



**FOUNDATION
THE ANIKA
Annual Report**

2017 - 2018



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CHAIRMAN'S REPORT

On behalf of the board, I am delighted to present the 2017-18 annual report.

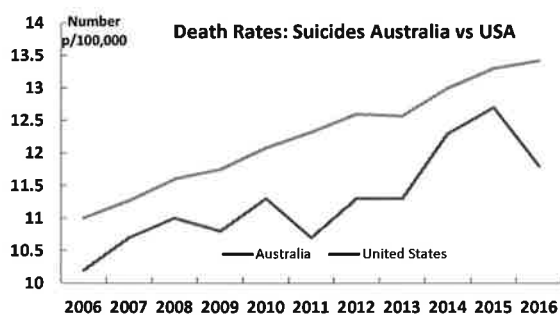
The Anika Foundation's mission is to fund research into adolescent depression and suicide at schools and universities and to increase awareness of these issues in society. A detailed description of our objectives can be found at:

<http://www.anikafoundation.com/>

Youth suicide is an important issue for the Anika Foundation because the changes that occur during adolescence can be the start of a lifelong problem with depression which, in extreme cases, can result in suicide. Early detection can save lives and reduce long-term suffering.

The Australian Bureau of Statistic calculates the years of potential life lost (YPL, versus an average life of 85.1 years) for all causes of death. In 2016 suicide was responsible for 99,586 YPL. This is by far the largest cause of years potential life lost. The next largest was heart attack, 72,225, followed by lung cancer 56,180, bowel cancer 36,875, and breast cancer 32,271. When a young person takes their own life there is a huge loss for society. From a societal point of view, suicide is perhaps the largest and most costly morbidity issue.

Suicide has become a global problem and it is getting worse over time. The first graph shows suicide rates (per 100,000) from 2006 for the United States and Australia.



Source: ABS, 3303.0, National Institute of Mental Health, USA.

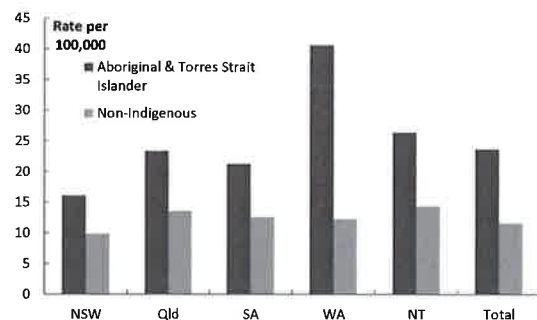
US suicide rates are higher than Australia, driven by non-Hispanic whites, but the trend in

both is upwards. The well-known academics Anne Case of the Woodrow Wilson School and Angus Deaton of Princeton suggest that the rise in suicide is correlated with similarly rising morbidity through poisoning (alcohol and opioids) and cirrhosis of the liver. Self-reported declines in mental health, increases in chronic pain and the inability to work are concentrated in the lowest education cohorts in US society and result in drug and alcohol abuse. They hypothesise that these trends are linked to the loss of jobs and the hollowing out of the middle class.

(See:

<http://www.pnas.org/content/pnas/112/49/15078.full.pdf>)

Similar issues may be surmised to apply for Australian Aboriginal persons in remote areas. The second graph shows suicide rates by states for both Indigenous and non-indigenous populations.



Source: ABS, 3303.0

One of the reasons why the board selected WA as the state to commence our Indigenous Australian fellowship program (see below) is because of the extraordinary suicide problems there in remote communities. The Indigenous rate of suicide per 100,000 is 40.6. In some remote WA communities the rate is much higher than this. This compares to 23.7 for all Indigenous Australians, and 11.6 for the non-indigenous population.

The Year in Brief

As usual the year began with the annual fund-raising speech by the Governor of the Reserve Bank (Dr Philip Lowe) to the financial markets



community, sponsored by National Australia Bank and the Australian Business Economists. Phil's speech was titled "*The Labour Market and Monetary Policy*", in which he reflected upon low wage outcomes, the economy and the role of monetary policy, which can be found on the RBA website, at <https://www.rba.gov.au/speeches/2017/sp-gov-2017-07-26.html>.

