



**AUSTRALIAN NATIONAL DEVELOPMENT INDEX LIMITED**

**ABN 13 160 688 077**

**ANNUAL REPORT  
FOR THE YEAR ENDED  
30 JUNE 2018**

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## DIRECTORS' REPORT

In respect of the financial year ended 30 June 2018, the directors of Australian National Development Index Limited (ANDI) submit the following report made out in accordance with the resolution of directors.

### 1. Directors and officers

The names of directors and officers who served during the period and to the date of this report are as shown below.

It should be noted that for the reporting period, ANDI's Board consisted of 9 directors. ANDI's constitution provides for the appointment of up to 12 directors, and current directors have resolved to offer two director positions to appropriate representatives of the Indigenous community and to ANDI's host university.

Name	Qualifications & Experience
Dominic McGann (ANDI Chair)	Dominic McGann (ANDI Chairperson) is the Chairman of Partners, McCullough Robertson Lawyers, a leading independent Australian law firm with offices in Brisbane, Sydney and Newcastle. He has held prominent positions with the Queensland Government and has extensive experience in the resources industry and particularly, native title and cultural heritage matters.
Kester Brown (ANDI Treasurer)	Kester Brown (ANDI Treasurer) is a Partner of Ernst & Young, Chartered Accountants, at its Melbourne office and a Fellow of the Financial Services Institute of Australia. He has considerable experience in accounting, financial management and governance, in both commercial and community organisations.
Rev Tim Costello AO	Tim Costello is an Australian Baptist Minister, Chief Advocate of World Vision Australia, an authority on social justice issues, leadership and ethics, and a 'National Living Treasure'. He is a published writer, former Australian of the Year and currently Chair of the Community Council of Australia, the Australian Churches Gambling Taskforce and the National Australia Bank's Social Responsibility Advisory Council. (He has been granted leave from Board meetings pending his appointment to the proposed ANDI Eminent Persons support group but has continued to participate in Board activities and ANDI promotional activities where possible).
Tom Crago	Tom Crago is the owner and CEO of the internationally recognised video game developer Tantalus, a Melbourne-based company with more than forty titles to its credit. Tom has degrees in Arts (Honours), Law (Honours), International Business, and a Graduate Diploma in Legal Practice. He is at present a PhD candidate at the Victorian College of the Arts, University

	<p>of Melbourne. Tom is a past President of the Game Developers' Association of Australia and served on the Australian Federal Innovation Minister's IT Industry Innovation Council and Book Industry Strategy Group. He is the author of a critically acclaimed book, 'Flashbacks from the Flow Zone' (Hardie Grant).</p>
Gabrielle Kelly	<p>Gabrielle Kelly is the inaugural Director of the Wellbeing and Resilience Centre at the South Australian Health and Medical Research Institute (SAHMRI). Film- maker, digital media executive, social entrepreneur and strategist, she has been working on human behaviour and systems change in a range of settings. Previously, she ran the ground-breaking Adelaide <i>Thinkers in Residence</i> program, leading significant implementation of change in city design, advanced manufacturing, early childhood education, and positive psychology.</p>
Rev Elenie Poulos	<p>Elenie Poulos GAICD is a Minister of the Uniting Church in Australia and former National Director of Uniting Justice Australia. She has been deeply engaged over many years in policy analysis and advocacy in matters of social and economic justice, human rights, peacemaking and the environment. She is currently a PhD candidate in politics at Macquarie University.</p>
Michael Salvaris	<p>Mike Salvaris is a Research Fellow at the University of Melbourne. He is a former legal aid lawyer, tenants' advocate, senior policy advisor and human rights and wellbeing researcher. Mike is co-founder of the OECD <i>Global Progress Research Network</i>. He is an advisor to the OECD <i>Global Project on Measuring the Progress of Societies</i> and the <i>Canadian Index of Wellbeing</i>.</p>
Professor Fiona Stanley AC	<p>Fiona Stanley is the Founding Director and Patron of the Telethon Institute for Child Health Research and a Distinguished Research Professor, School of Paediatrics and Child Health, University of Western Australia. She is a national and international leader in researching the causes of major childhood illnesses and gathering and analysis of population data for epidemiological and public health purposes. Fiona has been a contributor to major international, national and local committees, and widely published writer and like Tim Costello, she is a 'National Living Treasure'.</p>
Dr Geoffrey Woolcock	<p>Geoff Woolcock PhD, MAICD is a Senior Research Fellow at the University of Southern Queensland's Institute for Resilient Regions, and an Adjunct Associate Professor at Griffith University and QUT. Geoff is an experienced social researcher with considerable expertise in social and community service planning and evaluation, including social impact assessment and community development. In addition to ANDI, he is a board director of the Brisbane Housing Company and the Logan Child-Friendly Community Charitable Trust overseeing the high-profile collective impact initiative, <i>Logan Together</i>.</p>

