

# Open Minds Australia

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A.C.N. 009 687 030

**Financial Statements  
For the Year Ended 30 June 2013**

**OPEN MINDS AUSTRALIA**  
**A.C.N 009 687 030**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

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**OPEN MINDS AUSTRALIA**  
**A.C.N 009 687 030**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

**DIRECTORS' REPORT**

Your directors present their report on the company for the financial year ended 30 June 2013.

**Directors**

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

	<u><b>Date Commenced</b></u>	<u><b>Date Resigned</b></u>
Mike Gilmour	17 <sup>th</sup> May 2005	
Edward Stewart	5 <sup>th</sup> November 1986	27 November 2012
Claude Huddy	8 <sup>th</sup> September 1994	
Paul Mazerolle	10 <sup>th</sup> June 2009	
Madonna Tucker	18 <sup>th</sup> May 2010	
Melanie Nicholson	8 <sup>th</sup> December 2010	
Lynn Smart	16 <sup>th</sup> August 2011	
Margaret Steinberg	16 <sup>th</sup> October 2012	

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

**Company Secretary**

Janifer Willis CPA

Ms Willis commenced with Open Minds September 2008 as both the Company Secretary and Chief Financial Officer.

**Principal activities**

Open Minds provides psychosocial support services to people with mental illness, disability and acquired brain injury. No significant change in the nature of this activity occurred during the year.

**Operating results and review of operations for the year**

The surplus of the company for the financial year amounted to \$555,672 (2012: surplus of \$374,035). A review of operations of the company during the financial year indicated that Open Minds has continued with modest growth in income primarily in State Government funded lifestyle services. A corresponding growth in expenditure has resulted in a surplus of 3.27% (2012: 2.60%) of total revenue.

**Strategic priorities and strategic goals**

The company's strategic priorities are to:

- 1) Continuously improve and deliver on our Recovery Oriented Client centred Service Models
- 2) Shape the organisation to remain sustainable and relevant in order to meet the changing needs of the communities we serve
- 3) Implement evidence based quality practice in all areas of service delivery
- 4) Work to broaden the awareness of mental health and wellbeing in the wider community
- 5) Build partnerships and work in collaboration to deliver better services

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**DIRECTORS' REPORT (continued)**

**Strategic priorities and strategic goals - continued**

The company's strategic goals are to:

- 1) Expand the footprint of Open Minds by geography, type of service and mode of delivery. Prioritise areas where we have expertise; mental health, ABI, disability and youth
- 2) Add clinical services to existing and relevant new client groups
- 3) Build capacity to provide services to the broader community e.g. depression and anxiety and at risk groups
- 4) Expand our employment services for people with a disability and mental health issue

**Meetings of Directors**

During the financial year, 27 meetings of directors and sub committees were held. Attendances by each director were as follows:

	<b>Directors' Meeting</b>	
	<b>Number eligible to attend</b>	<b>Number attended</b>
Mike Gilmour (Chair)	12	12
Claude Huddy	12	11
Edward Stewart	4	2
Paul Mazerolle	12	11
Madonna Tucker	12	8
Melanie Nicholson	12	10
Margaret Steinberg	9	6
Lynn Smart	12	10

**Meetings of Finance, Risk & Compliance**

	<b>Finance, Risk &amp; Compliance Meeting</b>	
	<b>Number eligible to attend</b>	<b>Number attended</b>
Claude Huddy	11	7
Lynn Smart	11	10
Melanie Nicholson	11	5
Mike Gilmour (Ex-officio)	11	5

**Meetings of Governance**

	<b>Governance Meeting</b>	
	<b>Number eligible to attend</b>	<b>Number attended</b>
Paul Mazerolle	4	1
Madonna Tucker	4	3
Claude Huddy	4	3
Mike Gilmour (Ex-officio)	4	3

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**DIRECTORS' REPORT (continued)**

**Information on Directors**

**Mike Gilmour – Chair**

Dip Acctg, MBA, FCPA, FAICD

Mike is an experienced director with a strong commitment to corporate governance and the not-for-profit sector. He is Chair of the Metro North Brisbane Medicare Local, Chair of the South Bank Institute of Technology, Independent Director Isis Central Sugar Mill Company Limited, Director of Sugar Research Australia Limited and a former President of the Queensland Division of CPA Australia.

