



Annual Financial Statement

National Institute of Organisation Dynamics Australia Ltd
For the year ended 31 December 2019



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Directors Report

The directors of the National Institute of Organisation Dynamics Australia Ltd (NIODA) present their report together with the financial statement of the entity for the year ended 31 December 2019 and the Independent Audit Report thereon.

Directors' details

The following persons were directors of NIODA during or since the end of the financial year:

Mr Seth Thomasson

Master of Applied Science (OD) RMIT University
HR Business Partner Australian Energy Market Operator
Chair
Director since 2015

Dr Judy Kent

Professional Doctorate RMIT University
Managing Director of Winning Spirit and Program Director MBS
Deputy Chair
Director since 2015

Ms Rosemary Pacquola

Master of Applied Science (OD) RMIT University
Director Resolve Organisational Consulting
Portfolio of Finance
Director since 2015.

Mr Michael Carpenter

Master of Business Administration University of Melbourne
Chief Executive Officer at Australian Psychology Accreditation Council
Academic Board of Governance representative
Director since 2015

Mr Fred Wright

Master of Applied Science (OD) RMIT University
Workplace Conciliator at Department of Water, Environment, Land & Planning
Responsible for Board Policy
Director since 2015

Mr James Lavery

Bachelor of Laws (Honours) Monash University
Director at KPMG
Portfolio of Risk Management
Director since 2017

Mr Paul Dore
Master of Applied Science (OD) RMIT University
Juries Commissioner Court Services Victoria
Portfolio of Strategy
Director since 2018.

Purpose and vision

NIODA's purpose is to 'provide education in systems psychodynamic approaches for the improvement of organisations, community and society'.

Our vision is to be recognised and utilised as the centre of excellence in Australia in academic programs, research and consultancy in applied systems psychodynamics, so as to improve capability and grow resilience in individuals, groups and organisations.

Five year strategic goals

The following five year strategic goals are the foundational pillars for achieving our vision, and provide the central framework for the strategic plan:

1. Provide high quality learning environments in systems psychodynamics for a growing customer base
2. Grow NIODA's profile as a centre of excellence in systems psychodynamic education
3. Ensure requisite infrastructure for organisational sustainability and growth
4. Embed sound corporate and academic governance.

Strategy for achieving goals

To achieve these goals, NIODA's Strategic Plan identifies nine strategic initiatives, as below. In the Business Plan each initiative is broken down to operational elements with associated key performance indicators (KPI's). KPI's are reported on at each quarterly Board of Governance meeting.

1. Grow academic programs within NIODA
2. Grow human resources for sustainable delivery of a high standard of rigorous academic, professional development and consulting programs
3. Grow research and scholarship within NIODA
4. Establish NIODA Consulting as a viable business
5. Ensure adequate venue and facilities for delivery of Academic Programs
6. Maintain and extend NIODA's local and global academic and research links
7. Active in local and international field
8. Extend NIODA's reach into Australian organisations
9. Maintain requisite diversity of skills and experience in board members

Principal activities

The principal activities of the company during 2019 were the maintenance and development of the corporate and academic governance and practices necessary to enable NIODA to deliver the Master of Leadership and Management (Organisation Dynamics) to a high standard, both in terms of quality and efficiency.

There have been no significant changes in the nature of these activities during the year.

Successes in 2019

2019 has seen the continued delivery of the Master of Leadership and Management (Organisation Dynamics) to students in years one to three of the course. Student feedback has shown the high level of relevance and quality of the course content and delivery, with exceptional retention rates (100%) attesting to this. 2019 has also seen the development of a submission for accreditation of a Doctor of Philosophy degree and the beginning of a pre-doctoral program. The first year of the Sydney Master of Leadership and Management (Organisation Dynamics) course has been delivered in block form. The accredited courses are the reason NIODA was created nine years ago and is the *raison d'être* for all involved with the Institute - from Board of Governance members, Academic Board of Governance Board members and Ethics Committee members, to professional and academic staff. The commitment of all enabled a very successful year of embedding, refining and meeting this central educational objective.

Surrounding this work has been continued focus on scholarship activities through research, consulting, workshops, seminars, the NIODA Symposium, the NIODA Colloquium and the NIODA Group Relations Conference. Each activity has been well attended and appreciated and has supported the building of NIODA's quality brand.

With recognition of the small size and early developmental phase of the institute, a healthy financial surplus of \$57,886 was returned in 2019.

These successes position NIODA to move forward with great optimism.

