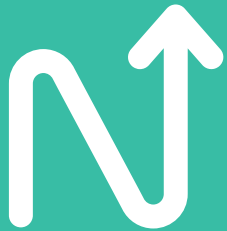


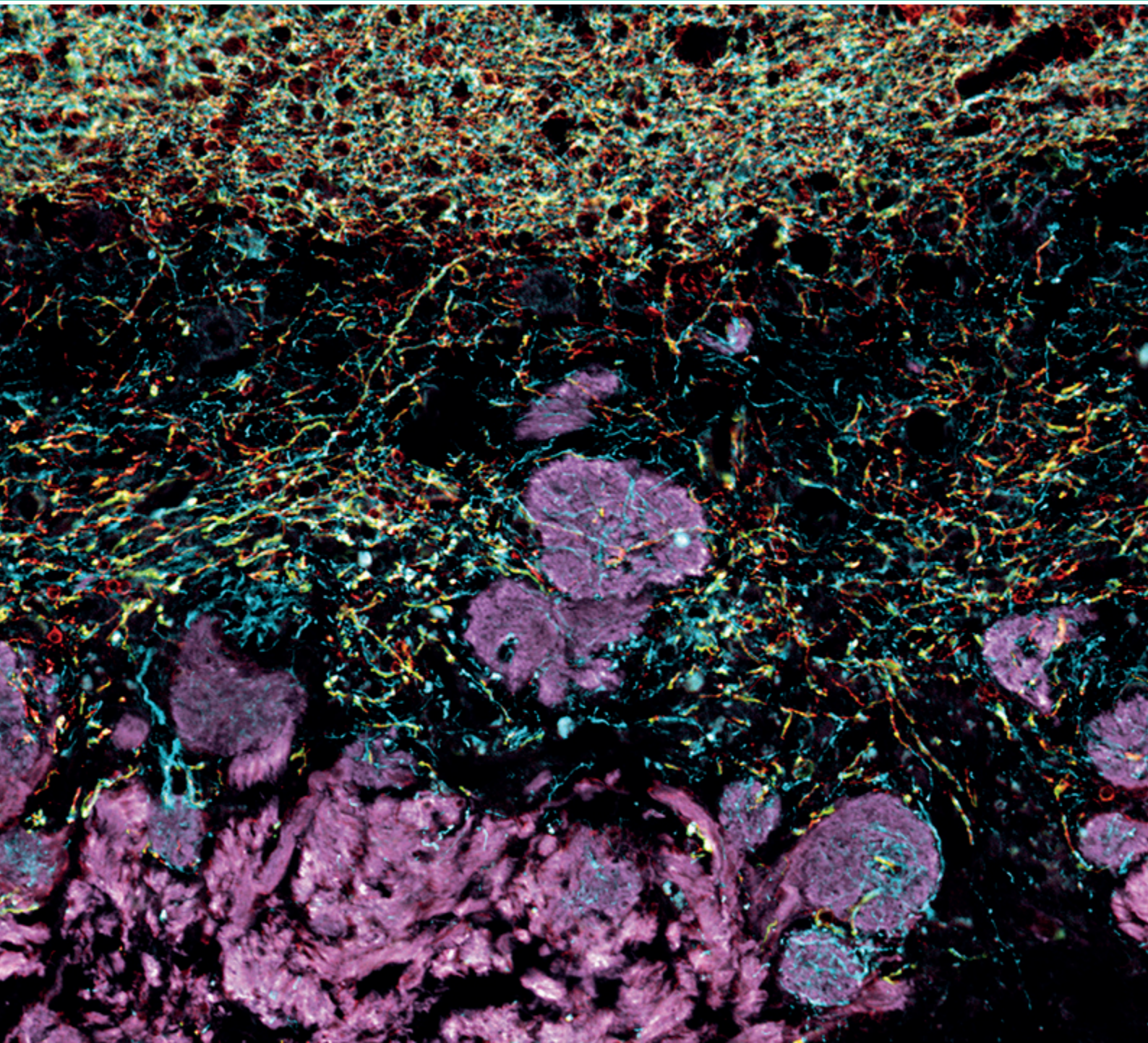
ANNUAL IMPACT REPORT 2021

Sharing our progress on
the pathway to hope



Neurological
Foundation

Celebrating 50 years of hope



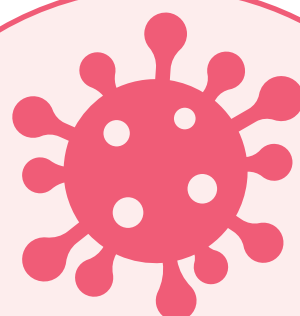
Numbers snapshot

50 years
of the Neurological
Foundation is being
celebrated in
2021!



\$4.1M was granted
to new neurological research initiatives
in the past year

\$17M in funds
have gone to neurological
research in the past
five years



\$499,860 was given
to extend research projects
for scientists and clinicians
affected by the COVID-19
lockdowns



\$7.6M was received
from donations and bequests

This amazing figure
came from 30516
donations



7 virtual events
were held in place of live speaking events

With 708 supporters logging in
online to watch virtual events

8 in-person events
were held



4 COVID-19 lockdowns
were successfully
managed by our staff



**28 individual
research fellows**
and support staff
received salary from
grants



**4 summer
studentships and
3 PhD scholarships**
were awarded



135 applications
for funding were
received



33 grants
were awarded

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Front cover: 'Party Popper' by Dr Helen Murray, the winning image from our Flashes of Brilliance competition. See page 14 for more.

Chair's Report

What an honour to present my first Neurological Foundation Annual Impact Report as your Chair. I am proud to be the first woman to Chair the Neurological Foundation Council, and to lead Council during our 50th anniversary year.

As a neuroscientist, I know the contributions we make to improving patient outcomes and understanding neurological disease are not possible without the support of organisations like the Neurological Foundation.

I have been involved with the Foundation since 2008 when I joined the Scientific Advisory Committee. I choose to volunteer my time and expertise because I recognise the essential role the Foundation plays in helping researchers make new discoveries. It is my hope that I can pay that forward by leading this Council into the future.

I'd like to pay a special thank you to outgoing Chair Dr Barry Snow, who retired in November. He has been instrumental in the growth and direction of the Neurological Foundation since 1997, alongside his valuable research into Parkinson's disease. We are so fortunate to have incredible neurologists such as Dr Snow, as well as professionals in the business and not-for-profit sectors, provide guidance to the Foundation.

"...I know the contributions we make to improving patient outcomes and understanding neurological disease are not possible without the support of organisations like the Neurological Foundation."



My sincerest thanks also to Professor Tim Anderson, the Clinical Director of the New Zealand Brain Research Institute in Christchurch; and Wayne Boyd, a business leader with extensive directorship experience; who both retired from Council in the last financial year. Thank you for your service.

I am delighted to welcome our newest Council members Barbara Bridger and Dr Simon John who were formally voted in at our 2020 AGM. Barbara, from Dunedin, comes from a career in finance and healthcare, and Simon, from Christchurch, is a neurosurgeon and medical educator.

This year has been about making an impact in challenging circumstances. Our report has been renamed the Annual Impact Report. In addition to reporting on our financial position and operational activities, this is also an opportunity to share the story of the impact our donors make, how you are driving research forward, and the change you make by supporting the Foundation. I hope you too find it inspirational to read the stories from our supporters and researchers in this year's report.

This is the second Annual Report delivered during the COVID-19 pandemic. The Foundation has been incredibly important in helping researchers weather this storm so neurological research can continue to benefit future generations. So, a final thank you to everyone who has supported the Neurological Foundation throughout the pandemic, and over the last 50 years. With your support we can continue to build a pathway to hope for at least another 50 years.

Cathy Stinear

Professor Cathy Stinear

CEO's Report

It is my great pleasure to share with you the 2020/21 annual impact report, in what has been a tumultuous year for all of us. This was the year that COVID-19 changed our world completely.

In response we, like others, had to rapidly adapt our working practices. I cannot thank our supporters enough for your loyalty and dedication to our Neurological Foundation over this time.

Early in the pandemic, we decided that the research we support should not be disadvantaged. This meant drawing on our reserves, built up over the years, for times such as these. Our Council quickly approved support funding up to \$1million, of which nearly \$500,000 has been paid during this financial year, to ensure vital research, trials and projects were able to continue.

The situation brought on by COVID-19 encouraged us to think smarter about our operations. Part of our existing long-term strategy was to take more of our organisation online, and this was fast-tracked during the pandemic. We held digital talks to keep our events programme alive, and more people from around the country were able to access our speaking events. We actively recorded these to build a library of talks, which is now available on our website, giving more people access to our presentations at any time.