Mike has a close involvement with the indigenous community particularly through his recent role of Company Secretary of the Palm Island Community Company. Mike is a professional accountant and experienced Chief Financial Officer and has particular experience in the health and manufacturing sectors. Previous appointments as a director, company secretary and senior commercial management positions have included the Uniting HealthCare Group, Royal Flying Doctor Service, Boystown Family Care and James Hardie Industries Ltd. Mike has been a Director of Open Minds since May 2005

**Edward Stewart (Ted) – Director**

Ted Stewart has served as a Director since November 1986 until 27 November 2012 and was Chair of Open Minds from 1989 – 2009.

Ted is a solicitor who was a partner in the law firm Flower and Hart Lawyers until 1996 when he assumed a corporate career.

He has served as a director of a number of companies with businesses in the equity investment, real property, health, medical and leisure industries.

He is currently the managing director of Moonstruck Group, a retail and investment business which operates Stewarts Wine Co in South East Queensland.

**Claude Huddy - Director**

Claude Huddy was the national programs and contract manager for Sarina Russo Job Access. For the previous 26 years he was employed by the then Department of Education, Employment and Workplace Relations (DEEWR) as senior contract manager for the Job Network, Commonwealth Employment Service regional manager and the South Brisbane area programs manager. He was a director and chairman of BABI Youth & Family Support from 1982–2002, a Wynnum-based organisation supporting homeless youth through the provision of accommodation and other specialised support services.

Claude has been a Director of Open Minds since September 1994.

**OPEN MINDS AUSTRALIA**  
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**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

**DIRECTORS' REPORT (continued)**

**Information on Directors – continued**

**Professor Paul Mazerolle – Director**

Professor Paul Mazerolle is Pro Vice Chancellor (Arts, Education and Law) and Director of the Violence Research and Prevention Program at Griffith University.

Professor Mazerolle's research examines the processes that shape criminal offending across the life course, various forms of violence including youth violence, and intimate partner violence, as well as criminal justice policy. He is currently engaged in a series of funded research projects examining repeat child abuse notifications, Indigenous experiences in prison, police responses to domestic violence, and intimate partner homicide.

Paul holds a PhD in Criminology, a Masters in Criminal Justice and a Bachelor in Sociology. Paul has been a Director of Open Minds since June 2009.

**Dr Madonna Tucker – Director**

PhD, MPsychEd, BA Psychology

Dr Madonna Tucker is a psychologist with 20 years experience in the areas of learning and intellectual disability. She has worked with various populations including children and adults in government, university and private settings.

Her previous positions have included Lecturer, Behavioural Consultant and Project Manager at the Queensland Centre for Intellectual and Development Disability (QCIDD) at the University of Queensland. In her role at the University, Dr Tucker ran forums, undertook research and taught health and disability professionals, carers and family members of people with intellectual disability. She specialises in the area of challenging behaviour and people with intellectual disability

Madonna holds a Doctorate of Philosophy, Master of Educational Psychology and a Bachelor of Arts with a Double Major in Psychology. To compliment her knowledge and teachings, Madonna has been the writer and reviewer of journal publications with disability specific journals, and holds a range of professional memberships, both disability and psychology related.

Madonna was appointed as a Director of the Open Minds Board in May 2010.

**OPEN MINDS AUSTRALIA**  
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**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

**DIRECTORS' REPORT (continued)**

**Information on Directors – continued**

**Melanie Nicholson – Director**

Melanie Nicholson is the owner of "Consensus Enterprises", a business which mentors and coaches leaders to successfully manage organisational change or conflict in their workplaces. Melanie holds a Master of Dispute Resolution and has extensive experience in community engagement, project management and leadership positions within the Federal Government.

Melanie has also been employed in customer service and management within the Defence Forces and private enterprise accordingly. Melanie has also travelled extensively in the last ten years particularly through schools and orphanages in developing countries.

Melanie has experienced the challenges of an Acquired Brain Injury (ABI) and brings this personal perspective to the board. Melanie is currently a lead volunteer with the Saint Vincent De Paul's Society.

**Lynn Smart - Director**

B Com, CPA, FAICD, MBA.

Lynn is an accounting and governance professional with more than 20 years' experience in the areas of accounting, financial analysis, business improvement, compliance, governance and risk. Her previous appointments have included private and public companies across broad industry segments including mining, construction, web hosting, energy, heavy industry and food manufacturing, franchise and transport. Lynn is also the owner of The Smarter Bottom Line, providing consulting services to the commercial sector.

Lynn is an experienced Director with strong involvement with the not-for-profit sector with previous appointments as Director of the Anywhere Theatre Festival and was appointed Chair of Open Minds Finance Compliance and Risk Board Sub-Committee in November 2011.