Directors' meetings

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director is as follows:

Directors Name	Board Meetings	
	A	B
Seth Thomasson	6	6
Judy Kent	10	10
Rosemary Pacquola	11	10
Michael Carpenter	6	5
Fred Wright	7	5
James Lavery	11	10
Paul Dore	8	6

Where:

- Column A: the number of meetings the director was entitled to attend
- Column B: the number of meetings the director attended

Note:

- Seth Thomasson on leave of absence June-December 2019

Contribution in winding up

The company is limited by guarantee. There are no differing classes of membership. The amount of each member's financial guarantee is \$20.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under s307C of the *Corporations Act 2001* is included on page six of this financial report and forms part of this Directors' Report.

Signed in accordance with a resolution of the directors.



Chair of the Board of Governance
Judy Kent

Dated 26 day of May 2020

Auditor's Independence Declaration

PETER I. BLOINK

Chartered Accountant

ABN 43 379 890 607

AUDITOR'S INDEPENDENCE DECLARATION

To: The Board of Directors
National Institute of Organisation Dynamics Australia

Dear Sir,

You have engaged me to audit the financial report of National Institute of Organisation Dynamics Australia for the year ended December 31, 2019.

I declare that to the best of my knowledge and belief there have been –

- 1 no contraventions of the independence requirements of the Corporations Act in relation to the audit; and
- 2 no contraventions of any applicable code of professional conduct in relation to the audit.

Should you require any additional information please contact me.

Yours sincerely,



Peter I Bloink

149 Yarra St Geelong VIC 3220
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Liability limited by a scheme approved under Professional Standards Legislation

Independent Auditor's Report

PETER I. BLOINK

Chartered Accountant

ABN 43 379 890 607

INDEPENDENT AUDIT REPORT

to the members of National Institute of Organisation Dynamics Australia Ltd

Opinion

I have audited the financial report of National Institute of Organisation Dynamics Australia Ltd for the year ended December 31, 2019 comprising the balance sheet as at December 31, 2019, the statement of profit and loss, the statements of movements in equity and of cashflows for the year then ended, notes to the financial statements and the directors' declaration.

In my opinion, the accompanying financial report is in accordance with the Corporations Act 2001, including:

- a) giving a true and fair view of the financial position of National Institute of Organisation Dynamics Australia Ltd as at December 31, 2019 and the results of its operations and its cash flows for the year then ended; and
- b) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. I am independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and ethical requirements of the Accounting and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Directors' responsibility for the financial report

The directors are responsible for the preparation of a financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine necessary 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. They are also 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.

Auditor's responsibilities for the audit of the financial report

My objective is 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 my 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.



Peter I Bloink Chartered Accountant
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Profit and Loss

National Institute of Organisation Dynamics Australia For the year ended 31 December 2019

	2019	2018
Trading Income		
Bank & Investment Interest Income	4,483	3,150
Conference Income	68,066	10,111
Consulting Income	97,870	74,722
Credit Card Surcharge Income	1,124	736
Fundraising Income	55,002	650
Other Revenue	-	540
Other Teaching Income	-	30,595
Pre-Doctoral Income	20,125	22,000
Research Income	8,600	66,290
Seminar Income	2,256	2,023
Student Fees MLM(OD) Melbourne	297,460	233,750
Student Fees MLM(OD) Sydney	49,030	5,500
Symposium Income	13,614	6,867
Workshops & Short Course Income	31,147	61,995
Total Trading Income	648,777	518,928
Cost of Sales		
Conference Costs	21,221	32,101
Seminar Costs	2,267	704
Symposium Costs	6,093	6,465
Workshop & Short Course Costs	57,301	5,749
Total Cost of Sales	86,882	45,019
Gross Profit	561,895	473,909
Operating Expenses		
Administration Expenses (Other)	-	461
Advertising	16,232	3,572
Auditor Fees	2,810	3,270
Bad Debt	300	-
Bank & Credit Card Fees	1,431	1,506
Board Expenses	1,986	889
Classrooms Melbourne	11,806	18,678
Classrooms Sydney	7,599	450
Consulting Associates	-	2,280
Contracted Academic Staff	3,492	8,227
Copyright Fees	386	393
Corporate Travel Insurance	-	1,022
Counselling	1,373	-
Database Purchases (Library)	10,424	-
Depreciation	1,164	1,655
Entertainment	-	10