We have also grown our social media channels and have begun using them regularly to engage with people to think about the brain and neuroscience in general. Last year we made some good progress on our goals and have had a great response to using Facebook as a communication platform, increasing our followers by more than 50% in the past financial year.

We are still committed to hosting in-person events in the future, along with investing in better tools to do things smarter. We will always balance this with what works best for our donors and supporters.

In 2020 we migrated our grants management to an online system to manage the increasing number of applications we are receiving. All applications are now received and reviewed online, by the host institution, our committee and



external reviewers. When a grant is awarded, the applicant and their host institution can manage the contract and submit reports online. We have received positive feedback from users, and will continue to improve it.

In 2021 the Neurological Foundation marks its 50th year. This is a wonderful celebration, made possible by our dedicated team, clinicians and scientists. Without them we wouldn't have a story to tell and wouldn't be able to raise the money to do what we do.

A thank you to our supporters for their ongoing loyalty to the Foundation, we wouldn't be able to do this without your support. Despite the uncertainties of COVID-19 and a series of lockdowns, I am deeply grateful to our supporters and donors who continued to invest in finding new treatments and therapies for neurological conditions. A big thank you to our team who have achieved so much during a very complex year operationally. And a thank you for all those who volunteer their time to help us, including our Council members, plus the scientists and clinicians who support our grant reviews and those who present for us in public.

Lastly, I extend my deepest thanks to our outgoing Chair Dr Barry Snow for all of the support given to myself and the team to work through a challenging year. I am very much looking forward to working with Professor Cathy Stinear as our new Chair.

With such outstanding people supporting us I look forward to what the Neurological Foundation will have in store for the next 50 years.

Rich Easton

Rich Easton

You made research happen

You continued to support us, even through a pandemic. We are still the leading not-for-profit neurological research funder in New Zealand.

Because of your support we were able to approve \$4.1M in grants to neurological research this year.

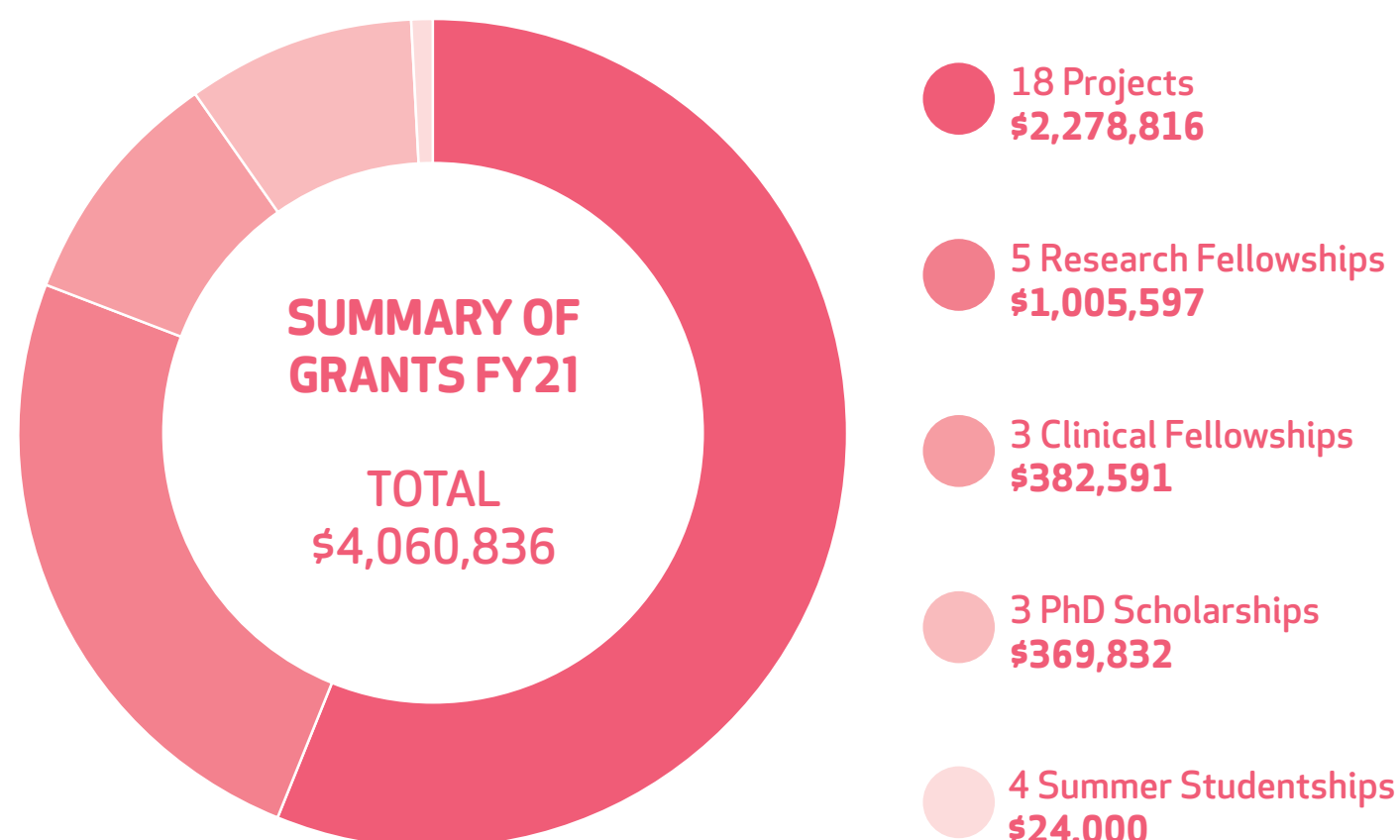
The work of many scientists and clinicians funded by the Foundation has led to ground-breaking treatments and better understanding of neurological conditions.

We have been able to fund 33 research initiatives which were deemed to have the greatest potential to improve the understanding of, prevention, or treatment of neurological conditions.

The projects we fund cover a broad range of conditions including stroke, Parkinson's disease, Alzheimer's disease, dementia, Huntington's disease, motor neuron disease, neuropathy, brain cancer, multiple sclerosis, mental illness and epilepsy.

In the FY21 we were able to give \$724,000 to support the Neurological Foundation Human Brain Bank at the Centre for Brain Research, and the Chair of Clinical Neurology at Auckland Hospital.

The number of requests we receive to support neurological research far outweighs what we can give. We received requests for nearly \$20million in research funding during the financial year.



ESTATE DIRECTLY FUNDS CMT RESEARCH

Associate Professor Richard Roxburgh, from the Neurology Department at Auckland Hospital and the University of Auckland, received \$90,852 to study the rare neurological disorder Charcot-Marie-Tooth disease (CMT). CMT affects the way signals are sent along the nerves connecting the arms and legs with the brain, often causing hearing and balance problems. Although rare, CMT is one of the most common inherited neurological disorders. Dr Roxburgh will investigate how the hearing and balance nerves are affected in CMT, which is important for designing rehabilitation programmes to reduce falls and prolong patient independence.

His research is funded from the estate, and in memory of, George and Patricia Wilson. Patricia was diagnosed with CMT type 2 in her late 70s.

"She was a nurse herself and was always trying to find information about her condition especially in adults. The neurologists themselves seemed puzzled by her symptoms. Patricia therefore wanted to contribute to further research into CMT as it is the most common inherited neurological condition."

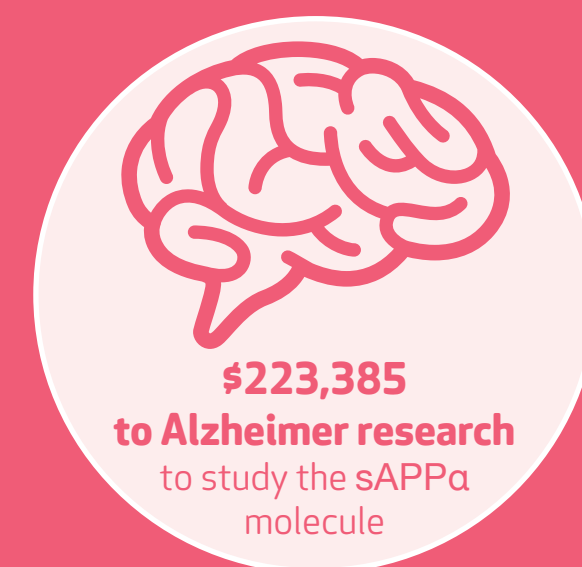
Oriole Wilson, Patricia Wilson's daughter



ANSWERS FOR ALZHEIMER'S DISEASE

Associate Professor Joanna Williams, Department of Anatomy, University of Otago, received \$223,385 to study a molecule called "sAPPα" which has been shown to protect neurons from toxicity and even reverse memory deficits in Alzheimer's disease.

