



Neuroscience Research Australia Foundation

ABN 57 008 429 961

General Purpose Financial Report

For the year ended 31 December 2022

Neuroscience Research Australia Foundation
ABN 57 008 429 961

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This annual report is for Neuroscience Research Australia Foundation ("the Trust"). Its registered office and principal place of business is:

Neuroscience Research Australia
Margarete Ainsworth Building
139 Barker Street
Randwick, NSW 2031

Neuroscience Research Australia Foundation
ABN 57 008 429 961

Statement of Total Comprehensive Income

For the year ended 31 December 2022

		2022	2021
	Note	\$	\$
REVENUE			
Donations and Fundraising	2	5,905,860	8,633,796
TOTAL REVENUE		5,905,860	8,633,796
EXPENSES			
Personnel Expense	3	(1,166,062)	(1,163,156)
Donations to Neuroscience Research Australia	4	(3,746,752)	(3,285,843)
Other Expenses	5	(801,629)	(561,184)
TOTAL EXPENSES		(5,714,443)	(5,010,183)
PROFIT FROM OPERATIONS		191,417	3,623,613
Finance Income	6	675,722	1,041,894
Finance Cost	6	(1,901,791)	(93,131)
NET FINANCE INCOME/(COST)		(1,226,069)	948,763
PROFIT/(LOSS) FOR THE YEAR		(1,034,652)	4,572,376
TOTAL COMPREHENSIVE INCOME		(1,034,652)	4,572,376

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Statement of Financial Position

As at 31 December 2022

		2022	2021
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	7	544,621	272,916
Trade and Other Receivables	8	5,007,205	4,430,049
Other Financial Assets	9	11,794,572	13,729,857
TOTAL CURRENT ASSETS		17,346,398	18,432,822
TOTAL ASSETS		17,346,398	18,432,822
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	10	21,717	73,489
TOTAL CURRENT LIABILITIES		21,717	73,489
TOTAL LIABILITIES		21,717	73,489
NET ASSETS		17,324,681	18,359,333
TRUST FUNDS			
Trust Capital	11	10	10
Retained Surplus		17,324,671	18,359,323
TOTAL TRUST FUNDS		17,324,681	18,359,333

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Statement of Changes in Trust Funds

For the year ended 31 December 2022

	Trust Capital	Retained Surplus	Total Trust Funds
	\$	\$	\$
BALANCE AT 1 JANUARY 2021	10	13,786,947	13,786,957
Profit	-	4,572,376	4,572,376
TOTAL COMPREHENSIVE INCOME	-	4,572,376	4,572,376
BALANCE AT 31 DECEMBER 2021	10	18,359,323	18,359,333
Profit/(Loss)	-	(1,034,652)	(1,034,652)
TOTAL COMPREHENSIVE INCOME	-	(1,034,652)	(1,034,652)
BALANCE AT 31 DECEMBER 2022	10	17,324,671	17,324,681

Statement of Cash Flows

For the year ended 31 December 2022

	2022	2021
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from donations and fundraising	5,905,860	8,633,796
Interest received	2,665	2,157
Donations paid to Neuroscience Research Australia	(3,746,752)	(3,285,843)
Payments to suppliers and employees	(2,063,183)	(1,733,053)
NET CASH FROM OPERATING ACTIVITIES	98,590	3,617,057
CASH FLOWS FROM INVESTING ACTIVITIES		
Net movement in other financial assets	751,405	(4,095,184)
Increase in loan to Neuroscience Research Australia	(578,290)	227,559
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	173,115	(3,867,625)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	271,705	(250,568)
Cash and cash equivalents at the beginning of year	272,916	523,484
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	544,621	272,916

Notes to the Financial Statements

For the year ended 31 December 2022

Note 1 Accounting Policies

REPORTING ENTITY

Neuroscience Research Australia Foundation (the 'Trust') is domiciled in Australia. The Trust's registered office is at Margarete Ainsworth Building, 139 Barker St, Randwick, NSW, 2031.

The Trust is a non-for-profit entity and is primarily involved in the conduct of fundraising appeals to raise money for medical research and the development of medical research facilities at Neuroscience Research Australia. The Trust commenced trading as the Neuroscience Research Australia Foundation on 1 January 2011. The financial statements of the Trust are as at and for the year ended 31 December 2022.

BASIS OF PREPARATION

a) Statement of Compliance

These financial statements are the first general purpose financial statements prepared in accordance with Australian Accounting Standards - Simplified Disclosures. In the prior year the financial statements were general purpose financial statements prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements. There was no impact on the recognition and measurement of amounts recognised in the statements of financial position, total comprehensive income and cash flows of the Trust as a result of the change in the basis of preparation.