**Dr Margaret Steinberg AM – Director**

Dr Margaret Steinberg AM brings to the Open Minds Board expertise in governance and ethical decision-making, as well as experience as a clinician, health administrator, academic, and director of public, private and third sector organisations. She has particular expertise in public health, including mental health and community health. Margaret is a former Commissioner of the Criminal Justice (CJC) and Crime and Misconduct (CMC) Commissions and Chair of their Audit Committees and Governance areas. She was foundation Deputy President of the Guardianship and Administration Tribunal (GAAT), Assistant Commissioner of the Health Quality and Complaints Commission (HQCC) and Chair of its Consumer Advisory Committee.

She currently sits on the Metro North Hospitals and Health Services Board and is a Member of its Finance, Audit and Risk, and Safety and Quality Committees. She also is on a number of professional disciplinary and regulatory Tribunals; as well as being Patron, Governor or Director of third sector organisations (eg Australasian Centre for Rural and Remote Mental Health).

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**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

**DIRECTORS' REPORT (continued)**

**Information on Directors – continued**

Margaret has a PhD (Child Health and Education) and MPhty. Her awards include a Churchill Fellowship (disability and early intervention), NHMRC Travelling Fellowship (Telemedicine) and WHO Study (HIV/AIDS). She was made a Member of the Order of Australia in 2003 in recognition of her work in public health, discrimination, ageing, HIV/AIDS and social justice.

**Members' guarantee**

Open Minds Australia is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2013, the total amount that members of the company are liable to contribute if the company is wound up is \$190 (2012: \$200).

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 7.

This directors' report is signed in accordance with a resolution of the Board of Directors:

  
\_\_\_\_\_  
**Director**

  
\_\_\_\_\_  
**Director**

Dated this ~~15<sup>th</sup>~~  
25<sup>th</sup> day of October 2013



**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001*  
TO THE DIRECTORS OF OPEN MINDS AUSTRALIA**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2013 there have been:

- a) No contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- b) No contraventions of any applicable code of professional conduct in relation to the audit.

**Lawler Hacketts Audit**



**Liam Murphy**  
**Partner**

Dated this 25<sup>th</sup> day of October 2013

**OPEN MINDS AUSTRALIA**  
**A.C.N 009 687 030**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

**DIRECTORS' DECLARATION**


The directors of the company declare that:

1. The financial statements and notes, as set out on pages 11 to 31 are in accordance with the *Corporations Act 2001* and:
  - a) comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
  - b) give a true and fair view of the company's financial position as at 30 June 2013 and its performance for the year ended on that date.
2. 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.

This declaration is made in accordance with a resolution of the Board of Directors.

  
\_\_\_\_\_  
**Director**

  
\_\_\_\_\_  
**Director**

Dated this ~~15~~<sup>15</sup><sup>th</sup> day of October 2013  


**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
OPEN MINDS AUSTRALIA**

**Report on the Financial Report**

We have audited the accompanying financial report of Open Minds Australia, which comprises the statement of financial position as at 30 June 2013, the statement of 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 directors' declaration.

Brisbane  
Rockhampton  
Sydney  
Melbourne  
Newcastle

***Directors' Responsibility 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 in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for 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.

***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 that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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. 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 directors, 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 *Corporations Act 2001*.

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE MEMBERS OF  
OPEN MINDS AUSTRALIA**

*Auditor's Opinion*

In our opinion the financial report of Open Minds Australia is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

**Lawler Hacketts Audit**



**Liam Murphy**  
**Partner**

Dated this 25<sup>th</sup> day of October 2013

**OPEN MINDS AUSTRALIA**  
**A.C.N 009 687 030**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	Note	2013 \$	2012 \$
Revenue and other income	2	17,002,229	14,384,472
Employee benefits expense		(12,923,116)	(11,683,530)
Depreciation and amortisation expenses	3	(336,813)	(243,958)
Bad and doubtful debts (expense) recovered		-	1,148
Occupancy expenses		(455,006)	(279,285)
Motor vehicles leases and running costs		(433,616)	(392,033)
Other expenses	3	<u>(2,298,006)</u>	<u>(1,412,779)</u>
<b>Surplus before income tax expense</b>		<b>555,672</b>	<b>374,035</b>
Income tax expense	1(j)	<u>-</u>	<u>-</u>
<b>Surplus for the year</b>		<b><u>555,672</u></b>	<b><u>374,035</u></b>
<b>Other comprehensive income:</b>			
<i>Items that may be reclassified to profit or loss</i>			
Net gain on revaluation of non-current financial assets		64,676	2,533
Income tax effect		<u>-</u>	<u>-</u>
<b>Other comprehensive income for the year, net of tax</b>		<b><u>64,676</u></b>	<b><u>2,533</u></b>
<b>Total comprehensive income for the year</b>		<b><u>620,348</u></b>	<b><u>376,568</u></b>
Surplus attributable to:			
Members of the entity		<b><u>555,672</u></b>	<b><u>374,035</u></b>
Total comprehensive income attributable to:			
Members of the entity		<b><u>620,348</u></b>	<b><u>376,568</u></b>

The accompanying notes form part of these financial statements.