"No therapies that alter the course of Alzheimer's disease are currently available, but they are urgently needed. Funding for research is scarce in New Zealand and as such it is difficult to maintain our skilled workforce. I truly appreciate this funding."



You helped research continue over COVID-19 lockdowns and restrictions

Thanks to your support over the last 50 years, we had the reserves to provide additional grants so that scholarships and salaries could continue during lockdowns and projects could be completed as planned.

In the FY21 the total of COVID-19 project extensions came to nearly \$500,000.

Other funders offered contract suspensions and time extensions, but the Foundation was one of the only funders that provided additional financial aid. In some cases, experiments had to be repeated and contracts had to

be extended by six months or more. Our grant recipients were very grateful to have their stipends and salaries extended to cover the extra work required, so all the planned objectives could be completed.

Thanks to the generosity of our supporters, all our current grants have continued throughout the pandemic.



\$499,816
of support for
grants affected by
COVID-19

A thank you from our researchers

"The news that the Neurological Foundation would offer a three-month contract extension has definitely saved the project."

Professor Cliff Abraham, Professor of Psychology and Co-Director of Brain Research NZ, Rangahau Roro Aotearoa, University of Otago. His research team investigates the 'Tau' protein and synapse weakening. His team were collaborating with a Chinese group based in Wuhan when COVID-19 hit. The project would have been in serious jeopardy without intervention from the Neurological Foundation.

"The Neurological Foundation is the only funder I am aware of offering such valuable support, so thank you!"

Dr Louise Bicknell, Senior Lecturer in the Department of Biochemistry at the University of Otago. Before COVID-19, Dr Bicknell and her team had nearly completed Neurological Foundation-funded research using genetic sequencing methods to identify genetic alterations that cause a reduction in brain size. Lockdown delayed crucial enrolment from research participants and put the employment of lab staff in jeopardy. Funding from the Neurological Foundation helped ensure the study, and the lab, could stay afloat.

"Thank you so much to you and the Neurological Foundation for the support and lifeline for the project."

Dr Rachel Sumner, Postdoctoral Research Fellow, University of Auckland. Dr Sumner received a Neurological Foundation grant in 2019 to study a form of epilepsy that is linked to specific hormone events during the menstrual cycle. Her study is reliant on face-to-face interviews. The 3-month extension given by the Foundation meant she could resume her research when lockdowns and restrictions lifted.



"It has been a confusing time and I am so grateful for this support from the Foundation. This will go a long way towards the progression of my project."

Ms Thulani Palpagama, PhD student, Anatomy and Medical Imaging, University of Auckland. Thulani studies the presence of a neuroinflammatory response in Huntington's Disease. Her research relies heavily on running experiments to progress her work. Because of the support from the Foundation, she will be able to complete her PhD.

You got active and involved to raise awareness and funds

We are fortunate to have an incredible community of supporters. You continued to fundraise, donate and engage with our Foundation through the pandemic. Thank you for your unwavering support.

"...One in five people suffer from a neurological condition, which means at some stage in life we all get impacted by it, and so let's get behind the research that can make a difference."

In January we launched the Fifty for 50 challenge to celebrate our 50th anniversary year. We asked you to take part in a 50-themed challenge be it running, walking, dancing, cooking or any activity you wanted, the important thing being that it challenged you!

Our 50th anniversary is not just for the Foundation to celebrate, but for all of our supporters to celebrate as well. Without you, we wouldn't still be here 50 years later, funding ground-breaking neurological research. Congratulations to all supporters who got active or creative in the Fifty for 50 challenge.

COVID-19 uncertainty and restrictions meant fewer community fundraising events this year. You responded by getting online and 'virtually' fundraising. The Auckland Round the Bays is always well-attended by our supporters. With the cancellation of this year's event, we are so proud to report an amazing 125 walker and runners took part in a virtual 'Round the Bays', raising a whopping \$7,557 for our Foundation.

A quieter year presented an opportunity to review our processes and operations. We introduced better online tools to support you to fundraise virtually. We have adopted the specialist fundraising platform Fundraisin, which is used by hundreds of major charities around the world, to make it easier for our supporters to donate, raise awareness and to organise fundraising events.

THE SPOKED TOUR AOTEAROA

Thank you to David Savage, Mike Smith and Pete Sutherland, three ordinary blokes from Greytown who have achieved extraordinary things. On 1 February 2021 they set off on a 3000km mountain bike ride along the length of New Zealand, over 31 days (that's over 100kms a day), raising an incredible \$10,601 for the Neurological Foundation.

David has a condition called Multifocal Motor Neuropathy (MMN), which is gradually causing increased atrophy in his right arm and hand, and right leg and foot.

"The Spoked Tour was a huge physical challenge, but one that was hugely motivating. It's about focussing on what I can do now, not what I may lose in the future. One in five people suffer from a neurological condition, which means at some stage in life we all get impacted by it, and so let's get behind the research that can make a difference." David says.

In this funding year the Foundation awarded two grants to projects focusing on neuropathy. MMN is a variant of inflammatory demyelinating polyneuropathy, of which Guillain-Barré syndrome is a more common variant. Research into certain types of neuropathy may result in improved understanding or treatment of these conditions in general.

IN MEMORY OF FIONA MILLER

Family and friends of the inspirational Fiona Miller are continuing her fundraising efforts as she enters the final stages of her battle with brain cancer.

Fiona began swimming the length of New Zealand in swimming pools – the equivalent of 1402km – to raise funds for the Neurological Foundation.

She began her incredible fundraising effort only months after undergoing brain surgery and radiation therapy to remove a tumour.

Sadly Fiona's cancer has returned. Her husband Chris says her supporters, family and friends in Wellington have committed to finishing what she started and hope to complete her swim and reach Fiona's target of raising \$10,000 for neurological research.

Fiona Miller's fundraising page can be found on the Foundation's website at discover.neurological.org.nz/sponsor.

"I want to raise hope for the 1 in 5 Kiwis affected by neurological conditions. I'm inspired by the research that the Neurological Foundation funds and want to help ensure that they can continue with this research and continue saving lives." - Fiona Miller

David Savage during the Spoked Tour Aotearoa.

You supported the next generation of researchers

Each year the Foundation awards studentships and scholarships to exceptional students to embark on projects under the supervision of eminent neuroscientists. Employing a summer student or a PhD student is a cost-effective way to get a project underway or to try out a new idea.

These projects often provide the preliminary research necessary to apply for government health research funding or to launch a new research programme. Many of the students that we fund, like Dr Akshata Anchan, continue in neuroscience and make the discoveries that could save lives in the future.

We also offer early career fellowships for talented neuroscientists to establish themselves as independent researchers, and for training neurologists to gain research experience.

We receive far more applications than we can possibly fund, so the top applicants are interviewed by a panel of clinical and scientific experts who consider the calibre of the applicant, the project and the research team that they will be working with.

Because of you, we were able to award a total of \$1,477,055 to support 13 of our brightest early career scientists and clinicians. This aligns with our purpose to “be a catalyst to improve the future quality of life for New Zealanders impacted by neurological conditions”.

They are the next generation of scientists and clinicians, who will be making tomorrow's breakthroughs in the knowledge, prevention and treatment of neurological conditions.



4 Summer Studentships
totalling \$24,000

3 Doctoral Scholarships
totalling \$369,832

2 VJ Chapman Fellowships
totalling \$261,249

4 First Fellowships
totalling \$821,974

NO BARRIERS FOR YOUNG NEUROSCIENTIST

How do cancer cells invade the brain? Ambitious young research fellow Dr Akshata Anchan has dedicated her career to answering this question.

Five-years-ago Akshata received a Neurological Foundation Gillespie Scholarship to complete a PhD at the University of Auckland's Centre for Brain Research.

She studies how cancers that develop away from the brain, such as a melanoma on the skin, can travel undetected across the blood-brain barrier and then grow in the brain.

Having recently completed her PhD, Akshata was awarded a Neurological Foundation First Fellowship in November 2020 to continue her research for a further two years. She has also been engaged to speak at several Neurological Foundation events.

“The cancers I study are one of the most aggressive forms with devastating prognosis. This research is particularly important in New Zealand as we have the highest incidence of melanoma, which is a cancer that has great propensity to metastasize preferentially to the brain. I’m so grateful to the Foundation and to my donors for backing my research.”

Dr Akshata Anchan

“It’s exciting to think the discoveries made in this research could have a future impact on the lives of many New Zealanders.”

ABOUT THE DONORS

The Gillespie family have been long-time supporters of the Neurological Foundation and were delighted when the opportunity arose to fund a scholarship.

