



THE ANIKA FOUNDATION Annual Report

2011 - 2012



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CHAIRMAN'S REPORT

On behalf of the board, I am delighted to present the 2011-12 annual report.

A Time to Look at New Proposals

The Anika Foundation has had very successful year. I am pleased to announce that all of the scholarship winners are exceeding our expectations in terms of results and that support for the Foundation in the community continues to grow. Fund raising activity has been quite strong, split fairly evenly between the annual fund raiser with Glenn Stevens, other presentations by board members and donations from the public. The board is pleased to announce that we can now sustain all of our current activities into the future. These activities include: our NSW teachers' scholarships and the Anika Foundation PhD Scholarship in Adolescent Depression and Suicide at the University of NSW. We are now actively looking to expand our activities to ensure we distribute at least 4% of our assets each year—as required by the regulations for a public ancillary fund.

It is important to note that as a Public Ancillary Fund, the Anika Foundation will have to take account of the new guidelines released by the Assistant Treasurer, which become operational this year. This will involve ensuring that our Trust Deed is compliant and that, from June 30 2013, tax returns will need to be submitted by such funds—as a compliance tool, even though no tax should be payable; see:

<http://www.comlaw.gov.au/Details/F2011L02758>

The Anika Foundation is very fortunate to be on the charities list of KPMG. I am now pleased to say that the accounting firm John Atkinson and Co. has also agreed to do these income tax returns on a pro bono basis for the foundation from next year.

Some Fundraising Highlights

Perhaps reflecting the continuing troubles in the global economy, the annual Glenn Stevens speech, which again focused on key policy challenges, achieved a record attendance in July 2011. The function, sponsored by The

Australian Business Economists and Macquarie Group raised a net \$80,100, compared to \$74,250 in July 2010. Speaker fees and broking tags for the Chairman, paid to the Foundation, amounted to \$59,437 in this financial year. Tim Ryan donated yet again, giving \$50,000 this year. The Tudor Foundation gave \$18,265, and we are very pleased that they have remained a strong supporter. Crispin Murray gave \$2,000. Other small donations from the public added to \$3,200. Finally, other presentations by board members raised \$1,500. We are pleased to say that once again we are proud that Caringbah High School continued to support the foundation during FY2012.

Glenn Stevens' Speech on the Challenges of Economic Policy

On the 26th of July 2011 the Anika Foundation held its sixth annual fund raiser at which Glenn Stevens spoke to financial market participants to raise money for the foundation's work. The event was preceded by a short speech from Mona Taouk, about the progress of her PhD scholarship. Glenn's speech was entitled "*The Cautious Consumer*". Glenn began by discussing the grave concerns in Europe, the risks in the USA with respect to the year-end need to lift the debt ceiling again, so that the US government can actually function, and the slowdown in China. He then focused on how concerns about these issues are shifting to Australia, where disposable income is rising, but consumption is slowing below trend, causing the savings rate to rise. This greater caution by consumers is correlated with an unwinding of long-cycle financial trends: there has been a decline in household wealth below historical trends following the crisis, and debt that had previously built up strongly in what households felt was a safer environment with rising house prices needed to be corrected. This has resulted in consumers saving more and financial institutions being tougher on lending standards. In essence, households are saving a good part of the windfall gains from the record terms of trade gains. Glenn argued that for previous trends in consumption to be restored in the future, once there was greater clarity abroad, it would require real income gains from the terms of trade, which are



unlikely to continue, to be replaced by better productivity growth.

