



General Purpose Financial Report

Neurological Foundation of New Zealand
For the year ended 31 March 2025

Prepared by Greenhawk Chartered Accountants

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Foundation directory

Neurological Foundation of New Zealand For the year ended 31 March 2025

Mission Statement

To alleviate suffering from diseases and disorders of the brain and nervous system through research and education.

Registered Office

66 Grafton Road, Auckland, 1010

Council Members

Ailsa McGregor - Deputy Chair
Debbie Snell
Matthew Caughey
Stephanie Clare
Mike Milsom
Georgina Hunter
Simon John
Sonja Clapham

Chair

Matthew Slater

Chief Executive

Richard Easton

Chartered Accountant

Greenhawk Limited

Auditor

BDO Auckland

**INDEPENDENT AUDITOR'S REPORT
TO THE COUNCIL MEMBERS OF NEUROLOGICAL FOUNDATION OF NEW ZEALAND**

Opinion

We have audited the general purpose financial report of Neurological Foundation of New Zealand ("the Foundation"), which comprises the financial statements on pages 11 to 28, and the statement of service performance on pages 6 to 10. The complete set of financial statements comprise the statement of financial position as at 31 March 2025, the statement of comprehensive revenue and expense, statement of changes in net assets/equity, 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 the accompanying general purpose financial report presents fairly, in all material respects:

- the financial position of the Foundation as at 31 March 2025, and its financial performance, and its cash flows for the year then ended; and
- the statement of service performance for the year ended 31 March 2025, in that the service performance information is appropriate and meaningful and prepared in accordance with the Foundation's measurement bases or evaluation methods,

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the statement of service performance in accordance with the ISAs (NZ) and New Zealand Auditing Standard 1 (NZ AS 1) (Revised) *The Audit of Service Performance Information (NZ)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the General Purpose Financial Report section of our report. We are independent of the Foundation in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Other Matter

The financial statements of the Foundation for the year ended 31 March 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 9 August 2024.

The Council Members' Responsibilities for the General Purpose Financial Report

The Council Members are responsible on behalf of the Foundation for:

- a) the preparation and fair presentation of the financial statements and statement of service performance in accordance with PBE Standards RDR;

- b) the selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods that present a statement of service performance that is appropriate and meaningful in accordance with PBE Standards RDR;
- c) the preparation and fair presentation of the statement of service performance in accordance with the Foundation's measurement bases or evaluation methods, in accordance with PBE Standards RDR;
- d) the overall presentation, structure and content of the statement of service performance in accordance with PBE Standards RDR; and
- e) such internal control as the Council Members determine is necessary to enable the preparation of the financial statements and statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the general purpose financial report the Council Members are 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 Members either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the General Purpose Financial Report

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole, and the statement of service performance 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 (NZ) and NZ AS 1 (Revised) 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 or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this general purpose financial report.

A further description of the auditor's responsibilities for the audit of the general purpose financial report is located at the XRB's website at

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-14-1/>

This description forms part of our auditor's report.

Who we Report to

This report is made solely to the Foundation's Council Members, as a body. Our audit work has been undertaken so that we might state those matters which 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 Foundation and the Foundation's Council Members, as a body, for our audit work, for this report or for the opinions we have formed.



BDO Auckland
Auckland
New Zealand
19 September 2025

Statement of service performance

Neurological Foundation of New Zealand For the year ended 31 March 2025

Our Purpose

Be a catalyst to improve the future quality of life for New Zealander's impacted by neurological conditions.

Our Vision

An aspirational organisation, proudly enabling progress by investing in leading neurological research and education.

Target outcomes to achieve vision and mission

Our target outcomes centre around our investment in the highest quality neurological research opportunities, our provision of an education programme that highlights the impact of neurological conditions and the importance of research. We support the scientific and clinical community in Aotearoa New Zealand through the six objectives below.