**OPEN MINDS AUSTRALIA**  
**A.C.N 009 687 030**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2013**

	Note	2013 \$	2012 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	6,570,398	6,616,325
Trade and other receivables	5	442,988	205,348
Other assets	6	<u>66,535</u>	<u>45,611</u>
<b>TOTAL CURRENT ASSETS</b>		<u>7,079,921</u>	<u>6,867,284</u>
<b>NON-CURRENT ASSETS</b>			
Financial assets	7	257,856	183,615
Property, plant and equipment	8	3,160,804	2,130,027
Investment properties	9	645,284	669,092
Intangible assets	10	<u>144,896</u>	<u>15,004</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>4,208,840</u>	<u>2,997,738</u>
<b>TOTAL ASSETS</b>		<u>11,288,761</u>	<u>9,865,022</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	5,043,698	4,363,476
Provisions	12	<u>549,290</u>	<u>472,333</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>5,592,988</u>	<u>4,835,809</u>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	12	<u>197,791</u>	<u>151,579</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>197,791</u>	<u>151,579</u>
<b>TOTAL LIABILITIES</b>		<u>5,790,779</u>	<u>4,987,388</u>
<b>NET ASSETS</b>		<u>5,497,982</u>	<u>4,877,634</u>
<b>EQUITY</b>			
Asset revaluation reserve	14	149,541	84,865
Retained earnings		<u>5,348,441</u>	<u>4,792,769</u>
<b>TOTAL EQUITY</b>		<u>5,497,982</u>	<u>4,877,634</u>

The accompanying notes form part of these financial statements.

**OPEN MINDS AUSTRALIA**  
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**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	<b>Retained Earnings \$</b>	<b>Assets Revaluation Reserve \$</b>	<b>Total \$</b>
<b>Balance at 30 June 2011</b>	<b>4,418,734</b>	<b>82,332</b>	<b>4,501,066</b>
<b>Comprehensive income</b>			
Surplus for the year	374,035	-	374,035
Other comprehensive income for the year	<u>-</u>	<u>2,533</u>	<u>2,533</u>
Total comprehensive income	<u>374,035</u>	<u>2,533</u>	<u>376,568</u>
<b>Balance at 30 June 2012</b>	<b><u>4,792,769</u></b>	<b><u>84,865</u></b>	<b><u>4,877,634</u></b>
<b>Comprehensive income</b>			
Surplus for the year	555,672	-	555,672
Other comprehensive income for the year	<u>-</u>	<u>64,676</u>	<u>64,676</u>
Total comprehensive income	<u>555,672</u>	<u>64,676</u>	<u>620,348</u>
<b>Balance at 30 June 2013</b>	<b><u>5,348,441</u></b>	<b><u>149,541</u></b>	<b><u>5,497,982</u></b>

The accompanying notes form part of these financial statements.

**OPEN MINDS AUSTRALIA**  
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**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	Note	2013 \$	2012 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from grants and from customers		19,843,535	15,656,840
Payments to suppliers and employees		(18,597,843)	(14,093,161)
Dividends received		8,886	14,705
Interest received		214,197	263,484
<b>Net cash provided by operating activities</b>	13	<b><u>1,468,775</u></b>	<b><u>1,841,868</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		176,724	78,636
Payment for property, plant and equipment		(1,545,485)	(218,073)
Payment for intangible assets		(145,941)	(10,725)
Payment for building improvements		-	(2,439)
<b>Net cash used in investing activities</b>		<b><u>(1,514,702)</u></b>	<b><u>(152,601)</u></b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayments of borrowings		-	-
<b>Net cash used in financing activities</b>		<b><u>-</u></b>	<b><u>-</u></b>
Net (decrease) increase in cash held		(45,927)	1,689,267
Cash and cash equivalents at beginning of financial year		6,616,325	4,927,058
<b>Cash and cash equivalents at end of financial year</b>	4	<b><u>6,570,398</u></b>	<b><u>6,616,325</u></b>

The accompanying notes form part of these financial statements.



**OPEN MINDS AUSTRALIA**  
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**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) General information**

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

**(b) Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

The financial statements were authorised for issue on 15<sup>th</sup> October 2013 by the directors of the company.