Raising Community Awareness About Adolescent Depression

Factors affecting young people that contribute to depression, self harm and the risk of suicide continue to be major issues in Australia and all around the world. Mission Australia's National Youth Survey results for 2011 showed the top three concerns of young people from a list of 15 as follows: *"Nationally, the top 3 issues of concern were school or study problems (37.3%, up from last year's figure of 25.5%), coping with stress (35.4% compared with 27.3% in 2010), and body image (33.1% compared with 31.1% last year). Respondents aged 20-24 were more likely to be concerned about coping with stress, body image and depression than younger respondents. Concerns about family conflict, bullying/emotional abuse, personal safety, drugs, alcohol and suicide decreased with age. Female participants were more likely than males to be concerned about coping with stress and body image, while males were more likely to be concerned about drugs and alcohol than females."*

It was quite striking that family conflict (28% of respondents) ranked very highly in the 11-14 age group and the 15-19 group. For 11-14 year-olds bullying and emotional abuse was cited by a very high 28% of respondents, and a staggering 11% of this group thought about suicide. Depression starts at 15% of 11-14 year-olds, and rises to 35% of the 20-24 year old group.

In the present financial year speaking roles of board members has continued to raise the profile of the foundation and its work, both within Australia and abroad. I am also very pleased to say that our growing community of returning Teacher's Scholarship winners contributes to solving some of the issues by spreading the findings from their research trips in their own schools and through publications, media appearances and projects aimed at helping young people cope with stress, school and all of the other difficult hurdles in life that they need to negotiate.

Dan Haesler is a particularly active returned scholar of the Anika Foundation. He has

appeared on broadcasting media programs several times, has written articles for news papers, visited numerous schools, attended conferences and is now developing a project with the rugby league club the South Sydney Rabbitohs, which involves activities with 50 indigenous children. Those in the program will get new opportunities, such as work experience and internships, which is critical to success for these kids. Dan has his own website <http://danhaesler.com/>, and the list of activities that he has undertaken that can be seen there is truly inspirational.

The Premier's Anika Foundation Youth Depression Awareness Scholarships

The Anika Foundation has had six sets of research travel scholarship winners. The selection panel met in June 2012 to choose the 2 new winners. Danae Blundell-Wignall and Jeff White once again represented *The Anika Foundation* on the panel. The winners announced in 2011 were Tamara Brown of Hunter Sports High School in Newcastle and Shiraz Patel from Sarah Redfern High School in Minto. The winners this year will be announced by the Premier in August 2012.

As our funding moves above that needed to sustain the NSW program, we will possibly look at adding another state into our activities. At this point the Chairman has taken contact with the Education Minister in Western Australia to see whether a launch might be possible in that State.

The Macquarie Group Foundation/Anika Foundation PhD Scholarship in Adolescent Depression and Suicide

Mona Taouk has advanced very well in her research to develop an online depression screening tool, and is looking to submit it by March 31st 2013.

Her depression scale includes items to assess a number of domains that would be affected by depression: Emotional, Motivational, Cognitive, Social and Relational, Biological and Physical changes, and Behavioural.

The questionnaire was developed through a literature review, as well as an analysis of focus group data. Information from the focus groups also covered the following areas: (1) activities to overcome depression (hobbies,



music, art, blocking out, sleep, substance abuse, sexual activity, eating, focus on less fortunate, etc); (2) difficulties in identifying depression (fatigue and behavioural difficulties can present as depression, and masking and blocking are factors); (3) Factors unique to adolescent depression, including: school issues; difficulty 'fitting in'; unwillingness to talk about stressors; parental conflict; appetite and weight changes; no hope for the future; and retreat behaviour (e.g. into the internet).