1. Invest in the best neurological research

Fund world-class research projects through two funding rounds per annum, supporting the following areas:

- Projects: Invest in the highest quality projects & small projects
- Conferences and Training: Invest in the best conference and training courses
- Fellowships: Invest in the ongoing career development of exceptional scientists and clinicians through fellowships
- Scholarships: Invest in exceptional students undertaking a PhD in neuroscience
- Studentships: Invest in exceptional students to develop research skills

	2025	2024
Number of grants awarded by category		
Details (in units)		
Projects	18	18
Conferences & Training	3	4
Fellowships	10	6
Scholarships	4	3
Studentships	4	3
Total	39	34
Total grant applications received	135	120
% of total grant applications awarded	29	28

	2025	2024
Value of grants awarded by category		
Details (in \$)		
Projects	2,699,381	2,830,923
Conferences & Training	41,687	62,472
Fellowships	2,272,355	1,350,903
Scholarships	498,522	458,181
Studentships	34,000	24,000
Other	48,128	639,005
Total	5,594,073	5,365,484
Total grant applications received	23,893,161	18,539,589
% of total grant applications awarded	24	29

Other research includes allocations to travel grants, adjustment and write backs of previous years allocated grant funding unused, and other smaller variations.

Grants were awarded against 16 different areas of research (2024:16).

2. Delivery of Education Programmes

Provide an education and events programme that highlights the impact of neurological conditions and the importance of research.

	2025	2024
Details (in units)		
Major Centre Events held	7	8
Registrations	1,935	1,098
Online Events held	5	5
Registrations	1,674	1,031
Live Views	1,012	619
Post Event Views	22,213	1,293
Publications produced	5	5
Distribution	110,315	112,289

Views for recorded "Online Events" has increased significantly with two events in particular attracting over 5,000 views each.

3. Demonstrate the trajectory and measurable impact of funded research through regular reporting including impact reporting on NFHBB and NFCCN.

Ensuring reports are received which show the impact of the research undertaken.

	2025	2024
Details (in %)		
Reports Received from Researchers	90	93
NFHBB & NFCCN Reports received	50	100

A detailed annual report from the Neurological Foundation Human Brain Bank (NFHBB) highlighted that they have received a record number of brain donations in the past year, brought in around \$2.5M (2024: \$1.8M) in external research grants, and published a further 16 scientific papers.

The percentage of NFHBB and NFCCN reports received was 50% in the current financial year, as the NFCCN report was not submitted during this period due to an agreed change in reporting timelines.

A detailed annual report from the Neurological Foundation Chair of Clinical Neurology (NFCCN) during 2024 highlighted that they have now treated 1750 patients from across the North Island with stroke clot retrieval, which has resulted in an extra 550 kiwis given a second chance at life. The team has published a further sixteen scientific papers and continue to influence stroke care nationally and internationally.

4. Diversify audiences and revenue opportunities through new and developing channels

By creating greater awareness and exposure for research through our website and social media channels.

	2025	2024
Digital Channel		
Online Engagement - website traffic (views)	165,463	122,866
Media Engagement		
Social Media Posts	557	582
Social Media Engagement (views)	1,820,915	60,247

In the 2025 year, we experienced a notable uplift in social media engagement, driven by a strategic increase in paid advertising on Facebook and Instagram. A standout initiative was the “Turn the World Around” campaign, which gained significant traction and generated 797,000 impressions in a single month.

5. Build and strengthen relationships with research institutions and other stakeholders in the neurological and research community

Various Partnerships and Collaborations have taken place over the current year to help the Foundation increase its ability to meet the needs of the community and advance neurological research.