<p>Dr Jacques de Vos Malan (ANDI Company Secretary)</p>	<p>Jacques de Vos Malan D.Mus GAICD is an Honorary Fellow at the University of Melbourne. He has managed large projects in broadcasting, arts infrastructure and interdisciplinary research. Jacques was the inaugural CEO of Melbourne Recital Centre and former General Manager and Company Secretary of the Australian Council of Learned Academies.</p>
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*NOTE: In the course of the financial year, Julie McLeod accepted an invitation to join the Board. However, after participating in one meeting (6 March 2018), she advised that she had reconsidered and withdrew.*

During the year, five meetings of directors were held. Attendances by each director were recorded as follows:

	No. eligible to attend	No. attended
Michael Salvaris	5	4
Geoffrey Woolcock	5	4
Elenie Poulos	5	4
Dominic McGann	5	5
Tim Costello	5	0
Fiona Stanley	5	1
Kester Brown	5	3
Tom Crago	5	4
Gabrielle Kelly	5	1

## 2. FY 2018 in brief

In the course of FY 2018, ANDI Ltd has continued to develop as a community research organisation, in partnership with the University of Melbourne (UoM), based at the Melbourne Graduate School of Education (MGSE). The company has extended Stage 1 of its formal research collaboration with UoM from 18 months to 24 months, further increased its fundraising results and very nearly completed two pilot research studies in the domains of education and health. A growing networking and consultation process, both across campus in the academic sector and in the community sector, continues to develop. As the pilot studies move towards successful completion and evaluation, the company is planning for the implementation of the five-year Stage 2 Project. This will comprise the roll-out of the full ANDI Index.

### 3. Principal Objectives and strategies of the Company

#### 3.1 Current objectives

Australian National Development Index Limited (ANDI) is an independent, non-partisan and member-owned national initiative incorporated as a not-for-profit public company limited by guarantee. ANDI's uniqueness comes in part from its partnerships with a diverse collection of over 60 Australian organisations and institutions in the community, welfare, government, business, trade union, academic, indigenous, environmental, human rights, ethnic and religious fields. These partner networks span the nation and enable ANDI to seek views from across the community.

ANDI's principal **long-term objectives** are the advancement of education, the relief of poverty and other purposes beneficial to the community by means including:

- promoting a shared vision of what really constitutes sustainable national wellbeing and the elements that contribute to or detract from it;
- conducting research to measure national progress toward, or movement away from, achieving equitable and sustainable wellbeing;
- understanding and promoting awareness of why society is moving in the direction it is moving;
- stimulating discussion about the types of policies, programs, and activities that would progress us closer and faster toward achieving the best possible quality of life for all, now and into the future;
- giving Australians tools to promote sustainable wellbeing with policy shapers and decision makers;
- informing policy by helping policy shapers and decision makers to understand the consequences of their actions for Australian sustainable wellbeing;
- empowering Australians to compare their wellbeing both with others within Australia and those around the world;
- engaging the knowledge and perspective of Aboriginal and Torres Strait Islander Australians, whose cultural values and practices have sustained their peoples in this land for tens of thousands of years, and who have a unique role in defining the vision for a sustainable and equitable future for our people and our country.

ANDI's key long-term goal is to produce and distribute widely a regular and sustainable annual index of social progress, with linked sub-measures based around particular dimensions of wellbeing. This index will be based on new and existing data and expert research and will be shaped by the priorities of Australians, identified through an extensive and inclusive national community engagement process. In much the same way as economic indicators are regularly reported and discussed at a national level, a social progress index is a tool to improve public discourse on the direction in which our nation is headed.