Profit and Loss

	2019	2018
General Expenses	1,052	429
Graduation Expenses	3,679	5,469
Graphic Design Expenses	-	8
IHEA/ACPET/ASTAS	136	605
Internet Expenses	355	157
IT Support Staff	1,071	3,410
Journal Subscriptions (Library)	150	-
Legal expenses	250	83
Library (mainly books)	3,479	641
Office Meeting Room Hire	6,445	6,273
Other Marketing Expenses	1,522	-
Other Research & Consulting Staff Costs	54	72
Other Staff Costs	577	281
Printing, Stationery & Postage	1,280	671
Public Liability/Management Liability/Voluntary Workers PA and Illness	2,792	2,740
Realised Currency Gains	1,387	662
Research Associates	-	7,160
Software Licences (Microsoft etc)	2,757	975
Staff Development - Conferences	9,329	3,861
Staff Development - Recurrent	1,387	1,303
Subscriptions to Professional Bodies	689	1,007
Superannuation	62,148	31,262
Teaching Materials (Miscellaneous)	85	102
Telephone	3,676	2,501
TEQSA Application Costs	9,909	-
Travel & Accommodation & Expenses for Sydney Course	3,319	-
Travel International for Other Teaching	(2,108)	9,393
Unrealised Currency Gains	214	(736)
Utilities - Light, Power, Heating	2,452	1,559
Wages for Academic Staff	246,281	210,755
Wages for Administration/Office Manager	76,947	51,745
Wages for Bookkeeping Staff	-	5,227
Website Developments	163	3,215
WorkCover	2,722	2,428
Xero Fees	809	697
Total Operating Expenses	504,009	396,368
Net Profit	57,886	77,540

Balance Sheet

National Institute of Organisation Dynamics Australia

As at 31 December 2019

	31 DEC 2019	31 DEC 2018
Assets		
Bank		
Assurance Account	126,913	-
BAS Account	10,171	17,308
Debit Card Account	46	1,451
GRC Account	54,767	38,457
Leave Provisions Account	4,756	6,804
Month Term Deposit Account	-	50,379
NIODA Account	13,755	11,704
Salaries Account	12,516	18,276
Student Fees Account	545	14
Term Deposit Account	-	50,000
Total Bank	223,469	194,392
Current Assets		
Accounts Receivable	160,867	126,551
FEE-HELP	2,750	-
Total Current Assets	163,617	126,551
Fixed Assets		
Computer Equipment	7,718	7,718
Less Accumulated Depreciation on Computer Equipment	(5,971)	(4,807)
Total Fixed Assets	1,747	2,911
Total Assets	388,833	323,854
Liabilities		
Current Liabilities		
Accounts Payable	7,642	8,742
GST	2,064	2,921
PAYG Withholdings Payable	9,789	15,769
Rounding	(1)	-
Superannuation Payable	7,560	2,905
Wages Payable - Payroll	10,376	-
Total Current Liabilities	37,429	30,336
Non-current Liabilities		
Loan #2	50,000	50,000
Total Non-current Liabilities	50,000	50,000
Total Liabilities	87,429	80,336
Net Assets	301,403	243,518
Equity		
Current Year Earnings	57,886	77,540

Balance Sheet

	31 DEC 2019	31 DEC 2018
Retained Earnings	142,518	64,977
Tuition Assurance Reserve	101,000	101,000
Total Equity	301,403	243,518

National Institute of Organisation Dynamics Australia - Annual Report

Movements in Equity

National Institute of Organisation Dynamics Australia
As at 31 December 2019

Add Summary

	31 Dec 2019	31 Dec 2018
Equity		
Opening Balance	243,517.75	165,997.33
Current Year Earnings	57,885.54	77,540.42
Owner A Share Capital	0.00	(20.00)
Retained Earnings	0.00	(101,000.00)
Tuition Assurance Reserve	0.00	101,000.00
Total Equity	301,403.29	243,517.75

Notes

This statement is to be read in conjunction with the Notes to the Financial Statements and the accompanying Compilation Report.



Statement of Cash Flows

National Institute of Organisation Dynamics Australia For the year ended 31 December 2019

	2019	2018
Operating Activities		
Receipts from customers	626,706	433,584
Payments to suppliers and employees	(602,680)	(452,859)
Cash receipts from other operating activities	(1,027)	1,092
Cash payments from other operating activities	(1,387)	(662)
Net Cash Flows from Operating Activities	21,612	(18,845)
Investing Activities		
Proceeds from sale of property, plant and equipment	1,164	2,090
Payment for property, plant and equipment	-	(871)
Other cash items from investing activities	(2,750)	-
Net Cash Flows from Investing Activities	(1,586)	1,220
Financing Activities		
Other cash items from financing activities	9,051	(696)
Net Cash Flows from Financing Activities	9,051	(696)
Net Cash Flows	29,077	(18,322)
Cash and Cash Equivalents		
Cash and cash equivalents at beginning of period	194,392	212,715
Cash and cash equivalents at end of period	223,469	194,392
Net change in cash for period	29,077	(18,322)

Notes to the Financial Statements

1 Nature of operations

NIODA's activities includes delivery of academic programs, research and consultancy in organisation dynamics (systems psychodynamics) in Australia.

