headspace Annual Report 2015–16

headspace
National Youth Mental Health Foundation

ABN 26 137 533 843 **headspace** National Youth Mental Health Foundation is funded by the Australian Government Department of Health

Contents

headspace snapshot

headspace is the National Youth Mental Health Foundation, providing early intervention mental health services to 12-25 year olds.

Between 1 July 2015 and 30 June 2016:

More than
71,000
young people accessed a **headspace** centre and had over 306,000 occasions of service

An independent evaluation commissioned by the Commonwealth Government Department of Health showed **headspace** achieved positive improvements for young people in reducing psychological distress, days out of work or study, suicidal ideation and self-harming behaviours[1]

Over
24,000
young people accessed **eheadspace** and had over 50,000 occasions of service

Awareness of **headspace** amongst youth reached 67 per cent in June 2016, the highest recorded level, corresponding with the 'Big Stigma' campaign

headspace School Support worked with over 1,600 Australian school communities to prepare for, respond to and recover from a suicide

13 new
headspace centres opened, bringing the total to 95 across Australia

18.3%
of young people accessing **headspace** centres identify as LGBTIQ

8.4%
of young people accessing **headspace** centres identify as Aboriginal and/or Torres Strait Islander

8.5%
of young people accessing **headspace** centres identify as coming from a Culturally and Linguistically Diverse background

1 Full report https://headspace.org.au/assets/Uploads/Evaluation-of-headspace-program.pdf

Foreword

It was with great pleasure, pride and excitement that headspace celebrated its 10-year anniversary in 2015-2016, marking a decade committed to changing the lives of young Australians.

During that time, close to 1.6 million sessions have been provided to young people through our centres or through phone counselling and online assistance via **eheadspace**. In the 2015-2016 financial year, **headspace** provided services to over 95,000 young people – over 20,000 more than the previous financial year.

At the time of writing, there were 95 **headspace** centres across the country. That number will reach 100 by early 2017. Importantly, the Commonwealth Government has now committed to funding a further ten centres by 2019. **headspace** centres are in capital cities, the suburbs, rural and regional areas in every State and Territory. The **headspace** aim is to ensure that every young person has access to youth friendly mental health services, no matter where they live.

Ian Marshman

Matthew Posar

The role **headspace** centres play in helping young people has been overwhelmingly effective, with the majority of young Australians coming to **headspace** showing significant improvement in their mental health. An independent evaluation commissioned by the Commonwealth Government Department of Health (DoH) reported that **headspace** has successfully engaged young people who have traditionally been disadvantaged in their access to mental health care, and achieved positive and significant outcomes in the reduction of psychological distress, days out of work and study, suicidal ideation, and self-harming behaviours.

In addition, the **headspace** School Support program has been vital in reaching more than 1,600 school communities in 2015-2016, helping schools to prepare for, respond to and recover from the impact of suicide. The Commonwealth Government showed its continued commitment to the program by ensuring funding for **headspace** School Support until December 2017.

A number of successful national campaigns were launched this year, including The Big Stigma, family orientated campaigns aimed at both mothers and fathers, and an extension of the ground-breaking Indigenous campaign, Yarn Safe. These were fundamental in encouraging help-seeking by young people and ensuring that knowledge about, and access to, **headspace** services reached more young people, their families and friends. The past year has again demonstrated why **headspace** remains an essential service for young people. It has also been a year of challenge and change.

The past year has again demonstrated why headspace remains an essential service for young people.

In 2015-2016 the Commonwealth Government initiated an extensive reform of the mental health sector. The changes introduced included the transfer of funding responsibility for centres from **headspace** National Office to Primary Health Networks (PHNs) from 1 July 2016. Importantly, the range and level of services for young people at **headspace** centres have been unchanged throughout the transition.

During this period of transition to locally delivered services provided through the centres, **headspace** National Office has strengthened and expanded some of its cornerstone clinical programs while continuing to implement new and ground-breaking services for young people. In addition, **headspace** National Office will continue to operate nationally delivered programs with the **headspace** School Support and **eheadspace** programs being bolstered by a further funding commitment into 2017.

New programs include a collaboration between **headspace** and the Royal Australian College of General Practitioners (RACGP) to develop an online training program in youth mental health to support the quality of care provided by GPs across Australia. In 2015-2016, **headspace** National Office also completed much of the ground work to launch a world-first Digital Work and Study Service in the coming year. The aim of the service is to support young people on a journey of finding and navigating a career path, or working towards further education.

Uncertainty surrounding the **headspace** Youth Early Psychosis Program (hYEPP) was alleviated during the June Federal election campaign when commitments were given that the program would continue through **headspace** centres. This welcome confirmation occurred as part of the announcement that the number of **headspace** centres would be increased by a further ten beyond 2017.

Throughout this time, **headspace** National Office has continued to support the delivery of the **headspace** model and brand and provided support, guidance and service to the entire **headspace** network including centres, lead agencies and PHNs.

This year we farewelled long-time CEO, Chris Tanti. Chris has been a passionate force behind **headspace** since its inception. From everyone across the **headspace** network, we wish him well for the future and thank him for his sustained period of leadership.

A new constitution and governance model approved for **headspace** in tandem with the new funding arrangement, resulted in significant change to the composition of the **headspace** Board. We would also like to thank the outgoing Board Chair, Wendy McCarthy AO and other departing Board members for their tireless service, in some cases since the inception of **headspace** in 2006. As part of the reconstitution to a smaller Board of seven directors we welcomed five new Board members early in the new financial year. Board changes can be seen in full in the Directors' report commencing on page 10.

Federal Health Minister, the Hon Sussan Ley MP, continues to be a committed and powerful advocate for the work **headspace** carries out. We look forward to a continuing constructive relationship with the Minister. We were delighted that the Minister and many of her Federal counterparts, from both sides of politics, participated in the **headspace** Government Roadshow in celebration of our tenth birthday. The string of events across Australia demonstrated the strong bipartisan support **headspace** has long enjoyed.

While there have been challenges and changes, there has been far more to celebrate over the past year. None of these achievements would have been possible without the support of the Commonwealth Government and the Department of Health.

The relationships with our corporate partners continues to build and strengthen and we thank them for their support which allows us to carry out many essential services and projects across Australia. Our network of partnerships, the wider community, PHNs, lead agencies, our local and national youth reference groups and staff across **headspace** have all played a valuable and vital part in our successes.

headspace will continue to garner the trust and confidence required to ensure young people walk through our doors or call or contact us online, and when they do, there is an assurance that they receive the highest quality service possible. One in four young people in Australia will experience a mental health issue this year. **headspace** is here to help, now, and into the future.

Ian Marshman
Chair

Matthew Posar
Interim CEO

About headspace

headspace provides a comprehensive early intervention mental health service for 12-25 year olds. We endeavour to make it as easy as possible for a young person and their family to get the help they need for issues affecting their wellbeing.

Based on early intervention knowledge, the **headspace** model understands that adolescence and early adulthood is a critical time in a person's life. Research highlights that more than 75 per cent of mental health disorders begin before the age of 25. By supporting our young people early in life, we are setting them up to get things back on track heading into the future.

headspace provides a holistic approach to supporting young people through four core areas: mental health, physical (including sexual) health, alcohol and other drug services and work and study support.

headspace provides a holistic approach to supporting young people through four core areas: mental health, physical (including sexual) health, alcohol and other drug services and work and study support. Offering 'wrap-around' services ensures any young person seeking support from **headspace** can have their needs met in a safe and supportive environment.

A national network of 95 **headspace** centres operate across metropolitan, regional and rural areas of Australia. The look and feel of **headspace** centres is designed to create an environment that young people feel comfortable to access. All services are free or low cost, confidential and youth friendly.

Young people and their families can also access **eheadspace**, a national online and telephone support service staffed by a range of experienced youth mental health professionals. **eheadspace** supports young people who aren't able to access a **headspace** centre or would prefer to get help for their problems via online chat, email or phone. Providing a secure and anonymous place to talk to a professional, means many young people who wouldn't ordinarily seek help at a face-to-face service are getting the help they need.

Additional support is also provided at specific **headspace** centres to help young people experiencing early psychosis.

Our **headspace** School Support program has teams operating nationwide who are able to respond and resource the individual needs of a school to help them prepare for, respond to or recover from a suicide.

The input of young people is key to the way headspace works across Australia. Whether this is via service delivery or the development of campaigns encouraging people to seek help.

The input of young people is key to the way **headspace** works across Australia. Whether this is via service delivery or the development of campaigns encouraging people to seek help. Innovation in service delivery and building new evidence is part of the **headspace** model. Sustainability is critical to ensure our services continue uninterrupted for young people and their families.

The **headspace** Youth National Reference Group (hY NRG) is an integral part of our organisation, ensuring young people's voices and opinions remain front and centre of what we do. The members of hY NRG are dedicated to making a difference in the lives of young people across the country. hY NRG makes sure that any new initiative from **headspace** will make a positive difference in the lives of young people and the resources **headspace** receive from government and corporate partners are put to the best use.

headspace National Youth Mental Health Foundation is funded by the Australian Government Department of Health.

headspace Stories

Charlie Cooper: age 22

Because of the powerful negative stigma surrounding mental health, I struggled with anxiety for years before choosing to seek help.

Because we don't talk about it, we think we're alone. It was such a massive relief when my sister asked me if I wanted to seek help, as this was the first time someone had suggested to me that it was okay to get help.

I remember waking up, devastated to realise that the thoughts and feelings were still there. One day at uni I ran out of a lecture in tears, I was hit by a wave of intrusive thoughts and feelings of panic. Having struggled with this for over a year, I honestly thought I would never feel "normal" again.

At the time I didn't realise there was a **headspace** centre down the road. No one ever told me that **headspace** could help – it took my parents and I months to find someone who could support me. As soon as I sought help, I suddenly realised that my anxiety was very treatable and that I wasn't alone. I wish I could talk to my 19 year-old self and tell him that with the right support, he could feel as good as I do today. Although my anxiety still comes up, I am learning what works for me, and how to stay well.

Rachael Laidler: age 24

I struggled for almost 8 years with mental illness, because I didn't think that there was anyone who could help me.

Among other things, I didn't think I deserved the help because there were people who were worse off than me. When I first walked into a **headspace** centre I was so worried I'd be turned away because other people needed the service more. But that's not what happened.

I hadn't spoken to anyone about how I was feeling in years until I walked into a **headspace** centre and asked to talk to someone. A few weeks later I was talking to a nurse at **headspace**. I told her about what I had been struggling with, and I was so relieved to hear that she understood. She didn't judge me – she listened to me and she understood that I was experiencing something really tough and scary. And she offered to help.

The team at **headspace** helped me quit drinking, they helped me build the confidence I needed to start working and studying, and to find passion for my life. In just a year I could really see the future I wanted to have and was ready to fight for it. My life has changed so much since then, and I'm so glad I made the choice to ask for help.

Trent Caldwell: age 24

I had battled with depression for years and knew I was starting to show signs of a relapse – my mental health was deteriorating... fast.

In the past, this had resulted in me attempting to take my own life, and I didn't want to walk that road again. I felt like I had been failed by both private and public institutions already, but my determination to keep breathing led me to seek help elsewhere.

I originally started going for free counselling sessions at a **headspace** centre. It was like no other counselling session I had ever had, I felt empowered every time I left the room and motivated to keep fighting on in life. I also started to access their GP service which was also free. The doctors there were some of the best I had ever had.

My time going to **headspace** taught me important lessons - mental illness is normal, I'm supported and there is a light at the end of the tunnel.

Reaching more young people through corporate partnerships

Jellis Craig Foundation

headspace has been selected by Jellis Craig to be one of two charity partners of the Jellis Craig Foundation in 2016. Staff from all 16 offices are encouraged to participate in raising awareness and fundraising for **headspace** via the Jellis Craig Foundation.

Melbourne Stars

headspace was the official charity partner of the KFC Big Bash League club, Melbourne Stars, during the BBL|06 season. Melbourne Stars has a strong community focus and assisted **headspace** to raise awareness of mental health and help-seeking amongst young people and their families.

NRL

headspace works with the NRL on its State of Mind campaign, which aims to reduce stigma around mental illness, create positive discussion and connection in communities, and stimulate help-seeking behaviours by improving mental health literacy. **headspace** also works with the NRL around its State of Mind Grassroots program which is delivered to grassroots Rugby League clubs across Australia.