To achieve this goal, ANDI's **short-term objectives** are to:

- develop a coalition of appropriate philanthropic funders to support ANDI's initial development on a national scale;
- maintain an ongoing partnership with a major Australian university ('ANDI Host University') to host ANDI's research program;
- further expand an accessible and interactive Internet and social media presence for wide public engagement;
- develop and pilot a national community engagement program that will eventually engage 500,000 Australians and at least a third of Australia's local government areas;
- establish up to twelve research domains, sub-measures and data sources relating to Australians' views of progress;
- release the first ANDI index, along with several research reports into various dimensions of wellbeing.

### 3.2 Planning and strategies to achieve objectives

ANDI was registered as an Australian Public Company Limited by Guarantee in October 2012, after being endorsed as a national priority in the '*Australia 2020 Ideas Summit*' in 2008 and launched as a community and research organisation in 2009.

Building on earlier planning, the organization entered into a collaborative research agreement ('*The ANDI Project*') with the University of Melbourne at the start of 2017. In support of Stage 2 of that agreement, ANDI is now finalizing a *Strategic Business Plan* to guide the next five years of activity. This will include the roll-out of all twelve domains that jointly make up '*The ANDI Index*', at a pace appropriate to available resources.

## 4. Current activities

### 4.1.1 Research 'Host University'

In FY 2018, ANDI has been focused on delivering the first two pilot research projects, in the domains of Education and Health respectively. These pilots are now nearing completion.

## 5. Ongoing Partnerships

### *Australian Bureau of Statistics (ABS)*

As indicated in earlier reports, ANDI has had a long-standing co-operative relationship with the ABS. ANDI Directors have served as members of the ABS's Expert Reference Group for its pioneering national project '*Measures of Australia's Progress*' (MAP) and in the development of its important November 2012 report '*Aspirations for Our Nation*', while former ABS Directors Dennis Trewin and Brian Pink and key staff have been supportive of ANDI's development and provided advice and data. Dennis Trewin currently chairs the Project Advisory Committee for the ANDI Project.

### ***Canadian Index of Wellbeing***

In FY2018, ANDI continued its close relationship with its sister project in Canada, the *Canadian Index of Wellbeing* (CIW). The CIW is generally regarded as one of the world's leading projects in this field and has agreed to collaborate with ANDI and become a partner in its development. ANDI Chair Mike Salvaris has continued his position on CIW's Research Advisory Board.

## **6. Management**

### **6.1.1 Governance agreements**

The University and ANDI Limited have signed two formal agreements setting out in detail the proposed goals and terms of a long-term partnership: a Memorandum of Understanding for 5 years, signed in November 2016, and a Collaboration Agreement for the initial 18 months 'set-up' and pilot phase of the project, signed in January 2017. A minor variation to the Collaboration Agreement was agreed in July 2017 to enable more flexible staff appointments.

### **6.1.2 Office**

The ANDI Project Office has been established in the Melbourne Graduate School of Education (MGSE) on Level 8, 100 Leicester St, Carlton. Under the agreements, MGSE is the host faculty for the ANDI Project.

### **6.1.3 Project Advisory Committee**

A Project Advisory Committee (PAC) has been established and meets regularly to review the progress of the research. The PAC held its first meeting on Wednesday 13 September 2017. The PAC is chaired by Dennis Trewin AC, former Director of the Australian Bureau of Statistics.

### **6.1.4 Staffing**

Personnel involved in the ANDI Project team at 30 June 2018 are:

- Professor Fiona Stanley, Project Director (0.1)
- Professor Barry McGaw, Project Director (0.2)
- Mr Michael Salvaris, Project Manager (0.5)
- Ms Claudia Sandoval, Executive Officer (0.2)
- Dr Matthew Courtney, Early Career Researcher (0.2)
- Dr Kate Lycett, Early Career Researcher (0.2)
- Dr Ghazaleh Dashti, Early Career Researcher (0.2), replaced Dr Lycett from January to June 2018, during the latter's maternity leave
- Dr Jacques de Vos Malan, Consultant (Project management, community engagement) (0.2)

## **7. Communications**

### **7.1.1 Communication and Participation within the University of Melbourne**

During FY2018, the ANDI Project was promoted across the University of Melbourne through numerous meetings with Faculty Deans and Directors of Research Institutes. This is part of the plan to engage other departments, schools, faculties and centres within Melbourne University and to influence early career researchers to work on the project. Similar introductory seminars are planned for other faculties during FY2019.