2 General information and statement of compliance

The financial statements of NIODA have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Standards Board.

The National Institute of Organisation Dynamics Ltd (NIODA) is a Public Company limited by guarantee incorporated and domiciled in Australia. The address of its registered office is 23 Thomas Street, Geelong VIC 3218 Australia. Its principal place of business is level 7, 341 Queen Street, Melbourne VIC 3000 Australia. Postal address is PO Box 287, Collins Street West, Melbourne VIC 8007 Australia.

The financial statements for the year ended 31 December 2019 were approved and authorised for issue by the Board of Governance on 26 May 2020.

3 Summary of accounting policies

3.1 Overall considerations

The financial statements have been prepared using the measurement bases specified by the Australian Accounting Standards for each type of asset, liability, income and expense. Exceptions are more fully described in the accounting policies below.

3.2 Basis of considerations

NIODA's financial statements have a reporting date of 31 December.

Profit or loss and other comprehensive income acquired or disposed of during the year that are recognised from the effective date of acquisition, or up to the effective date of disposal, are applicable.

Interpretation of Foreign Currency Transactions did not have a material impact on the financial statements. Figures converted into Australian Dollar using the following rates:

0.624660 EUR Euro per AUD. Rate provided by XE.com on 31 Dec 2019.

3.3 Revenue

Revenue comprises revenue from student fees, consulting and research income and donations. Revenue is recognised when the amount of revenue can be measured reliably, collection is probable and the costs incurred or to be incurred can be measured reliably. Details of the activity-specific recognition criteria are described below.

Student fees

Fees charged for student fees provided to enrolled students are recognised at the date of invoicing.

Consulting and research income

Fees charged for consulting and research services provided to clients are recognised when the service is provided.

Donations

Donations collected are recognised as revenue when collected and can be measured reliably.

Interest and dividend income

Interest income is recognised on an accrual basis using the effective interest method.

3.4 Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service of at the date of their origin.

3.5 Lease/room hire

Payments on operating lease agreements are recognised as the expense is incurred.

3.6 Non-current liabilities

The end date of the \$50,000 loan is 12 November 2021.

3.7 Income taxes

No provision for income tax has been raised as NIODA is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

3.8 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3.9 Reserves

Other components of equity include the following:

- Tuition Assurance Reserve is \$101,000
- The leave provisions bank account currently contains the amount management calculates to be the liability owed for employee leave is \$4,750.

Retained earnings include all current and prior retained profits.

3.10 Employee benefits

NIODA does not bring to account employee benefits as they do not believe the amounts currently owed are material in 2019.

3.11 Deferred income

At times NIODA does receive money for prepaid for a future dated course, but management does not believe the amount at 31 December 2019 is material.

3.12 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financial activities, which are disclosed as operating cash flows.

3.13 Economic dependence

NIODA is not dependent on any Federal or State Government grants.

4 Revenue

NIODA's revenue is made up of four streams, education, research, consulting and donations. Education includes the Masters of Leadership and Management (Organisation Dynamics) and workshops, seminars, symposium and colloquium. Research and consultancy are from income derived from fees charged for services with organisations and individuals. Donations are from cash donations received.

5 Cash and cash equivalents

Cash and cash equivalents consist of the reconciliation of cash at the end of the financial year as shown in the statement of cash flows and is reconciled in the statement of financial position.

6 Auditor remuneration

Auditor remuneration for the 2018 financial year was \$2,810.

7 Members' guarantee

The company is limited by guarantee. There are no differing classes of membership. The amount of each member's financial guarantee is \$20.

8 Regulatory compliance

It is a requirement of NIODA's regulatory compliance to report on any incidence of Sexual Assault or Sexual Harassment at the Institute. Since gaining Higher Education Provider status in October 2016 there have been no reported incidence of Sexual Assault or Sexual Harassment at NIODA.

Directors' Declaration

1. In the opinion of the directors of the National Institute of Organisation Dynamics Australia Ltd:
 - a. The consolidated financial statements and notes of NIODA are in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of its financial position as at 31 December 2019 and of its performance for the financial year ended on that date; and
 - ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
 - b. There are reasonable grounds to believe that NIODA will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



Chair of the Board of Governance
Judy Kent



Chair Finance and Risk Committee
James Lavery

Dated 26 day of May 2020

Dated 26 day of May 2020