**(c) Comparative Figures**

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

**(d) Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment loss.

**Property**

Buildings are measured on the cost basis less depreciation and impairment losses.

**OPEN MINDS AUSTRALIA**  
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**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(d) Property, Plant and Equipment (continued)**

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation reserve in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation reserve. All other decreases are charges to the statement of comprehensive income.

As the revalued buildings are depreciated, the difference between depreciation recognised in the statement of comprehensive income, which is based on the revalued carrying amount of the asset and the depreciation based on the asset's original costs, is transferred from the revaluation reserve to retained earnings.

**Plant and equipment**

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

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

**Depreciation**

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

<b>Class of Fixed Assets</b>	<b>Depreciation Rate</b>
Buildings	2.5%
Furniture, fittings and equipment	10% to 25%
Motor vehicles	20% to 25%

The assets' residual values and useful lives are reviewed on a regular basis for all assets, with annual reassessments for major items.

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

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**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(d) Property, Plant and Equipment (continued)**

Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

**(e) Investment property**

Investment property is measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment property is measured using the cost model and in accordance with the company's policy on other land and building assets, as described in Note 1(d) above.

**(f) Intangibles**

*Software*

Software is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and five years. It is assessed annually for impairment.

**g) 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.

**(h) Employee Benefits**

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

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

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(i) Provisions**

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**(j) Income Tax**

Open Minds Australia is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

**(k) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position 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.

**(l) Unexpended Grants**

Open Minds Australia receives grant monies to fund projects either for contracted periods of time or for specific projects irrespective of the period of time required to complete those projects. It is the policy of the entity to treat grants monies as unexpended grants in the statement of financial position where the entity is contractually obliged to provide the services in a subsequent financial period to when the grant is received or in the case of specific project grants where the project has not been completed.

**(m) Revenue and Other Income**

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from investment properties is recognised on an accruals basis or straight-line basis in accordance with lease agreements.

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(m) Revenue and Other Income (continued)**

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

Dividend revenue is recognised when the dividend has been received.

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

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

**(n) Contributions**

Open Minds Australia receives non-reciprocal contributions from the government and other parties for no or a nominal value. These contributions are recognised at the fair value on the date of acquisition upon which time an asset is taken up in the statement of financial position, with a corresponding amount of income recognised in the statement of comprehensive income.

**(o) Leases**

Leases of plant and equipment, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the entity are classified as finance leases.

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

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.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

**(p) Trade and other payables**

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the company. Payables are normally unsecured, interest free and settled within 30 days.

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(q) Financial instruments**

*Initial recognition and measurement*

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period.

*Available-for-sale financial assets*

Available-for-sale financial assets include any non-derivative financial assets not included in the above category. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period.

*Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are recognised at amortised cost, comprising original debt less principal payments and amortisation.

*Fair Value*

Fair value is determined based on current bid prices for all quoted investments.



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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(q) Financial instruments (continued)**

*Impairment*

At the end of each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

*Derecognition*

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

**(r) Critical accounting estimates and judgements**

The directors evaluate estimates and judgments 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.

There have been no significant judgements, apart from those involving estimation, in applying accounting policies that have a significant effect on the amounts recognised in this financial report.

**(s) Impairment of Assets**

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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**NOTE 2: REVENUE AND OTHER INCOME**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>Operating activities:</b>		
Grant income - State Government	9,612,594	8,932,664
Grant and contract income - Federal Government	5,279,537	3,962,393
Grant income - Other	30,727	69,102
Other service income	1,527,241	1,036,461
Interest income	219,185	263,137
Dividend income	18,452	14,705
Rental income	61,746	60,997
Other income	293,775	40,919
	<b>17,043,257</b>	<b>14,380,378</b>
<b>Non-operating activities:</b>		
(Loss) gain on disposal of plant and equipment	(41,028)	4,094
<b>Total revenue</b>	<b>17,002,229</b>	<b>14,384,472</b>

**NOTE 3: EXPENSES**

Surplus before income tax expense includes the following specific expenses:

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<i>Depreciation and amortisation:</i>		
Buildings	28,804	28,672
Leasehold improvement	47,952	12,462
Plant and equipment	220,201	172,281
Investment properties	23,807	23,787
Computer software	16,049	6,756
	<b>336,813</b>	<b>243,958</b>



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**NOTE 3: EXPENSES (CONTINUED)**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<i>Other expenses:</i>		
Direct cost of services – Clients’ expenses	227,201	221,768
IT consulting and computer expenses	138,332	121,242
Telephone and internet charges	185,288	114,951
Electricity and gas	50,831	48,857
Legal costs	74,101	20,048
Permits, licences and fees	122,784	32,997
Consultancy costs	268,169	176,591
Staff conference, training and recruitment	362,511	193,397
Insurance	95,508	86,118
Philanthropic project expenses	82,727	-
Branding - business development*	75,120	-
Other expenses	615,434	396,810
	<b><u>2,298,006</u></b>	<b><u>1,412,779</u></b>

\*Branding expenditure has been incurred in readiness for consumer driven market.