The roles of National Australia Bank and Australian Business Economists are particularly important to fund raising on these key social issues, and the board wishes to express its thanks to both.

Most of the subsequent activities for the year involved the schools and university programs and launching the new Aboriginal fellowships.

The Foundation now funds three major Scholarship Programs to meet its objectives:

1. **The Schools Program** – with the objective of improving awareness and understanding of adolescent depression within schools and to review and enact best-practice identification and response techniques.
2. **The PhD Program** – with the objective of funding ground-breaking university research into clinical studies and treatments that will improve mental health outcomes.
3. **The New Indigenous Australian Program** – reflecting the above worrying statistics, the Board decided in 2017 to move into this area by helping young Aboriginal persons to take up leadership roles in their own communities by dealing with depression and suicide via a fellowship program run by the University of WA Centre for Indigenous Studies.

The Schools Program

In August 2017, the Premier awarded three NSW Premier's Teachers Scholarships of \$15,000 each (funded by the Anika Foundation). The winners were: Emma Sue San (Redbank), Sandra Scott (North Sydney Girls High) and Deborah Costa (Cessnock West Public School).

Applications for the 2019 'Premier's Anika Foundation Youth Depression Awareness Scholarships' were reviewed in May 2018. As usual the field was very strong in this long-running and excellent program, and the winners will be announced by the Premier in August 2018.

The Anika Foundation, in conjunction with the NSW Premier's Teachers Scholarships Program, has now awarded over 25 scholarships to NSW teachers and school counsellors. Our growing alumni continue to work tirelessly to improve the mental health of our children and the board is very grateful for their dedication and commitment.

The PhD Program

The two current Anika Foundation PhD scholars have both completed their studies and have submitted. Karl Andriessen completed his University of NSW doctorate, under the supervision of Professor Phillip Mitchell (on dealing with grief after tragic events). His work has resulted in numerous publications on the subject. This scholarship is currently being advertised. The Black Dog Institute scholarship has also completed and is currently being submitted by Ally Nicolopoulos (based on a survey of the self-reported motives for suicide in an adolescent and young adult population). A new scholarship will replace this one. The board is currently reviewing a proposal for this latter scholarship in the area social media and 'big data' to understand suicide risk and possibly to improve the timeliness of interventions.

Both of these scholarships are being advertised and the board strongly encourages quality candidates to apply.

The Aboriginal Fellowships

The Foundation has launched a new type of scholarship (henceforth a "fellowship") via the University of Western Australia's *Centre for Indigenous Studies* (Professors Jillian Milroy and Pat Dudgeon). This Centre has worked on the Government's '*Centre for Best Practice in Aboriginal and Torres Strait Islander Suicide Prevention*'. The goal is to fund Indigenous scholars with an interest in taking up leadership roles in education and training within their own communities.



The idea is that these issues are best addressed with the involvement of young people from their own remote communities: an “emerging leaders” fellowship program. Professors Milroy and Dudgeon are planning the 2018 national Aboriginal and Torres Strait Islander Suicide Prevention Conference and the World Indigenous Suicide Prevention Conference (back-to-back) in Perth, November 2018. There will be a youth stream for both conferences. The Foundation will fund the attendance of the fellowship winners selected by Jill and Pat.

Fund Raising

Fund raising activity has again been sound. The annual Governor's speech raised \$114,523 this year (larger than in 2017). National Australia Bank was our single largest supporter, providing \$45,000 during the year. Presentations for donations by the board members at conferences amounted to \$6,800. Unsolicited donations amounted to \$2,155. Crispin Murray donated \$2,000. In all \$123,478 was raised through these channels, a decline versus the previous year.

Tax and Compliance Issues

As a Public Ancillary Fund, the Anika Foundation submitted its tax return for the previous year, and is fully compliant with the rules. Even though no tax is payable, this important compliance tool is designed to ensure that all ancillary funds fully meet their obligations as charitable institutions. See:

<http://www.ato.gov.au/Forms/Ancillary-fund-return-2012/>

The revised guidelines for ancillary funds may be found on the website:

<https://www.legislation.gov.au/Details/F2016C00434>

The guidelines require such funds to distribute at least 4% of the assets of the fund at the end of the preceding financial year. The foundation is pleased to report that it has exceeded this requirement in 2017-18, due to the new initiatives.

