

**THE NEUROSURGICAL RESEARCH
FOUNDATION INCORPORATED**

**FINANCIAL REPORT
FOR THE YEAR ENDED
31st MARCH 2016**

THE NEUROSURGICAL RESEARCH FOUNDATION INCORPORATED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31st MARCH 2016

		2015	2016
		\$	\$
	NOTE		
INCOME			
Donations and Fundraising	2	899,820	2,940,424
Investment Income		227,150	(31,321)
TOTAL INCOME		<u>1,126,970</u>	<u>2,909,103</u>
LESS EXPENSES			
Administrative Expenses	3	(102,532)	(127,238)
SURPLUS BEFORE GRANT EXPENDITURE		<u>1,024,438</u>	<u>2,781,865</u>
Research Grant Expenditure	4	(894,122)	(1,339,012)
SURPLUS FOR YEAR		<u>130,316</u>	<u>1,442,853</u>

The accompanying notes form part of these financial statements.

THE NEUROSURGICAL RESEARCH FOUNDATION INCORPORATED
STATEMENT OF FINANCIAL POSITION
AS AT 31st MARCH 2016

	2015	2016
	\$	\$
NOTE		
CURRENT ASSETS		
Cash and Cash Equivalents	45,029	166,166
Inventories	---	1,378
Prepayments	2,866	5,278
Deposits	1,014,261	---
TOTAL CURRENT ASSETS	1,062,156	172,822
NON-CURRENT ASSETS		
Office Equipment and Computer Software	1,115	---
Managed Investment	1,720,848	3,903,647
TOTAL NON-CURRENT ASSETS	1,721,963	3,903,647
TOTAL ASSETS	2,784,119	4,076,469
CURRENT LIABILITIES		
Payables	(217,757)	(68,015)
Provisions	(5,267)	(7,617)
TOTAL CURRENT LIABILITIES	(223,024)	(75,632)
NON-CURRENT LIABILITIES		
Provisions	(10,382)	(7,271)
TOTAL LIABILITIES	(233,406)	(82,903)
NET ASSETS	2,550,713	3,993,566
TOTAL ACCUMULATED FUNDS	2,550,713	3,993,566
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The accompanying notes form part of these financial statements.

THE NEUROSURGICAL RESEARCH FOUNDATION INCORPORATED
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 31st MARCH 2016

		2015	2016
		\$	\$
	NOTE		
ACCUMULATED FUNDS – CORPUS		1,536,079	3,903,647
ACCUMULATED FUNDS – OTHER			
Opening Balance		1,027,397	1,014,634
Surplus/ Defacite for the year		130,316	(739,946)
Transfer to Corpus		(143,079)	(184,769)
		<u>1,014,634</u>	<u>89,919</u>
TOTAL ACCUMULATED FUNDS	5	<u><u>2,550,713</u></u>	<u><u>3,993,566</u></u>

The accompanying notes form part of these financial statements.

THE NEUROSURGICAL RESEARCH FOUNDATION INCORPORATED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31st MARCH 2016

	2015	2016
	\$	\$
NOTE		
Cash Flows from Operating Activities		
Cash receipts from Donations and Fundraising	899,820	2,940,424
Cash Payments to Suppliers and Employees	(103,675)	(125,043)
Cash Payments for Research Grants	(817,750)	(1,500,384)
	(21,605)	1,314,997
Cash flows from Investing Activities		
Interest Received	42,381	63,059
Redemption of Term Deposits	(3,281)	1,014,261
Acquisition Office Equipment & Computer Software	---	---
Interest in Managed Investment	---	(2,271,180)
	39,100	(1,193,860)
Net Increase/(Decrease) in Cash and Cash Equivalents	17,495	121,137
Cash and Cash Equivalents at 1 April	27,534	45,029
Cash and Cash Equivalents at 31 March	45,029	166,166

The accompanying notes form part of these financial statements.