“It has been very rewarding following the results of the recipients’ research and attending some of their lectures, particularly when they relate to conditions that affect our family. Because all funding for the Foundation comes from the public it is humbling to see how generous New Zealanders are, and the fact that almost every family in the country is affected in some way by some form of neurological condition makes it even more important to keep the research going.”

Peter & Wendy Gillespie.



You joined us as we moved online

The past year has been marked by finding positive ways to respond to challenging circumstances. Our long-term plan of improving our online presence was fast-tracked, with some wonderful results.

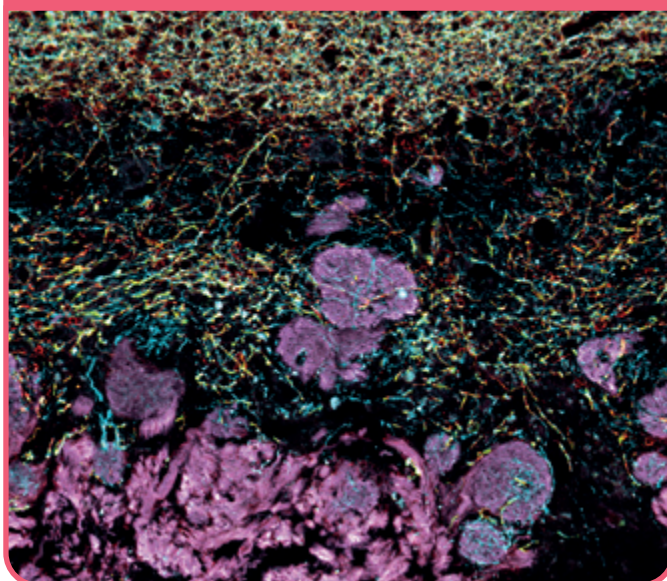
The Foundation's staff have been working hard behind-the-scenes to improve our website. We have been enriching our content and focussing on improving the user-experience. You responded by visiting us more frequently online.

FLASHES OF BRILLIANCE

The Flashes of Brilliance photography competition was an opportunity to showcase amazing images of the brain and the stories behind them. We received 36 entries, each of which had a unique story to tell!

Our goal was to shine a light on the beauty of the brain and its complexities, and for researchers to share what they see every day under the microscope. Thank you to everyone who entered, we appreciated you taking the time to share your passion with us.

Congratulations to winner Dr Helen Murray from the University of Auckland, whose entry 'Party Popper' showed the complex network of connections within the human olfactory bulb - the area of the brain responsible for our sense of smell.



DISCOVERY SESSIONS

In 2020 we launched our first online event series, the Discovery Sessions. You responded enthusiastically to this new initiative.

We hosted six events over six weeks, with topics ranging from 'Behind-the-scenes of New Zealand's only human brain bank' to 'Dealing with stress, is it all in the brain?'

These events were highly successful with many having an audience in excess of 100. In addition we had 235 post event views of recordings.

The theme for 2021 will be "Blank & the Brain" - "blank" being filled in with a popular topic such as stress, drugs, love etc. We look forward to seeing more of you at these popular sessions!

LECTURE LIBRARY

In addition to funding research and education, the Neurological Foundation works to raise public awareness for neurological conditions.

This year we introduced a Lecture Library to our website, so you can watch talks from researchers who we have funded about what they've been working on and what they have discovered. We already have more than 25 videos available, including topics such as celebrating women in science, and the 25th Anniversary of the Neurological Foundation Human Brain Bank.

TALKING NUMBERS

From 1 April 2020 to 31 March 2021 we:

- Recorded 69,302 visitors on our website, a 48% increase on the previous year.
- Increased our email subscriber base to 3,728, a 200% increase.
- Held 8 in-person events, which were recorded and posted online, and 7 online-only events.

Our Council members

The Neurological Foundation Council* is the governing body of the Foundation. The Council sets strategy for the Foundation and governs its operation, approving the appointment of key staff, sign-off on operations and financial strategies for the Foundation, ensuring the Foundation is being run according to its guiding principles.



PROFESSOR CATHY STINEAR CHAIR

Cathy is a Professor at the University of Auckland and Director of the Brain Research Clinic at the Centre for Brain Research. She is also a clinical neuroscientist at Auckland City Hospital working with patients to promote recovery following stroke.



BARBARA BRIDGER

A Chartered Accountant by background, Barbara has held CEO positions in primary health care and has been involved in several not-for-profit organisations as a volunteer and board member. She has a particular interest in issues affecting young people and vulnerable communities.



DEBORAH PETERS

(retired from Council 25 June 2021) Deborah is a management consultant in education and health with expertise in human resource and change management. She is a former Registered Nurse and Sister Tutor and spent many years caring for her mother-in-law, who developed motor neuron disease in the late 1990s.



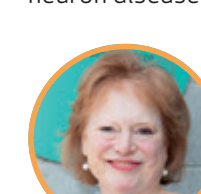
COLONEL BADEN EWART DEPUTY CHAIR

Baden is a former officer in the New Zealand Army, retiring at the rank of Colonel. He is former director of Pegasus Health, Canterbury's largest privately run Primary Health Organisation, and was involved in managing the rebuild in the Christchurch CBD.



JOHN KELLY

Taranaki based, John has strong ties to the New Zealand rural sector both as a farmer and Director of his own livestock company, and has extensive governance experience including as the current Chair of TSB Ltd.



SONJA CLAPHAM

Sonja is a barrister at Shortland Chambers, Auckland, and was a member of the first executive of the NZ Bar Association. She primarily advises on wills and deceased estates. After experiencing an episode of Guillain-Barre syndrome in 2009, (from which she fully recovered) Sonja has a heightened awareness of, and interest in, disorders and diseases of the nervous system.



JAMES HELLABY

James' background is in finance, systems and business management. He has been involved for many years in the NZ meat industry through his family's company, Wilson Hellaby Limited.

DR SIMON JOHN

Simon is a neurosurgeon, with a sub-speciality interest in paediatric neurosurgery and complex brain tumour surgery. He also has governance roles in Christchurch hospital, is actively involved with the trauma team, and teaches paediatric neurosurgery.

**NOTE: Since the end of the financial year Georgina Hunter and James Ring have joined the Council.*

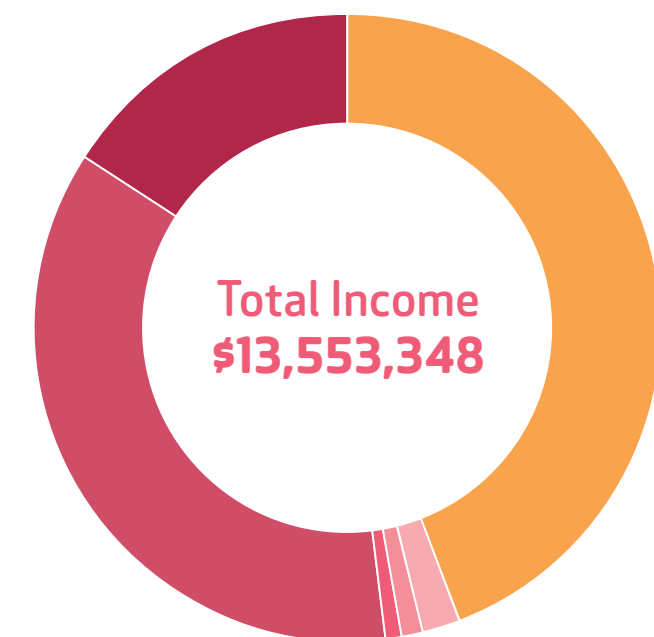
Financial snapshot

Whilst funding research is our main priority, funding education into neurological conditions is the second most important function of our organisation. We have been able to grow our research provision year on year, with an increase in FY21 by 6%. Like all charities, the Foundation also has running costs which means we're not able to spend every dollar we raise on research.

In FY21 15% (FY20 - 15%) of our expenditure went towards education and awareness to help increase understanding and support of neurological conditions in our community; and includes our popular in-person and online events and speaker series. These are the events that you, our valued supporters, can attend to hear the latest updates from our researchers. It is imperative that we continue to increase awareness of the research we provide to ensure inclusivity, and have more kiwis being part of our pathway to hope.

Fundraising and administrative overheads make up 23% (FY20 - 23%) of our overall spend. This money is used to ensure we can continue to raise more funds to support vital research year after year.

Additional income is put into our investment portfolio to ensure we safeguard our future and to help offset our operating costs. We receive no government funding. Thanks to your ongoing support, we can continue to grow our understanding of neurological conditions.