It is also very important for all charities to be registered with the Australian Charities and

DIRECTORS' REPORT

Not-for-Profits Commission—the ACNC—which can be found (using the ABN number of the charity) at:

[https://www.acnc.gov.au/ACNC/FindCharity/QuickSearch/ACNC/OnlineProcessors/OnlineRegister/Search the Register.aspx?noleft=1](https://www.acnc.gov.au/ACNC/FindCharity/QuickSearch/ACNC/OnlineProcessors/OnlineRegister/Search%20the%20Register.aspx?noleft=1)

The Anika Foundation is very fortunate to have the support of the accounting firms KPMG and John Atkinson and Co., which do the annual audit and the annual tax return, respectively, on a pro bono basis for the foundation.

www.anikafoundation.com

The website run by Anika's brother Tate Dogan is an important conduit for information concerning the Anika Foundation. This website links to the Anika Foundation Facebook page.

Signed:

Adrian Blundell-Wignall, Chairman, 6 August 2018

Self Portrait', from Anika's Art Portfolio





The directors present their annual report for the Anika Foundation ("the Foundation"), for the year ended 30 June 2018.

Directors

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

- Adrian Blundell-Wignall (chair, investments)
- Dr Philip Lowe
- Glenn Stevens (AC)
- Prof. Phillip Mitchell
- Crispin Murray (investments)
- Paul Brennan
- Jeffrey White
- Tate Dogan
- Danae Blundell-Wignall

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 again on 29 July 2006 and 2012.

Principal Activity

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

8 grants summing to \$137,686 were made in the course of 2017-2018, 3 grants under the Premier's Anika Foundation Youth Depression Awareness Scholarship in N.S.W., 2 grants for the Aboriginal Fellowship Program (1 being for related travel), 1 grant for WA teachers and two grants for the PhD program with the University of NSW (UNSW). Disbursements for fund

raising activities amounted to \$48,204. The grant funds have been dispersed to the scholarship winners in the course of the year. The foundation is committed to trying to continue with this level of grants in 2018-2019.

Review and Result of Operations

The total revenue from continuing operations was \$156,262 (2017: \$259,172).

Earnings of interest and dividends from direct investments was: \$25,143 (2017: \$28,649), excluding those re-invested in the WRAP account which is treated as an investment in a balanced portfolio of securities for these accounts.

The management of the investment portfolio has reflected the continued cautious view of the board investment subcommittee related to extremely high and rising levels of debt in emerging markets, and the high level of equity valuations. The allocation to the passive structure WRAP account with BT Funds Management is performing as expected. The overall fund rose in absolute terms, which it has managed to do in all years since its inception.

Available for Sale Debt & Security Assets	
Jun-17	\$2,500,317
Surplus for the year	-\$29,628
Change in AFS Value	\$95,903
Investment return %	3.8
Jun-18	\$2,566,591

The income of the fund (interest and dividends plus available for sale gains) adds to \$121,045 which is above the 4% required to distribute this year—though in fact new support for the Aboriginal Fellowship and extending Karl Andriessen's scholarship took us above these earnings. The directors were satisfied 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 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 2017-2018 financial year. We expect to make awards in the range of \$100,000-\$130,000 in the course of 2018-2019.

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
Subdivision 60-C Section 60-40 of
the Australian Charities and Not-for-
Profits Commission Act 2012**

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 2018.

Dated at Sydney at this 6 August 2018.

Signed in accordance with a resolution of the directors.