REST Industry Super

Our partnership with REST Industry Super means **headspace** extends its reach to REST's 1.9 million members. The partnership also contributes to raising awareness of **headspace** in communities across Australia, through **headspace**'s presence at the Groovin' the Moo music festival for the last four years and the **headspace** Stories video series.

Strike Bowling Bar

headspace was chosen by Strike Bowling as its Charity of Choice for 2016. This partnership involves **headspace** linking with local Strike locations and Strike supporting **headspace** through awareness and fundraising activities.

Supré

headspace has been working with the Supré Foundation to help educate and empower young girls to be assertive against bullying behaviour. Through the sale of Supré Foundation products in Supré stores, funds have been raised to enable **headspace** centres to deliver a Bullying Prevention and Education Kit to schools in Western Australia.

VIVA Energy Australia

In 2016, **headspace** and VIVA Energy Australia embarked on a national partnership that aims to create role models in communities across Australia. VIVA Energy is supporting **headspace** centres Geelong, Sunshine, Nundah and Parramatta to create opportunities for 12-25 year olds to become role models and mental health advocates in their local communities. VIVA Energy is also supporting the work of the **headspace** Youth National Reference Group.

headspace Financial Report 2015–16

Governance Statement

headspace National Youth Mental Health Foundation Ltd ("**headspace**") is a company limited by guarantee, established for the public charitable purpose of promoting the improved health and mental health outcomes for young people in Australia, including through early intervention and prevention programs.

headspace is classified as a health promotion charity and is endorsed as a deductible gift recipient and tax concession charity.

The responsibilities of the Board of directors of **headspace** include corporate governance for **headspace** and its wholly owned subsidiary **headspace** Services Limited.

The Board has adopted a formal Governance Charter which sets out the functions and responsibilities of the Board and promotes high standards of corporate governance within the **headspace** group.

The Governance Charter sets out the policies and internal rules for the governance of **headspace** and supplements and is subject to constitutional requirements and any governing legislation.

The Governance Charter:

- enables the **headspace** Board of directors to provide strategic direction and effective oversight of the management of the **headspace** group;
- sets out the roles and responsibilities of the Board and its committees and senior management to ensure a suitable balance of authority;
- sets out the functions of each entity within the **headspace** group and distinguishes the core roles and responsibilities of the Board of directors of each entity in the **headspace** group;
- facilitates accountability to **headspace** members and principal funding agencies including the Commonwealth of Australia through the Department of Health;
- sets the standards for ethical corporate conduct, transparency and fair dealing in all **headspace** operations including its funding and research programs; and
- takes account of the interests of stakeholders in the broader community, including young people and those who work with them in health, mental health and related fields.

The Governance Charter is reviewed annually and updated as necessary. A copy of the Governance Charter is available on request.

Role of the Board

The role of the Board is to set the direction and oversee the operations of the **headspace** group and to carry out the **headspace** objectives.

The primary functions and responsibilities of the Board are:

- ensuring compliance with the objects, purposes and values of the **headspace** group and its constitution;
- **headspace** group governance including strategic planning, setting or approving policies, plans and budgets to achieve the objectives, and monitoring performance against them;
- leadership selection, including the appointment and removal of the CEO and monitoring performance, succession and remuneration planning for Board, CEO and executive succession, and determining senior management remuneration;
- regulatory and financial monitoring and reporting to ensure compliance, solvency, financial strength and good performance of the organisation;
- reviewing and monitoring the effectiveness of risk management and compliance in the **headspace** group;
- agreeing or ratifying all policies and decisions on matters which might create significant risk, financial or otherwise;
- considering the social, ethical and environmental impact of all activities and operations and ensuring that these are acceptable; and
- evaluating and improving the performance of **headspace** group Boards.

The Chief Executive Officer is responsible for key management and operational issues within the direction and policies determined by the Board. All delegated authorities provided by the Board to the Chief Executive Officer are reviewed and confirmed annually.

Governance Statement

(continued)

Board meetings

Directors are expected to prepare adequately for, attend and participate at Board meetings and meetings of committees. The Board holds up to seven formal meetings a year, one of which serves to review and approve the strategic plan of the company. The Board also meets with Executive Management to consider matters of strategic importance to **headspace**. The number of Board meetings and each director's attendance at those meetings are set out in the report of the directors.

Board and committee operations

To help it carry out its responsibilities, the Board has established the following committees and has adopted terms of reference setting out the matters relevant to the composition, responsibilities and administration of these committees:

- Aboriginal and Torres Strait Islander Committee;
- Centre Expansion Committee;
- Clinical Quality and Risk Management Committee;
- Family and Friends Committee;
- Finance, Audit and Risk Committee;
- Remuneration and Nominations Committee; and
- Research and Evaluation Committee.

Following each committee meeting, the Board receives a copy of the minutes of meeting from the relevant committee.

Review of Board performance

The Board undertakes an annual review of its performance and may engage the assistance of external consultants to facilitate formal Board performance reviews.

Conflicts of interest

Directors are expected to avoid any action, position or interest that conflicts or appears to conflict with an interest of the company. This is a matter for ongoing consideration by all directors and a register is tabled at each Board meeting. The Governance Charter contains a Conflict of Interest Policy.

Code of conduct

The **headspace** group has a Code of Conduct which requires the observance of strict ethical guidelines. The Code of Conduct applies to all employees and directors within the **headspace** group, with the conduct of the Board and each director also governed by the Governance Charter.

Access to management

Board members have complete and open access to management through the Chair, Chief Executive Officer or Company Secretary at any time. In addition to regular presentations by management to Board and Board committee meetings, directors may seek briefings from management on specific matters.

Developments since June 2016

headspace adopted a new constitution on 15 June 2016, providing for the transition of the then existing 11 director Board to a new Board comprised of seven directors. Since June 2016, **headspace** has proceeded with the implementation of the transitional governance changes in accordance with the new constitution. All directors of the 11 director Board vacated office between 1 July 2016 and 31 August 2016. Ian Marshman and Patrick McGorry were re-appointed as directors; Lisa Bjorksten, Annette Carruthers, Gabrielle Curtin, Katina Law, and Anne Murphy Cruise were appointed as new directors.

Directors' Report

for the year ended 30 June 2016

The directors of **headspace** National Youth Mental Health Foundation Ltd ("the Company") present their report on the consolidated entity (referred to hereafter as "the Group"), consisting of **headspace** National Youth Mental Health Foundation Ltd and the entities it controlled at the end of, or during, the year ended 30 June 2016.

Directors

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

Ian Marshman *(resigned 30 August 2016; reappointed 30 August 2016)*
Laurent Rivory *(appointed 29 February 2016; resigned 30 August 2016)*
Patrick McGorry AO *(resigned 30 August 2016; reappointed 30 August 2016)*
Wendy McCarthy AO *(resigned 4 July 2016)*
Annette Carruthers *(appointed 30 August 2016)*
Anita Jacoby *(resigned 4 July 2016)*
Anne Murphy Cruise *(appointed 30 August 2016)*
Barbara Hingston *(resigned 4 July 2016)*
Gabrielle Curtin *(appointed 30 August 2016)*
John McGrath AM *(resigned 30 June 2016)*
Lisa Bjorksten *(appointed 30 August 2016)*
Louis Peachey *(resigned 30 June 2016)*
Katina Law *(appointed 30 August 2016)*
Sheree Vertigan *(resigned 30 June 2016)*
Lyn Littlefield OAM *(resigned 30 August 2016)*
Ann Brewer *(resigned 23 February 2016)*
Rodney Pearce AM *(resigned 30 August 2016)*
David Marsh *(appointed 1 July 2016; resigned 10 August 2016)*

Company Secretary

The following people held the position of Company Secretary at the end of the year:

Sara Tersigni: LLB London, Certified Member CSA. (resigned 20 May 2016)
Matthew Posar: BBus RMIT, CA. (appointed 15 May 2016)

Principal Activities, Objectives and Measures of Performance

The principal activities of the Group during the financial year consisted of promoting the improved health and mental health outcomes for young people in Australia through early intervention and prevention programs.

No significant changes in the nature of these activities occurred during the year.

The goals of the Group in undertaking its principal activities are to:

- Support and enhance the quality of mental health services it delivers;
- Implement **headspace** centres, clinical programs and supporting modalities;
- Ensure each element of the **headspace** system can be spoken for and articulated in the broader community;
- Make sure its people are at the core of each outcome and its workforce is developed to drive the desired outcomes;
- Develop internal capability to continue to grow and expand **headspace**; and
- Have the right systems and data to drive operational performance, meet obligations, improve the programs and manage risk.

The Group's strategies to achieve these goals are:

- Build awareness of who **headspace** is and what it does;
- Develop **headspace** so it is responsible to the individual needs of every young person;
- Develop a long-term sustainable funding approach by tapping into broader investor and funding options;
- Enhance access to appropriate services for all young people; and
- Deliver the best, most effective model through continual research and validation.

The Group has developed a set of internal indicators by which it measures how it is achieving its goals.

Directors' Report

(continued) for the year ended 30 June 2016

Operating Results

The operations of the Group for the financial year resulted in a surplus of $5,087,207 (2015: deficit $14,579,208). The surplus is due to the centre grant payments being in a net surplus position for the year compared with the income recognised, and inter-program charges generated by the Group for the operation of related programs operated under funding agreements.

Contributions on Winding Up

The Company is a not-for-profit organisation incorporated as a company limited by guarantee. If the Company is wound up, the liability of each member is limited to a maximum of $100 towards meeting any outstanding obligations of the Company. The Company is precluded by its constitution from recommending payment of any dividend.

Review of Operations

During the financial year, the Group conducted the Youth Mental Health Initiative in accordance with its funding agreement with the Commonwealth of Australia through the Department of Health (DoH). In addition, the Group has conducted other programs, funded by both the Commonwealth of Australia and other fund providers such as the Victorian Government, which support and complement the Youth Mental Health Initiative. The Group has, through these additional programs, including the **headspace** Youth Early Psychosis Program ("hYEPP") and the Outreach Teams to Schools program (**headspace** School Support), increased the number of services to young people.

The Group increased the number of **headspace** centres that it funds to 95 centres during the year. In addition, the Group funded two outpost centres. The number of **headspace** services available within the community has continued to increase through organic growth from existing centres and also as a result of the year on year increase in the number of operating centres. Furthermore, hYEPP centres have increased their service delivery year on year. All of these activities were supported by funding agreements with DoH.

The Group is funded directly to operate programs such as **headspace** School Support, Youth Online and Telephone Counselling Program (**eheadspace**), and to fulfil the functions of a lead agency for centres transitioning from an outgoing lead agency, and national office functions to support service delivery in programs. The Group was also engaged by the Commonwealth to disburse funds under third party contracts to various lead agencies to operate **headspace** centres and hYEPP centres.

In November 2015, following the Government's response to the broader mental health reforms outlined in the National Mental Health Commission report, the Minister for Health, The Hon Sussan Ley MP, announced three key reforms that impact the operations of **headspace**.

The National Mental Health Commission report proposed nine key areas of reform in mental health. There are three elements that are specifically relevant to **headspace**.

1. ***The adoption of locally planned and commissioned mental health services through Primary Health Networks (PHNs).*** A flexible pool of funding will be established from which PHNs can commission services to meet local needs. Most Commonwealth mental health programs over the course of implementation will effectively be rolled up into the PHNs. Their focus will be made more flexible and they will be used to commission services at a regional level through PHNs. This will apply to all service areas including **headspace**. This means that DoH's commissioning role, through current contracting arrangements for most mental health programs, will be devolved to PHNs. Similarly, the contracting element of the role of **headspace** National Office will also be transferred to the 31 PHNs from 1 July 2016.
2. ***A new easy to access digital mental health gateway.*** This is a significant innovation. Currently DoH funds over 20 different web-based services, including **eheadspace**, for both information and treatment for people with concerns with mental health issues. These services will be progressively rolled into one digital mental health gateway and transitioning will commence from 1 July 2016. **headspace** has received a one year extension to 30 June 2017 for the **eheadspace** program.
3. ***The adoption of an integrated and equitable approach to youth mental health.*** Consistent with the PHN led regional planning and commissioning model, the PHNs will lead the development of the integrated and equitable approach to youth mental health, and their role will be as planners, service integrators and commissioners of youth mental health services within their region. The two key youth mental health programs administered by **headspace**; the **headspace** centre program and **headspace** Youth Early Psychosis Program ("hYEPP"), will both be progressively rolled into PHN funding. The existing **headspace** services will continue for up to two years but at the end of the transition period, contracting and commissioning of both of these programs, will be by the PHNs.