	2025	2024
Details (in units)		
Collaborations	21	14

The following collaborations were undertaken

1. Head of Research on panel at University of Auckland Campus Neuro Society Careers in the Brain Seminar
2. CEO of Neurological Foundation was appointed as Chair of the Neurological Alliance
3. Auckland University of Technology Symposium on Traumatic Brain Injury
4. Head of Research spoke at Auckland University of Technology Grant Q&A session
5. Fielddays collaboration within the NeuroHub
6. NZ Brain Bee Challenge
7. Meeting with Neuro Foundation Human Brain Bank / University of Auckland; NZ Rugby Foundation and Neurological Foundation setup to agree a path forward for ongoing collaboration
8. Working with Neurological Alliance and the English Neurological Alliance on a survey of those living with / impacted by neurological conditions
9. Sponsored Parkinson's NZ lecture with Prof. Bas Bloem in Christchurch and the research day of the Parkinson's conference in August
10. Meeting with Brain Research UK to share learnings, with agreement to continue informal collaborations going forward
11. Led out the Request for Proposal and implementation of a new grants portal working with six other research funding charities
12. Head of Research on panel at Liggins Research Retreat
13. Kerry McLeod, Head of Philanthropy & Engagement presented in Australia at Fundraising and Philanthropy Conference
14. Head of Research on panel at University of Auckland Research Management and Admin careers symposium
15. Collaborating with Centre for Brain Research and Neurosurgery to jointly fund neurosurgery research nurse through Hackett Memorial Trust
16. Head of Research presented on Programmes and Platforms and Medical Co-Funders meeting and connected with Auckland Hospital Foundation
17. Head of Research presented on Brain Health for Brain Awareness Month at wellbeing events for Auckland Transport and English Language Partners
18. Cooperating on two events with Migraine Foundation
19. Support Migraine Foundation with technical assistance
20. Work with Medical Co-Funders working group to support approaches to funding
21. Development of a membership model with Neurological Alliance to support funding of advocacy work
22. Platform and Programme framework developed and collaborated with Australian researchers

6. Ensure sustainability of the Foundation's business model financially

Maximise the funds used to deliver on our purpose, and ensuring the long term funding model in place.

	2025	2024
Details (in \$)		
Funds awarded to purpose (Research)	5,584,408	5,365,484
Invested Assets	92,772,922	87,308,972

Overall spend on Research was up by 4% from the prior year with 39 grants being awarded across the two grant rounds. The invested assets performed exceptionally well this year.

Statement of comprehensive revenue and expenses

Neurological Foundation of New Zealand For the year ended 31 March 2025

	NOTES	2025	2024
Revenue			
Revenue from supporters	1	10,240,518	8,497,976
Total revenue		10,240,518	8,497,976
Less Expenses			
Appropriation to research grant fund	5	5,594,073	5,243,252
Administrative expenses	2	1,556,320	1,370,559
Investment management fees	2	611,088	540,646
Fundraising expenses	2	602,323	753,102
Awareness expenses	2	598,402	445,405
Education and engagement expenses	2	492,159	386,292
Depreciation	2	80,373	96,686
Total expenses		9,534,738	8,835,942
Surplus before Net finance income		705,780	(337,966)
Net finance income			
Net finance income	10	5,406,671	8,590,851
Surplus for the period		6,112,451	8,252,885
Other comprehensive revenue and expense			
Other comprehensive revenue and expense		-	-
Total comprehensive revenue and expense for the year		6,112,451	8,252,885

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

Statement of financial position

Neurological Foundation of New Zealand

As at 31 March 2025

	NOTES	31 MAR 2025	31 MAR 2024
Assets			
Current Assets			
Cash and cash equivalents	12	983,041	1,372,016
Receivables from exchange transactions	7	26,196	22,338
Receivables from non-exchange transactions	8	1,023,000	-
Prepayments		24,636	9,991
Goods and services tax receivable		117,859	107,876
Investments	10	3,021,822	-
Total current assets		5,196,554	1,512,221
Non-Current Assets			
Property, plant and equipment	9	1,508,082	1,552,872
Investments	10	89,751,100	87,308,972
Total non-current assets		91,259,182	88,861,844
Total assets		96,455,736	90,374,065
Liabilities			
Current Liabilities			
Payables under exchange transactions		657,083	878,039
Employee entitlement liability	3	66,388	54,238
Grants and sponsored research liability	6	10,901,033	9,841,844
Total current liabilities		11,624,504	10,774,121
Non-Current Liabilities			
Grants and sponsored research liability	6	1,207,340	2,088,504
Total Non-Current Liabilities		1,207,340	2,088,504
Total liabilities		12,831,844	12,862,625
Net assets		83,623,892	77,511,440
Net Assets / Equity			
Capital maintenance fund		63,000,000	63,000,000
Hackett fund	18	996,893	952,142
Accumulated funds		19,626,999	13,559,298
Total net assets / equity		83,623,892	77,511,440