\$5,965,960
from investment
income. (44%)

\$7,587,388
from donations and
bequests (56%)

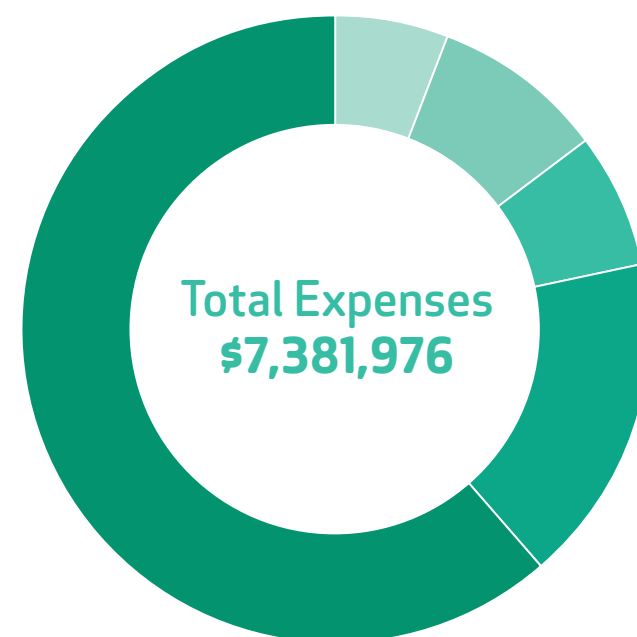
\$2,150,816
Donations and fundraising from
the public (15.8%)

\$4,944,949
Legacies (36.5%)

\$110,484
Annual appeal from the public
(0.81%)

\$124,662
Chair of Clinical Neurology
Donations (0.92%)

\$256,477
Other revenue (1.97%)



\$4,560,696
Research grants (62%)

\$1,174,440
Administrative Exp (16%)

\$527,888
Fundraising (7%)

\$689,438
Awareness (9%)

\$429,514
Education & Engagement
(6%)

Thank you for all your support

We sincerely thank our incredible community of supporters who have donated this past year. We are so grateful for every gift and truly appreciate the support from every individual, family, trust, community organisation and corporate partner who walks this pathway to hope with us.

A special thanks to the following supporters for their notable contributions this financial year.

Norman and Marion Allright Welfare Trust
N & C Anderson
Barker Family
Cliff Broad Family Trust
R & A J Francis Charitable Trust
Peter and Wendy Gillespie
Sir Patrick Higgins
Michael Hollis and the Hollis Family
C & M Hopkins
The S E Leuchars Family Trust
The A B de Lautour Charitable Trust
J A Macpherson Charitable Trust
Raymond Madsen Trust
Ms Gail Mason
Mitre 10 (NZ) Limited
W D Robins
The Small Family Trust in memory of Dr Francis Small
Thanksgiving Trust
Lady Margaret and Sir Stephen Tindall
O & N Watson
The Withiel Fund
Dr Philip and Jenni Yates

Our deepest gratitude for those who have passed away and have left the Foundation a gift in their wills over this time.

Estate of John Robert Balneaves
In memory of Marie Binkowski
Estate of Barbara and Jack Frederick Coughlan
Joint Legacy of Barbara and Robert Dawn
Estate of Wayne Anthony Dale
Estate of Jocelyn Hazel Gane
Estate of Cara Noeline Grandi
Estate of Dorothy May Hardie
Estate of Marion Hayward
Estate of Merle Pamela Henry
Estate of Barbara Holthouse
Estate of Malcolm Clelland Kay
Estate of Jackie Klouwens
Estate of R T Maw
Estate of Irene Meurant
Estate of Rakesh Kant Pandey
Estate of Judith Ann Pitman
Estate of Alison Eleanor Prendergast
Estate of Malcolm Edward Robinson
Estate of Gwynneth D Rogers
Estate of Ronald Ivan Sare
Estate of Henry George Sparks
Estate of A E Taylor
Estate of N G Taylor
Estates of Ross and Yvonne Lowes in memory of their daughter Sarah
Estate of Alex and Merrhis Williamson
Estate of Lily Rollings Williamson

Independent Auditor's Report

To the Council Members of Neurological Foundation of New Zealand

Qualified opinion

We have audited the financial statements of Neurological Foundation of New Zealand (the 'Foundation'), which comprise the statement of financial position as at 31 March 2021, and the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements, on pages 20 to 33, present fairly, in all material respects, the financial position of the Neurological Foundation of New Zealand as at 31 March 2021, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Foundation Standards Reduced Disclosure Regime.

Basis for qualified opinion

In common with other organisations of a similar nature, control over the revenues from donations and fundraising from the public and annual appeals prior to being banked is limited. It was not practicable to extend our examination of donations beyond the accounting for amounts received as shown by the accounting records of the Foundation, or to determine the effect of the limited control.

We conducted our audit in accordance with International Standards on Auditing ('ISAs') and International Standards on Auditing (New Zealand) ('ISAs (NZ)'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

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

We are independent of the Foundation in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other than in our capacity as auditor, we have no relationship with or interests in the Foundation.

Other information

The Council is responsible on behalf of the Foundation for the other information. The other information comprises the information in the Annual Report that accompanies the financial statements and the audit report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information obtained prior to the date of our audit report and consider whether it is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If so, we are required to report that fact. We have nothing to report in this regard.

Council's responsibilities for the financial statements

The Council is responsible on behalf of the Foundation for the preparation and fair presentation of the financial statements in accordance with Public Benefit Foundation Standards Reduced Disclosure Regime, and for such internal control as the Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 ISAs and ISAs (NZ) 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 these financial statements.

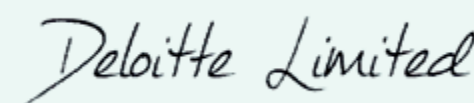
A further description of our responsibilities for the audit of the financial statements is located on the External Reporting Board's website at:

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-8/>

This description forms part of our auditor's report.

Restriction on use

This report is made solely to the Council Members, as a body, in accordance with Section 13.1 of the Rules and Objects of the Neurological Foundation of New Zealand. Our audit has been undertaken so that we might state to the Council Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council Members as a body, for our audit work, for this report, or for the opinions we have formed.



**Auckland, New Zealand
29 June 2021**

This audit report relates to the financial statements of The Neurological Foundation of New Zealand (the 'Foundation') for the year ended 31 March 2021 included on the Foundation's website. The Council is responsible for the maintenance and integrity of the Foundation's website. We have not been engaged to report on the integrity of the Foundation's website. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 29 June 2021 to confirm the information included in the audited financial statements presented on this website.

Statement of comprehensive revenue and expenses

as at 31 March 2021

in New Zealand Dollars

	Note	2021	2020
Revenue from supporters	1	7,587,388	11,120,930
Investment income	8	5,965,960	1,825,713
TOTAL REVENUE		13,553,348	12,946,643
Administrative expenses	2	(1,084,185)	(1,170,888)
Education and engagement expenses	2	(429,514)	(483,421)
Fundraising expenses	2	(527,888)	(477,138)
Awareness expenses	2	(689,438)	(606,887)
Depreciation	2	(90,255)	(73,116)
TOTAL OPERATING EXPENDITURE		(2,821,280)	(2,811,451)
SURPLUS BEFORE GRANT DISTRIBUTIONS		10,732,068	10,135,192
Appropriation to research grant fund in the year	5	(4,560,696)	(4,116,537)
SURPLUS FOR THE PERIOD		6,171,372	6,018,655
Other comprehensive revenue and expense		-	-
TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR		6,171,372	6,018,655

This statement is to be read in conjunction with the notes to the financial statements.

Statement of financial position

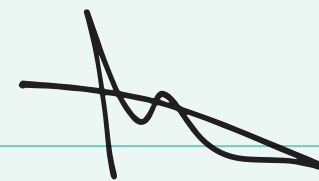
as at 31 March 2021

in New Zealand Dollars

	Note	2021	2020
ASSETS			
Cash and cash equivalents		1,363,422	4,494,063
Term deposits	8	53,428,611	47,106,574
Receivables from exchange transactions		480,440	727,744
Prepayments		12,447	-
Goods and services tax receivable		186,209	168,520
Investments	8	30,395,286	26,731,579
TOTAL CURRENT ASSETS		85,866,415	79,228,480
Property, plant and equipment	7	1,737,662	1,771,148
TOTAL NON-CURRENT ASSETS		1,737,662	1,771,148
TOTAL ASSETS		87,604,077	80,999,628
CURRENT LIABILITIES			
Payables under exchange transactions		436,327	196,099
Employee entitlement liability	3	51,687	40,072
Grants and sponsored research liability	6	8,666,789	7,604,903
TOTAL CURRENT LIABILITIES		9,154,803	7,841,074
NON - CURRENT LIABILITIES			
Grants and sponsored research liability	6	825,683	1,706,335
TOTAL NON - CURRENT LIABILITIES		825,683	1,706,335
TOTAL LIABILITIES		9,980,486	9,547,409
NET ASSETS / EQUITY			
Research Grant Fund	5	-	-
Capital Maintenance Fund		63,000,000	63,000,000
Hackett Fund		798,312	798,312
Accumulated funds		13,825,279	7,653,907
TOTAL NET ASSETS / EQUITY		77,623,591	71,452,219

These financial statements were approved by the Council on 25 June 2021.