Directors' Report

(continued) **for the year ended 30 June 2016**

In response to these significant changes to the operations of **headspace**, the Group was awarded a two year grant agreement expiring 30 June 2018 to operate the **headspace** National Office (hNO) and support the PHNs as commissioners of **headspace** centres.

From time to time the Group accumulates cash reserves due to timing differences between the receipt of funds from the Commonwealth and when it disburses funds to centres in accordance with the conditions of the funding agreements in place during the year. A significant portion of cash reserves at year end represent amounts held on behalf of lead agencies. The Group has an obligation to disburse the total centre funding amounts made available by DoH. At 30 June 2016, the Group had cash on hand of $17,397,061 that will be utilised for the purposes identified above. Further information is provided in Note 23.

Significant Changes in the State of Affairs

Prior to the implementation of the national mental health reforms, **headspace** was responsible for the selection and contracting, commissioning, establishment and monitoring of third party lead agencies operating **headspace** centres. Over the last nine years, hNO has established 95 centres and a final five are in the establishment phase and are due to open next financial year. From 1 July 2016, PHNs have taken over the role of funder and commissioner of **headspace** centre services, in line with the national mental health reforms. The loss of the commissioning role will lead to a substantial reduction in the revenue and grant expenditure recognised by the Group.

Under its new agreement with DoH, the primary role of hNO is now focused on quality assurance and accreditation with the following additional key functions:

- licencing **headspace** centres and PHNs to use the trademarks owned by **headspace**;
- perform an advisory role to PHNs;
- data collection and performance monitoring;
- provision of a **headspace** centre of excellence;
- workforce support;
- national campaigns on stigma reduction and raising community awareness; and
- youth engagement.

In addition to the Group being awarded a two year funding agreement to operate hNO, the Group was awarded a one year grant extension for the **eheadspace** program which expires 30 June 2017, and a six month extension for the **headspace** School Support program to expire 31 December 2016.

The Group was also awarded a two year funding agreement for the Empowering YOUth Initiatives program, to expire 30 June 2018.

The Group through its wholly owned subsidiary, **headspace** Services Ltd, from 1 July 2015 has operated **headspace** Canberra, **headspace** Queanbeyan and **headspace** Noarlunga centres which were transitioned from external third party operators, in addition to the **headspace** Adelaide and hYEPP Adelaide centres that were already in place in the previous financial year.

Grant agreements for the **headspace** Centres programs and hYEPP programs that expired 30 June 2016 were not extended.

No other significant changes in the Company's state of affairs occurred during the financial year.

Matters Subsequent to the end of the Financial Year

The changes to the hNO funding agreement also precipitated a change to the governance arrangements of **headspace**. The Group adopted a new constitution, established a skills based board and reduced the number of directors from 11 to 7. These changes occurred in July and August 2016.

There were no other matters or circumstances which have arisen since the end of the financial year which have significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Likely Developments and Expected Results of Operations

There are no likely developments in the operations of the Group which have not been disclosed within this report.

Environmental Regulation

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Directors' Report

(continued) for the year ended 30 June 2016

Information on Directors

The following information is current as at the date of this report.

Name	Qualifications and Experience	Special Responsibilities
Ian Marshman	• Board member since 5 June 2009. • BA (Honours), LLB. • Ian served as Senior Vice-Principal at The University of Melbourne from March 1999 to July 2015 and continues to provide a Special Advisor role for the University. • As Senior Vice-Principal Ian was accountable to the Vice-Chancellor and Council for the overall management and administration of the University, with specific responsibilities for strategy and planning, budgeting and major infrastructure projects. • Ian's career began as an Administrator in the Australian Public Service in Canberra. He has held senior positions in health at Commonwealth and State Government levels. • He was Chair of the Management Committee for Victorian Tertiary Admissions Centre for 15 years until 2014. He had been Chair of the Universitas 21 Managers Group for six years up to May 2015. Ian is a current member of the Melbourne Theatre Company Board, where he chairs the Finance and Risk Committee, and Chair of the Melbourne Dental Clinic. He has previously served on the boards of several health services agencies and has been a director of a number of University boards.	Member appointee of the University of Melbourne. Chair of Finance, Audit & Risk Committee. Chair Centre Expansion Committee. Member Remuneration and Nominations Committee. Interim Chair of Board
Patrick McGorry AO	• Board member since 5 June 2009. • AO, MD, BS, PhD, FRCP, FRANZCP, FAA, FASSA. • 2010 Australian of the Year. • Patrick is Executive Director of Orygen, The National Centre of Excellence in Youth Mental Health and Professor of Youth Mental Health at The University of Melbourne. He is a world-leading researcher in early intervention and youth mental health. • Patrick has published over 500 peer reviewed articles in major international journals including The Lancet, the British Journal of Psychiatry, the British Medical Journal, JAMA Psychiatry, the American Journal of Psychiatry, Schizophrenia Bulletin, Molecular Psychiatry, Biological Psychiatry, and the Medical Journal of Australia. Over the past decade he has raised over $150m for mental health research. He has had a key advocacy and advisory role to government and in health system reform in many parts of the world. • He is currently President of the Society for Mental Health Research in Australia, President of the Schizophrenia International Research Society, Treasurer of the International Early Psychosis Association, and Editor in Chief of the Wiley Journal Early Intervention in Psychiatry. • He received the 2013 Annual Research Award from the National Alliance for the Mentally Ill (Washington DC), and the 2015 Lieber Prize from Schizophrenia Research from the Brain and Behaviour Foundation (US).	Member appointee of Orygen Youth Health Research Centre. Co-chair of Research and Evaluation Committee. Member Centre Expansion Committee.
Annette Carruthers *(appointed 30 August 2016)*	• Board member since 30 August 2016. • MBBS (Honours), FRACGP, FAICD, GradDipAppFin, TAASFA. • Annette has had a diverse and successful career in the health industry across a number of clinical and preventative areas in both the private and public sector. • Annette is an experienced non-executive director in financial services and infrastructure, health and aged care. • She is a current board member of Multiple Sclerosis Australia and Cater Care Pty Ltd and is a former director of nib Holdings and National Heart Foundation in NSW. • Annette's passion is for the provision of high quality health care that meets the needs of the community.	

Directors' Report

(continued) for the year ended 30 June 2016

Information on Directors (continued)

Name	Qualifications and Experience	Special Responsibilities
Anne Murphy Cruise *(appointed 30 August 2016)*	• Board member since 30 August 2016. • LLB (Honours), MA (Honours), Dip. Ed (Honours), BA (Honours), admitted as a Barrister and Solicitor of the Supreme Court of Victoria. • Anne is a senior lawyer at Macquarie Capital, specialising in equity capital markets transactions. Prior to this Anne was in private practice and has extensive experience in corporate governance, legal compliance and general corporate matters. • Before commencing her career in the law, Anne was a foreign language teacher at a number of Victorian senior schools, teaching French and German. • Anne is also involved in sector mentoring across various age groups and divisions at Macquarie and participates in the diversity program and the promotion of young women in the workforce.	
Gabrielle Curtin *(appointed 30 August 2016)*	• Board member since 30 August 2016. • BA, MBA, MAICD, FAHRI. • Gabrielle is an experienced senior executive, currently responsible for Safety, People and Services with Snowy Hydro Limited. • Previous senior executive positions held at Qantas and Shell Australia. • Gabrielle's far-reaching board experience covers education and business. She is chair of Winifred West Schools and currently sits on the Qantas Foundation Board, whose vision is to create life-changing experiences for the next generation of Australians. • Gabrielle has a personal connection and lifelong interest in mental health. She is a mentor to many young women and was previously a long-serving mentor in the UNSW Lucy Mentoring program.	
Lisa Bjorksten *(appointed 30 August 2016)*	• Board member since 30 August 2016. • MFA, BA. • Lisa is a digital specialist and currently runs digital for one of Australia's leading content marketing agencies. She has extensive experience in executing successful strategies across complex business units in the digital space. • Lisa also has deep global experience across multiple technical developments and all digital platforms. • Most recently, Lisa successfully launched digital start-ups in New York. • Her previous roles include production and editorial leadership positions with Yahoo7, ninemsn and News Corp. • Lisa was recently appointed as Digital Marketing Course Instructor for General Assembly, teaching their part time digital marketing courses. • She has a deep passion for leadership and mentoring others.	
Katina Law *(appointed 30 August 2016)*	• Board member since 30 August 2016. • B Com, CPA, MBA, GAICD. • Raised in the Kimberley region of WA, Katina is currently managing director of Indigenous Professional Services, providing services to business and government in a wide range of areas including human resources, performance auditing, change management and financial management. • Katina has worked extensively in executive roles across the mining sector in Australia, Asia, Africa, the UK and the United States. • Katina has wide-ranging board experience working extensively with both large and small companies. • Katina has mentored Indigenous business people to increase participation in the mainstream economy and is passionate about improving the lives of Indigenous people.	

Directors' Report

(continued) for the year ended 30 June 2016

Information on Directors (continued)

Name	Qualifications and Experience	Special Responsibilities
Lyn Littlefield OAM *(resigned 30 August 2016)*	• Board member since 5 June 2009. • Professor, OAM, FAPS, FAICD, FAIM, BSc, BBSc (Hons), Dip Ed, M Psych, PhD. • Lyn has extensive experience in teaching, clinical practice and research, in child and family psychology, and established the first professional doctorate in clinical child, adolescent and family psychology in Australia. Lyn was previously the Head of the School of Psychological Science at La Trobe University, and is currently a Professor at La Trobe University. She was the Inaugural Director of the Victorian Parenting Centre. • She was conferred a Medal of the Order of Australia in 2001 for services to the welfare of children and families. • Lyn is Deputy Chair of Mental Health Council of Australia; Chair of the Board of Allied Health Professionals Australia; Board member of Mental Health Professionals Network. • Lyn also sits on a number of Government Mental Health Advisory Groups.	Member appointee of the Australian Psychological Society Limited. Member of Clinical, Quality and Risk Management Committee. Member Remuneration Committee.
Rodney Pearce AM *(resigned 30 August 2016)*	• Board member since 22 June 2015. • AM, MBBS, Fellow AMA • Rodney comes from a sixth generation farming family and grew up and works as a general practitioner (GP) in a farming town with significant Indigenous health issues. He has an interest in mental health, men's health and medical practitioners own health. • Since 1993 he has been involved in integrating general practice with local, state and federal government programs. • Rodney has received personal and practice awards for teaching undergraduate, postgraduate medical students, interns, RMOs and GP registrars. • Rodney has previous roles as:- » President AMA (SA) 1998-2000 » Chair Federal AMA Council of General Practice 2004-2010 » Royal District Nursing Service Director 2007-12 » Central Adelaide and Hills Medical Local 2011-13 • Rodney is presently a director of:- » Medical Benevolent Association (SA) » Australian General Practice Accreditation Ltd (AGPAL) » Australian General Practice Network (AGPN) » Australian Association of General Practice (AAGP) » Influenza Specialist Group (ISG) » Australian Medic Alert Foundation (AMAF) » MedicalHQ (Urban and rural general practice) » Medical Officer of Health (MOH) for local government (Eastern Health Authority) and MedVet • In 2012 Rodney was appointed a Member of the Order of Australia.	Member appointee of Australian General Practice Network

Directors' Report

(continued) for the year ended 30 June 2016

Information on Directors (continued)