### **7.1.2 Early Career Researchers**

ANDI has recruited an enthusiastic team of Early Career Researchers (ECRs) to participate in the Project team. In FY2018, ANDI began exploring the creation of a cross-disciplinary university-wide network of ECRs who might participate in and support the ANDI Project. The first meeting of the ECR Network has been scheduled for July 2018.

### **7.1.3 Community Engagement**

The ANDI Project has taken the first steps in the development of a community engagement framework and public consultation process. The community engagement strategies developed by the Australian Bureau of Statistics for the *Measuring Australia's Progress* (MAP) 2.0 project, the *Canadian Index of Wellbeing* and ANDI Ltd itself have been studied. A discussion document has been developed and circulated that situates community group and individual consultative activities within a larger stakeholder identification strategy. During September 2017, the ANDI Project team held discussions with the Australian Council of Social Service (ACOSS) and the Communities Council of Australia (CCA). In November 2017, the team hosted a national workshop of community organisations to discuss the ANDI Project's national community engagement program. This workshop together national peak groups across all relevant community fields including social welfare, business and trade union, indigenous and ethnic, local government and youth.

The feasibility of creating a computer application (an 'app') is being studied for ANDI Ltd by a leading computer game developer. The proposal is to publish a tool that makes it possible for individuals to 'vote' for a choice of social progress indicators, thereby allowing a measure of public influence in the Index development. The United Nations Development Program has agreed in principle to the ANDI Project's adaptation and use of UNDP's successful global progress and wellbeing survey, *MyWorld2015* (which achieved over 9 million respondents), through the Australian Communities Foundation as the ANDI Project's major community engagement platform.

## **8. Partnerships**

### **8.1.1 Learned Academies**

Building on the success of the February 2017 ASSA-ANDI Roundtable, held at the University of Melbourne, ANDI has continued to collaborate with the Academy for the Social Sciences in Australia (ASSA) in particular. ASSA selected the ANDI Project as its top priority in nominating projects to the Australian Research Council for funding under its Learned

Academies Special Projects (LASP) program. Unfortunately, the project was not successful, but the academy remains committed to future joint ventures.

### **8.1.2 Other Universities**

If the ANDI Project is extended beyond the initial 18-24 months of the current Collaboration Agreement between the University of Melbourne and Australian National Development Index Ltd, it is anticipated that other universities will be fully engaged in parts of the work. Initial interest has already been declared by staff at the Australian National University, the University of Sydney, the University of New South Wales, the University of Western Australia and Curtin University.

### **8.1.3 International: OECD and UNDP partnerships**

The Rector of the University of Rome has invited the Vice-Chancellor of the University of Melbourne to join in establishing collaboration between the two universities in work on indices of national wellbeing. The work in Italy is led by Professor Enrico Giovannini, Professor of Economic Statistics at the University of Rome and a former Chief Statistician at the Organisation for Economic Co-operation and Development (OECD). Professor Giovannini is available to visit Melbourne and ANDI is working to raise the funds necessary to make such a visit possible.

Mike Salvaris is a member of a panel of Research Associates of the Canadian Index of Wellbeing which is hosted by the University of Waterloo. He travelled to Canada in November 2017 and delivered a guest lecture at the University of Waterloo. He also used the opportunity to discuss collaboration with the University of Melbourne.

ANDI maintains has connections with current work at the OECD through Dr Martine Durand, Chief Statistician and Mr Andreas Schleicher, Director for Education and Skills and Special Advisor on Education Policy to the Secretary-General.

Mike Salvaris received a 2017 *Hall of Heroes* award from the Community Indicators Consortium, the international peak group in this field whose Board includes representatives from the OECD, the UN and leading US and Canadian organisations and universities. The award, which cites his 'long term impact' in community indicators and wellbeing, was recognised at an awards ceremony at the CIC conference in Florida, USA in November 2017.

## **9. Funding and fundraising strategies**

### **9.1.1 Fundraising strategies**

In FY2018 ANDI has continued to develop a fundraising strategy based on (i) building a coalition of both philanthropic and corporate funders to support its core development ('Hub') and community engagement program, and (ii) developing an ongoing Host University arrangement (with the University of Melbourne) as the basis for its research and research

funding program. Additionally, a partnership with a major university such as UoM is considered a strong positive for potential corporate sponsorship.

Since the formalisation of the agreements with UoM, fundraising has moved ahead significantly, as follows.