Council Chair 
29th June, 2021

Chief Executive 
29th June, 2021

This statement is to be read in conjunction with the notes to the financial statements.

Statement of changes in net assets/equity
as at 31 March 2021

in New Zealand Dollars

	Capital Maintenance Fund	Hackett Fund	Chair of Clinical Neurology Fund	Accumulated revenue and expense	Total equity
BALANCE AT 1 APRIL 2019	63,000,000	779,145	3,392,585	(1,751,187)	65,420,543
Total comprehensive revenue and expense for the year				6,031,676	6,031,676
Transfers - special purposes reserves	-	19,167	(3,392,585)	3,373,418	-
BALANCE AT 31 MARCH 2020	63,000,000	798,312	-	7,653,907	71,452,219
BALANCE AT 1 APRIL 2020	63,000,000	798,312	-	7,653,907	71,452,219
Total comprehensive revenue and expense for the year				6,171,372	6,171,372
Transfers - special purposes reserves	-	-	-	-	-
BALANCE AT 31 MARCH 2021	63,000,000	798,312	-	13,825,279	77,623,591

This statement is to be read in conjunction with the notes to the financial statements.

Statement of cash flows
as at 31 March 2021

in New Zealand Dollars

	Note	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Members’ fees and subscriptions	1	6,783	5,930
Donations and other revenue from supporters	1	7,561,131	11,114,262
Other cash receipts from operating activities		5,561	916
Net GST paid		1,464	(58,630)
Payments to grantees		(4,241,790)	(3,771,779)
Payments to suppliers and employees		(2,628,774)	(2,680,819)
Payments for professional services		(17,231)	(93,006)
NET CASH INFLOW FROM OPERATING ACTIVITIES		687,144	4,516,874
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and Dividends received		2,126,475	2,415,743
Proceeds from disposal of property, plant and equipment		6,522	-
Proceeds from disposal of investments and term deposits		61,027,614	51,591,779
Payments for purchase of property, plant and equipment		(53,667)	(108,245)
Payments for purchase of investments and term deposits		(66,924,729)	(62,062,289)
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES		(3,817,785)	(8,163,012)
CASH FLOWS FROM FINANCING ACTIVITIES			
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(3,130,641)	(3,646,138)
Cash and cash equivalents at beginning of year		4,494,063	8,140,201
CASH AND CASH EQUIVALENTS AT THE END OF YEAR		1,363,422	4,494,063

This statement is to be read in conjunction with the notes to the financial statements.

Significant accounting policies

REPORTING ENTITY

The Neurological Foundation of New Zealand (the 'Foundation') is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act 2013. The Foundation is a charitable organisation incorporated under the Charitable Trusts Act 1957.

The primary activity of the Foundation is funding research, education and information to reduce the level of suffering and premature death from diseases of the brain.

The financial statements of the Foundation are for the year ended 31 March 2021.

STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with Public Benefit Entity Not For Profit ("PBE NFP") Reduced Disclosure Regime and other applicable Financial Reporting Standards, as appropriate for Tier 2 not-for-profit public benefit entities, for which all reduced disclosure regime exemptions have been adopted.

The Foundation qualifies as a Tier 2 reporting entity as for the two most recent reporting periods it has had between \$2m and \$30m operating expenditure.

BASIS OF MEASUREMENT

The financial statements are prepared on the historical cost basis, with the exception of certain financial instruments as disclosed in the financial instruments accounting policy.

PRESENTATION AND FUNCTIONAL CURRENCY

The financial statements are presented in New Zealand dollars (\$) which is also the Foundation's functional currency. All numbers presented have been rounded to the nearest dollar, unless otherwise stated.

USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Where material, information on significant judgements, estimates and assumptions is provided in the relevant accounting policy or note disclosure. No such significant judgements, estimates and assumptions were made during the period.

The estimates and underlying assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances. Estimates are subject to ongoing review and actual results may differ from these estimates. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years affected..

COMPARATIVES

The comparative financial period presented is 12 months. Comparatives have been reclassified from that reported in the 31 March 2020 financial statements where appropriate to ensure consistency with the presentation of the current year's position and performance. The net asset position and net surplus reported in comparatives is consistent with previously authorised financial statements.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, cash in banks and investments in money market instruments, net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Statement of financial position.

TRADE AND OTHER RECEIVABLES

Trade and other receivables are stated at the estimated realisable value. Bad debts are written off in the year in which they are identified.

TRADE AND OTHER PAYABLES

Trade and other payables are stated at cost.

FINANCIAL INSTRUMENTS

Financial instruments comprise investments in shares, bonds, fixed interest securities and managed funds, trade and other receivables, cash and cash equivalents, term deposits, loans and borrowings, and trade and other payables.

Financial assets and financial liabilities are recognised when the Foundation becomes a party to the contractual provisions of the financial instrument. Financial instruments are recognised initially at fair value plus transaction costs, except for those carried at fair value through surplus or deficit, which are measured at fair value.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or the Foundation transfers the financial asset to another party without retaining control or substantial all risks and rewards of the asset. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires. Investments in Managed Funds are classified as current assets based on the National Council's expectation that they can be realised within 12 months if required. Purchases or sales of financial assets are recognised and rerecognised using trade date accounting.

Subsequent to initial recognition, financial instruments are measured as described below.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Foundation's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Held-to-maturity investments

Held-to-maturity investments are financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as held-to-maturity if the Foundation have the intention and ability to hold them until maturity. The Foundation currently hold bonds designated into this category.

Held-to-maturity investments are measured subsequently at amortised cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognised in the reported surplus or deficit.

Financial assets at fair value through surplus or deficit

A financial instrument is classified as fair value through surplus or deficit if it is held-for-trading or designated at initial recognition.

A financial instrument is subclassified as held-for-trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or, on initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking or it is a derivative where hedge accounting is not applied. Those fair value through surplus or deficit instruments sub-classified as held-for-trading comprise

forward exchange contracts and investment funds managed by New Zealand Asset Management (NZAM), Aspiring Fund and Milford Asset Management.

Financial instruments are sub-classified as designated at initial recognition if the group of assets are managed and its performance evaluated on a fair value basis, in accordance with the Foundations documented risk management or investment strategy, and information about the group is provided internally on that basis to the entity's key management personnel. The Members of Council review and approve by resolution the management of investments on a fair value basis as investments are held for allocation to future projects. Those fair value through surplus or deficit instruments sub-classified as designated at initial recognition comprise investment funds managed by Trust Management, Mercury Capital Fund 3, Continuity Capital Private Equity Fund No.4 LP, Waterman Fund and Direct Capital VI LP.

Financial instruments classified as fair value through surplus or deficit are subsequently measured at fair value with gains or losses being recognised in surplus or deficit. Fair values are determined by reference to active market transactions..

Available-for-sale financial assets

Available-for-sale financial assets are financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The Foundation has no financial assets designated as available-for-sale financial assets.

Equity investments are measured at cost less any impairment charges, where the fair value cannot currently be estimated reliably.

All other available-for-sale financial assets are measured at fair value. Gains and losses are recognised in other comprehensive income and reported within the "available-for-sale reserve" within equity, except for impairment losses and foreign exchange differences on monetary assets, which are recognised in the reported surplus or deficit.

IMPAIRMENT

All financial assets are assessed for impairment at each reporting date. Where the carrying amount is assessed to be greater than its recoverable amount, the item is written down. The write down is recognised in the Statement of comprehensive revenue and expense.

PROVISIONS

A provision is recognised when the Foundation has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market rates and, where appropriate, the risks specific to the liability.

FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies that are settled in the accounting period are translated at the settlement rate. Transactions in foreign currency that are not settled in the accounting period, resulting in monetary assets and liabilities denominated in foreign currencies at the Statement of financial position date are translated to NZD at the foreign exchange rate ruling at that date. Foreign exchange differences arising on their translation are recognised in the Statement of comprehensive revenue and expense.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and impairment. Depreciation is calculated on a straight line basis over each asset’s useful life and charged to the Statement of comprehensive revenue and expense. Where fixed assets are under construction, costs will be capitalised as incurred. Depreciation will only be charged once construction is complete and the asset is in use.