Name	Qualifications and Experience	Special Responsibilities
Laurent Rivory *(appointed 29 February 2016 and resigned 30 August 2016)*	• Board Member since 29 February 2016. • Pro Vice-Chancellor Strategic Collaborations and Partnerships in the office of the Deputy Vice-Chancellor Research. • 20 years' experience in research and leadership in higher education, hospital and industry sectors. • Extensive experience in the management of key research programs in virology, immunology, cancer, RNA therapeutics and diagnostics. Held appointments at the University of Queensland, the Royal Prince Alfred Hospital, the Université de Bordeaux II and the Fondation Bergonie, and University of Sydney. • Held Senior Research Director, Research Development at Johnson and Johnson in 2002, and Clinical Senior Lecturer at University of Sydney and Head of Pharmacology Laboratory, Sydney Cancer Centre, Royal Prince Alfred Hospital, Camperdown. • Board Member Nominee, Bionic Vision Australia (an ARC Strategic Research Initiative administered by The University of Melbourne) (2010-2014) • Director and Chair, Bionic Vision Technologies (2013-2014) • Chair, Advisory Board, ARC Centre of Excellence in Cognition and Its Disorders (administered by Macquarie University) • Governance Committee Member, Stem Cells Australia (an ARC Strategic Research Initiative administered by The University of Melbourne) (2011-2014) • Committee member, Bellberry Ethics • Committee member, Advisory Council for Centre for Medicinal Cannabis Research and Innovation • NHMRC Development Grant Scheme GRP member • Director, Sydney Institute of Marine Science • Director, National Imaging Facility • Director, Australian Centre of Microscopy and Microanalysis • Editor of the Journal of Clinical Oncology (2002-2005) • Editor of the British Journal of Pharmacology (2003-2007) • External Expert Evaluator for the Australian Therapeutics Goods Administration, TGA (1999-2002) • Member of the Pharmaceutical Subcommittee (PSC) of the Australian Drug Evaluation Committee, ADEC (2001-2002) • Author of Draft Discussion Papers for the Australian Drug Evaluation Committee (ADEC) • Reviewer of manuscripts for a number of Cancer, Pharmacology and Nucleic Acid Technology journals as well as a number of competitive granting schemes such as the NHMRC, Wellcome Trust • Invited speakerships for workshops and international conferences including Meet-The-Professor at ASCO conference • Consultant for several pharmaceutical, scientific and biotechnology companies and entities including ANSTO	Member appointee of University of Sydney

Directors' Report

(continued) for the year ended 30 June 2016

Information on Directors (continued)

Name	Qualifications and Experience	Special Responsibilities
Wendy McCarthy AO *(resigned 4 July 2016)*	• Board member since 5 June 2009. • AO, BA, Dip Ed, Hon Dr University of SA. • Wendy began her career as a secondary school teacher and remains passionate about the power of education. For five decades she has been a teacher, educator and change agent in Australian public life. • Wendy chairs Circus Oz, is Deputy Chair of Goodstart Early Learning and a non-executive director of Bentham IMF Limited. • She has held many significant leadership roles in leading national and international bodies including eight years as Deputy Chair of the Australian Broadcasting Corporation, 10 years as Chancellor of the University of Canberra and 13 years as a director of Plan International. • In 1989, Wendy was appointed an Officer of the Order of Australia for outstanding contributions to community affairs, women's affairs and the Bicentennial celebrations.	Appointee of the Commonwealth Minister for Health. Chair of Board. Member Centre Expansion Committee.
Anita Jacoby *(resigned 4 July 2016)*	• Board member since 11 February 2013. • Anita is one of Australia's most experienced media professionals. In a career spanning more than 30 years she's created and produced hundreds of hours of content for every TV network. • She was most recently Managing Director, ITV Studios Australia. • She has also been an Executive at Zapruder's Other Films producing programs such as "Enough Rope", "The Gruen Transfer", "Elders", "Hungry Beast", "Country Town Rescue" and "AFP" and documentaries including "God on My Side" and the award-winning mental health documentary, "Angels & Demons". • Over the years she's produced numerous stories for programs including "60 Minutes", "Sunday", "Witness", "Today" and "GMA". Many of these have focused on mental health issues such as youth suicide, teenage drinking, drug abuse and gender issues. • Anita has also worked as a news reporter, print journalist and book editor. • Her work has seen her awarded six AFI/AACTA awards; an Order of Australia Media Award; a Human Rights Award (Highly Commended); Asia-Pacific Broadcasting Union Award and the Alzheimer's Australia Annual Award. • Anita has completed the Australian Institute of Company Director's course. • She is also a part-time Authority Member of the ACMA, is on the NSW Alzheimer's Advisory Board.	Appointee of the Commonwealth Minister for Health. Member Finance Audit and Risk Committee.
Barbara Hingston *(resigned 4 July 2016)*	• Board member since 16 July 2009. • BA, BSW, GAICD, MAASW. • Barbara has held senior executive and corporate management roles in Commonwealth Government and in the NGO sector including as Executive Director for Mercy Health Care Australia Ltd, a national collaboration in health and aged care. • She is a highly experienced non-executive director, having contributed to the governance of acute tertiary health as a member of Austin Health Board for 8 years, and mental health and other primary care services, health professional regulation, and child and family services in Victoria, Queensland and the ACT. Barbara's current directorships include Catholic Social Services Australia, Dental Health Services Victoria, Tasmanian Health Service, Public Trustee Tasmania and Lady Gowrie Tasmania (childcare and early education services). • Barbara consults to government and community organisations in strategy development, stakeholder engagement, service review and evaluation, and corporate and clinical governance. She is an experienced social worker practiced in individual and group counselling in sexual assault, family violence and other trauma.	Appointee of the Commonwealth Minister for Health. Member Centre Expansion Committee. Member Finance Audit and Risk Committee. Member Family and Friends Committee. Chair Remuneration and Nominations Committee.

Directors' Report

(continued) for the year ended 30 June 2016

Information on Directors (continued)

Name	Qualifications and Experience	Special Responsibilities
John McGrath AM *(resigned 30 June 2016)*	• Board member since 5 June 2009. • AM. • Chairman of Mental Health Professionals Network Ltd, a Commonwealth funded project in Collaborative Interdisciplinary Networking. John is past Deputy Chair and an Inaugural Director of beyondblue since its inception in October 2000. • Immediate Past Chair of the Victorian Ministerial Expert Council on Mental Health from 1999 – 2010. Former Board Member of Crisis Support Services, a national professional telephone counseling service. John was the Inaugural Chair of the Mental Health Council of Australia 1997 – 2003. John was also the Inaugural Chair of the Western Region Alcohol and Drug Centre in Warrnambool for 13 years. • Member of the Victorian Parliament 1985 – 1999. Deputy Speaker and Chairman of Committees from 1992 until his voluntary retirement as National Party MLA for Warrnambool, in late 1999. • In 2008 John was appointed a Member of the Order of Australia in the Queen's Birthday honours awards. • John's decision to retire from politics was prompted by his desire to direct all of his energies towards promoting better outcomes for consumers of mental health services and their families. • John brings a strong family/carer focus to his involvement, instigated by the personal experience of having his two sons impacted by mental illness. Darren's treatment has been effective, so that today he leads an active and productive life, however John's second son Shane, lost his life to suicide in 1993.	Appointee of the Commonwealth Minister for Health. Chair Family and Friends Committee. Member Finance Audit and Risk Committee. Member Remuneration and Nominations Committee. Chair of Board of **headspace** Services Ltd
Louis Peachey *(resigned 30 June 2016)*	• Board member since 18 May 2012. • Dr Louis Peachey is a Girimay man from the Djiribaligan language group (Rainforest People) of North Queensland. He is a Senior Medical Officer at the Atherton District Hospital where he works as a Rural Generalist. • Dr Peachey was the founding President of the Australian Indigenous Doctors Association, and has been directly involved in Health Advocacy for Indigenous Australians for more than a quarter of a century. He has served on the Board of the Australian College of Rural and Remote Medicine, and the Logan Area Division of General Practice. Dr Peachey has also served on numerous Federal and State health committees and reference groups throughout his career.	Appointee of Australian Indigenous Doctors Association. Chair Aboriginal and Torres Strait Islander Committee. Co-Chair of Clinical, Quality and Risk Management Committee.
Sheree Vertigan *(resigned 30 June 2016)*	• Board member since 5 June 2009. • BA, MEd, FACEL, AICD. • Sheree has worked in a variety of positions within education, commencing her career as an English teacher prior to taking up a position as a consultant and then returning to senior positions within schools and the Department of Education. Sheree has had a long term and extensive involvement in professional associations at local, state, national and international levels. She is now working on a number of educational and social projects. • Sheree has established a private consultancy working primarily on principal certification, principal and leader's career structures, professional learning as well as acting as a mentor and coach for persons within the education sector across Australia. • Sheree is also very active within her local community, working on initiatives for LGAT people as well as sporting and cultural clubs and groups. • Sheree currently holds a number of other positions including: » Life Member, Past Chair and Immediate Past President of Australian Secondary Principals Association Ltd » Executive Secretary International Confederation of Principals » Director, Principals Australia Institute Board » Director Australian National Council for Drugs » ACEL Board member (Tasmania) » Safe Schools Coalition Australia, advisory committee. » Member of CAMHS Advisory (Tasmania)	Appointee of Principals Australia. Member Aboriginal and Torres Strait Islander Committee.

Directors' Report

(continued) for the year ended 30 June 2016

Information on Directors (continued)

Name	Qualifications and Experience	Special Responsibilities
Ann Brewer *(resigned 23 February 2016)*	• Board member since November 2014. • B.A. in Behavioural Science, (Macq) M.Com (Hons), PhD, (UNSW) FAICD. • Ann is a Professor in Business and Dean of Professional and Continuing Education, University of Sydney and has a honorary chair in the Faculty of Education and Social Work, University of Sydney. • She is the CEO of the Centre for Continuing Education and Sydney Learning Pty Ltd. – a wholly owned entity of University of Sydney and oversees the Law Extension Committee, University of Sydney. • Ann is an organisational psychologist, initially trained as a clinical psychologist. • Has held significant leadership and management positions as Deputy Vice Chancellor (Strategic Management) until 30 June 2014 responsible for ensuring the implementation of the University's strategic plan as well as oversight of the core operations of University of Sydney including Human Resources, ICT, Infrastructure & Planning and Finance as well as the implementation of the strategic plan, the Quality Assurance Strategy for the University, risk management and enterprise bargaining. Her academic leadership roles included Head of School of Business and acting Dean of Faculty of Economics and Business. • Ann's skills include change management, industrial relations and overseeing major projects that introduce change into large, complex organisations especially around restructuring core business and service processes. • Ann continues to publish in leading international journals in her field and has authored eight books on organisational change, employee commitment and citizenship including her most recent on Leadership, Coaching and Followership published in 2013 and Beyond Mentoring in 2015. • Ann is an accredited executive coach and has a group of senior managers as her clients. • Ann's community engagement includes strategic work for Jewish House, Jewish Care and others. • She maintains an active research and teaching portfolio in leadership, change and conflict management, conducting difficult conversations, performance and misconduct, business writing as well as critical anthropology for the 21st century.	Member appointee of University of Sydney. Co-chair of Research and Evaluation Committee.

There are no loans made to directors by the Group.

Directors' Report

(continued) for the year ended 30 June 2016

Meetings of Directors

The number of meetings of the Company's Board of Directors and of each Board committee held during the year ended 30 June 2016, and the number of meetings attended by each director were:

Director	Board Meetings		Finance, Audit & Risk Committee Meetings		Remuneration and Nominations Committee		Clinical Quality and Risk Management Committee Meetings		Research and Evaluation Committee Meetings		Family and Friends Committee Meetings		Aboriginal & Torres Strait Islander Committee Meetings		Centre Expansion Committee Meetings	
	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend
Ann Brewer	5	6	0	0	0	0	0	0	1	1	0	0	0	0	0	0
Barbara Hingston	8	8	5	9	4	4	0	0	0	0	2	4	0	0	0	0
Anita Jacoby	7	8	4	9	0	0	0	0	0	0	0	0	0	0	0	0
Lyn Littlefield OAM	7	8	0	0	3	4	0	2	0	0	0	0	0	0	0	0
Ian Marshman	8	8	9	9	3	4	0	0	0	0	0	0	0	0	1	1
Wendy McCarthy AO	8	8	7	9	4	4	0	0	0	0	0	0	0	0	1	1
Patrick McGorry AO	5	8	0	0	0	0	0	0	1	1	0	0	0	0	0	0
John McGrath AM	8	8	9	9	3	4	0	0	0	0	3	4	0	0	0	0
Louis Peachey	6	8	0	0	0	0	5	5	0	0	0	0	4	4	0	0
Rodney Pearce AM	8	8	0	0	0	0	1	4	0	0	0	0	0	0	0	0
Laurent Rivory	2	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sheree Vertigan	6	8	0	0	0	0	0	0	0	0	0	0	3	4	0	0

Attendance at only the *in camera* section of a meeting is considered to be attendance by that director.

Non-audit Services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important.