These financial statements were approved by the Council on 19 September 2025



Council Member



Chief Executive

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

Statement of changes in net assets / equity

Neurological Foundation of New Zealand

For the year ended 31 March 2025

	2025	2024
Net assets / equity		
Opening balance as at 1 April	77,511,440	69,259,791
Total comprehensive revenue and expense for the year	6,112,451	8,252,885
Transfers - special purposes reserves		
Hackett Fund	44,751	54,652
Accumulated revenue and expenses	(44,750)	(55,888)
Balance at 31 March	83,623,892	77,511,440

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

Statement of cash flows

Neurological Foundation of New Zealand For the year ended 31 March 2025

	2025	2024
Cash Flows from Operating Activities		
Members' fees and subscriptions	180	675
Donations and other revenue from supporters	9,176,007	8,460,495
Other cash receipts from operating activities	39,436	38,889
Net GST paid	21,263	65,946
Payments to grantees	(5,688,483)	(5,384,107)
Payments to suppliers and employees	(3,236,664)	(2,936,326)
Net Cash Flows from Operating Activities	311,739	245,572
Cash Flows from Investing Activities		
Interest, Dividends and Distributions received	579,280	257,451
Proceeds from disposal of investments and term deposits	1,250,000	2,000,000
Payments to purchase property, plant and equipment	(32,347)	(33,780)
Payments for purchase of investments and term deposits	(2,497,647)	(1,829,783)
Net Cash Flows from Investing Activities	(700,714)	393,888
Net Increase/ (Decrease) in Cash	(388,975)	639,460
Cash and Cash Equivalents		
Cash and cash equivalents at beginning of period	1,372,016	732,556
Net increase/ (decrease) in cash and cash equivalents	(388,975)	639,460
Cash and cash equivalents at end of period	983,041	1,372,016

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

Significant accounting policies

Neurological Foundation of New Zealand For the year ended 31 March 2025

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 2025.

Statement of Compliance and Basis of preparation

The Foundation's financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). The Foundation is a public benefit entity for the purposes of financial reporting and complies with the Public Benefit Entity Standards Reduced Disclosed Regime ("PBE Standards RDR"), as appropriate for Tier 2 not-for-profit public benefit entities as it does not have public accountability and is not large (i.e. does not have total expenses over \$33 million). Reduced disclosure regime exemptions have been adopted.

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.

Comparatives

The comparative financial period presented is 12 months. Comparatives have been reclassified from that reported in the 31 March 2024 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 previously authorised financial statements.

Significant accounting policies

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

Use of estimates and judgements

Financial Statements

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.

Use of estimates and judgements (continued)

Statement of Service Performance

In compiling the Statement of Service Performance report, management has made judgements in relation to which outcomes and outputs best reflect the achievement of our performance for the Foundation's vision.

The performance measures are designed to be an active tool to evaluate the Foundation's performance and inform and update our stakeholders and the public on activities and impact.

We have chosen items showing delivery of the Foundation's purpose, through both short and long-term outcomes, that underpin the overall performance of the Foundation. By transparently reporting on our investment in the highest quality neurological research opportunities, and our provision of an education programme that highlights the impact of neurological conditions and the importance of research, we are improving the future quality of life for New Zealanders impacted by neurological conditions through these six objectives:

1. Invest in the best neurological research
2. Deliver an education programme to New Zealanders showing the value of, and progress being made, by neurological researchers.
3. Demonstrating the trajectory and measurable impact of funding research through regular reporting including impact reporting from the Neurological Foundation Human Brain Bank and Chair of Clinical Neurology.
4. Diversify audiences and revenue opportunities through new and developing channels.
5. Build and strengthen relationships with research institutions and other stakeholders in the neurology and research community.
6. Ensure sustainability of the Foundation's business model financially.

