

**THE NEUROSURGICAL RESEARCH  
FOUNDATION INCORPORATED**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
31<sup>st</sup> MARCH 2017**

**THE NEUROSURGICAL RESEARCH FOUNDATION INCORPORATED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017**

		2016	2017
		\$	\$
	<b>NOTE</b>		
<b>INCOME</b>			
Donations and Fundraising	2	2,940,424	363,124
Investment Income		(31,321)	431,504
<b>TOTAL INCOME</b>		<b>2,909,103</b>	<b>794,628</b>
<b>LESS EXPENSES</b>			
Administrative Expenses	3	(127,238)	(147,174)
<b>SURPLUS BEFORE GRANT EXPENDITURE</b>		<b>2,781,865</b>	<b>647,454</b>
Research Grant Expenditure	4	(1,339,012)	(396,963)
<b>SURPLUS FOR YEAR</b>		<b>1,442,853</b>	<b>250,491</b>

The accompanying notes form part of these financial statements.

**THE NEUROSURGICAL RESEARCH FOUNDATION INCORPORATED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31<sup>st</sup> MARCH 2017**

	2016	2017
	\$	\$
<b>NOTE</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	166,166	49,762
Inventories	1,378	---
Sundry Debtors & Prepayments	5,278	17,936
Deposits	---	80,619
<b>TOTAL CURRENT ASSETS</b>	<b>172,822</b>	<b>148,317</b>
<b>NON-CURRENT ASSETS</b>		
Office Equipment and Computer Software	---	1,965
Managed Investment	3,903,647	4,307,249
<b>TOTAL NON-CURRENT ASSETS</b>	<b>3,903,647</b>	<b>4,309,214</b>
<b>TOTAL ASSETS</b>	<b>4,076,469</b>	<b>4,457,531</b>
<b>CURRENT LIABILITIES</b>		
Payables	(68,015)	(193,888)
Provisions	(7,617)	(10,721)
<b>TOTAL CURRENT LIABILITIES</b>	<b>(75,632)</b>	<b>(204,609)</b>
<b>NON-CURRENT LIABILITIES</b>		
Provisions	(7,271)	(8,865)
<b>TOTAL LIABILITIES</b>	<b>(82,903)</b>	<b>(213,474)</b>
<b>NET ASSETS</b>	<b>3,993,566</b>	<b>4,244,057</b>
<b>TOTAL ACCUMULATED FUNDS</b>	<b>3,993,566</b>	<b>4,244,057</b>
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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 31<sup>st</sup> MARCH 2017**

		2016	2017
		\$	\$
	<b>NOTE</b>		
<b>ACCUMULATED FUNDS – CORPUS</b>		3,903,647	3,903,647
<b>ACCUMULATED FUNDS – OTHER</b>			
Opening Balance		1,014,634	89,919
Surplus/ Deficit for the year		(739,946)	250,491
Transfer to Corpus		(184,769)	---
		<u>89,919</u>	<u>340,410</u>
<b>TOTAL ACCUMULATED FUNDS</b>	5	<u><u>3,993,566</u></u>	<u><u>4,244,057</u></u>

The accompanying notes form part of these financial statements.

**THE NEUROSURGICAL RESEARCH FOUNDATION INCORPORATED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017**

		<b>2016</b>	<b>2017</b>
		<b>\$</b>	<b>\$</b>
	<b>NOTE</b>		
<b>Cash Flows from Operating Activities</b>			
Cash receipts from Donations and Fundraising		2,940,424	363,124
Cash Payments to Suppliers and Employees		(125,043)	(159,023)
Cash Payments for Research Grants		(1,500,384)	(265,618)
		<u>1,314,997</u>	<u>(61,517)</u>
<b>Cash flows from Investing Activities</b>			
Interest Received		63,059	27,901
Redemption/(Acquisition) of Term Deposits		1,014,261	(80,619)
Acquisition Office Equipment & Computer Software		---	(2,169)
(Increase)/Decrease in Managed Investment		(2,271,180)	---
		<u>(1,193,860)</u>	<u>(54,887)</u>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	6	<u>121,137</u>	<u>(116,404)</u>
<b>Cash and Cash Equivalents at 1 April</b>		<u>45,029</u>	<u>166,166</u>
<b>Cash and Cash Equivalents at 31 March</b>		<u>166,166</u>	<u>49,762</u>

The accompanying notes form part of these financial statements.