There were no non-audit services during the year. Details of the amounts paid or payable to the auditor (RSM Bird Australia Partners) for audit services provided during the year are also set out in Note 17 to the financial report.

The Board of Directors has considered the position and, in accordance with advice received from the Finance, Audit and Risk Committee, is satisfied that the provision of the non-audit services is compatible with the general standards of independence for auditors. The Directors are satisfied that the provision of non-audit services by the auditor did not compromise auditor independence for the following reasons:

- all non-audit services have been reviewed by the Finance, Audit and Risk Committee to ensure they do not impact on the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

Directors' Report

(continued) **for the year ended 30 June 2016**

Auditor's Independence Declaration

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after the Directors' Report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2) (a) of the Corporations Act 2001.

Ian Marshman
Chair On behalf of the directors
Melbourne

Patrick McGorry AO
Director
Melbourne

RSM

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of **headspace** National Youth Mental Health Foundation Ltd for the year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Australian Professional Accounting Bodies in relation to the audit; and

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

RSM

RSM AUSTRALIA PARTNERS

Philip A Ransom

P A RANSOM
Partner

Melbourne, VIC
Dated: 5 October 2016

Contents

Registered office
Level 2, 485 La Trobe Street
MELBOURNE VIC 3000

Principal place of business
Level 2, 485 La Trobe Street
MELBOURNE VIC 3000

These financial statements are the consolidated financial statements of the Group consisting of **headspace** National Youth Mental Health Foundation and its subsidiary. The financial statements are presented in the Australian currency, which is the Group's functional and presentational currency.

The Group is a not-for-profit unlisted public entity limited by guarantee, incorporated and domiciled in Australia. A description of the nature of the Group's operations and its principal activities is included in the review of operations and activities in the Directors' Report, which is not part of the financial statements.

The financial statements were authorised for issue by the directors on 5 October 2016. The directors have the power to amend and reissue the financial statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2016

	Note	2016 $	2015 $
Revenue from Continuing Operations			
Revenue from services and Government grants		173,889,587	126,667,830
Interest		1,630,031	2,117,839
Fundraising		432,147	340,291
Other revenues from operating activities		274,393	315,342
Revenue from operating activities	2	**176,226,158**	**129,441,302**
Operating Expenses			
Employment		22,035,491	18,633,176
Occupancy		2,625,100	1,876,647
Grant payments		131,431,019	111,383,807
Consultancy		2,280,758	1,149,225
Sub-contracts with member organisations		315,000	450,000
Governance		436,907	407,750
Travel		1,849,009	2,060,361
Communications and marketing		4,098,944	3,453,467
Depreciation and amortisation	3	1,114,689	1,039,732
(Gain) on disposal of assets		(481)	-
Other operating and administration expenses		4,952,515	3,566,345
Expenses from operating activities	3	**171,138,951**	**144,020,510**
Surplus / (Deficit) before Income Tax		5,087,207	(14,579,208)
Income tax expense	1f	-	-
Surplus / (Deficit) after income tax expense for the year		**5,087,207**	**(14,579,208)**
Other comprehensive income			
Other comprehensive income, net of tax		-	-
Total comprehensive income for the year		**5,087,207**	**(14,579,208)**

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

as at 30 June 2016

	Note	2016 $	2015 $
ASSETS			
Current assets			
Cash assets		45,886,813	70,645,575
Other financial assets	4	11,616,117	21,374,543
Trade and other receivables	5	2,710,950	649,282
Total current assets		**60,213,880**	**92,669,400**
Non-current assets			
Leasehold improvements, office equipment and motor vehicle	6	1,058,763	578,211
Total non-current assets		**1,058,763**	**578,211**
Total assets		**61,272,643**	**93,247,611**
LIABILITIES			
Current liabilities			
Trade and other payables	7	5,284,496	18,263,990
Provisions	8	884,796	1,080,785
Deferred income	9	17,434,224	41,372,361
Total current liabilities		**23,603,516**	**60,717,136**
Non-current liabilities			
Provisions	8	496,674	420,489
Deferred income	9	-	24,740
Total non-current liabilities		**496,674**	**445,229**
Total liabilities		**24,100,190**	**61,162,365**
Net assets		**37,172,453**	**32,085,246**
Members' Funds			
Accumulated surplus	10	37,172,453	32,085,246
Total members' funds		**37,172,453**	**32,085,246**

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

for the year ended 30 June 2016

	Note	Accumulated surplus $	Total $
Balance at 30 June 2014		46,664,454	46,664,454
Total comprehensive income for the year	10	(14,579,208)	(14,579,208)
Balance at 30 June 2015		32,085,246	32,085,246
Total comprehensive income for the year	10	5,087,207	5,087,207
Balance at 30 June 2016		**37,172,453**	**37,172,453**

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

for the year ended 30 June 2016

	Note	2016 $	2015 $
Cash flows from operating activities			
Receipts from Government grants and other operations (incl GST)		158,242,073	140,276,060
Payments to employees and suppliers (incl GST)		(192,794,032)	(121,874,939)
Interest received		1,630,031	2,117,839
Net cash inflow from operating activities	13(b)	**(32,921,928)**	**20,518,960**
Cash flows from investing activities			
Payments for leasehold improvements and office equipment		(1,595,260)	(769,434)
Net cash outflow from investing activities		**(1,595,260)**	**(769,434)**
Cash flow from financing activities			
Net cash inflow / (outflow) from financing activities		-	-
Net increase / (decrease) in cash and cash equivalents		**(34,517,188)**	**19,749,526**
Cash and cash equivalents at the beginning of the financial year		92,020,118	72,270,592
Cash and cash equivalents at the end of the financial year	13(a)	**57,502,930**	**92,020,118**

The accompanying notes form part of these financial statements.

Notes to the Consolidated Financial Statements

for the year ended 30 June 2016

Note 1: Summary of significant accounting policies

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

Basis of preparation

The consolidated financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Interpretations, and other authoritative pronouncements of the Australian Accounting Standards Board. **headspace** is a not-for-profit entity for the purpose of preparing the financial report. These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act). The group is a not-for-profit entity for the purpose of preparing the financial statements. The financial statements of the group comply with Australian Accounting Standards – Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB).

Historical Cost Convention

The financial report has been prepared on an accruals basis, is based on historical costs and does not take into account changing money values. Cost is based on the fair value of the consideration given in exchange for assets.

Early Adoption of Standards

The Group has not elected to early adopt any accounting standards for this reporting period (2015: Nil).

Critical accounting estimates and judgements

The preparation of the financial report requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial report is disclosed in Note 20.

a. Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of **headspace** National Youth Mental Health Foundation Ltd ("the Parent Entity") as at 30 June 2016 and the results of its subsidiary for the year then ended. **headspace** National Youth Mental Health Foundation Ltd and its subsidiary together are referred to in this financial report as the Group.

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. The accounting policies of the subsidiary are consistent with those adopted by the Group.

b. Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Australian Dollars, which is the Group's functional and presentation currency.

c. New, revised or amending Accounting Standards and Interpretations adopted by the Group

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2016.

The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

AASB 15 Revenue from Contracts with Customers. This standard contains a single model for contracts with customers based on a five-step analysis of transactions for revenue recognition, and two approach, a single time or over time, for revenue recognition and the application date is from 1 January 2018. The changes in revenue recognition measurements in AASB 15 may cause changes to the timing and amount of revenue recorded in the financial statements as well as additional disclosures. The impact of AASB 15 has not yet been quantified.

AASB 9 Financial Instruments. This Standard supersedes both AASB 9 (December 2010) and AASB 9 (December 2009) when applied. It introduces a "fair value through other comprehensive income" category for debt instruments, contains requirements for impairment of financial assets, etc. This standard has an application date of 1 January 2018. Management has undertaken an assessment and assessed that the adaptation of this new standard would not have a significant impact to the Group.

Notes to the Consolidated Financial Statements

(continued) for the year ended 30 June 2016

Note 1: Summary of significant accounting policies (continued)

c. New, revised or amending Accounting Standards and Interpretations adopted by the Group (continued)

AASB 16 Leases. AASB 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. This standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for almost all lease contracts, effectively resulting in the recognition of almost all leases on the statement of financial position. The accounting by lessors, however, will not significantly change. This standard has an application date of 1 January 2019. The impact of AASB 16 has not yet been quantified.

d. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and specific criteria have been met for each of the Group's activities as described below. All revenue is stated net of the amount of applicable goods and services tax (GST).

Revenue from services and Government grants

Revenue from Government grants is recognised when the Group has met all applicable milestones under the grant agreement. Where there are no milestones applicable to a grant agreement, grants are recognised as revenue upon obtaining control of the funds.

When grant revenue is received whereby the Group incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised as a liability until the service has been delivered to the contributor. Otherwise the grant revenue is recognised as income upon receipt.

Interest

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

Fundraising

Donations received from fundraising events are recognised as revenue when received.

e. Expenses

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grant payments

Payments payable to **headspace** Centres including hYEPP Centres are recognised as a liability when the lead agency has performed the requirements placed on it under the grant agreement with **headspace**. This includes, but is not limited to compliance with the grant agreement and the submission of clinical and financial data in a prescribed form. The Company has an obligation to recognise an expense for this milestone, notwithstanding that payment may not actually occur until the Company physically receives the appropriate evidence that the milestone has been met.

f. Income tax

The Company is exempt from income tax in accordance with endorsement by the Australian Taxation Office under Subdivision 50-B of the Income tax Assessment Act 1997. Accordingly no provision / expense for income tax has been made.

g. Leases

Lease payments for operating leases (note 12(a)), where substantially all the risks and benefits remain with the lessor, are charged as expenses (net of any incentives received from the lessee) on a straight-line basis over the lease term.

Lease income from operating leases where the group is a lessor is recognised in income on a straight line basis over the lease term.

h. Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits at call with banks or financial institutions 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. Other financial assets include term deposits with fixed maturities of three months or greater that management has the positive intention and ability to hold to maturity. For the purposes of presentation in the Consolidated Statement of Cash Flows, cash assets and other financial assets equate to cash and cash equivalents.

Notes to the Consolidated Financial Statements

(continued) for the year ended 30 June 2016

Note 1: Summary of significant accounting policies (continued)

i. Trade receivables

Trade receivables are initially recognised at fair value and subsequently measured less any provision for impairment. Trade receivables are generally due for settlement within 30 days (2015: 30 days). They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment is raised when some doubt as to collection exists.

The collectability of other receivables is assessed at the reporting date and specific provision is made for any doubtful amounts.

The amount of the impairment loss is recognised as an expense within other operating and administration expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other operating and administration expenses in the Consolidated Statement of Comprehensive Profit or Loss and Other Comprehensive Income.

j. Leasehold improvements, office equipment and motor vehicle

Leasehold improvements, office equipment and motor vehicle are measured at cost or deemed cost on acquisition and are carried at cost less accumulated depreciation and any accumulated impairment. In the event that the carrying amount of leasehold improvements and office equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised as an expense (note 1(n)).

The depreciable amount of all leasehold improvements and office equipment is calculated on a straight line basis over their estimated useful lives to the Group commencing from the time the asset is held ready for use, or, in the case of leasehold improvements, the shorter lease term. The depreciation rates used for each class of assets are:

Class of fixed asset	Depreciation rate
Office equipment	25% - 50%
Leasehold improvements	33⅓%
Motor Vehicle	25% - 100%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds from sale with the carrying amount. These are included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income as gain / (loss) on sale.

k. Trade and other payables

Trade and other payables represent the liability outstanding at the end of the financial year for goods and services received by the Group which remain unpaid benefits. Due to their short term nature they are measured at amortised cost and are not discounted. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability (2015: 30 days).

l. Employee entitlements

Short-term obligations

Provision is made for the Group's liability for employee entitlements arising from services rendered by employees to the end of the financial year. Employee benefits that are expected to be wholly settled within one year have been measured at the undiscounted amounts expected to be paid when the liability is settled.

The liability for annual leave is recognised in the provision for employee entitlements. All other short term employee benefit obligations are presented as other payables.

Notes to the Consolidated Financial Statements

(continued) for the year ended 30 June 2016

Note 1: Summary of significant accounting policies (continued)

l. Employee entitlements (continued)

Other long-term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be wholly settled within twelve months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and is measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. 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 end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the Consolidated Statement of Financial Position if the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

Defined contribution superannuation expense

Contributions made by the Group to employee superannuation funds are charged as expenses when incurred.

m. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office ("ATO"). In these circumstances, the GST is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are shown inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables.