The following estimated useful lives have been used:

Buildings	4-33 Years
Office Equipment	1.5-14 Years
Motor Vehicles	5 Years

All property, plant and equipment are assessed for impairment at each reporting date. Where the carrying amount is assessed to be greater than its recoverable amount, the item is written down. The write down is recognised in the Statement of comprehensive revenue and expense.

RESEARCH GRANT FUND

The appropriation to the Research Grant Fund represents the fund allocation approved by the Foundation for the year.

Any grants approved by the Foundation Council, but unpaid at balance date, have been accounted for within the classification of liabilities. Future benefits as a result of grants are not able to be quantified with any certainty and therefore have not been recognised in these financial statements.

CAPITAL MAINTENANCE FUND

The appropriation to the Capital Maintenance Fund represents the fund allocation approved by the Foundation for the year to inflation proof and support increases in annual Scientific Advisory Committee Research Grants and Personal Awards Committee Fellowships, Scholarships and Summer Studentships into the future.

HACKETT FUND

This fund represents the money given to the Foundation on the dissolution of the Hackett Trust. The income is to be used for neurosurgical research training in Auckland.

AUCKLAND CHAIR OF CLINICAL NEUROLOGY FUND

The appropriation to the Auckland Chair of Clinical Neurology Fund represents the fund allocation approved by the Foundation for the year.

INCOME TAX

The Foundation has been granted charitable status under the Income Tax Act and is therefore income tax exempt.

GOODS AND SERVICES TAX

All amounts are shown exclusive of Goods and Services Tax (GST), except for receivables and payables that are stated inclusive of GST.

LEASES

Leases in terms of which the Foundation assumes substantially all the risks and rewards of ownership are classified as finance leases.

Finance leases

Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Operating leases

Operating leases are not recognised in the Foundation’s Statement of financial position. Payments made under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

REVENUE RECOGNITION
REVENUE FROM EXCHANGE TRANSACTIONS

Membership subscriptions

Revenue is recognised by the Foundation at the point at which cash is received. Membership subscriptions are non-refundable and enable members to attend and vote at the Foundation’s AGM.

REVENUE FROM NON-EXCHANGE TRANSACTIONS

Non-exchange transactions are those where the Foundation receives an inflow of resources (i.e. cash and other tangible or intangible items) but provides no (or nominal) direct consideration in return.

With the exception of services-in-kind, inflows of resources from non-exchange transactions are only recognised as assets where both:

- It is probable that the associated future economic benefit or service potential will flow to the entity, and
- Fair value is reliably measurable.

Inflows of resources from non-exchange transactions that are recognised as assets are recognised as non-exchange revenue, to the extent that a liability is not recognised in respect to the same inflow. Liabilities are recognised in relation to inflows of resources from non-exchange transactions when there is a resulting present obligation as a result of the non-exchange transactions, where both:

- It is probable that an outflow of resources embodying future economic benefit or service potential will be required to settle the obligation, and
- The amount of the obligation can be reliably estimated.

The following specific recognition criteria in relation to the Foundation’s non-exchange transaction revenue streams must also be met before revenue is recognised.

Fundraising

The Foundation’s fundraising activities involve Direct Mail newsletters four times per year, a Direct Mail household appeal once a year and other ongoing smaller initiatives. Fundraising non-exchange revenue is recognised at the point at which cash is received.

Grants, donations, legacies and bequests

The recognition of non-exchange revenue from grants, donations, legacies and bequests depends on the nature of any stipulations attached to the inflow of resources received, and whether this creates a liability (i.e. present obligation) rather than the recognition of revenue.

Stipulations that are ‘conditions’ specifically require the Foundation to return the inflow of resources received if they are not utilised in the way stipulated, resulting in the

recognition of a non-exchange liability that is subsequently recognised as non-exchange revenue as and when the ‘conditions’ are satisfied. Stipulations that are ‘restrictions’ do not specifically require the Foundation to return the inflow of resources received if they are not utilised in the way stipulated, and therefore do not result in the recognition of a non-exchange liability, which results in the immediate recognition of non-exchange revenue.

EXPENSES

Grants

Grants made by the Foundation to another party are recognised as an expense in the Statement of comprehensive revenue and expense at the point at which the payment is made, or at the point that there is a liability meeting the recognition criteria for liabilities.

Finance income and expenses

Finance income comprises interest income, dividend income, gains on the disposal of available-for-sale financial assets, changes in the fair value of financial assets at fair value through surplus or loss, foreign currency gains, and gains on hedging instruments that are recognised in the Statement of comprehensive revenue and expense. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised on the date that the Foundation’s right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance expense comprise interest expense on borrowings, unwinding of the discount on provisions, foreign currency losses, changes in the fair value of financial assets at fair value through surplus or loss, impairment losses recognised on financial assets (except for trade receivables), and losses on the disposal of available-for-sale financial assets. All borrowing costs are recognised in the Statement of comprehensive revenue and expense using the effective interest method.

Notes to the financial statements
as at 31 March 2021

in New Zealand Dollars

	Note	2021	2020
1. REVENUE FROM SUPPORTERS			
Membership subscriptions		6,783	5,930
Donations and fundraising from the public		2,150,816	2,876,660
Legacies		4,944,949	7,583,680
Annual appeal from the public		110,484	273,987
Income from testamentary trusts		172,991	92,167
Income from other trusts		11,895	11,778
In memoriams		45,147	29,899
Chair of Clinical Neurology donations		124,662	241,581
Other revenue		19,661	5,247
TOTAL REVENUE FROM SUPPORTERS		7,587,388	11,120,930
2. OPERATING EXPENDITURE			
Administrative expenses			
Audit fees		30,992	41,525
Legal, accounting and professional		57,927	102,168
Investment management		16,116	3,800
Premises expenses		99,173	122,953
Salaries and employee benefits		459,204	403,894
Research overheads		158,479	180,939
Other administration expenses		262,294	315,610
TOTAL ADMINISTRATIVE EXPENSES		1,084,185	1,170,888
Education and engagement expenses			
Salaries and employee benefits		192,305	155,808
Other education and engagement expenses		237,209	327,613
TOTAL EDUCATION AND ENGAGEMENT EXPENSES		429,514	483,421
Fundraising expenses			
Salaries and employee benefits		462,857	459,171
Other fundraising expenses		65,031	17,967
TOTAL FUNDRAISING EXPENSES		527,888	477,138
Awareness expenses			
Salaries and employee benefits		246,637	199,829
Other fundraising expenses		442,801	407,058
TOTAL AWARENESS EXPENSES		689,438	606,887
Depreciation	7	90,255	73,116
TOTAL OPERATING EXPENDITURE		2,821,280	2,811,451

Notes to the financial statements
as at 31 March 2021

in New Zealand Dollars

	Note	2021	2020
3. EMPLOYEE ENTITLEMENT LIABILITY			
Opening balance		40,072	46,741
Plus: Additional provisions in the current year		183,778	24,567
Less: Amounts used in the current year		(172,163)	(31,236)
BALANCE AT 31 MARCH		51,687	40,072
4. POST-EMPLOYMENT BENEFITS			
Defined contribution plans		36,817	31,660
TOTAL POST-EMPLOYMENT BENEFITS		36,817	31,660
The amount recognised as an expense for defined contribution plans relates to KiwiSaver employer contributions.			
5. RESEARCH GRANT FUND			
Opening Balance		-	-
Appropriation from accumulated surplus		4,560,696	4,116,537
Less: Grants and sponsored research approved		(4,560,696)	(4,078,446)
Add: Grants expired		-	(38,091)
BALANCE AT 31 MARCH		-	-
The Scientific Advisory Committee (“SAC”) has responsibility for making recommendations to the National Council on the allocation of research grants and, effective November 2019, the Personal Awards Committee (“PAC”) has responsibility for making recommendations to the National Council on the allocation of Fellowships, Scholarships and Summer Studentships. The final decision on the allocation of grants lies with the National Council of the Neurological Foundation. Due to the nature of the neurological scientific community in New Zealand it is not unusual for individual members of the SAC, PAC and/or Council to also be			
6. GRANTS AND SPONSORED RESEARCH LIABILITY			
Opening Balance		9,311,238	9,044,396
Add: Grants and sponsored research approved		4,560,696	4,078,446
Less: Grants expired		-	38,091
Less: Grants distributed		(4,379,462)	(3,849,695)
BALANCE AT 31 MARCH		9,492,472	9,311,238
Current		8,666,789	7,604,903
Non Current		825,683	1,706,335
BALANCE AT 31 MARCH		9,492,472	9,311,238

Grants and sponsored research are generally approved for expenditure over a two to three year period. During the prior year certain significant grants and sponsored research were approved for expenditure over an extended 5 year period to support a more sustainable funding arrangement to the

Neurological Foundation of New Zealand Brain Bank and Chair in Clinical Neurology Fellowship.
Grants provided to related parties are detailed in Note 15.

