<u>46,432</u>	<u>45,071</u>

Note 7. Current assets - inventories

	2016 \$	2015 \$
Inventory at cost	<u>69,453</u>	<u>77,706</u>
	<u>69,453</u>	<u>77,706</u>

Note 8. Current assets – other assets

	2016 \$	2015 \$
Prepayments	<u>25,661</u>	<u>48,551</u>
	<u>25,661</u>	<u>48,551</u>

Mates4Mates Limited
Notes to the financial statements
For the year ended 31 December 2016

Note 9. Non-current assets - property, plant and equipment

	2016 \$	2015 \$
Furniture & Fittings - at cost	111,736	111,736
Less: Accumulated depreciation	(61,612)	(39,431)
	<u>50,124</u>	<u>72,305</u>
Motor Vehicles - at cost	-	55,248
Less: Accumulated depreciation	-	(18,133)
	<u>-</u>	<u>37,115</u>
Other Equipment - at cost	29,227	29,227
Less: Accumulated depreciation	(20,547)	(14,686)
	<u>8,680</u>	<u>14,541</u>
Work in Progress	<u>7,967</u>	<u>7,967</u>
	<u>66,771</u>	<u>131,928</u>

Note 10. Current liabilities - trade and other payables

	2016 \$	2015 \$
Trade payable	55,567	62,421
PAYG payable	39,049	29,164
Other payables	<u>117,411</u>	<u>13,541</u>
	<u>212,027</u>	<u>105,126</u>

Note 11. Current liabilities - employee benefits

	2016 \$	2015 \$
Current		
Employee benefits	<u>94,548</u>	<u>82,063</u>
Non-Current		
Employee benefits	<u>9,980</u>	<u>6,126</u>
	<u>104,528</u>	<u>88,189</u>

Note 12. Equity - retained surpluses

	2016 \$	2015 \$
Retained Surpluses at the beginning of the year	513,509	498,956
Surplus/(deficit) after Income Tax Expense for the year	<u>(454,194)</u>	<u>14,553</u>
Retained surpluses at the end of the year	<u>59,315</u>	<u>513,509</u>

Note 13. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO, the auditor of the company:

	2016 \$	2015 \$
Audit services	<u>2,950</u>	<u>2,530</u>
	<u>2,950</u>	<u>2,530</u>

Mates4Mates Limited
Notes to the financial statements
For the year ended 31 December 2016

Note 14. Contingent liabilities

The company had no contingent liabilities as at 31 December 2016.

Note 15. Commitments

The company had no commitments for expenditure as at 31 December 2016.

Note 16. Operating Leases

	2016 \$	2015 \$
Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
Payable - minimum lease payments		
- not later than 12 months	411,818	169,381
- later than 12 months but not later than 5 years	1,484,943	-
- greater than 5 years	-	-
	<u>1,896,761</u>	<u>169,381</u>

Note 17. Events after the reporting period

No matter or circumstance has arisen since 31 December 2016 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 18. Reconciliation of surplus after income tax to net cash from operating activities

	2016 \$	2015 \$
Surplus/(Deficit) after income tax expense for the year	(454,194)	14,553
Adjustments for:		
Depreciation and amortisation	28,042	38,775
Loss on disposal of Property, Plant & Equipment	14,388	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(1,361)	29,906
Decrease/(increase) in inventories	8,253	(31,470)
Increase in prepayments	22,890	(11,959)
Decrease in trade and other payables	106,901	(28,368)
Increase in employee benefits	16,339	51,934
Net cash from operating activities	<u>(258,742)</u>	<u>63,371</u>

Mates4Mates Limited
Directors' declaration

The directors have determined that Mates4Mates Limited is not a reporting entity and that these special purpose financial statements have been prepared in accordance with the accounting policies described in Note 1 to the financial statements:

The directors of Mates4Mates Limited declare that:

1. The financial statements, comprising the statement of profit and loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with the *Australian Charities and Not-for-profits Commission Act (ACNC Act 2012)* and:
 - a. comply with Accounting Standards as described in Note 1 to the financial statements and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
 - b. give a true and fair view of the entity's financial position as at 31 December 2016 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

Due to the stage of infancy of the company until sustainable profitable operations are achieved the company is reliant upon financial support from the Returned and Services League of Australia (Queensland Branch) (RSL QLD) to meet its debts as and when they fall due. RSL QLD has confirmed its support in writing provided Mates4Mates submits an annual budget to RSL QLD and that RSL QLD will not unnecessarily hold such approval so as to impact the operations of Mates4Mates. Therefore on this basis the directors have continued to adopt the going concern assumption in the preparation of the financial statements.

On behalf of the directors by:



Simon Roach AM
Chair

Date: 28 February 2017
Brisbane