**NOTE 4: CASH AND CASH EQUIVALENTS**

Cash on hand	4,401	3,000
Cash at bank	3,874,967	5,633,524
Short-term bank deposits	<u>2,691,030</u>	<u>979,801</u>
	<b><u>6,570,398</u></b>	<b><u>6,616,325</u></b>
<b>Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to items in the Statement of Financial Position as follows:		
Cash and cash equivalents	<b><u>6,570,398</u></b>	<b><u>6,616,325</u></b>

**NOTE 5: TRADE AND OTHER RECEIVABLES**

<b>CURRENT</b>		
Trade receivables	155,478	134,025
Provision for impairment of receivables	<u>(2,413)</u>	<u>(3,910)</u>
	153,065	130,115
Other receivables	<u>289,923</u>	<u>75,233</u>
	<b><u>442,988</u></b>	<b><u>205,348</u></b>

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**NOTE 5: TRADE AND OTHER RECEIVABLES (CONTINUED)**

**Provision for Impairment of Receivables**

Current trade receivables are generally on 30-day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts have been included in bad and doubtful debts expenses.

Movement in the provision for impairment of receivables is as follows:

<b>Provision for impairment as at 30 June 2011</b>	<b>\$ 42,271</b>
- decrease in provision for the year	<u>(38,361)</u>
<b>Provision for impairment as at 30 June 2012</b>	<b>3,910</b>
- decrease in provision for the year	<u>(1,497)</u>
<b>Provision for impairment as at 30 June 2013</b>	<b><u>2,413</u></b>

**NOTE 6: OTHER ASSETS**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Prepayments	<u><b>66,535</b></u>	<u><b>45,611</b></u>

**NOTE 7: FINANCIAL ASSETS**

**NON-CURRENT**

*Available-for-sale financial assets*

Shares in listed corporations – at fair value:

Shares in CBA – DUUS Estate	191,283	138,432
Shares Suncorp Metway	<u>66,573</u>	<u>45,183</u>
	<b><u>257,856</u></b>	<b><u>183,615</u></b>

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**NOTE 8: PROPERTY, PLANT AND EQUIPMENT**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>LAND AND BUILDINGS</b>		
<b>Freehold land at:</b>		
66 Annerley Road, South Brisbane – at cost	<u><b>480,000</b></u>	<u><b>480,000</b></u>
<b>Buildings at:</b>		
66 Annerley Road, South Brisbane – at cost	1,185,017	1,183,025
Less accumulated depreciation	<u>(282,227)</u>	<u>(253,421)</u>
Total buildings	<u><b>902,790</b></u>	<u><b>929,604</b></u>
<b>Total land and buildings</b>	<u><b>1,382,790</b></u>	<u><b>1,409,604</b></u>
<b>LEASEHOLD IMPROVEMENTS</b>		
Leasehold improvements		
At cost	703,740	57,136
Less accumulated depreciation	<u>(80,165)</u>	<u>(32,212)</u>
<b>Total leasehold improvements</b>	<u><b>623,575</b></u>	<u><b>24,924</b></u>
<b>PLANT AND EQUIPMENT</b>		
Office equipment, furniture, fixtures and fittings		
At cost	866,307	650,912
Less accumulated depreciation	<u>(569,883)</u>	<u>(503,494)</u>
	<u><b>296,424</b></u>	<u><b>147,418</b></u>
Motor vehicles		
At cost	1,072,239	729,756
Less accumulated depreciation	<u>(214,224)</u>	<u>(181,675)</u>
	<u><b>858,015</b></u>	<u><b>548,081</b></u>
<b>Total plant and equipment</b>	<u><b>1,154,439</b></u>	<u><b>695,499</b></u>
<b>Total property, plant and equipment</b>	<u><b>3,160,804</b></u>	<u><b>2,130,027</b></u>

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**NOTE 8: PROPERTY, PLANT AND EQUIPMENT (continued)**

