



THE ANIKA FOUNDATION Annual Report 2012 - 2013





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CHAIRMAN'S REPORT

On behalf of the board, I am delighted to present the 2012-13 annual report.

The Year in Brief

The Anika Foundation has once more had a very successful year. It started as usual with Glenn Stevens speech to the financial markets, sponsored by Macquarie Group and the Australian Business Economists. Our PhD scholar, Mona Taouk, moved into the final stage of her studies. The board was able to extend her scholarship to the end of March 2013, in order to allow her more time to submit and write up her research for publication. While all this was going on, one of the previous year's winners of the teacher awards for travel (see below) went on her research trip, and a new set of applicants were interviewed in early 2013. All of the past scholarship winners are exceeding our expectations in terms of results, and recognition of and support for the Foundation in the community continues to be much stronger as a consequence. As the corpus of the fund continues to grow, and 4% of it must be distributed each year, the Chairman approached the Western Australian Premier's and Education Departments to negotiate a new teacher's scholarship for that state. This has been set up in principle, and a search will be undertaken to find WA teachers interested in applying for Anika Foundation awards. This is consistent with our goal of becoming an Australia-wide provider of scholarships.

Fund raising activity has again been quite strong, split fairly evenly between the annual fund raiser with Glenn Stevens and presentations for donations by the Chairman at conferences and with fund managers (with Citigroup passing tags to the foundation as donations for the goodwill created with their clients).

As a Public Ancillary Fund, the Anika Foundation submitted its first tax return, in line with the new guidelines for the tax code for 2011-12, 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 and are not part of tax avoidance schemes. See:

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

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

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

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

Some Fundraising Highlights

The annual Glenn Stevens speech, sponsored by the Australian Business Economists and Macquarie Group raised a net \$69,165, in July 2012 compared to \$80,100 in July 2011. Speaker fees and broking tags for the Chairman, paid to the Foundation, amounted to \$74,451 in this financial year, versus \$59,437 in 2011-12. The Tudor Foundation gave \$41,703, versus \$18,265 last year, and we are very pleased that they have remained such a strong supporter of adolescent depression and suicide research in Australia. Macquarie Group has once again provided financial sponsorship for the Annual Glenn Stevens event. Westpac donated a matching gift of \$2,000 (from Crispin Murray's original donation in the prior year). Other small donations from the public added to \$11,216. We are pleased to note that once again Caringbah High School continued to support the foundation in their charity fund raising during FY2013.

Glenn Stevens' Speech on the Challenges of Economic Policy

On the 24th of July 2012 the Anika Foundation held its seventh 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 Lucky Country*". Glenn aimed to highlight Australia's economic performance, and considered some of the factors which could have a bearing on future performance.

The speech received considerable prominence in the media and helped to raise awareness of the Foundation.

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 Youth Survey results for 2012 stated the following:



“Young people were asked to rate how concerned they were about 12 issues in the past year: Nationally, the top three issues of personal concern were coping with stress, school and study problems and body image, with over one in three respondents nominating each of these issues. Family conflict and depression were also a concern for over one in five respondents. Although males and females had the same top 3 issues of concern, the proportion of females concerned about these issues was considerably higher than males.”

For each of the 12 personal issues surveyed, 5 self-classifications could be selected by respondents, with the very worst being “*extremely concerned*”. Those seeing themselves as being in this extreme category were as follows: coping with stress, 17.1% were extremely concerned; school or study problems 15%; body image 15.3%; family conflict 10.2%; depression 10.8%; personal safety 6.9%; bullying/emotional abuse 6.9%; suicide 7.6%; discrimination 5%; drugs 4.7%; alcohol 3.1%; and gambling 2.5%

In the present financial year the speaking roles of board members have 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 improving awareness about adolescent depression. They spread the findings from their research trips in their own and other schools, and their publications and media appearances are very effective tools. For example, see:

<http://danhaesler.com/>

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 April/May 2013 to choose the new winners. Danae Blundell-Wignall and Jeff White once again represented *The Anika Foundation* on the panel. This year the field was unusually strong, with 4 very attractive candidates. Accordingly, the board decided take the opportunity to appoint 3 scholars this year, instead of the usual 2. The winners to be announced by the Premier in August 2013 are Kristopher Wrona (Chester Hill High, District School Counsellor); Donna Redman (John Thierry Catholic High, Pastoral Care Coordinator); and Genevieve Slocombe (Dunoon Public Primary School, Principal).