Our current focus is reporting on key outputs and intermediate-term outcomes and as monitoring and evaluation systems mature, the Foundation may include additional measures and report on achievement of the Foundation's targeted long-term outcomes.

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).

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 transactions are recognised in the Statement of comprehensive revenue and expenses.

Financial Instruments

Recognition and initial measurement

Receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Foundation becomes a party of the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through surplus or deficit, transaction costs that are directly attributable to its acquisition or issue. At initial recognition, short-term receivables and payables may be measured at the original invoice amount if the effect of discounting is immaterial.

Financial Instruments (continued)

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at:

- amortised cost; or
- fair value through surplus or deficit (FVTSD).

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTSD.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTSD:

- It is held within a management model whose objectives is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Foundation's cash and cash equivalents and receivables are classified as financial assets at amortised cost. The Foundation's investments at fair value are classified as financial assets at FVTSD on the basis they are managed, and their performance is evaluated on a fair value basis.

Cash and cash equivalents represent highly liquid investments that are readily convertible into a known amount of cash with an insignificant risk of changes in value, with original maturities of three months or less. Financial assets are not reclassified subsequent to their initial recognition.

Financial assets - subsequent measurement and gain and losses

- Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in surplus or deficit. Any gain or loss on derecognition is recognised in surplus or deficit.
- Financial assets at FVTSD: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income and net of management fees, are recognised in surplus or deficit. The fair value of the various investments that make up the fund is determined as follows:
 - Cash funds - at face value of the amounts deposited or drawn; and
 - Equity and bond funds - by reference to a quoted bid price; and
- Private equity funds: based on the net asset value provided by the fund manager, which reflects the fair value of the underlying investments.
 - The funds are evaluated on a fair value basis at a portfolio level.

Financial liabilities - classification, subsequent measurement and gains and losses

All of the Foundation's financial liabilities meet the criteria to be classified as measured at amortised cost. These financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in surplus or deficit. Any gain or loss on derecognition is also recognised in surplus or deficit.

Impairment of non-derivative financial assets

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Impairment of non-derivative financial assets (continued)

Objective evidence that financial assets are impaired includes default or delinquency by a counterparty, restructuring of an amount due to the Foundation on terms that the Foundation would not consider otherwise, indications that a counterparty or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Foundation, economic conditions that correlate with defaults or the disappearance of an active market for a security.

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 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

An appropriation to the Research Grant Fund represents the fund allocation approved by the Foundation for the year (refer note 5).

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.

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

An 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 Personnel 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.

Leases

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

Leases (continued)

- **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. While a small number of memberships remained at the start of the financial year, following the update to the Foundation's Rules during the year, the membership category has since been removed, and no further subscriptions revenue will be received.

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.

Notes to the financial statements

Neurological Foundation of New Zealand For the year ended 31 March 2025

	NOTES	2025	2024
1. Revenue from supporters			
Membership subscriptions		180	675
Donations and fundraising from the public		2,680,828	1,830,676
Legacies		6,915,783	6,197,059
Annual appeal from the public		130,438	89,310
Income from testamentary trusts		135,512	156,517
Income from other trusts		292,528	148,087
In memoriams		44,920	27,048
Other revenue		40,329	48,604
Total revenue from supporters		10,240,518	8,497,976
	NOTES	2025	2024
2. Operating expenditure			
Administrative expenses			
Audit fees		50,355	67,321
Legal, accounting and professional		124,859	88,638
Premises expenses		60,641	83,156
Salaries and employee benefits		624,177	577,315
Research overheads		369,497	268,592
Other administration expenses		326,791	285,537
Total administrative expenses		1,556,320	1,370,559
Investment Management Fees			
Mercer Management Fees		611,088	540,646
Total Investment Management Fees		611,088	540,646
Fundraising expenses			
Salaries and employee benefits		472,318	623,225
Other fundraising expenses		130,005	129,877
Total fundraising expenses		602,323	753,102
Awareness expenses			
Salaries and employee benefits		230,740	159,874
Other awareness expenses		367,662	285,531
Total awareness expenses		598,402	445,405
Education and engagement expenses			
Salaries and employee benefits		182,643	125,616
Other education and engagement expenses		309,516	260,676
Total education and engagement expenses		492,159	386,292
Depreciation	9	80,373	96,686
Total operating expenditure		3,940,665	3,592,691