Notes to the financial statements

as at 31 March 2021

in New Zealand Dollars

7. PROPERTY, PLANT AND EQUIPMENT	Cost	Depreciation charge	Accumulated depreciation	Carrying amount
Land and Buildings	2,474,811	(51,331)	(845,629)	1,629,182
Motor Vehicles	94,508	-	(94,508)	-
Office Equipment	172,734	(21,399)	(137,472)	35,262
Computer Software Asset	96,885	(17,525)	(23,667)	73,218
BALANCE AT 31 MARCH 2021	2,838,938	(90,255)	(1,101,276)	1,737,662

Land and Buildings	2,467,766	(50,686)	(816,988)	1,650,778
Motor Vehicles	128,944	(1,031)	(128,944)	-
Office Equipment	180,280	(15,258)	(128,641)	51,639
Computer Software Asset	74,872	(6,141)	(6,141)	68,731
BALANCE AT 31 MARCH 2020	2,851,862	(73,116)	(1,080,714)	1,771,148

Land and Buildings	2,467,766	(51,567)	(766,303)	1,701,463
Motor Vehicles	161,541	(6,189)	(160,510)	1,031
Office Equipment	142,758	(5,297)	(114,710)	28,048
BALANCE AT 1 APRIL 2019	2,772,065	(63,053)	(1,041,523)	1,730,542

Rates of useful lives are set out in the Significant accounting policies on Page 24.

8. INVESTMENTS AND TERM DEPOSITS	Income 2021	Carrying Value 2021	Income 2020	Carrying amount 2020
Investments				
Held-to-maturity investments	850,186	9,508,219	600,137	12,901,952
Fair value through surplus or deficit investments	4,143,060	20,887,067	(255,410)	13,829,627
BALANCE AT 31 MARCH	4,993,246	30,395,286	344,727	26,731,579
Term Deposits				
Held-to-maturity investments	972,714	53,428,611	1,480,986	47,106,574
BALANCE AT 31 MARCH	972,714	53,428,611	1,480,986	47,106,574
TOTAL INVESTMENTS AND TERM DEPOSITS	5,965,960	83,823,897	1,825,713	73,838,153

Income includes interest income, dividend income, gains on the disposal of available-for-sale financial assets, changes in the fair value of financial assets at fair value through Surplus or deficit and foreign currency gains.

Notes to the financial statements

as at 31 March 2021

in New Zealand Dollars

9. FINANCIAL INSTRUMENTS CLASSIFICATION					
2021	Loans and receivables	Held-for-trading	Held-to-maturity investments	Financial liabilities at amortised cost	Carrying amount
Assets					
Cash and cash equivalents	1,363,422	-	-	-	1,363,422
Term deposits	-	-	53,428,611	-	53,428,611
Trade and other receivables	480,440	-	-	-	480,440
Investments	-	20,887,067	9,508,219	-	30,395,286
TOTAL ASSETS	1,843,862	20,887,067	62,936,830	-	85,667,759

Liabilities					
Trade and other payables				436,327	436,327
Contingent grants and sponsored research				9,492,472	9,492,472
TOTAL LIABILITIES	-	-	-	9,928,799	9,928,799

2020	Loans and receivables	Held-for-trading	Held-to-maturity investments	Financial liabilities at amortised cost	Carrying amount
Assets					
Cash and cash equivalents	4,494,063	-	-	-	4,494,063
Term deposits	-	-	47,106,574	-	47,106,574
Trade and other receivables	727,744	-	-	-	727,744
Investments	-	13,829,627	12,901,952	-	26,731,579
TOTAL ASSETS	5,221,807	13,829,627	60,008,526	-	79,059,960

Liabilities					
Trade and other payables				196,099	196,099
Contingent grants and sponsored research				9,311,238	9,311,238
TOTAL LIABILITIES	-	-	-	9,507,337	9,507,337

Financial assets held-for-trading were designated as such upon initial recognition.

Financial liabilities held-for-trading were designated as such upon initial recognition.

Notes to the financial statements

as at 31 March 2021

in New Zealand Dollars

	2021	2020
10. OPERATING LEASES		
Leases as lessee		
Non-cancellable operating lease rentals are payable as follows:		
Less than one year	-	-
Between one and five years	-	-
More than five years	-	-
	-	-

11. CAPITAL COMMITMENTS

Significant capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

Investments	2,333,749	1,499,024
TOTAL CAPITAL COMMITMENTS	2,333,749	1,499,024

Investments include commitments to Mercury Capital Fund 3, Continuity Capital Private Equity Fund No.4 LP, Waterman Private Capital and Direct Capital VI LP.

12. CONTINGENCIES

There are no contingent liabilities at balance date (2020: nil)

13. SUBSEQUENT EVENTS

The Foundation met the eligibility criteria for the New Zealand Government wage subsidy and after applying in April 2020, received NZD\$105k in April 2020. The amount received was recorded as received in the FY21 Financial year as the subsidy was applied for and received after balance date. On further review and planning, The Foundation voluntarily repaid in full the subsidy during the FY21 Financial year. There have been no other events subsequent to balance date which would materially affect the financial statements.

14. CONTINGENT ASSETS

The Foundation has received bequests that are currently being contested. It is not practicable to predict the outcome of the contesting process and accordingly no income has been accrued for such bequests, and the amounts involved cannot be reliably estimated.

15. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

Key management personnel of the Foundation who received remuneration from the Foundation is limited to the position of Chief Executive (formally Executive Director). The members of Council do not receive any remuneration from the Foundation. The total remuneration and full-time equivalent ("FTE") of the personnel is presented below:

Chief Executive (1 FTE)	184,217	182,425
TOTAL REMUNERATION	184,217	182,425

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period.

The Foundation did not provide any compensation at non-arm's length terms to close family members of key management personnel during the year (2020: nil).

The Foundation did not provide any loans to key management personnel or their close family members during the year (2020: nil).

Key management personnel did not, except for as disclosed in this note, receive any remuneration or compensation other than in their capacity as key management personal (2020: nil).

Notes to the financial statements

as at 31 March 2021

Contingent Grants and Sponsored Research

The Foundation has provided research grants to research organisations and projects associated with or undertaken by certain members of Council and/or its Scientific Advisory Committee ("SAC"). A reconciliation of opening and closing balances payable with additional grants approved and grants invoiced is presented below:

Grantee: University of Otago (Principal Investigator: John Reynolds - Member of Council)	Note	2021	2020
Opening balance		-	6,715
Add: Grant applications approved		-	-
Less: Grants distributed		-	(6,715)
BALANCE AT 31 MARCH		-	-

Grantee: University of Auckland (Principal Investigator: Cathy Stinear - Member of Council and SAC)		2021	2020
Opening balance		144,995	231,769
Add: Grant applications approved		176,316	-
Less: Grants distributed		(60,688)	(86,774)
BALANCE AT 31 MARCH		260,623	144,995

Grantee: University of Otago (Principal Investigator: Timothy Anderson - Member of Council)		2021	2020
Opening balance		146,396	146,396
Add: Grant applications approved		-	-
Less: Grants distributed		-	-
BALANCE AT 31 MARCH		146,396	146,396

Grantee: University of Auckland (Principal Investigator: Euan Graham - SAC)		2021	2020
Opening balance		333	3,219
Add: Grant applications approved		-	-
Less: Grants distributed		-	(2,886)
BALANCE AT 31 MARCH		333	333

Grantee: University of Otago (Principal Investigator: Timothy Anderson - Member of Council)		2021	2020
Opening balance		189,937	-
Add: Grant applications approved		27,019	200,000
Less: Grants distributed		(82,541)	(10,063)
BALANCE AT 31 MARCH		134,415	189,937

Grantee: University of Otago (Principal Investigator: Timothy Anderson - Member of Council)		2021	2020
Opening balance		224,126	-
Add: Grant applications approved		20,352	224,149
Less: Grants distributed		(101,198)	(23)
BALANCE AT 31 MARCH		143,280	224,126

Grantee: University of Otago (Principal Investigator: Timothy Anderson - Member of Council)		2021	2020
Opening balance		705,787	388,099
Add: Grant applications approved		223,687	424,149
Less: Grants distributed		(244,427)	(106,461)
BALANCE AT 31 MARCH	6	685,047	705,787

Neurological Foundation

PO Box 110022, Auckland Hospital, Auckland 1148

66 Grafton Road, Grafton, Auckland

neurological.org.nz | 0508 (BRAINS) 0508 272 467

Charity Commision No. CC10341

www.neurological.org.nz



**Neurological
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