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

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

n. Impairment of assets

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. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

o. Parent entity financial information

The financial information for the parent entity, **headspace** National Youth Mental Health Foundation Ltd, disclosed in Note 22 has been prepared on the same basis as the consolidated financial statements.

p. Current and non-current classification

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

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Notes to the Consolidated Financial Statements

(continued) for the year ended 30 June 2016

Note 2: Revenues from continuing operations

	2016 $	2015 $
Operating activities from continuing operations		
Government grants	173,889,587	126,667,830
Interest	1,630,031	2,117,839
Fundraising	432,147	340,291
Other revenues from operations	274,393	315,342
Total revenues from continuing operations	**176,226,158**	**129,441,302**

Revenue for the financial year includes funding under agreements with the Commonwealth of Australia as represented by the Department of Health as well as from other State Government bodies. The Group has deferred Government grant revenue of $17,434,224 as disclosed in Note 9.

Note 3: Expenses from operating activities

	2016 $	2015 $
Expenses from operating activities have been determined after:		
Depreciation		
Leasehold improvements	398,885	456,414
Motor vehicle	79,976	-
Office equipment	635,828	583,318
Total depreciation and amortisation	**1,114,689**	**1,039,732**
Rental expense relating to operating leases - minimum lease payments	1,963,543	1,430,273
Superannuation expense	1,813,485	1,501,198

Individually significant items

There are no items that are significant to the financial performance of the Group, that require being listed separately.

Note 4: Other financial assets

	2016 $	2015 $
Current		
Deposits at call	11,616,117	21,374,543
Total other financial assets	**11,616,117**	**21,374,543**

(a) Risk exposure

The Group's exposure to risk is discussed in Note 18. The maximum exposure at the end of the financial year is the carrying amount of the cash and cash equivalents noted above.

Notes to the Consolidated Financial Statements

(continued) for the year ended 30 June 2016

Note 5: Trade and other receivables

	2016 $	2015 $
Current		
Trade and other receivables	1,680,929	246,312
GST receivable	131,501	-
Prepayments	898,520	402,970
Total trade and other receivables	**2,710,950**	**649,282**

(a) Impaired trade receivables

There are no impaired trade receivables at year end (2015: $nil).

(b) Past due but not impaired

As at 30 June 2016, trade receivables of $823,430 (2015: $43,182) were past due but not impaired.

(c) Risk exposure

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of receivables mentioned above. Refer to Note 18 for more information on the Group's risk management policy.

(d) Fair value

Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value.

Note 6: Leasehold improvements, office equipment and motor vehicle

Note 6(a): Leasehold improvements

	2016 $	2015 $
Leasehold improvements at cost	2,003,935	1,196,489
Less accumulated depreciation	(1,349,685)	(950,800)
Total leasehold improvements	**654,250**	**245,689**

Note 6(b): Office equipment

	2016 $	2015 $
Office equipment at cost	2,667,911	2,115,529
Less accumulated depreciation	(2,263,398)	(1,783,007)
Total office equipment	**404,513**	**332,522**

Note 6(c): Motor Vehicle

	2016 $	2015 $
Motor vehicle at cost	79,976	-
Less accumulated depreciation	(79,976)	-
Total Motor Vehicle	**-**	**-**
Net book amount	**1,058,763**	**578,211**

Notes to the Consolidated Financial Statements

(continued) for the year ended 30 June 2016

Note 6: Leasehold improvements, office equipment and motor vehicle (continued)

Note 6(d): Movements in carrying amounts

	Leasehold improvements ($)	Office equipment ($)	Motor Vehicle ($)	Total ($)
Balance at 1 July 2014	258,142	590,367	-	848,509
Additions	443,961	325,473	-	769,434
Depreciation	(456,414)	(583,318)	-	(1,039,732)
Carrying amount as at 30 June 2015	245,689	332,522	-	578,211
Additions	807,446	707,838	79,976	1,595,260
Disposals	-	(19)	-	(19)
Depreciation	(398,885)	(635,828)	(79,976)	(1,114,689)
Carrying amount as at 30 June 2016	**654,250**	**404,513**	**-**	**1,058,763**

Note 7: Trade and other payables

	2016 $	2015 $
Current		
Trade payables	5,502	22,715
GST payable	-	3,028,823
Other payables	5,278,994	15,212,452
Total trade and other payables	**5,284,496**	**18,263,990**

Refer to Note 18 for further information on financial instruments.

Note 8: Provisions

	2016 $	2015 $
Current		
Employee entitlements – annual leave	844,165	964,596
Employee entitlements – long service leave	40,631	116,189
	884,796	1,080,785
Non-current		
Employee entitlements – long service leave	496,674	420,489
Total provisions	**1,381,470**	**1,501,274**

Amounts not expected to be settled within the next 12 months

The total provision for employee benefits includes accrued annual leave and long service leave. For long service leave the provision covers all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. $40,631 of the long service leave provision of $537,305 (2015 - $536,678) is presented as current and $496,674 as non-current as the vast majority of employees are not entitled to a payment of their long service leave entitlement within the next 12 months. The following amounts reflect leave that is expected to be taken or paid within the next 12 months:

	2016 $	2015 $
Current leave obligations expected to be wholly settled within 12 months	884,796	1,080,785

Notes to the Consolidated Financial Statements

(continued) for the year ended 30 June 2016

Note 9: Deferred income

	2016 $	2015 $
Current		
Lease incentive	-	-
Deferred income	17,434,224	41,372,361
	17,434,224	41,372,361
Non-current		
Lease incentive	-	24,740
Total deferred income	**17,434,224**	**41,397,101**

The deferred income of the Company represents the following:

- $4,276,480 relating to centres for which milestones relevant to payment have not been met at 30 June 2016 and which is expected to be expended in the following financial year.
- $1,000,000 of funding received from the Department of Health that relates to **headspace** National Office funding for the 2017 financial year.
- $3,882,358 in hYEPP centre grants for which milestones relevant to payment have not been met at 30 June 2016 and which is expected to be expended in the following financial year.
- $706,243 relating to the Empowering YOUth Initiatives program that will commence operation in the 2017 financial year.
- $7,569,143 relating to hYEPP Adelaide Centre funding for the 2017 financial year.

Note 10: Accumulated surplus

Movements in accumulated surplus were as follows:

	2016 $	2015 $
Balance as at 1 July	32,085,246	46,664,454
Surplus / (deficit) after income tax expense for the year	5,087,207	(14,579,208)
Balance as at 30 June	**37,172,453**	**32,085,246**

Note 11: Members' guarantee

The Company is limited by guarantee. If the Company is wound up the liability of each member is limited to a maximum of $100 towards meeting any outstanding obligations of the Company. At 30 June 2016 the number of members was 5 (2015: 5).

Notes to the Consolidated Financial Statements

(continued) for the year ended 30 June 2016

Note 12: Commitments

Note 12 (a): Lease commitments: Group as lessee

Non-cancellable operating leases

Photocopier and printers are leased from Fuji Xerox on three contracts, one for a period of 36 months commencing 20 June 2014, the second for a period of 36 months commencing 17 September 2014 and the third for a period of 36 months commencing 20 August 2013. Rent is paid monthly in arrears.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	2016 $	2015 $
Within one year	14,630	14,700
Later than one year and not later than five years	712	4,984
	15,342	19,684

Office accommodation was leased from Panreef Holdings Pty Ltd under a lease which expired on 30 June 2016. Rent was paid monthly in advance.

Commitments for minimum lease payments in relation to cancellable operating leases are payable as follows:

	2016 $	2015 $
Within one year	-	105,527
Later than one year and not later than five years	-	-
	-	105,527

Temporary Adelaide office accommodation was leased from Urban Renewal Authority under a lease which expired on 31 March 2016. Rent was paid monthly in advance.

Commitments for minimum lease payments in relation to cancellable operating leases are payable as follows:

	2016 $	2015 $
Within one year	-	182,017
Later than one year and not later than five years	-	-
	-	182,017

Office accommodation is leased from Development Engineering Consultants Pty Ltd under a lease which expires on 01 July 2017. Rent is paid monthly in advance.

Commitments for minimum lease payments in relation to cancellable operating leases are payable as follows:

	2016 $	2015 $
Within one year	13,875	-
Later than one year and not later than five years	-	-
	13,875	-

Notes to the Consolidated Financial Statements

(continued) **for the year ended 30 June 2016**

Note 12: Commitments (continued)

Note 12 (a): Lease commitments: Group as lessee (continued)

Office accommodation is leased from Land Lease Real Estate Investments Limited under a lease which expires on 30 June 2019. Rent is paid monthly in advance.

Commitments for minimum lease payments in relation to cancellable operating leases are payable as follows:

	2016 $	2015 $
Within one year	1,653,082	763,397
Later than one year and not later than five years	3,494,460	-
	5,147,542	763,397

Cairns office accommodation is leased from Simair Pty Ltd under a lease which expires on 23 October 2016. Rent is paid monthly in advance.

Commitments for minimum lease payments in relation to cancellable operating leases are payable as follows:

	2016 $	2015 $
Within one year	44,686	45,025
Later than one year and not later than five years	-	-
	44,686	45,025

Adelaide office accommodation is leased from Halflin Investments Pty Ltd and Jack & Basil Anthony Antonas under a lease which expires on 14 May 2018. Rent is paid monthly in advance.

Commitments for minimum lease payments in relation to cancellable operating leases are payable as follows:

	2016 $	2015 $
Within one year	477,022	317,607
Later than one year and not later than five years	424,843	901,865
	901,865	1,219,472

Queanbeyan office accommodation is leased from Queanbeyan City Council under a lease which expires on 14 December 2017. Rent is paid monthly in advance.

Commitments for minimum lease payments in relation to cancellable operating leases are payable as follows:

	2016 $	2015 $
Within one year	72,000	-
Later than one year and not later than five years	33,000	-
	105,000	-

Note 13: Cash flow information

Note 13 (a): Reconciliation of cash

Cash at the end of the financial year as shown in the Consolidated Statement of Cash Flows is reconciled to the related items in the Consolidated Statement of Financial Position as follows:

	2016 $	2015 $
Cash Assets	45,886,813	70,645,575
Other Financial assets – Note 4	11,616,117	21,374,543
Cash and cash equivalents	**57,502,930**	**92,020,118**

Notes to the Consolidated Financial Statements

(continued) for the year ended 30 June 2016

Note 13: Cash flow information (continued)

Note 13 (b): Reconciliation of cash flow from operating activities with surplus / (deficit) for the year

Operating surplus / (deficit) by program/program area is as follows:

	2016 $	2015 $
headspace National Office	(6,826,963)	4,732,878
headspace Centres	5,268,615	(13,674,148)
Service Development Funds	444,043	(2,606,044)
hSS (School Support)	(2,280,426)	(3,668,843)
ehs (**eheadspace**)	503,477	(781,258)
Other programs	(111,540)	(546,218)
headspace Legal Entity	6,632,889	-
headspace direct run centres – (**headspace** Services Ltd)	1,457,112	1,964,425
Surplus / (deficit) for the year	**5,087,207**	**(14,579,208)**

	2016 $	2015 $
(Deficit) / surplus after income tax expense for the year	5,087,207	(14,579,208)
Non-cash flows		
Depreciation	1,114,689	1,039,732
Disposals / Write off of assets	19	-
Changes in operating assets and liabilities		
(Increase) / Decrease in trade and other receivables	(2,061,668)	(31,367)
(Decrease) / Increase in trade and other payables	(12,979,494)	2,510,230
(Decrease) / Increase in provisions	(119,804)	465,176
(Decrease) / Increase in deferred income	(23,962,877)	31,114,397
Net cash (used in) / from operating activities	**(32,921,928)**	**20,518,960**

Note 14: Economic dependence

The continuing operations of the Group is dependent upon periodic renewal of funding agreements with the Commonwealth of Australia as represented by the Department of Health. The Group was awarded a two year grant agreement expiring 30 June 2018 to operate the **headspace** head office. Furthermore a one year grant extension was awarded for the Youth Online and Telephone Counselling Program which expires 30 June 2017, and the Outreach Teams to Schools Program was awarded a six month extension due to expire 31 December 2016. The Group was also awarded a two year funding agreement for the Empowering YOUth Initiatives program due to expire 30 June 2018.