THE NEUROSURGICAL RESEARCH FOUNDATION INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2016

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act 1985. The Board has determined that the Foundation is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act 1985 and the recognition and measurement aspects of all applicable Australian Accounting Standards, adopted by Australian Accounting Standards Board (AASB) and other authoritative pronouncements of the AASB that have a material effect. The financial report does not include the disclosure requirements of the following pronouncements;

AASB 7	Financial Instruments: Disclosures
AASB 8	Operating Segments
AASB 102	Inventories
AASB 112	Income Taxes
AASB 116	Property, Plant and Equipment
AASB 124	Related Party Disclosures
AASB 132	Financial Instruments: Presentations
AASB 137	Provisions, Contingent Liabilities and Contingent Assets

The following accounting policies have been adopted in the preparation on the financial statements:

a) Basis of Accounting:

Dividend income and donations are recorded when received. Interest income is accounted for on an accruals basis. Expenses are accounted for net of GST when paid with input credits being refundable.

b) Income Tax:

The Foundation has been endorsed as an Income Tax Exempt Charity (ITEC) and a Deductible Gift Recipient (DGR).

c) Investments:

Investments in Managed Investments are valued at fair value at balance date being the market value of the portfolio held.

Unrealised gains and losses arising from changes in the fair value of investments are recognized in the Statement of Comprehensive Income.

d) Employee Benefits:

Provision made for the foundation's liability for employee benefit arising from services rendered by employees to the end of the reporting period.

NEUROSURGICAL RESEARCH FOUNDATION INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

	2015	2016
	\$	\$
NOTE 2 DONATIONS AND FUNDRAISING		
<u>General</u>		
Donations	663,559	135,520
Bequests	42,713	2,587,895
Membership	918	943
Fundraising	147,476	186,324
Less: Fundraising Costs	(15,451)	(38,251)
	<u>839,215</u>	<u>2,872,431</u>
<u>Paediatric</u>		
Donations	60,605	67,993
	<u>60,605</u>	<u>67,993</u>
	<u>899,820</u>	<u>2,940,424</u>
NOTE 3 ADMINISTRATION EXPENSES		
Depreciation and Amortisation	1,528	1,115
Office Expenses	11,842	15,853
Printing	10,644	16,269
Promotion and Development	489	3,927
Staff	67,885	77,822
Other	10,144	12,252
	<u>102,532</u>	<u>127,238</u>
NOTE 4 RESEARCH GRANTS		
NRF Chair of NeuroSurgical Research	25,000	85,000
Brain Tumour Research	80,000	---
Paediatric Research - Women's and Children's Hospital	90,000	90,000
Flinders Medical Centre	504,900	---
University of Adelaide - Research and Equipment	148,605	117,214
Royal Adelaide Hospital	45,617	46,798
Paediatric Research - University of Adelaide	---	1,000,000
	<u>894,122</u>	<u>1,339,012</u>

NEUROSURGICAL RESEARCH FOUNDATION INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

NOTE 5 ACCUMULATED FUNDS

	Corpus	General Funds	Paediatric Fund	Total
Balance 31/03/2014	1,393,000	239,264	788,133	2,420,397
Transfers	143,079	(143,079)	---	---
Surplus/(Deficit) Allocation	-	1,001,280	23,158	1,024,438
Research Grant Expenditure	-	(894,122)	---	(894,122)
Balance 31/03/2015	1,536,079	203,343	811,291	2,550,713
Transfers	184,769	(184,769)	---	---
Surplus/(Deficit) Allocation	2,354,299	410,357	17,209	2,781,865
Research Grant Expenditure(171,500)	-	(1,339,012)	171,500	(1,339,012)
Payment Paediatric Fund	-	1,000,000	(1,000,000)	-
Balance 31/03/2016	3,903,647	89,919	---	3,993,566

NOTE 6 RECONCILIATION OF CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES