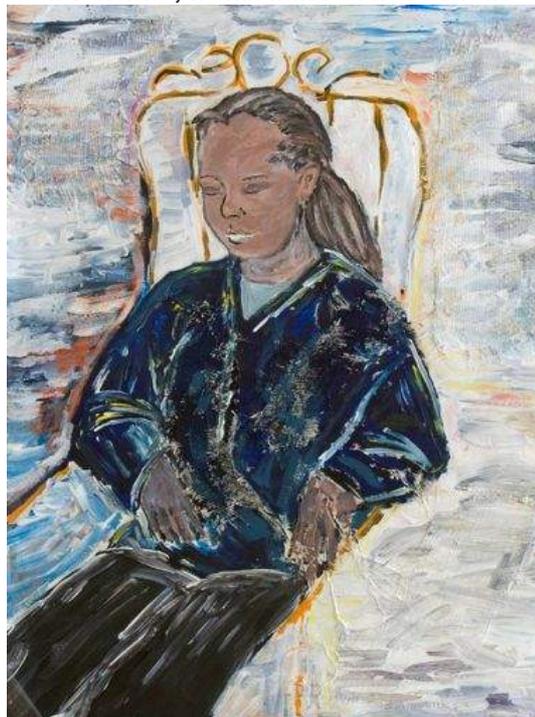
Mona has culled and edited several hundred original items after collating advice from 40 adolescents (the pilot sample) and 10 professionals (the expert panel). The scale has been reduced to about 97 items to be administered to students. Mona has had a good response from schools in the implementation phase of her research, though only from the network of private schools and catholic schools in NSW. However, we are pleased to say, that even with this limitation, she was able to find sufficient sample size to make her research meaningful since schools from various other states have also been involved. The final students completed the survey on Friday 29th June, taking the sample size to approximately 3,300.

www.anikafoundation.com

The website run by Anika's brother Tate is proving to be a huge success in raising the profile of the Foundation on the topic of adolescent depression and suicide. The utilisation rate continues to rise. On the website can be found: all our annual reports; teacher scholarship winner reports; how to donate; the composition of the board; useful links; research; and of course Anika's own story and her art.

Adrian Blundell-Wignall, Chairman, 24/7/2012

'Self Portrait', from Anika's Art Portfolio







DIRECTOR'S REPORT

The directors present their annual report for The Anika Foundation, for the year ended 30 June 2012.

Directors

The directors of the company any time during or since the end of the year are:

- Adrian Blundell-Wignall (chair, investments)
- Glenn Stevens
- Prof. Phillip Mitchell
- Crispin Murray (investments)
- Paul Brennan
- Jeffrey White
- Tate Dogan
- Danae Blundell-Wignall
- Tanya Branwhite (corporate relations)

The company was set up on 13 March 2005;

Endorsed as a Deductible Gift Recipient by the Australian Tax Office on 12 May 2005, under Subdivision 30-B of the Income Tax Assessment Act 1997.

Endorsed for income tax exemption from 12 May 2005, under Subdivision 50-B of the Income Tax Assessment Act 1997.

Endorsed for GST concessions from 1 July 2005, under Division 176 of A New Tax System (Goods and Services Tax) Act 1999.

NSW Dept of Gaming & Racing, authority to fundraise for charitable purposes, issued on 29 July 2005, and renewed in 29 July 2006. A current renewal application has been submitted.

Principal Activity

The principal activity of the company over the course of the year was to support research into adolescent depression and suicide.

2 grants of \$15,000 were made in the course of 2011-2012, under the Premier's Anika Foundation Youth Depression Awareness Scholarships scheme. One annual grant of

\$35,000 was made to the University of NSW to support payment of the Macquarie Group Foundation PhD Scholarship in Youth Depression and Suicide. These funds have been dispersed to the scholar by the University in the course of the year. The Foundation is committed to making similar grants in 2012-2013, depending on the timing of the completion or work by the current scholar.

Review and Result of Operations

The total revenue from ordinary activities was \$277,426 (2011: \$279,796).

Earnings, including interest and dividends was: \$62,924 (2011: \$66,577).

The management of the investment portfolio has reflected the continued cautious view of the board investment subcommittee. The move to a very high cash allocation, and a defensive stock selection (that outperformed the ASX in 200 in the worst years on record) meant that the fund rose in absolute terms in each of the past 5 financial years.

Ann Perf.	Total Assets	% Equity	Div Yld	Int Rate	Tot Perf %
Jun-07	695762	29.57		6.1	
Jun-08	905610	19.70	5.26	7.84	3.10
Jun-09	984684	15.46	5.29	5.15	2.02
Jun-10	1358338	12.26	4.39	4.00	5.43
Jun-11	1578196	11.58	5.42	4.62	5.33
Jun-12	1765946	9.00	4.67	3.80	3.24

The directors were delighted with the progress made during the year.