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



Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

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 2018 there have been:

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



KPMG



Nicholas Buchanan

Partner

Sydney

6 August 2018



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2018	Note	2018 \$	2017 \$
Revenue from continuing operations	4	156,262	259,172
Scholarships granted		(137,686)	(95,000)
Other expenses from operating activities	5	(48,204)	(52,399)
(Deficit) / Surplus for the year	9b	<u>(29,628)</u>	<u>111,773</u>
Other comprehensive income for the year (items that may be recycled to profit or loss)			
Net change in fair value of available-for-sale financial assets		83,442	63,398
Total comprehensive income for the year		<u>53,814</u>	<u>175,171</u>

The statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to the financial statements set out on pages 12 to 17.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2018	Note	2018 \$	2017 \$
Current Assets			
Cash and cash equivalents	9a	852,717	886,750
Available for sale securities	8	1,713,874	1,613,567
Prepayments		13,300	25,760
Total Current Assets		<u>2,579,891</u>	<u>2,526,077</u>
Total Assets		<u>2,579,891</u>	<u>2,526,077</u>
Current liabilities			
Payables		-	-
Total Current liabilities		<u>-</u>	<u>-</u>
Total Liabilities		<u>-</u>	<u>-</u>
Net Assets		<u>2,579,891</u>	<u>2,526,077</u>
Fair value reserve		248,315	164,873
Retained surplus		<u>2,331,576</u>	<u>2,361,204</u>
Total funds		<u>2,579,891</u>	<u>2,526,077</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 17.



STATEMENT OF CHANGES IN FUNDS

	Fair value Reserve	Retained Surplus	Total
	\$	\$	\$
For the year ended 30 June 2018			
Balance at 1 July 2016	101,475	2,249,431	2,350,906
Total comprehensive income for the year			
Surplus for the year	-	111,773	111,773
Other comprehensive income			
Net change in fair value of available-for-sale financial assets	63,398	-	63,398
Balance at 30 June 2017	<u>164,873</u>	<u>2,361,204</u>	<u>2,526,077</u>
Total comprehensive income for the year			
Deficit for the year	-	(29,628)	(29,628)
Other comprehensive income			
Net change in fair value of available-for-sale financial assets	83,442	-	83,442
Balance at 30 June 2018	<u>248,315</u>	<u>2,331,576</u>	<u>2,579,891</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 17.



STATEMENT OF CASH FLOWS

	Note	2018 \$	2017 \$
For the year ended 30 June 2018			
Cash from operating activities			
Cash receipts from fundraising activities		131,120	230,522
Cash payment for fundraising costs		(47,899)	(38,857)
Scholarships paid		(137,686)	(95,000)
Interest received		12,137	15,034
Dividends received		13,006	13,615
Movement in prepayment		12,460	(13,160)
Other expenses paid		(306)	(13,541)
Net cash from operating activities	9b	<u>(17,168)</u>	<u>98,613</u>
Net cash flows from investment activities			
Proceeds from sale of available for sale securities		6,230	-
Purchases of available for sale securities		<u>(23,095)</u>	<u>(208,118)</u>
Net cash used in investment activities		<u>(16,865)</u>	<u>(208,118)</u>
Net (decrease) / increase in cash held		(34,033)	(109,505)
Cash at the beginning of the year		<u>886,750</u>	<u>996,255</u>
Cash at the end of the year	9a	<u>852,717</u>	<u>886,750</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 17.



Notes to the financial statements for the year ended 30 June 2018

Note 1: Reporting entity

This financial report covers The Anika Foundation (the "Foundation") as an individual not-for profit entity for the year ended 30 June 2018.

Note 2: Basis of preparation and significant accounting policies

(a) **Statement of compliance**

In the opinion of the directors, the Foundation is not publicly accountable. The financial report of the Foundation 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 Australian Charities and Not-for-profits Commission Act 2012 (ACNC) and with the requirements of the Charitable Fundraising Act 1991 (NSW) and its regulations.

The financial report was authorised for issue by the directors on 6 August 2018.

(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.



Notes to the financial statements for the year ended 30 June 2018 (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.

Available-for-sale financial assets

The Company's investments in equity securities and wrap investment products 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, 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. The Company accounts for the listed investments on the settlement date.

(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 and dividend income.

(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.

(i) **Prepayment**

Deposits for following year fund raising events are recognised as prepayment in the statements of financial position and expensed when the events are completed.