### **9.1.2 Fundraising outcomes**

Under the Collaboration Agreement with the University of Melbourne, Australian National Development Index Ltd is required to raise \$250,000 for this 18-month stage of work on the ANDI Project by April 2018. The full amount was raised by August 2017 with generous grants from the Lord Mayor's Charitable Foundation and the Australian Communities Foundation (ACF). The ACF grant was recognised at a ceremony on 18 September.

On 20 July 2017, the Australian Communities Foundation and the Myer Family Company co-hosted a meeting of philanthropic organisations with a potential interest in supporting major projects including the ANDI Project and we gave a presentation to the meeting. ANDI has had several meetings with the University to discuss sources of funding for the ANDI Project and joint UOM-ANDI fund-raising approaches.

## **10. Operating Results, Review of Operations, State-of-Affairs and Developments**

### **10.1.1 Operating results**

The operating surplus of the company for the year ended 30 June 2018 was \$13, 933 (year ended 30 June 2017: Surplus \$26,405).

### **10.1.2 Review of operations**

### **10.1.3 Relevance of actions to strategy**

Section 3 above sets out ANDI's objectives, principal strategies for achieving these objectives and main activities in 2017-2018. In general, the activities listed in Section 3.1 are those which Directors regarded as the most urgent current priorities for achieving ANDI's longer term goals, in three important spheres:

- the development of a broad partner base, a community engagement program, and a central project team to drive ANDI's development;
- the further growth of the existing host university relationship and a supporting research program;
- building a solid and lasting financial and resource base to support the ANDI project

### **10.1.4 Performance review**

ANDI's Board as part of its ongoing role monitors the company's performance and capabilities at a general level against the goals set out in its Constitution and its Business and Research Plans. Director Kester Brown has general responsibility within the Board for overseeing ongoing financial performance. Additionally, the company has been subject to

external financial and performance reviews insofar as these flow from standard audit and reporting requirements.

The ANDI Board holds an annual Planning Day, which provides an opportunity to review broad strategy and to evaluate progress against business and research plans. The current pilot research projects in Health and Education are monitored by a Project Advisory Committee, jointly established by ANDI Ltd and University of Melbourne and chaired by Dennis Trewin.

#### **10.1.5 Current state-of-affairs and other relevant developments**

In 2017/2018, as in the three previous years, modest levels of funding and considerable in-kind and pro bono support enabled the company to operate a small secretariat of two or three part-time people; establish and conduct initial research and planning activities; and develop approaches and submissions to individuals and organisations likely to be interested in supporting ANDI.

In calendar year 2018, Directors expect that the first two pilot projects will be completed, reported and fully evaluated; that a new five-year partnership agreement with the University of Melbourne will be successfully negotiated; and that planning for the ongoing roll-out of new domains of the ANDI Index will be initiated.

Except as indicated in this report, there were no other significant changes in the state of affairs or operations of the company that occurred during the year and there are no imminent plans which are anticipated to significantly impact the results of the company's operations. The company will continue to carry on the principal activities disclosed within this report.

#### **10.1.6 Other significant events**

There have been no significant events occurring after the reporting date which may affect either the company's operations or results of those operations or the company's state of affairs.

### **11. Other Matters**

#### **Directors' Benefits**

Since the end of the previous financial year, no director of the company has received or become entitled to receive a benefit by reason of a contract made by the company or a related corporation with any director or with a firm of which any director is a member or with a company in which any director has a substantial financial interest.

#### **Indemnifying Officer or Auditor**

The company has taken out an insurance policy covering Directors & Officers Liability, Employment Practices Liability and Professional Indemnity. No other indemnities have been given during or since the end of the financial period, for any person who is or has been an officer or auditor of the company.

**Auditor's Independence**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out in the following pages.

**Capital Structure**

Australian National Development Index Limited is a company limited by guarantee, incorporated and domiciled in Australia. In accordance with the guarantee, if the company is wound up, the Constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company. At 30 June 2018 the number of members was 9. At that date the collective liability of members was \$90.

Signed in accordance with a resolution of the directors.



Mike Salvaris, Director

Melbourne, 14 November 2018

**Auditor's Independence Declaration to the Directors of Australian National Development Index Limited**

I declare that, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* or any applicable code of professional conduct in relation to our audit of the financial report of Australian National Development Index Limited for the financial year ended 30 June 2018.