	NOTES	2025	2024
3. Employee entitlement liability			
Opening balance		54,238	48,819
Plus: Additional provisions in the current year		(275,286)	(125,022)
Less: Amounts used in the current year		287,436	130,441
Balance at 31 March		66,388	54,238

	NOTES	2025	2024
4. Post-employment benefits			
Defined contribution plans		43,283	52,918
Total post-employment benefits		43,283	52,918

The amount recognised as an expense for defined contribution plans relates to KiwiSaver employer contributions.

	NOTES	2025	2024
5. Research Grant Fund			
Opening Balance		-	-
Appropriation from accumulated surplus		5,594,073	5,243,252
Less: Grants and sponsored research approved	6	(5,594,073)	(5,243,252)
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 Personnel 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 applicants for grants from the Foundation. The selection of Committee members for SAC and PAC is also selected to reduce or remove any direct, known conflicts of interest. In the event of any potential conflict of interest members of the SAC and/or PAC are removed from the decision making process. The Foundation have appropriate policies in place to ensure that any applicants, close research collaborators or any others who perceive they may have a conflict of interest must leave the room during deliberation and voting. A schedule of grants associated with Council, SAC and/or PAC members is set out in Note 16.

	NOTES	2025	2024
6. Grants and sponsored research liability			
Opening Balance	5	11,930,348	12,075,534
Add: Grants and sponsored research approved		5,594,073	5,243,252
Less: Grants expired			
Less: Grants expired		(225,020)	(246,004)
Total Less: Grants expired		(225,020)	(246,004)
Less: Grants distributed		(5,191,028)	(5,142,434)
Balance at 31 March		12,108,373	11,930,348
Current		10,901,033	9,841,844
Non Current		1,207,340	2,088,504
Balance at 31 March		12,108,373	11,930,348

Grants and sponsored research are generally approved for expenditure over a two to three year period. Grants provided to related parties are detailed in Note 16.

	NOTES	2025	2024
7. Receivables from exchange transactions			
Accounts Receivable		26,196	22,338
Total Receivables from exchange transactions		26,196	22,338
	NOTES	2025	2024

8. Receivables from non-exchange transactions

Accrued income		1,023,000	-
Total Receivables from non-exchange transactions		1,023,000	-

Income has been accrued in respect of a bequest for which the Foundation has received formal notification confirming its entitlement. However, the funds had not been received as at balance date and was received within 1 month of the balance date.

9. Property, plant and equipment

	Cost	Depreciation charge	Accumulated depreciation	Carrying amount
Land and Buildings	2,503,484	(57,615)	(1,070,603)	1,432,881
Office Equipment	195,227	(20,190)	(124,947)	70,280
Computer Software Asset	120,622	(2,568)	(115,701)	4,921
Balance at 31 March 2025	2,819,333	(80,373)	(1,311,251)	1,508,082

	Cost	Depreciation charge	Accumulated depreciation	Carrying amount
Land and Buildings	2,503,484	(57,590)	(1,012,988)	1,490,496
Office Equipment	178,575	(17,441)	(123,687)	54,888
Computer Software Asset	120,622	(21,655)	(113,134)	7,488
Balance at 31 March 2024	2,802,681	(96,686)	(1,249,809)	1,552,872

	Cost	Depreciation charge	Accumulated depreciation	Carrying amount
Land and Buildings	2,500,618	(55,034)	(955,398)	1,545,220
Motor Vehicles	63,565	-	(63,565)	-
Office Equipment	157,637	(14,415)	(106,247)	46,026
Computer Software Asset	120,622	(35,092)	(91,478)	29,144
Balance at 31 March 2023	2,842,442	(104,542)	(1,216,688)	1,620,389

Rates of useful lives are set out in the Significant accounting policies on Page 18.