Cash Flows from Operating and Investment Activities	2015	2016
	\$	\$
Surplus/(Deficit) for the period	130,316	1,442,853
Adjustments for:		
Unrealised Loss/Gain – Managed Investment	(184,769)	94,381
Depreciation & Amortisation	1,528	1,115
Change in Assets & Liabilities:		
Decrease/(Increase) in Current Assets	(2,339)	1,010,471
Decrease/(Increase) in Non Current Assets	---	(2,271,180)
(Decrease)/Increase in Current Liabilities	69,459	(147,392)
(Decrease)/Increase in Non Current Liabilities	3,300	(3,111)
Cash flows (used in)/provided by Operating and Investment Activities	17,495	121,137

**THE NEUROSURGICAL RESEARCH FOUNDATION INCORPORATED
STATEMENT BY MEMBERS OF THE BOARD**

The Board of the Neurosurgical Research Foundation Incorporated has determined that it is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements. In the opinion of the Board the financial report:

1. Presents fairly the results of the operations of the Foundation for the financial year ended 31 March 2016 and the state of affairs of the Foundation as at the end of that financial year; and
2. The Board has reasonable grounds to believe that the Foundation will be able to pay its debts as and when they fall due.

This statement has been made in accordance with a resolution of the Board.

Dated this 8 day of June 2016.



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President – R Vink



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Honorary Treasurer – M K Zerner

REPORT OF THE BOARD

In accordance with Section 35(5) of the Associations Incorporation Act 1985 (as amended), the Board of the Neurosurgical Research Foundation Incorporated hereby states that during the financial year ended 31 March 2016 other than salaries due to officers of the Foundation:

- (a)
 - (i) no officer of the Foundation;
 - (ii) no firm of which an officer is a member; and
 - (iii) no body corporate in which an officer has a substantial financial interest, has received or become entitled to receive a benefit as a result of a contract between the officer, firm or body corporate and the Foundation.
- (b) No officer of the Foundation has received directly or indirectly from the Foundation any payment or other benefit of a pecuniary value.

This report is made in accordance with a resolution of the Board.

Dated this 8 day of June 2016.



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President – R Vink



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Honorary Treasurer – M K Zerner

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
NEUROSURGICAL RESEARCH FOUNDATION INCORPORATED**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of NeuroSurgical Research Foundation Incorporated, which comprises the statement of financial position as at 31 March 2016, the statement of comprehensive income, statement of changes in accumulated funds and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes, and the statement by the members of the Board.

Board's Responsibility for the Financial Report

The Board of NeuroSurgical Research Foundation Incorporated are responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 1, is appropriate to meet the requirements of the Associations Incorporation Act (SA) 1985 and is appropriate to meet the needs of the members. The Board's responsibility also includes such internal control as management determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report.

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

**CHARTERED ACCOUNTANTS
& ADVISORS**

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
NEUROSURGICAL RESEARCH FOUNDATION INCORPORATED**

Basis for Qualified Opinion

The Foundation has determined that it is not practical to establish controls over monies received from donations and fundraising activities prior to its entry in the financial records. Accordingly, as the evidence available regarding revenue from these sources is limited, audit procedures with respect to monies received from donations and fundraising activities had to be restricted to the amounts recorded in the financial records. We therefore, are unable to express an opinion whether the revenue from donations and fundraising activities in the financial records is complete.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial report presents fairly, in all material respects, the financial position of NeuroSurgical Research Foundation Incorporated as at 31 March 2016, and of its financial performance and its cash flows for the year then ended in accordance with the financial reporting requirements of the Associations Incorporation Act (SA) 1985.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist NeuroSurgical Research Foundation Incorporated to meet the requirements of the Associations Incorporation Act (SA) 1985. As a result, the financial report may not be suitable for another purpose.



William Buck
ABN 38 280 203 274



G.W. Martinella
Partner

Dated this 5th day of August 2016.