**PKF**



**Steven Bradby**

**Partner**

**Melbourne, 14 November 2018**

**AUSTRALIAN NATIONAL DEVELOPMENT INDEX LIMITED**

ACN 160 688 077

**FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018****STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME****Year ended 30 June 2018**

	Notes	2018	2017
		\$	\$
<b>Revenues from ordinary activities</b>			
Operating revenue	3	<u>117,594</u>	102,371
<b>Expenditure</b>			
Consultant and project expenses		123,166	115,605
Insurance		2,064	2,053
Administration expenses		<u>6,297</u>	11,118
Total expenditure		<u>131,527</u>	128,776
Surplus (deficit) for the year	3	<u><u>(13,933)</u></u>	(26,405)

**STATEMENT OF FINANCIAL POSITION****As at 30 June 2018**

<b>Current assets</b>			
Cash		4,686	18,069
Receivables		<u>3,281</u>	-
<b>Total assets</b>		<u>7,967</u>	18,069
<b>Current liabilities</b>			
Accounts payable		<u>3,831</u>	-
<b>Total liabilities</b>		<u>3,831</u>	-
<b>Net assets</b>		<u><u>4,136</u></u>	18,069

**EQUITY AND STATEMENT OF CHANGES IN EQUITY****Year ended 30 June 2018**

Accumulated surplus at the beginning of the year		18,069	44,474
Surplus (deficit) for the year		<u>(13,933)</u>	(26,405)
Accumulated surplus at the end of the year		<u><u>4,136</u></u>	18,069

The above statements should be read in conjunction with the accompanying notes.

**AUSTRALIAN NATIONAL DEVELOPMENT INDEX LIMITED**

ACN 160 688 077

**FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018****STATEMENT OF CASH FLOWS****Year ended 30 June 2018**

	Notes	2018	2017
		\$	\$
<b>Cash flows from operating activities</b>			
Receipt of grants and other revenue		21,815	-
Interest received		20	598
Payments to suppliers and employees		<u>(35,218)</u>	<u>(27,003)</u>
<b>Net cash flows (used by) from operating activities</b>	(a)	<u>(13,383)</u>	<u>(26,405)</u>
<b>Net increase (decrease) in cash held</b>		<b>(13,383)</b>	<b>(26,405)</b>
Add opening cash brought forward		<u>18,069</u>	<u>44,474</u>
<b>Closing cash carried forward</b>		<u><u>4,686</u></u>	<u><u>18,069</u></u>
<b>(a) Reconciliation of the surplus from operations to the net cash flows from operations</b>			
Surplus (deficit) from operations		<b>(13,933)</b>	(26,405)
Fair value of services contributed free of charge		<b>92,478</b>	101,773
Costs outlaid in respect of the services contributed free of charge		<b>(92,478)</b>	(101,773)
Increase in receivables		<b>(3,281)</b>	-
Increase in payables		<b>3,831</b>	-
Net cash flow from operating activities		<u><u>(13,383)</u></u>	<u><u>(26,405)</u></u>

The above statement should be read in conjunction with the accompanying notes.

# AUSTRALIAN NATIONAL DEVELOPMENT INDEX LIMITED

ACN 160 688 077

## FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### 1. Corporate Information

Australian National Development Index Limited is a company limited by guarantee that is incorporated as a not-for-profit entity and domiciled in Australia.

The registered office of Australian National Development Index Limited is located at Level 1, 60 Leicester Street, Carlton, Victoria. The company is primarily involved in researching and contributing to the development of an index that objectively measures sustainable national wellbeing. The Company has no employees at 30 June 2018.

#### 2. Summary of Significant Accounting Policies

##### (a) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*. Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below.

The financial statements are presented in Australian dollars, and have been prepared on an accruals basis. They are based on historical costs.

##### (b) Going concern

The financial statements are prepared on a going concern basis. Australian National Development Index Limited is dependent on the receipt of continued funding and in-kind support to enable it to achieve its objectives.

##### (c) Revenue

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

##### **Grants**

Grants are recognised when the company gains control of the contribution and associated conditions are fulfilled.

##### **Resources Received Free of Charge**

Resources received free of charge are recognised at their fair value when the company obtains control over them, irrespective of whether restrictions or conditions are imposed over the use of the contributions. Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated.

##### **Investment income**

Investment income comprising interest is recognised as it accrues, using the effective interest method.