Note 3: Determination of fair values

The following table shows the carrying amounts and fair values of financial assets, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

	Fair Value \$			Total
	Level 1	Level 2	Level 3	
30-June-2018				
Financial assets measured at fair value				
Investment in listed securities	336,792	-	-	336,792
Investment in wrap platform	1,377,082	-	-	1,377,082
Total	1,713,874	-	-	1,713,874
30-June-2017				
Investment in listed securities	291,421	-	-	291,421
Investment in wrap platform	1,322,146	-	-	1,322,146
Total	1,613,567	-	-	1,613,567



Notes to the financial statements for the year ended 30 June 2018 (continued)

The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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 listed shares is determined by reference to their quoted bid price at the reporting date. Valuation of investments in wrap investment products, which comprises cash, Australian shares and international shares is based on the quoted market price provided by the wrap operator. All available for sale financial assets are quoted as level 1.

	2018	2017
	\$	\$
Donations	123,478	187,520
--of which annual July event	--114,523	--77,093
--of which other foundations	--0	--70,921
--of which presentations for fees	--6,800	--15,806
--of which T. Ryan (WA Scholarship)	--0	-- 15,000
--of which unsolicited	--2,155	--8,700
Interest	12,137	15,034
Dividends	13,006	13,615
Other income	7,641	43,003
Total revenue	156,262	259,172

Note 5: Other expenses

	2018	2017
	\$	\$
Fundraising costs	47,899	38,858
Administrative expenses	306	13,541
	48,204	52,399

Note 6: Fundraising appeals conducted during the financial period

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



Notes to the financial statements for the year ended 30 June 2018 (continued)

Note 7: Results of fundraising appeals

	2018	2017
	\$	\$
(1) Gross proceeds from fundraising appeals	123,478	187,520
Less: Direct costs from fundraising appeals	<u>(47,899)</u>	<u>(38,858)</u>
Net surplus obtained from fundraising appeals	<u>75,579</u>	<u>148,662</u>
(2) Application of net surplus obtained from fundraising appeals		
Scholarships (expenditure on direct services)	(137,686)	(95,000)
Administrative expenses	<u>(306)</u>	<u>(13,541)</u>
	<u>(137,991)</u>	<u>(108,541)</u>
(Deficit) / Surplus	<u>(62,412)</u>	<u>40,121</u>

(3) The deficit of -\$62,412 (2017: Surplus of \$40,121) was retained as part of the foundation's endowment fund.

(4) Comparisons of certain monetary figures and percentages:

	2018	2018	2017	2017
	\$	%	\$	%
Total cost of fundraising/ gross income from fundraising	47,899/ 123,478	38.8	38,858/ 187,520	20.7
Net surplus from fundraising/ gross income from fundraising	75,579/ 123,478	61.2	148,662/ 187,520	79.3
Total costs of services/ total expenditure	137,686/ 185,890	74.1	95,000/ 147,399	64.4
Total costs of services/ total income received	137,686/ 156,262	88.1	95,000/ 259,172	36.7
Total disbursements/ Assets previous financial year*	185,890/ 2,526,077	7.4*	147,399/ 2,350,906	6.3*

* NOTE: It is a requirement for public ancillary funds to distribute at least 4% of the assets at the end of the previous financial year, see Chairman's report. Scholarship only disbursements were 5.4% of the assets at the end of the year.



Notes to the financial statements for the year ended 30 June 2018 (continued)

Note 8: Available-for-sale financial assets

	2018	2017
	\$	\$
Available-for-sale financial assets - at fair value (all level 1)	<u>1,713,874</u>	<u>1,613,567</u>

Note 9: Cash and cash equivalents

	2018	2017
	\$	\$
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	<u>852,717</u>	<u>886,750</u>
b) Reconciliation of cash flow from operations with surplus for the year:		
(Deficit) / Surplus for the year	(29,628)	111,773
Adjustments for:		
-Decrease / Increase in prepayments	<u>12,460</u>	<u>(13,160)</u>
Net cash (used in) / provided by operating activities	<u>(17,168)</u>	<u>98,163</u>



Notes to the financial statements for the year ended 30 June 2018 (continued)

Note 10: 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

Dr Philip Lowe

Glenn Stevens

Prof. Phillip Mitchell

Crispin Murray

Paul Brennan

Tate Dogan

Danae Blundell-Wignall

Jeffrey White

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

Note 11: Subsequent events

There are no subsequent events occurring post 30 June 2018 that affected, could have affected the financial position or the financial performance or requiring disclosure as at that date.