**Movements in carrying amounts**

	<b>Freehold land and buildings</b>	<b>Leasehold improvements</b>	<b>Plant and equipment</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at beginning of the year	1,409,604	24,924	695,499	2,130,027
Additions	1,992	646,602	896,891	1,545,485
Transfers	-	-	-	-
Disposals	-	-	(217,752)	(217,752)
Depreciation expense	(28,805)	(47,952)	(220,199)	(296,956)
<b>Carrying amount at end of the year</b>	<b>1,382,791</b>	<b>623,574</b>	<b>1,154,439</b>	<b>3,160,804</b>

**NOTE 9: INVESTMENT PROPERTIES**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<i>At written down value:</i>		
1/ 61 Real St Annerley	78,366	81,126
1/146 Sexton St Tarragindi	50,644	52,692
4/146 Sexton St Tarragindi	49,545	51,461
6/370 Montague Rd West End	51,600	53,593
7/100 School Rd Yeronga	56,677	58,951
100 Chester Road Annerley	358,452	371,269
<b>Total investment properties</b>	<b>645,284</b>	<b>669,092</b>

The Queensland Housing Commission and Open Minds Australia have agreed to a secured mortgage over the investment properties.

This mortgage entitles the Queensland Housing Commission to a percentage of the greater of the market value or the sale price of the land, and improvements as applicable, for each property as at the date when Open Minds Australia disposes of the above properties. Open Minds Australia can claim an adjustment to its liability at the time of disposal, being 2% times the number of full years that the property has been used or been available for use under the capital funding program times the then market value of the Queensland Housing Commission's proportion in the land and improvements.

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**NOTE 9: INVESTMENT PROPERTIES (continued)**

The Queensland Housing Commission's proportion of land and improvements as applicable, for the properties are as follows:

100 Chester Road, Annerley	100%	Land only
6/370 Montague Road, West End	64%	Land and improvements
1/61 Real Street, Annerley	68%	Land and improvements
7/100 School Road, Yeronga	64%	Land and improvements
1/146 Sexton Street, Tarragindi	68%	Land and improvements
4/146 Sexton Street, Tarragindi	68%	Land and improvements

**Movements in carrying amounts**

	<b>1/61 Real St Annerley</b>	<b>1/146 Sexton St Tarragindi</b>	<b>4/146 Sexton St Tarragindi</b>	<b>6/370 Montague Rd West End</b>	<b>7/112 School Rd Yeronga</b>	<b>100 Chester Road Annerley</b>	<b>Total</b>
	\$	\$	\$	\$	\$	\$	\$
Balance at beginning of the year	81,126	52,692	51,461	53,593	58,951	371,269	669,092
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Depreciation expense	(2,760)	(2,048)	(1,916)	(1,993)	(2,274)	(12,817)	(23,808)
<b>Carrying amount at end of the year</b>	<b>78,366</b>	<b>50,644</b>	<b>49,545</b>	<b>51,600</b>	<b>56,677</b>	<b>358,452</b>	<b>645,284</b>

**NOTE 10: INTANGIBLE ASSETS**

	<b>2013</b>	<b>2012</b>
	\$	\$
<b>Computer software</b>		
At cost	307,441	161,500
Less accumulated amortisation	(162,545)	(146,496)
<b>Net carrying value</b>	<b>144,896</b>	<b>15,004</b>

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**NOTE 10: INTANGIBLE ASSETS (continued)**

**Movements in carrying amounts**

	<b>Intangible Assets</b>
	<b>\$</b>
Balance at beginning of the year	15,004
Additions	145,941
Amortisation	<u>(16,049)</u>
<b>Net carrying value</b>	<b><u>144,896</u></b>

**NOTE 11: TRADE AND OTHER PAYABLES**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
CURRENT		
Trade payables	196,576	57,474
Sundry payables and accrued expenses	584,603	692,981
Income received in advance	<u>4,262,519</u>	<u>3,613,021</u>
	<b><u>5,043,698</u></b>	<b><u>4,363,476</u></b>

**NOTE 12: PROVISIONS – EMPLOYEE BENEFITS**

CURRENT		
Provision annual leave	475,391	392,054
Provision for long service leave	<u>73,899</u>	<u>80,279</u>
	<b><u>549,290</u></b>	<b><u>472,333</u></b>
NON-CURRENT		
Provision for long service leave	<u>197,791</u>	<u>151,579</u>
	<b><u>747,081</u></b>	<b><u>623,912</u></b>
<b>Total provisions</b>		
	<b><u>747,081</u></b>	<b><u>623,912</u></b>
<b>Movements in provisions</b>		
Opening balance at 1 July 2012		623,912
Additional provisions raised during the year		742,411
Amounts used		<u>(619,242)</u>
<b>Balance at 30 June 2013</b>		<b><u>747,081</u></b>

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**NOTE 12: PROVISIONS – EMPLOYEE BENEFITS (continued)**

**Provision for long-term employee benefits**

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical date. The measurement and recognition criteria relating to employee benefits have been included in Note 1.