Note 15: Contingencies

Contingent assets

The Group does not have any contingent assets of a material nature which have not already been dealt with in these financial statements (2015: Nil).

Contingent liabilities

Upon expiry or early termination of the funding agreements referred to in Note 14, the Group may be required to repay to the Commonwealth of Australia any unspent and uncommitted funds relating to the agreements. The Group does not expect there will be any such unspent and uncommitted funds and accordingly no contingent liability can be measured with reliability.

The consolidated entity has given bank guarantee as at 30 June 2016 of $585,982 (2015: $485,873) to various landlords.

Notes to the Consolidated Financial Statements

(continued) for the year ended 30 June 2016

Note 16: Related party disclosures

Note 16 (a): Key management personnel compensation

The aggregate compensation made to directors, officers and other key management personnel of the Group is as follows:

	2016 $	2015 $
Key management personnel benefits:		
Short term benefits	2,134,818	2,123,079
Post-employment benefits	174,688	164,611
Long term benefits	194,856	88,466
	2,504,362	**2,376,156**

Note 16 (b): Directors' remuneration

The names of the Group directors who have held office during the financial year are reported in the Directors' Report.

The Company Board has established a Remuneration Committee which has responsibility for determining appropriate remuneration for directors and senior executives.

Directors do not receive any additional fees for membership of Board sub-committees.

Note 16 (c): Transactions by Directors with headspace centres

Laurent Rivory, who is a member appointee of the University of Sydney replaced Professor Ann Brewer who resigned on 23 February 2016. The Group has entered into two grant agreements which expired on 30 June 2016 with the University of Sydney (Brain and Mind Research Institute) in relation to the operation of the following **headspace** centres:

headspace Camperdown; and

headspace Campbelltown

These grant agreements are on the same terms and conditions as all other grant agreements with **headspace** centres. During the financial year, payments were made by the Group, or were payable to these Centres totalled $2,466,259 (2015: $1,846,896). No balance remained outstanding at year end.

Patrick McGorry AO is the Director of the Orygen Youth Health Research Centre Limited (Orygen). The Group has entered into four grant agreements with Orygen which expired on 30 June 2016 in relation to the operation of the following **headspace** centres:

headspace Sunshine

headspace Glenroy

headspace Craigieburn; and

headspace Werribee

These grant agreements are on the same terms and conditions as all other grant agreements with **headspace** centres. During the financial year, payments were made by the Group, or were payable to these Centres totalled $4,017,157 (2015: $3,814,419). No balance remained outstanding at year end.

Note 16 (d): Transactions with Centre of Excellence

Under the centre agreement referred to in Note 14, the Group is required to maintain a Centre of Excellence to provide research services. The centre agreement stipulates that Orygen Youth Health Research Centre Limited (Orygen) is the approved subcontractor for the Centre of Excellence. Patrick McGorry AO is a Director of Orygen. During the financial year, payments were made by the Group, or were payable to the Centre of Excellence totalling $444,000 (2015: $450,000). No balance remained outstanding at year end.

Note 16 (e): Transactions with McCarthy Mentoring

The Group has entered into an arrangement with McCarthy Mentoring to provide mentoring services to one of the Group's executives and managers (2015: seven). During the financial year, payments totalling $13,000 (2015: $67,683) have been made by the Group to McCarthy Mentoring for these services. There were no outstanding invoices owed at 30 June 2016. Wendy McCarthy AO was previously principal of McCarthy Mentoring but resigned on 30 June 2012 and has not been involved in the provision of these services to the Group. No balance remained outstanding at year end.

Notes to the Consolidated Financial Statements

(continued) **for the year ended 30 June 2016**

Note 16: Related party disclosures (continued)

Note 16 (f): Fundraising income any balances outstanding at year end

Ian Marshman is entitled to receive Directors' fees of $28,000 (2015: $28,000). He has elected not to receive these fees and this amount has been treated as a donation from a director and included in fundraising revenue as disclosed in Note 2.

Note 16 (g): Subsidiaries

Interests in subsidiaries are set out in Note 21

Note 17: Remuneration of auditor and non-audit services

Details of the amounts paid or payable to the lead auditor's firm for audit and non-audit services provided during the financial year are set out below.

	2016 $	2015 $
Audit Services		
Audit and review of financial report	65,000	47,000
Total audit services	**65,000**	**47,000**

Note 18: Financial Risk Management

Price Risk / foreign currency

The Group is not exposed to any significant foreign currency / price risk.

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk. The Group's overall treasury risk management policy focuses on minimising credit risk. The Group uses different methods to measure different types of risk to which it is exposed during the year. These methods include sensitivity analysis in the case of interest rate risk and aging analysis (external debtors) and credit rating agency data (term deposits) for credit risk.

Risk management is carried out by senior management under policies approved by the Finance, Audit & Risk Committee. The Finance, Audit & Risk Committee has been delegated the responsibility for oversight of treasury activities by the Board of Directors. The Committee approves written policies for overall treasury risk management, as well as policies and procedures covering specific areas such as credit risk and investment of excess funds.

The Group holds the following financial instruments at the end of the financial year.

	Note	2016 $	2015 $
Financial Assets			
Cash assets			
Other financial assets	4	45,886,813	70,645,575
Trade and other receivables (excl prepayments)	5	11,616,117	21,374,543
Total financial assets		**1,812,430**	**246,312**
		59,315,360	92,266,430
Financial Liabilities			
Trade and other payables	7	5,284,496	18,263,990
Total financial liabilities		**5,284,496**	**18,263,990**

Notes to the Consolidated Financial Statements

(continued) **for the year ended 30 June 2016**

Note 18: Financial Risk Management (continued)

(a) Market risk

(i) Interest rate risk

Exposure to interest rate risk arises on financial assets recognised at the end of the financial year whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate instruments. The Group is also exposed to earnings volatility on floating rate instruments.

(ii) Price Risk / foreign currency

The Group is not exposed to any significant foreign currency / price risk.

The Directors consider that there is minimal interest rate risk, since there are no long term borrowings or interest bearing credit held by the Group. Interest rate risk is incurred on cash and cash equivalents earning interest in bank accounts and term deposits.

At 30 June 2016, if interest rates had changed by 100 basis points from the year-end rates with all other variables held constant, surplus for the year would have been $537,061 lower / higher (2015: $894,857) deficit lower / higher, all based on interest income from cash and cash equivalents.

(iii) Sensitivity Analysis

The Group believes the following movements are 'reasonably possible' over a 12 month period. The Group believes that the organisation could be exposed to interest rate fluctuations of up to the movement noted below and therefore believes this depicts the effects interest rate fluctuations could have on the Group:

- A movement of 100 basis points in market interest rates from applicable bank interest rates.

If these movements were to occur, the impact on the Consolidated Statement of Comprehensive Income for each category of financial instrument held at the end of the financial year is presented below. This assumes that all other assumptions are held constant.

2016	**Carrying Amount**	**Interest Rate Risk**	
		+100bps	**-100bps**
	($)	**($)**	**($)**
Financial Assets			
Cash assets	45,886,813	537,061	(537,061)
Other financial assets	11,616,117	-	-
Trade and other receivables (ex prepayments)	1,812,430	-	-
Financial Liabilities			
Trade and other payables	5,284,496	-	-
Total increase / decrease		**537,061**	**(537,061)**

2015	**Carrying Amount**	**Interest Rate Risk**	
		+100bps	**-100bps**
	($)	**($)**	**($)**
Financial Assets			
Cash assets	70,645,575	894,857	(894,857)
Other financial assets	21,374,543	-	-
Trade and other receivables (ex prepayments)	246,312	-	-
Financial Liabilities			
Trade and other payables	18,263,990	-	-
Total increase / decrease		**894,857**	**(894,857)**

Notes to the Consolidated Financial Statements

(continued) **for the year ended 30 June 2016**

Note 18: Financial Risk Management (continued)

(b) Credit risk

Credit risk arises from cash and cash equivalent deposits with the bank, and credit exposures to outstanding receivables. All banking, including the investment of surplus monies, is managed through banks which must have an independent rating of 'A+' (S&P) or above. The effective weighted average interest rate for cash and cash equivalents is 1.60% (2015: 2.18%).

The Directors consider that the credit risk associated with Government funding receivable is low, since all revenue is under contract subject to the Group meeting certain criteria as laid out in the Government funding agreement. The Group is required to report its quarterly financial status to Government, within a detailed reporting framework. This allows the Government to review the application of all funding against the approved key milestones.

The credit quality of financial assets that are neither past due nor impaired can be measured by reference to historical information about counterparty defaults.

The outstanding debtors balance in the Group exclusively consists of amounts owing by either lead agency organisations or where contracts are in place for the provision of service. As such there is a high level of certainty regarding the collection of the receivable as at the end of the financial year.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash for both short term liabilities and commitments and longer term commitments through contracts. The Group manages liquidity risk by regularly monitoring forecast and actual cash flows and matching cash availability to these requirements. Surplus cash at bank is invested only in cancellable term deposits, the amount based on cash flows incorporating working capital requirements. The Group has no borrowing facilities.

The Group is predominantly funded by one Government funding agreement up to 30 June 2018. The Group pursues other sources of revenue, including third party grants.

Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for non-derivative financial liabilities. The Group does not deal in derivative financial instruments.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances as the impact of discounting is not significant.

2016	**Less than 6 months ($)**	**6 – 12 months ($)**	**Total contractual cash flows ($)**	**Carrying amount of liabilities ($)**
Contractual maturities of financial liabilities				
Trade and other payables	5,284,496	-	5,284,496	5,284,496
2015				
Contractual maturities of financial liabilities				
Trade and other payables	18,263,990	-	18,263,990	18,263,990

(d) Fair value estimation

Given the nature of the Group's financial instruments, no fair value estimations are necessary. The carrying values (less any impairment provision) of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

Note 19: Fair value hierarchy

The Group neither measures nor discloses any assets or liabilities at fair value. Consequently a fair value hierarchy is not required to be disclosed in the financial statements.

Notes to the Consolidated Financial Statements

(continued) for the year ended 30 June 2016

Note 20: Critical accounting estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Long service leave

The Group estimates the probability of an employee remaining in service until their entitlement date for long service leave in accordance with the following probability:

Years of Service	Probability
0	10%
1	20%
2	35%
3	50%
4	65%
5	80%
6	90%
7	100%

This assessment of probability remains unchanged from the prior financial year. Provisions for employee benefits payable after twelve months from the reporting date are based on future wage and salary levels, experience of employee departures and periods of service, as discussed in note 1(l). The amount of these provisions would change should any of these factors change in the next twelve months.

(b) Critical judgements in applying the Group's accounting policies

(i) Revenue recognition

The Group has recognised revenue from grant contributions when it obtains control of the grant, or the right to receive the grant. This is generally when the Group has met all applicable milestones under the relevant grant agreements and is not necessarily upon cash receipt. The Group in applying this accounting policy accepts that in doing so revenue will be recognised covering programs or periods of time where related expenditure has been delayed or will occur in a future period, although the organisation is committed to the related expenditure outlay over the duration of the contract.

Note 21: Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of **headspace** Services Ltd in according with the accounting policy described in note 1(a):

Name of Entity	Country of Incorporation	Type of Entity	Holding	
			2016 (%)	2015 (%)
headspace Services Ltd	Australia	Company limited by guarantee	100	100

Notes to the Consolidated Financial Statements

(continued) for the year ended 30 June 2016

Note 22: Company financial information

(a) Summary financial information

The individual financial statements for the Company show the following aggregate amounts:

	2016 $	2015 $
Balance sheet		
Current assets	50,273,288	91,275,778
Total assets	**50,419,383**	**91,787,781**
Current liabilities	16,290,364	61,340,481
Total liabilities	**16,761,352**	**61,759,844**
Members funds:		
Accumulated surplus	33,658,031	30,027,937
Surplus / (Deficit) for the period	3,630,095	(16,543,633)
Total comprehensive income	**3,630,095**	**(16,543,633)**

(b) Contingencies of the Company

The Company had neither any contingent assets nor liabilities as at 30 June 2016 or 30 June 2015.

Upon expiry or early termination of the funding agreements referred to in note 14, the Company may be required to repay to the Commonwealth of Australia any unspent and uncommitted funds relating to the agreements. The Company does not expect there will be any such unspent and uncommitted funds and accordingly no contingent liability can be measured with reliability.