##### (d) Taxation

The company is a not for profit organisation and has tax exempt status under Division 50 of the *Income Tax Assessment Act 1997*. Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the GST incurred is not recoverable from the taxation authority. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

##### (e) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

##### (f) Accounts payable

Accounts payable due to third parties represent liabilities for goods and services provided to the entity prior to the end of the financial period and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition, depending on credit terms.

# AUSTRALIAN NATIONAL DEVELOPMENT INDEX LIMITED

ACN 160 688 077

## FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

<b>3. Financial Results</b>	<b>Note</b>	<b>2018</b>	<b>2017</b>
		<b>\$</b>	<b>\$</b>
<b>Revenue:</b>			
Grants	(a)	25,096	-
Services and resources received free of charge	(b)	92,478	101,773
Interest		20	598
		<b>117,594</b>	<b>102,371</b>

The company received the following funding and in kind support during the year:

(a) Grants received from:

- Company sourced philanthropic grants administered by the University of Melbourne (refer Note 5)

25,096 -

(b) Services and resources received free of charge from:

- Fair value of services provided in respect of legal support by McCullough Robertson (a firm in which Dominic McGann is a partner)

12,788 17,083

- Fair value of services provided by Michael Salvaris as part of his executive director role

79,690 79,690

- Fair value of services provided in respect of fund-raising support by Australian Communities Foundation through the work of Trudy Wyse

- 5,000

**92,478 101,773**

#### 4. Related Parties

The related parties of the company are the key management personnel, being the company's Directors, who are identified in the Directors' Report. Directors do not receive any remuneration. Certain directors are associated with organisations that have provided services and resources to the company, free of charge (refer Note 3).

#### 5. Commitments and Contingencies

Subsequent to entering into a Memorandum of Understanding in November 2016, Australian National Development Index Limited (ANDI) and the University of Melbourne (UoM) entered into a Collaboration Agreement in January 2017 under which UoM agreed to become ANDI's principal research partner and Host University. Under the Collaboration Agreement ANDI is obligated to contribute \$250,000 towards the costs of the first stage of the joint community research project between the parties. The parties have agreed a revised 31 December 2018 completion date of the first stage of an intended 5-year program to develop the ANDI Index.

By 30 June 2018, ANDI had sourced the full \$250,000 it was required to contribute in terms of the Collaboration Agreement with the University of Melbourne (UoM). This was made up of \$100,000 from the Lord Mayor's Charitable Foundation and a total of \$150,000 from the Australian Communities Foundation Impact Fund. As anticipated, the sums granted were paid to UoM and applied to the work of the joint project, which continues to be based at Melbourne Graduate School of Education (MGSE) and advised by a joint ANDI-UoM committee with an independent chair.

#### 6. Events After the End of the Reporting Period

In June 2018, ANDI and UoM agreed to extend Stage 1 of the research collaboration agreement, to allow for further research activity in respect of the two pilot projects. UoM continues to host the ANDI Project at MGSE. Residual funds from grants raised in the previous financial year and further pro bono contributions of time by key personnel have financed this extension to December 2018. The company is now in negotiation with UoM regarding the implementation of the five-year Stage 2 of the project. Otherwise, there have been no significant events occurring after the reporting date which may affect either the Company's operations or results of those operations or the Company's state of affairs.

**AUSTRALIAN NATIONAL DEVELOPMENT INDEX LIMITED**

ACN 160 688 077

**FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018**

**DIRECTORS' DECLARATION**

In accordance with a resolution of the directors of Australian National Development Index Limited, we state that, in the opinion of the directors:

- (1) the financial statements and notes are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
- (a) comply with Accounting Standards - Reduced Disclosure Requirements; and
  - (b) give a true and fair view of the financial position as at 30 June 2018 and of the performance for the year ended on that date of the company.
- (2) 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.

*M.C.I. Salveris*

Director

Melbourne, 14 November 2018

## Independent Auditor's Report to the Members of Australian National Development Index Limited

### Auditor's Opinion

We have audited the accompanying financial report of Australian National Development Index Limited (the company), which comprises the statement of financial position as at 30 June 2018, the statements of surplus or deficit and other comprehensive income, changes in equity, and cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the financial report is prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act), including:

- (a) giving a true and fair view of the financial position of the company as at 30 June 2018 and of its financial performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. 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 company in accordance with the ACNC Act 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 also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

PKF  
Melbourne, 14 November 2018

Steven Bradby  
Partner