As noted above, we will be looking to add WA to our program in the coming year.

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

Mona Taouk completed the work on her thesis to develop a depression screening tool, and she submitted it to examiners at the end of March 2013.

Mona developed a questionnaire combining information from both existing literature and the information she obtained from focus groups of young people. Her depression scale includes items to assess a number of domains that would be affected by depression: Emotional, Motivational, Cognitive, Social and Relational, Biological, Physical changes, and Behavioural.

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).

More than 3000 students took part in the final phase of using the scale. Mona is currently writing up the thesis for publication. The Board is in the process of search for a new scholar for the award.

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, 30/7/2013



DIRECTOR'S REPORT

The directors present their annual report for The Anika Foundation, for the year ended 30 June 2013.

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 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.

4 grants of \$60,000 were made in the course of 2012-2013, under the Premier's Anika Foundation Youth Depression Awareness Scholarships scheme. One annual grant of \$17,500 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 2013-2014, and a search for a suitable candidate is under way.

Review and Result of Operations

The total revenue from continuing operations was \$285,698 (2012: \$277,426).

Earnings of interest and dividends was: \$63,363 (2012: \$62,924).

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 7 financial years.

Ann Perf	Cash	Equity	Total Assets	% Equity	Perf Eq %	DIV	DIV Yld	Int	Int Rate	Tot Perf %
Jun-07	450044	205718	695762	29.57						6.1
Jun-08	727185	178425	905610	19.70	-13.44	10824	5.26	38398	7.84	3.10
Jun-09	832488	152196	984684	15.46	-16.05	9438	5.29	37454	5.15	2.02
Jun-10	1191804	166534	1358338	12.26	11.29	6681	4.39	33288	4.00	5.43
Jun-11	1395417	182779	1578196	11.58	5.31	9031	5.42	55090	4.62	5.33
Jun-12	1606979	158968	1765946	9.00	-7.19	7422	4.06	61136	3.80	3.24
Jun-13	1784080	221932	1986011	11.17	9.68	8011	5.04	49390	3.07	4.37

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 2013-2014 financial year. We expect to make awards in the vicinity of \$85,000 in the course of 2013-2014.



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 2013.

Dated at Sydney at this 30th July 2013.

Signed in accordance with a resolution of the directors.

.....
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 2013 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

30th July 2013



STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2013	Note	2013 \$	2012 \$
Revenue from continuing operations	4	285,698	277,426
Scholarships granted		(77,500)	(30,000)
Other expenses from operating activities		(275)	(1,373)
Surplus for the year	8b	<u>207,923</u>	<u>246,053</u>
Other comprehensive income for the year			
Net change in fair value of available-for-sale financial assets		17,143	(22,189)
Total comprehensive income for the year		<u>225,066</u>	<u>223,864</u>

The statement of comprehensive income is to be read in conjunction with the notes to the financial statements set out on pages 10 to 14.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2013	Note	2013 \$	2012 \$
Current Assets			
Cash and cash equivalents	8a	1,764,080	1,606,977
Available for sale securities	7	221,931	158,968
Prepayments		5,000	-
Total Current Assets		<u>1,991,011</u>	<u>1,765,945</u>
Total Assets		<u>1,991,011</u>	<u>1,765,945</u>
Current liabilities			
Payables		-	-
Total Current liabilities		<u>-</u>	<u>-</u>
Total Liabilities		<u>-</u>	<u>-</u>
Net Assets		<u>1,991,011</u>	<u>1,765,945</u>
Fair value reserve		32,918	15,755
Retained surplus		1,958,093	1,750,170
Total funds		<u>1,991,011</u>	<u>1,765,945</u>

The Statement of Financial Position is to be read in conjunction with the notes to the financial statements set out on pages 10 to 13.



STATEMENT OF CHANGES IN FUNDS

	Fair value Reserve	Retained surplus	Total
	\$	\$	\$
For the year ended 30 June 2013			
Balance at 1 July 2011	37,964	1,504,117	1,542,081
Total comprehensive income 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>
Total comprehensive for the year			
Surplus for the year	-	207,923	207,923
Other comprehensive income			
Net change in fair value of available-for-sale financial assets	17,143	-	17,143
Balance at 30 June 2013	<u>32,918</u>	<u>1,958,093</u>	<u>1,991,011</u>

The Statement of Changes in Funds is to be read in conjunction with the notes to the financial statements set out on pages 10 to 13.