These financial statements were authorised for issue by the Board of Trustees as of the date of the Trustees Declaration.

b) Basis of measurement

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes.

c) Functional and presentation currency and rounding

These financial statements are presented in Australian dollars, which is the Trust's functional currency. There is no rounding in the financial statements.

d) Use of judgements and estimates

In preparing these financial statements, management has made judgements and estimates that affect the application of the Trust's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Details of the specific judgement, estimates and assumptions that have the most significant effects on the amounts recognised in the financial statements are summarised in the Notes.

Notes to the Financial Statements

For the year ended 31 December 2022

CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

The Trust has initially adopted the following standard and amendments from 1 January 2022.

- AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For- Profit and Not- for- Profit Tier 2 Entities;
- AASB 2020-2 Amendments to Australian Accounting Standards - Removal of Special Purpose Financial Statements for Certain For- Profit Private Sector Entities.

The above standard and amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

A number of other new standards are also effective from 1 January 2022 but they do not have a material effect on the Trust's financial statements.

REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer. Revenue is recognised and measured at the fair value of the consideration or contributions received, net of goods and services tax ("GST") or similar taxes, to the extent it is probable that the economic benefits will flow to the Trust and the revenue can be reliably measured.

REVENUE

Donations and fundraising

Revenue from donations and fundraising is recognised in profit or loss when the Trust gains control of the contribution or the right to receive the contribution.

INCOME TAX

The company is a registered charity and is exempt from income tax under s50-5 of the Income Tax Assessment Act 1997.

FINANCIAL INSTRUMENTS

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Trust becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at Financial assets at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at amortised cost or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Trust changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

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

- it is held within a business model whose objective is to hold assets to collect contractual cash; and

Notes to the Financial Statements

For the year ended 31 December 2022

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Trust may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets in the "at amortised cost" category particularly include trade accounts receivable (not including factoring), cash and cash equivalents and other receivables.

Cash equivalents are short-term, extremely liquid financial investments that can be converted to cash at any time and that are only subject to insignificant risks of changes in value.

Financial assets - Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in surplus or deficit.

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.

iii. Derecognition

Financial assets

The Trust derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Trust neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Trust enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Trust currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Notes to the Financial Statements

For the year ended 31 December 2022

EMPLOYEE BENEFITS

i. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

ii. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Trust has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

iii. Other long-term employee benefits

The Trust's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in surplus or deficit in the period in which they arise. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Trust's obligations.

GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

TRADE AND OTHER RECEIVABLES

Trade receivables are recognised initially at the transaction price (ie cost). Most sales are made on the basis of normal credit terms and do not bear interest. Receivables are not discounted to present value.

At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. Debts are written off once attempts at recovery of the debt have ceased.

FINANCE INCOME AND FINANCE COSTS

Finance income comprises interest income on funds invested, dividend income and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in surplus or deficit using the effective interest method. Dividend income is recognised in surplus or deficit on the date on which the Trust's right to receive payment is established.

Notes to the Financial Statements

For the year ended 31 December 2022

	2022	2021
	\$	\$
Note 2 Donations and Fundraising		
Direct marketing	1,031,885	998,314
Events	96,796	111,900
Bequests	541,203	3,540,726
Major gifts	2,471,589	1,562,066
Trusts and foundations	780,967	1,475,000
General	633,420	645,790
Capital campaign	350,000	300,000
TOTAL DONATIONS AND FUNDRAISING	5,905,860	8,633,796

	2022	2021
	\$	\$
Note 3 Personnel Expense		
Wages, salaries, and other personnel expenses	1,066,200	1,069,367
Contributions to superannuation funds	99,862	93,789
TOTAL PERSONNEL EXPENSE	1,166,062	1,163,156

Note 4 Related Parties

The following were key management personnel of the Trust at any time during the reporting period, unless otherwise indicated were key management personnel for the entire period: Peter Schofield (Chief Executive Officer), Kate Johnston (Company Secretary) and Carole Renouf (Interim Chief Executive Officer).

Key management services

All key management personnel are compensated by Neuroscience Research Australia, and services performed in relation to the Trust are re-charged by Neuroscience Research Australia to the Trust.

Identity of related parties

The Trust has a related party relationship with its trustee (Neuroscience Research Australia Foundation), its ultimate parent entity (Neuroscience Research Australia), and with its key management personnel.

	2022	2021
	\$	\$
Other related party transactions		
Related party receivable – Neuroscience Research Australia (see Note 8)	5,007,205	4,428,915
Donations	3,746,752	3,285,843

On 12 December 2013, Neuroscience Research Australia Foundation entered into a loan facility as lender with Neuroscience Research Australia. In December 2022 the year's interest income of \$181,384 was received. The loan facility balance at the end of the year is \$5,000,000.