**NOTE 13: CASH FLOWS INFORMATION**

Reconciliation of net cash provided by operating activities to surplus from ordinary activities after income tax

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Surplus for the year	555,672	374,035
<b>Non-cash flows:</b>		
Depreciation and amortisation	336,813	243,970
Loss (gain) on disposal of plant and equipment	41,028	(4,094)
Dividend received by way of dividends reinvestment plan	(9,566)	(8,059)
<b>Changes in assets and liabilities:</b>		
(Increase) decrease in trade and other receivables	(334,887)	5,438
Increase in trade and other payables	756,546	1,074,686
Increase in provisions	123,169	155,892
<b>Net cash provided by operating activities</b>	<b><u>1,468,775</u></b>	<b><u>1,841,868</u></b>

**NOTE 14: RESERVES**

**Asset Revaluation Reserve**

The Asset Revaluation Reserve records the revaluation of available-for-sale financial assets. The movement of revaluation of for available for sale financial assets can be seen in the Statement of Changes in Equity on page 13.

**NOTE 15: MEMBERS' GUARANTEE**

Open Minds Australia is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstandings and obligations of the company. At 30 June 2013 the number of members was 19 (2012: 20).

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**NOTE 16: CONTINGENT LIABILITIES**

As disclosed in Note 9, investment properties are secured by a mortgage to the Queensland Housing Commission. There is uncertainty relating as to when Open Minds Australia will dispose of these properties. As any future liability would be dependant on the market value of the property at the time of disposal, it is not practical to make an assessment of the potential financial effect of this contingent liability.

**NOTE 17: FINANCIAL RISK MANAGEMENT**

The company's financial instruments consist mainly of deposits with banks, local money market instruments, accounts receivable and payable, and leases.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

		<b>2013</b>	<b>2012</b>
		<b>\$</b>	<b>\$</b>
<b>Financial assets</b>			
Cash and cash equivalents	4	6,570,398	6,616,325
Trade and other receivables	5	442,988	205,348
Other assets	6	66,535	45,611
Available-for-sale financial assets	7	<u>257,856</u>	<u>183,615</u>
<b>Total financial assets</b>		<b><u>7,337,777</u></b>	<b><u>7,050,899</u></b>
<b>Financial liabilities</b>			
Financial liabilities at amortised cost:			
- Trade and other payables	11	<u>5,043,698</u>	<u>4,363,476</u>
<b>Total financial liabilities</b>		<b><u>5,043,698</u></b>	<b><u>4,363,476</u></b>

**Net Fair Values**

- (i) For listed available-for-sale financial assets the fair values have been based on closing quoted bid prices at the end of the reporting period.

**NOTE 18: EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD**

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

**NOTE 19: ECONOMIC DEPENDENCE**

Open Minds Australia is dependent on both the Federal Government and Queensland State Government for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe the Queensland Government nor Federal will not continue to support Open Minds Australia.



**OPEN MINDS AUSTRALIA**  
**A.C.N 009 687 030**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

**NOTE 20: KEY MANAGEMENT PERSONNEL COMPENSATION**

	<b>Short-term benefits \$</b>	<b>Post- employment benefit \$</b>	<b>Other long-term benefits \$</b>	<b>Total \$</b>
<b>2013</b>				
Total compensation	461,399	43,804	26,626	<b>531,829</b>
<b>2012</b>				
Total compensation	664,952	58,176	36,960	<b>760,088</b>

A restructure of the senior management team to a specialised leadership team has seen a decrease in key management personnel from 8 in 2012 to 5 in 2013.

**NOTE 21: RELATED PARTY TRANSACTIONS**

There are no material related party transactions.

**NOTE 22: CAPITAL AND LEASING COMMITMENTS**

	<b>2013 \$</b>	<b>2012 \$</b>
<b>a) Operating Lease Commitments</b>		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Payable – minimum lease payments		
- not later than 12 months	618,426	289,883
- between 2 – 5 years	1,716,560	246,937
- greater than 5 years	-	-
	<b>2,334,986</b>	<b>536,820</b>
<b>b) Branding – business development</b>		
Contractual obligation for branding expenditure – not recognised as a liability	<b>50,706</b>	-

**NOTE 23: COMPANY DETAILS**

The registered office and principal place of business is:  
66 Annerley Road  
Woolloongabba QLD 4102