	NOTES	2025	2024
10. Investments and Term Deposits			
Net finance income / (loss)			
Income / (loss) from investments at amortised cost		39,652	39,826
Income / (loss) from investments at fair value through surplus or deficit		5,367,019	8,551,025
Total Net finance income / (loss)		5,406,671	8,590,851

	NOTES	2025	2024
Investments Carrying Value			
Investments at amortised cost		13,159	12,937
Investments at fair value through surplus or deficit			
Long Term Investments		89,737,941	87,296,034
Short Term Investments		3,021,822	-
Total Investments at fair value through surplus or deficit		92,759,763	87,296,034
Total Investments Carrying Value at 31 March		92,772,922	87,308,972

Income from investments at amortised cost includes interest income, recognised as earned on a time-proportion basis using the effective interest method.

Income from investments at fair value through surplus or deficit (FVTSD) includes distributions from, and fair value gains and losses on investments at FVTSD, recorded gross of management fees. Investments are primarily held with Mercer (N.Z.) Limited in the Mercer SR Balanced Fund and Mercer Indexed Cash Fund. The fair values as at balance date were:

- Mercer SR Balanced Fund (Long term investment): \$86,797,288 (2024: \$84,895,079)
- Mercer Indexed Cash Fund (Short term investment): \$3,021,821 (2024: nil)

During the year, the Mercer investment portfolio incurred management fees totalling \$611,088 (2024: \$540,646).

The Foundation's investments in managed funds include cash balances. These cash balances are recorded as part of the overall investment fund because although they would otherwise meet the definition of cash and cash equivalents, they form an integral part of the investment fund which includes an allocation across various types of investments to balance the policies and objectives of the Foundation with regard to its investment fund.

11. Going concern

The financial statements have been prepared on a going concern basis. As at 31 March 2025, the Foundation reported a negative working capital position, with current liabilities exceeding current assets. Despite this, the Foundation Council considers the going concern basis appropriate due to the level of non-current investments, which are highly liquid and available to meet short-term obligations if required. Management has a high degree of confidence that the Foundation will be able to meet its obligations as they fall due and continue operations for the foreseeable future. The Foundation Council remains committed to ongoing monitoring of cash flow and financial sustainability.

12. Financial instruments classification

	Carrying Amount		Carrying Amount	
31 March 2025	Financial Assets at fair value through surplus or deficit	Financial Assets at amortised cost	Financial Liabilities at amortised cost	Total
Cash and cash equivalents (assets)	-	983,041	-	983,041
Receivables from exchange transactions	-	26,196	-	26,196
Receivables from non-exchange transactions		1,023,000		1,023,000
Investments	92,772,922	13,159	-	92,786,081
Payables under exchange transactions	-	-	(558,962)	(558,962)
Contingent grants and sponsored research	-	-	(12,098,708)	(12,098,708)
Total Financial Instruments	92,772,922	2,045,396	(12,657,670)	82,160,648

	Carrying Amount		Carrying Amount	
31 March 2024	Financial Assets at fair value through surplus or deficit	Financial Assets at amortised cost	Financial Liabilities at amortised cost	Total
Cash and cash equivalents (assets)	-	1,372,016	-	1,372,016
Receivables from exchange transactions	-	22,338	-	22,338
Investments	87,296,034	12,938	-	87,308,972
Payables under exchange transactions	-	-	(878,039)	(878,039)
Contingent grants and sponsored research	-	-	(12,052,580)	(12,052,580)
Total Financial Instruments	87,296,034	1,407,292	(12,930,619)	75,772,707

13. Capital commitments

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

	NOTES	2025	2024
Capital commitments			
Investments		3,060,414	1,129,428
Total capital commitments		3,060,414	1,129,428

Investments include commitments to Direct Capital VI LP, Direct Capital VII LP, Mercury Capital Fund 3, Continuity Capital Private Equity Fund No.4 LP, Waterman 4 LP and Waterman Fund 5 LP.