STATEMENT OF CASH FLOWS

	Note	2013 \$	2012 \$
For the year ended 30 June 2013			
Cash from operating activities			
Cash receipts in the course of operations		222,335	214,502
Scholarships paid		(77,500)	(65,000)
Interest received		55,352	61,136
Dividends received		8,011	7,422
Other expenses paid		(5,275)	(1,373)
Net cash from operating activities	8b	<u>202,923</u>	<u>216,687</u>
Net cash flows from investment activities			
Proceeds from sale of available for sale securities		-	10,000
Purchases of available for sale securities		(45,820)	(15,127)
Net cash used in investment activities		<u>(45,820)</u>	<u>(5,127)</u>
Net increase in cash held		157,103	211,560
Cash at the beginning of the year		<u>1,606,977</u>	<u>1,395,417</u>
Cash at the end of the year	8a	<u>1,764,080</u>	<u>1,606,977</u>

The Statement of Cash Flows is to be read in conjunction with the notes to the financial statements set out on pages 10 to 13.



Notes to the financial statements for the year ended 30 June 2013

Note 1: Reporting entity

This financial report covers The Anika Foundation (the “Company”) as an individual non-for profit entity for the year ended 30 June 2013.

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 30th July 2013.

(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.

(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 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 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.

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.

Note 4: Revenue

	2013 \$	2012 \$
Donations	222,335	214,502
--of which annual July event	--69,165	--80,100
--of which presentations for fees	--74,451	--60,937
--of which other foundations	--67,503	--18,265
--of which unsolicited	--11,216	--55,200
Interest	55,352	55,502
Dividends	8,011	7,422
Total revenue	<u>285,698</u>	<u>277,426</u>

Note 5: Fundraising appeals conducted during the financial period

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



Note 6: Results of fundraising appeals

	2013	2012
	\$	\$
(1) Gross proceeds from fundraising appeals	222,335	214,502
Less: Direct costs from fundraising appeals	-	-
Net surplus obtained from fundraising appeals	<u>222,335</u>	<u>214,502</u>
(2) Application of net surplus obtained from fundraising appeals		
Scholarships (expenditure on direct services)	77,500	30,000
Administrative expenses	275	1,373
	<u>77,775</u>	<u>31,373</u>

- (3) The surplus of \$144,560 (2012: \$183,129) between the \$222,335 (2012: \$214,502) surplus available from fundraising appeals conducted and total expenditure of \$77,775 (2012: \$31,373) was retained as part of the foundation's endowment fund.

- (4) Comparisons of certain monetary figures and percentages:

	2013	2013	2012	2012
	\$	%	\$	%
Total cost of fundraising/ gross income from fundraising	-/ 222,335	-	-/ 214,502	-
Net surplus from fundraising/ gross income from fundraising	222,335/ 222,335	100	214,502/ 214,502	100
Total costs of services/ total expenditure	77,500/ 77,775	99.6	30,000/ 31,373	96.0
Total costs of services/ total income received	77,500/ 285,698	27.1	30,000/ 277,426	11.0
Total disbursements/ Assets previous financial year*	77,775/ 1,765,945	4.4*	66,373/ 1,542,081	4.3*

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



Note 7: Available-for-sale financial assets

	2013	2012
	\$	\$
Available-for-sale financial assets - at fair value	221,931	158,968

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 (2012: \$ 0.00).

Note 8: Cash and cash equivalents

	2013	2012
	\$	\$
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	1,764,080	1,606,977
b) Reconciliation of cash flow from operations with surplus for the year:		
Surplus for the year	207,923	246,053
Adjustments for:		
- (Increase in prepayments)	(5,000)	-
- (Decrease) in amounts payable	-	(35,000)
- Decrease/(Increase) in interest receivable	-	5,634
Net cash provided by operating activities	202,923	216,687

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.

Note 10: Subsequent events

There are no subsequent events occurring post 30 June 2013 that affected, could have affected the financial position or the financial performance or requiring disclosure as at that date.



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 2013 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 30th day of July 2013.

Signed in accordance with a resolution of the directors.

Adrian Blundell-Wignall

.....
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 2013;
- (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 2013;
- (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 2013; 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 30th day of July 2013.

Adrian Blundell-Wignall