**THE NEUROSURGICAL RESEARCH FOUNDATION INCORPORATED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2017**

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**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 2017**

	2016	2017
	\$	\$
<b>NOTE 2 DONATIONS AND FUNDRAISING</b>		
<b><u>General</u></b>		
Donations	135,520	207,625
Bequests	2,587,895	119,168
Membership	943	859
Fundraising	186,324	43,823
Less: Fundraising Costs	(38,251)	(34,699)
	<u>2,872,431</u>	<u>336,776</u>
<b><u>Paediatric</u></b>		
Donations	67,993	26,348
	<u>67,993</u>	<u>26,348</u>
	<u>2,940,424</u>	<u>363,124</u>
<b>NOTE 3 ADMINISTRATION EXPENSES</b>		
Depreciation and Amortisation	1,115	204
Office Expenses	15,853	14,058
Printing	16,269	15,396
Promotion and Development	3,927	18,414
Staff	77,822	88,314
Other	12,252	10,788
	<u>127,238</u>	<u>147,174</u>
<b>NOTE 4 RESEARCH GRANTS</b>		
NRF Chair of NeuroSurgical Research	85,000	30,000
Brain Tumour Research	--	113,462
Paediatric Research - Women's and Children's Hospital	90,000	26,066
University of Adelaide - Research and Equipment	117,214	36,925
Royal Adelaide Hospital	46,798	---
Paediatric Research - University of Adelaide	1,000,000	---
Grants – Unallocated	---	190,510
	<u>1,339,012</u>	<u>396,963</u>

**NEUROSURGICAL RESEARCH FOUNDATION INCORPORATED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

**NOTE 5 ACCUMULATED FUNDS**

	Corpus	General Funds	Paediatric Fund	Total
<b>Balance 31/03/2015</b>	<b>1,536,079</b>	<b>203,343</b>	<b>811,291</b>	<b>2,550,713</b>
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)	
<b>Balance 31/03/2016</b>	<b>3,903,647</b>	<b>89,919</b>	<b>---</b>	<b>3,993,566</b>
Surplus/(Deficit) Allocation	-	647,454	---	647,454
Research Grant Expenditure	-	(396,963)	---	(396,963)
<b>Balance 31/03/2017</b>	<b>3,903,647</b>	<b>340,410</b>	<b>---</b>	<b>4,244,057</b>

**NOTE 6 RECONCILIATION OF CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES**

<b>Cash Flows from Operating and Investment Activities</b>	<b>2016</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Surplus/(Deficit) for the period</b>	1,442,853	250,491
<b>Adjustments for:</b>		
Unrealised Loss/(Gain) – Managed Investment	94,381	(403,602)
Depreciation & Amortisation	1,115	204
<b>Change in Assets &amp; Liabilities:</b>		
Decrease/(Increase) in Current Assets	1,010,471	(91,899)
Decrease/(Increase) in Non-Current Assets	(2,277,180)	(2,169)
(Decrease)/Increase in Current Liabilities	(147,392)	128,977
(Decrease)/Increase in Non-Current Liabilities	(3,111)	1,594
<b>Cash flows (used in)/provided by Operating and Investment Activities</b>	<b>121,137</b>	<b>(116,404)</b>



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


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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 2017 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 16 day of August 2017.

  
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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 2017 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 16 day of August 2017.

  
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President – R Vink

  
.....

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 2017, 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 2017, 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 16<sup>th</sup> day of August 2017.