State of Affairs

There were no significant changes in the state of affairs of the company that occurred during the year under review.

Environmental Regulation

The Company's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. However, the board believes that the Company has adequate systems in place in place for the management of its environmental requirements as they apply to the Company.



Events Subsequent to the Balance Date

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

Likely Developments

The company expects the endowment fund raising activity to continue in the 2012-2013 financial year. We expect to make awards in the vicinity of \$65,000 in the course of 2012-2013.

Dividends, Options Remuneration

No common or preferred stocks have been issued.

All activities of the Foundation are voluntary. No remuneration was paid to directors.

Indemnification and Insurance of Officers & Auditors

No indemnities have been given or insurance premiums paid, during or since the end of the balance date year, for any person who is or has been an officer of the company.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.



**Lead Auditor's Independence Under
Section 307c of the Corporations
Act 2001**

The lead auditor's independence declaration is set out on page 8 and forms part of the director's report for the year ended 30 June 2012.

Dated at Sydney at this 24th July 2012.

Signed in accordance with a resolution of the directors.

A handwritten signature in black ink, appearing to read 'A Blundell-Wignall'. The signature is fluid and cursive.

.....
Adrian Blundell-Wignall
Director and Chairman



Lead Auditors Independence Declaration Under Section 307c of the Corporations Act 2001.

To: The directors of The Anika Foundation

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2012 there have been:

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

KPMG

Peter Russell
10 Shelley St.
Sydney, 2000 Australia

24th July 2012



STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2012	Note	2012 \$	2011 \$
Revenue from continuing operations	4	277,426	279,796
Scholarships granted		(30,000)	(65,000)
Loss on available-for-sale financial assets		-	(1,262)
Other expenses from operating activities		(1,373)	(311)
Surplus for the year	8b	246,053	213,223
Other comprehensive income for the year			
Net change in fair value of available-for-sale financial assets		(22,189)	9,132
Net change in fair value of available-for-sale financial assets transferred to profit or loss		-	681
Total comprehensive income for the year		<u>223,864</u>	<u>223,036</u>

The statement of comprehensive income is to be read in conjunction with the notes to the financial statements set out on pages 12 to 16.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2012	Note	2012 \$	2011 \$
Current Assets			
Cash and cash equivalents	8a	1,606,977	1,395,417
Available for sale securities	7	158,968	176,030
Interest receivable		-	5,634
Total Current Assets		<u>1,765,945</u>	<u>1,577,081</u>
Total Assets		<u>1,765,945</u>	<u>1,577,081</u>
Current liabilities			
Payables		-	35,000
Total Current liabilities		<u>-</u>	<u>35,000</u>
Total Liabilities		<u>-</u>	<u>35,000</u>
Net Assets		<u>1,765,945</u>	<u>1,542,081</u>
Fair value reserve		15,775	37,964
Retained surplus		1,750,170	1,504,117
Total funds		<u>1,765,945</u>	<u>1,542,081</u>

The Statement of Financial Position is to be read in conjunction with the notes to the financial statements set out on pages 12 to 16.



STATEMENT OF CHANGES IN FUNDS

	Fair value Reserve	Retained surplus	Total
	\$	\$	\$
For the year ended 30 June 2012			
Balance at 1 July 2011	28,151	1,290,894	1,319,045
Total comprehensive income for the year			
Surplus for the year	-	213,223	213,223
Other comprehensive income	-		
Net change in fair value of available-for-sale financial assets	9,132	-	9,132
Net change in fair value of available-for-sale financial assets transferred to profit or loss	681	-	681
Balance at 30 June 2012	<u>37,964</u>	<u>1,504,117</u>	<u>1,542,081</u>
Total comprehensive for the year			
Surplus for the year	-	246,053	246,053
Other comprehensive income			
Net change in fair value of available-for-sale financial assets	(22,189)	-	(22,189)
Balance at 30 June 2012	<u>15,775</u>	<u>1,750,170</u>	<u>1,765,945</u>

The Statement of Changes in Funds is to be read in conjunction with the notes to the financial statements set out on pages 12 to 16.