Note 23: Future cash obligations

The Company has two main obligations for the cash balance it retains at year end. The first is to disburse grant funds to lead agencies of centres in the form of milestone payments, for which there are typically four per year. The Company has a commitment to disburse the total centre funding amounts made available by the Department of Health to centres. At 30 June 2016 the Company had on hand $17,397,061 of unpaid milestone payments that will be paid to centres over the next financial year as milestones are met by the lead agencies of these centres, and as milestones become due and payable.

The second obligation is to fund direct service delivery of centres through the Company's subsidiary **headspace** Services Ltd, operate the Outreach Teams to Schools and **eheadspace** programs, as well as having in place appropriate levels of National office functions to support service delivery in programs. Available funding of $40,105,869 is expected to be expended over the next financial year and beyond as costs are incurred.

Note 24: Group details

The Company and its subsidiary are Companies limited by guarantee, incorporated and domiciled in Australia.

The registered office and principal place of business of the Group is:

Level 2, 485 La Trobe Street, Melbourne, Victoria 3000

Directors' Declaration

Directors' Declaration

The directors of the Company declare that in the opinion of the directors:

(a) the attached financial statements and notes thereto are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, and:

(i) give a true and fair view of the financial position as at 30 June 2016 and of the performance for the year then ended of the consolidated group; and

(ii) comply with Australian Accounting Standards, including the Interpretations; and

(b) in the directors' opinion there are reasonable grounds to believe that the consolidated group will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-For-Profit Commission Regulation 2013

On behalf of the Directors

Ian Marshman
Chair On behalf of the directors

Patrick McGorry AO
Director

Dated this 5th day of October 2016

Auditor's Report

for the year ended 30 June 2016

RSM

RSM Australia Partners

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PO Box 248 Collins Street West VIC 8007

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F +61 (0) 3 9286 8199

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

HEADSPACE NATIONAL YOUTH MENTAL HEALTH FOUNDATION LTD

We have audited the accompanying financial report of **headspace** National Youth Mental Health Foundation Ltd, which comprises the consolidated statement of financial position as at 30 June 2016, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated 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 of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

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 and the *Australian Charities and Not-for-profits Commission Act 2012 ("ACNC Act")* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that 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. These Auditing 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 entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of 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.

Auditor's Report

(continued) for the year ended 30 June 2016

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion the financial report of **headspace** National Youth Mental Health Foundation Ltd is in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its financial performance and cash flows for the year ended on that date; and
- complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

RSM

RSM AUSTRALIA PARTNERS

Philip A Ransom

P A RANSOM
Partner

Melbourne, VIC
Dated: 6 October 2016

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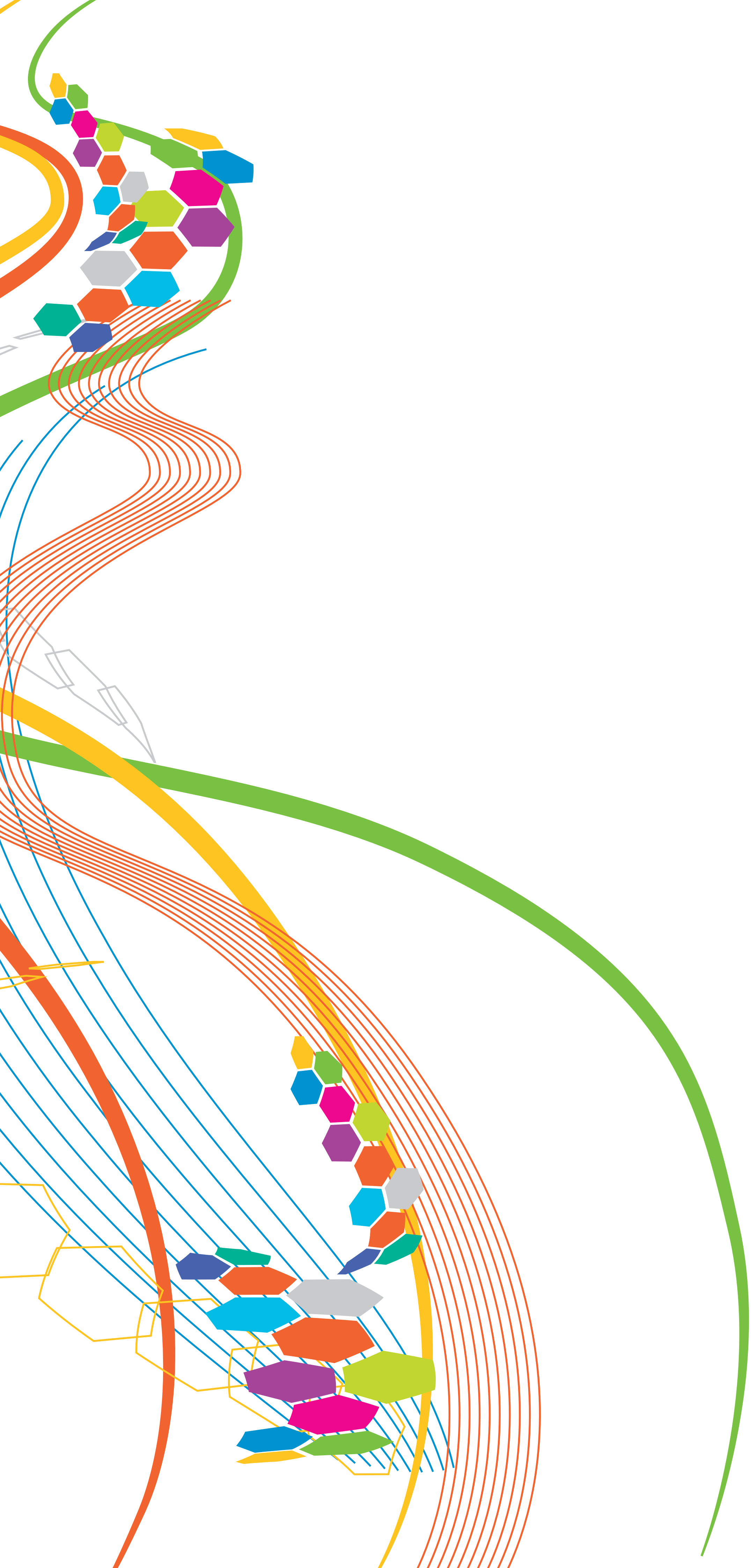
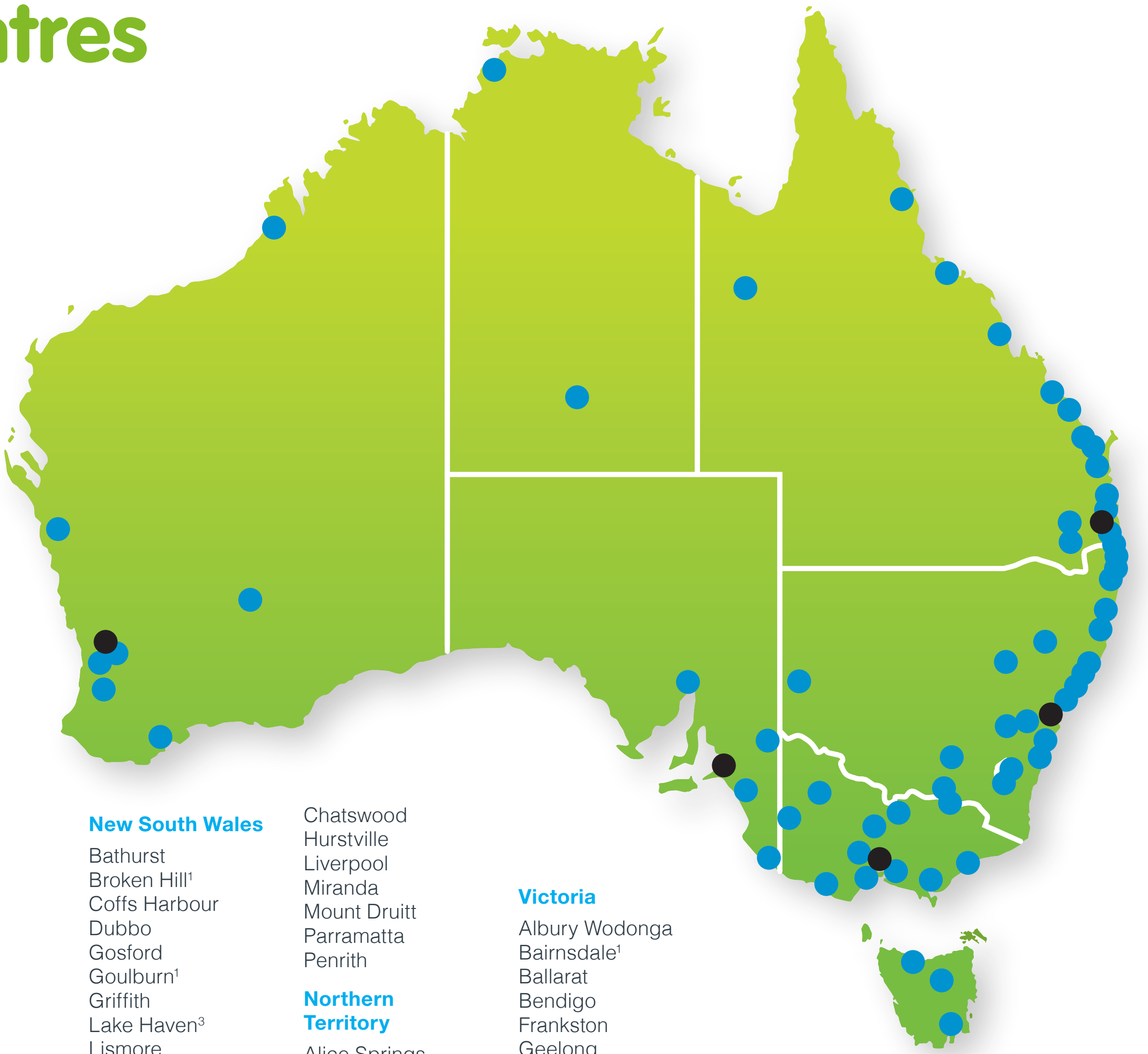


headspace centres



ACT
Canberra

Queensland
Bundaberg[1]
Caboolture
Cairns
Capalaba
Gladstone
Hervey Bay
Ipswich
Mackay
Maroochydore
Meadowbrook
Mount Isa
Redcliffe
Rockhampton
Southport
Toowoomba
Townsville
Warwick
Metro
Inala
Nundah
Taringa
Woolloongabba

New South Wales
Bathurst
Broken Hill[1]
Coffs Harbour
Dubbo
Gosford
Goulburn[1]
Griffith
Lake Haven[3]
Lismore
Maitland
Newcastle
Nowra
Orange
Port Macquarie
Queanbeyan
Tamworth
Tweed Heads
Wagga Wagga
Wollongong
Metro
Ashfield
Bankstown
Bondi Junction
Brookvale
Campbelltown
Camperdown
Castle Hill
Chatswood
Hurstville
Liverpool
Miranda
Mount Druitt
Parramatta
Penrith

Northern Territory
Alice Springs
Darwin

South Australia
Berri
Mount Gambier
Murray Bridge
Port Augusta
Metro
Adelaide
Edinburgh North
Noarlunga
Woodville

Tasmania
Devonport[2]
Launceston
Metro
Hobart

Victoria
Albury Wodonga
Bairnsdale[1]
Ballarat
Bendigo
Frankston
Geelong
Horsham[1]
Mildura
Morwell
Shepparton
Swan Hill
Warrnambool
Metro
Collingwood
Craigieburn
Dandenong
Elsternwick[4]
Glenroy
Greensborough
Hawthorn
Knox
Narre Warren
Sunshine
Werribee

Western Australia
Albany
Armadale
Broome
Bunbury
Geraldton
Kalgoorlie
Rockingham
Metro
Fremantle
Joondalup
Midland
Osborne Park

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National Youth Mental Health Foundation
Level 2, South Tower
485 La Trobe Street, Melbourne VIC 3000
Tel +61 3 9027 0100
headspace.org.au

[1] Opening end of 2016/start 2017
[2] Centre outpost from **headspace** Launceston
[3] Centre outpost from **headspace** Gosford
[4] Centre operates across two sites: (Elsternwick and Bentleigh)
Accurate as of 20 September 2016