Directors' Declaration

In the opinion of the directors of The Anika Foundation (the "Foundation"):

- (a) the Foundation is not publicly accountable;
- (b) the financial statements and notes that are set out on pages 9 to 17 are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, and the Charitable Fundraising 1991 (NSW) Act, the regulations under that Act and the conditions attached to the authority granted under the Act, including:
 - (i) giving a true and fair view of the Foundation's financial position as at 30 June 2018 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards – Reduced Disclosure Regime and the Australian Charities and Not-for-profits Commission Regulation 2013 ; and
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

Dated at Sydney this 6th day of August 2018.

Signed in accordance with a resolution of the directors.

.....
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 2018;
- (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 2018;
- (c) The provisions of the Charitable Fundraising 1991 (NSW) Act and Regulations and the conditions attached to the authority have been complied with for the financial year ended 30 June 2018; 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 6th day of August 2018.



Adrian Blundell-Wignall



Independent Auditor's Report

To the members of The Anika Foundation

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report**, of The Anika Foundation (the Foundation).

In our opinion, the accompanying **Financial Report** of The Anika Foundation is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- i. giving a true and fair view of the Foundation's financial position as at 30 June 2018, and of its financial performance and its cash flows for the year ended on that date; and
- ii. complying with *Australian Accounting Standards Reduced Disclosure Requirements* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

The **Financial Report** comprises:

- i. Statement of financial position as at 30 June 2018.
- ii. Statement of profit or loss and other comprehensive income, Statement of changes in funds, and Statement of cash flows for the year then ended.
- iii. Notes including a summary of significant accounting policies.
- iv. Directors' declaration of the Foundation.
- v. Declaration by the Chairman in respect of fundraising appeals of the Foundation.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Foundation in accordance with the auditor independence requirements of the *ACNC Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.



Other information

Other Information is financial and non-financial information in The Anika Foundation's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Chairman's Report and Directors Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- i. Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards Reduced Disclosures Requirements and the ACNC.
- ii. Preparing the Financial Report in accordance with Section 24(2) of the Charitable Fundraising (NSW) Act 1991 and Regulations.
- iii. Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
- iv. Assessing the Foundation's ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- i. to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- ii. to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on



the basis of this Financial Report.

As part of an audit in accordance with *Australian Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- i. Identify and assess the risks of material misstatement of the Financial Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal control relevant to the Audit 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 registered Foundation's internal control.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- iv. Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the registered Foundation to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the Financial Report, including the disclosures, and whether the Financial Report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors of the Foundation regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

In addition we have:

- i. Obtained an understanding of the internal control structure for fundraising appeal activities.
- ii. Examined on a test basis of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the Act and Regulation.

We have not audited on a continuous basis the accounting records relied upon for reporting on fundraising appeal activities. These do not necessarily reflect accounting adjustments after the event or normal year-end financial adjustments required for the preparation of Financial Report such as accruals, prepayments, provisioning and valuations.

Report on Other Legal and Regulatory Requirements

Opinion pursuant to the Charitable Fundraising Act (NSW) 1991

In our opinion,

- i. the Financial Report gives a true and fair view of the Foundation's financial result of fundraising appeal activities for the financial year ended 30 June 2018;
- ii. the Financial Report has been properly drawn up, and the associated records have been properly kept for the period from 1 July 2017 to 30 June 2018, in accordance with the *Charitable Fundraising Act (NSW) 1991* and Regulations;
- iii. money received as a result of fundraising appeal activities conducted during the period from 1 July 2017 to 30 June 2018 has been properly accounted for and applied in accordance with the *Charitable Fundraising Act (NSW) 1991* and Regulations; and
- iv. there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they fall due.


KPMG

Nicholas Buchanan

Partner

Sydney

6 August 2018