STATEMENT OF CASH FLOWS

	Note	2012 \$	2011 \$
For the year ended 30 June 2012			
Cash from operating activities			
Cash receipts in the course of operations		214,502	213,219
Scholarships paid		(65,000)	(65,000)
Interest received		61,136	55,090
Dividends received		7,422	9,031
Other expenses paid		(1,373)	(311)
Net cash from operating activities	8b	<u>216,687</u>	<u>212,029</u>
Net cash flows from investment activities			
Proceeds from sale of investments		10,000	2,081
Increase in available for sale securities		(15,127)	(10,497)
Net cash used in investment activities		<u>(5,127)</u>	<u>(8,416)</u>
Net increase in cash held		211,560	203,613
Cash at the beginning of the year		<u>1,395,417</u>	<u>1,191,804</u>
Cash at the end of the year	8a	<u>1,606,977</u>	<u>1,395,417</u>

The Statement of Cash Flows is to be read in conjunction with the notes to the financial statements set out on pages 12 to 16.



Notes to the financial statements for the year ended 30 June 2012

Note 1: Reporting entity

This financial report covers The Anika Foundation (the "Company") as an individual entity for the year ended 30 June 2012.

Note 2: Basis of preparation and significant accounting policies

(a) **Statement of compliance**

The company early adopted AASB 1053 *Application of Tiers of Australian Accounting Standards and AASB 2010-02 Amendments to Australian Standards arising from Reduced Disclosure Requirements* for the financial year beginning on 1 July 2010 to prepare Tier 2 general purpose financial statements.

The financial report of the company is Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (AASB-RDRs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The financial report was authorised for issue by the directors on 24th July 2012.

(b) **Basis of measurement**

The financial statements have been prepared on the historical cost basis except for available for sale securities that are measured at fair value.

The methods used to measure fair values are discussed further in note 3.

(c) **Functional and presentation currency**

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

(d) **Use of estimates and judgements**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

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



Notes to the financial statements for the year ended 30 June 2012 (continued)

Note 2: Basis of preparation and significant accounting policies (cont.)

(e) **Financial instruments**

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Available-for-sale financial assets

The Company's investments in equity securities and certain debt securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses (see note 2(g)), are recognised in other comprehensive income and presented within equity in the fair value reserve. When an investment is derecognised, the cumulative gain or loss in equity is transferred to profit or loss.

(f) **Revenue**

Donations and fundraising

The Company is a not-for-profit organisation and receives significant income from donations and fundraising. Grants and donation income is brought to account when there is a reasonable assurance that monies will be received.

(g) **Finance income**

Finance income comprises interest income, dividend income, and gains on the disposal of available-for-sale financial assets

(h) **Income tax**

The Company has been granted an exemption from income tax pursuant to Section 50-5 of the Income Tax Assessment Act 1997.

Note 3: Determination of fair values

Fair values have been determined for measurement and / or disclosure purposes based on the following methods.

Available-for-sale financial assets

The fair value of available-for-sale financial assets is determined by reference to their quoted bid price at the reporting date.



Notes to the financial statements for the year ended 30 June 2012 (continued)

Note 4: Revenue

	2012 \$	2011 \$
Donations	214,502	213,219
--of which annual July event	--80,100	--74,250
--of which presentations for fees	--60,937	--99,521
--of which other foundations	--18,264	--28,997
--of which unsolicited	--55,200	--10,451
Interest	61,136	55,090
Dividends	7,422	9,031
Total revenue	283,060	277,340

Note 5: Fundraising appeals conducted during the financial period

Fundraising appeals conducted during the financial period included the foundation's annual fundraiser, presentations given by the Chairman, and general receiving of donations.

Note 6: Results of fundraising appeals

	2012 \$	2011 \$
(1) Gross process from fundraising appeals	214,502	213,219
Less: Direct costs from fundraising appeals	-	-
Net surplus obtained from fundraising appeals	214,502	213,219

The only direct cost of fundraising appeals for the foundation is in relation to its annual fundraiser. The costs of this event are paid by the Macquarie Group on behalf of the foundation.