14. Contingencies

There are no contingent liabilities at balance date (2024: nil)

15. Subsequent events

There have been no other events subsequent to balance date which would materially affect the financial statements.

16. 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.

17. Related party transactions

Related Party disclosures confirm all current balances or transactions against current officers of the Foundation, or who were Officers at the time of the transaction taking place.

Compensation of key management personnel

Key management personnel of the Foundation comprise of Chief Executive and the lead team (which includes the Head of Support Services, Head of Research, and Head of Supporter Relations). The total remuneration of key management personnel, on a full-time equivalent basis, receiving as below:

	Number for FTE's	2025	2024
Key Management Personnel	4	\$731,082	\$698,283

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

The Foundation did not provide any loans to key management personnel or their close family members during the year (2024: 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 personnel (2024: nil).

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:

	NOTES	2025	2024
2347 - Grantee: University of Otago (Associate Professor: Louise Bicknell - PAC Co-Chair)			
Opening Balance		297,211	-
Add: Grant applications approved		-	298,194
Less: Grants distributed		(52,208)	(983)
Balance at 31 March		245,003	297,211

	NOTES	2025	2024
2012 - Grantee: University of Auckland (Principal Investigator: Cathy Stinear - Former Member of Council and SAC)			
Opening balance		75,709	137,273
Add: Grant applications approved		-	-
Less: Grants distributed		(41,371)	(61,564)
Balance at 31 March		34,338	75,709

	NOTES	2025	2024
1542 - Grantee: University of Otago (Principal Investigator: Timothy Anderson - Former Member of Council)			
Opening balance		146,396	146,396
Add: Grant applications approved		-	-
Less: Grants distributed		(23,834)	-
Balance at 31 March		122,562	146,396

	NOTES	2025	2024
2216 - Grantee: University of Otago (Principal Investigator: Ailsa McGregor - Member of Council)			
Opening balance		14,976	14,976
Add: Grant applications approved		-	-
Less: Grants distributed		(2,877)	-
Balance at 31 March		12,099	14,976

	NOTES	2025	2024
1953 - Grantee: University of Otago (Co-Mentor: Timothy Anderson - Former Member of Council)			
Opening balance		88,654	112,062
Add: Grant applications approved		-	-
Less: Grants distributed		(19,430)	(23,408)
Balance at 31 March		69,224	88,654

	NOTES	2025	2024
2461 - Grantee: Professor Stephanie Hughes (SAC 2024B, incoming co-chair)			
Opening balance		174,851	-
Add: Grant applications approved		-	-
Less: Grants distributed		-	-
Balance at 31 March		174,851	-

	NOTES	2025	2024
2421 - Grantee: Professor John Dalrymple-Alford (Campbell Le Heron - current committee pool member)			
Opening balance		-	-
Add: Grant applications approved		307,444	-
Less: Grants distributed		(3,676)	-
Balance at 31 March		303,768	-

	NOTES	2025	2024
2463 - Grantee: Stephanie Hughes (SAC 2024B incoming co-chair, non-voting role)			
Opening balance		-	-
Add: Grant applications approved		175,549	-
Less: Grants distributed		-	-
Balance at 31 March		175,549	-

18. Transfers - Special Purposes Reserves

Transfers were made from the special purposes reserves during the year.

	NOTES	2025	2024
Transfers			
Hackett Funds			
Opening Balance		952,142	897,490
Transfers		44,751	54,652
Total Hackett Funds		996,893	952,142

Transfers during the year ending 31 March 2025 were made from Hackett Fund special reserve for expenditure relating to neurosurgical research training in Auckland.