(2) Application of net surplus obtained from fundraising appeals

Scholarships (expenditure on direct services)	30,000	65,000
Administrative expenses	1,373	311
	31,373	65,311

(3) The surplus of \$183,129 (2011: \$147,908) between the \$214,502 (2011: \$213,219) surplus available from fundraising appeals conducted and total expenditure of \$31,373 (2011: \$65,311) was retained as part of the foundation's endowment fund.

(4) Comparisons of certain monetary figures and percentages:



Notes to the financial statements for the year ended 30 June 2012 (continued)

Note 6: Results of fundraising appeals (cont.)

	2012 \$	2012 %	2011 \$	2011 %
Total cost of fundraising/ gross income from fundraising	-/ 214,502	-	-/ 213,223	-
Net surplus from fundraising/ gross income from fundraising	214,502/ 214,502	100	213,223/ 213,223	100
Total costs of services/ total expenditure	30,000/ 31,373	96	65,000/ 65,311	99
Total costs of services/ total income received	30,000/ 277,426	11	65,000/ 279,796	23

Note 7: Available-for-sale financial assets

	2012 \$	2011 \$
Available-for-sale financial assets - at fair value	158,968	176,030

Impairment losses

No impairment losses in respect to available-for-sale financial assets were recognised in profit or loss for investments that had a significant decline in their fair value below their cost (2011: \$ 0.00).

Note 8: Cash and cash equivalents

	2012 \$	2011 \$
a) Reconciliation of cash		
For the purposes of the statement of cash flows, cash includes cash at bank.		
Cash as at the end of the year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash at bank	1,606,977	1,395,417
b) Reconciliation of cash flow from operations with surplus for the year:		
Surplus for the year	246,053	213,223
Adjustments for:		
- Loss on available-for-sale financial assets	-	1,262
- (Decrease) in amounts payable	(35,000)	-
- Decrease/(Increase) in interest receivable	5,634	(2,456)
Net cash provided by operating activities	<u>216,687</u>	<u>212,029</u>



Notes to the financial statements for the year ended 30 June 2012 (continued)

Note 9: Directors Remuneration

The Directors did not receive any income from the company for their office during the year.

The names of directors who have held office during the year are:

Adrian Blundell-Wignall, Chairman

Glenn Stevens

Prof. Phillip Mitchell

Crispin Murray, Head of Equities

Paul Brennan

Tate Dogan

Danae Blundell-Wignall

Jeffrey White

Tanya Branwhite, Corporate Relations

The Directors are limited by guarantee to a maximum of AU\$10 each.



Director's Declaration

In the opinion of the Directors of The Anika Foundation (the "Company"):

- a) the financial statements and notes, set out on pages 9 to 16, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position of the company as at 30 June 2012 and of its performance for the financial year ended on that date; and
 - (ii) complying with Accounting Standards and the Corporations Regulations 2001; and
- b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Dated at Sydney this 24th day of July 2012.

Signed in accordance with a resolution of the directors.

A handwritten signature in black ink that reads "A Swignall". The signature is written in a cursive, flowing style.

.....
Director



Declaration by Chairman in respect of fundraising appeals

I, Adrian Blundell-Wignall, Chairman of The Anika Foundation, declare in my opinion:

- (a) the financial report gives a true and fair view of all income and expenditure of The Anika Foundation with respect to fundraising appeal activities for the financial year ended 30 June 2012;
- (b) the statement of financial position gives a true and fair view of the state of affairs with respect to fundraising appeal activities as at 30 June 2012;
- (c) the provisions of the Charitable Fundraising Act 1991 and Regulations and the conditions attached to the authority have been complied with for the financial year ended 30 June 2012; and
- (d) the internal controls exercised by The Anika Foundation are appropriate and effective in accounting for all income received and applied from any fundraising appeals.

Dated at Sydney this 24th day of July 2012.

Adrian Blundell-Wignall