Notes to the Financial Statements

For the year ended 31 December 2022

	2022	2021
	\$	\$
Note 5 Other Expenses		
Direct mail	177,171	197,227
Direct mail acquisitions	332,268	187,924
Events	30,844	23,279
Corporate partnerships	-	64
Other	261,346	152,690
TOTAL OTHER EXPENSES	801,629	561,184
	2022	2021
	\$	\$
Note 6 Net Finance Income		
FINANCE INCOME		
Interest Income	30,794	2,157
Intercompany loan interest income	181,384	119,378
Dividend income	441,038	426,610
Foreign exchange gains	22,506	15,235
Net gain from financial assets recognised through surplus or deficit	-	478,514
TOTAL FINANCE INCOME	675,722	1,041,894
FINANCE COST		
Bank charges	9,571	11,220
Fund management fees	60,748	34,696
Net loss from financial assets recognised through surplus or deficit	1,831,472	-
Foreign exchange losses	-	47,216
TOTAL FINANCE COST	1,901,791	93,131
TOTAL NET FINANCE (COST)/INCOME	(1,226,069)	948,763
	2022	2021
	\$	\$
Note 7 Cash and Cash Equivalents		
Cash on hand	500	500
Bank balances	544,121	272,416
TOTAL CASH AND CASH EQUIVALENTS	544,621	272,916

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Notes to the Financial Statements

For the year ended 31 December 2022

	2022	2021
	\$	\$
Note 8 Trade and Other Receivables		
Sundry receivables	-	1,134
Related party receivable - Neuroscience Research Australia	5,007,205	4,428,915
TOTAL TRADE AND OTHER RECEIVABLES	5,007,205	4,430,049

	2022	2021
	\$	\$
Note 9 Other Financial Assets		
Financial assets recognised through fair value through profit or loss	11,794,572	13,729,857
TOTAL OTHER FINANCIAL ASSETS	11,794,572	13,729,857

Note 10 Trade and Other Payables

	2022	2021
	\$	\$
Trade payables	11,377	16,825
Other payables and accrued expense	10,340	56,664
	21,717	73,489

	2022	2021
	\$	\$
Note 11 Trust Capital		
Settled Sum	10	10

There were no movements in trust capital during the year.

Note 12 Auditors Remuneration

	2022	2021
	\$	\$
AUDIT SERVICES		
Audit of financial statements	7,980	7,350
Audit of Foundation Public Ancillary Fund Compliance	2,655	2,445
TOTAL FEES FOR AUDIT SERVICES	10,635	9,795

Notes to the Financial Statements

For the year ended 31 December 2022

	2022	2021
	\$	\$
NON - AUDIT SERVICES		
Compilation of financial statements	4,145	3,820
Charitable Fundraising Act Procedure	4,435	-
TOTAL FEES FOR NON-AUDIT SERVICES	8,580	3,820

Note 13 Fundraising Appeals Conducted During The Financial Period By The Neuroscience Research Australia Foundation

During the period, fundraising appeals conducted by the Neuroscience Research Australia Foundation for the acceptance of donations and a capital campaign for future building development.

RESULTS OF FUNDRAISING APPEALS	2022	2021
	\$	\$
Gross proceeds from fundraising	5,905,860	8,633,796
Less: Direct cost of fundraising	(1,967,691)	(1,724,339)
NET SURPLUS OBTAINED FROM FUNDRAISING APPEALS	3,938,169	6,909,457
 This surplus was allocated to:		
Expenditure on research	3,301,535	2,811,190
Transfer of accumulated funds for future research expenditure	636,634	4,098,267
TOTAL ALLOCATION	3,938,169	6,909,457

Note 14 Trustee Details

The Trustee is Neuroscience Research Australia Foundation, a public company limited by guarantee. The registered office of the Trustee is 139 Barker Street, Randwick NSW 2031.

Directors:

The names and details of directors of the Trustee in office at any time during or since the end of the financial period are:

Colin Tate AM - Chair

Colin Tate was appointed Director in October 2021. Colin is Founder and Chief Executive of publishing company Conexus Financial.

Stephen Blackman

Stephen Blackman was appointed Director in April 2014. He is the former Principal, Resource Capital Advisory Services and director of several private companies. He resigned in May 2022.

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Notes to the Financial Statements

For the year ended 31 December 2022

Christine Cameron

Christine Cameron was appointed Director in August 2014. She was the former Head of Institutional and Strategic Relationships at Maple-Brown Abbott Investment Managers. She resigned in May 2022.

Ian Harris

Ian Harris was appointed Director in June 2011. He is Business Unit Manager at AbbVie, a biopharmaceutical company. He resigned in May 2022.

George Kemp

George Kemp was appointed Director in March 2019. He is a Chartered Accountant and Chairman of the Prince of Wales Hospital Foundation. He resigned in February 2022.

Damien Mu

Damien Mu was appointed a Director in September 2022. He is CEO and Managing Director of AIA Australia.

Felicity Nicholson

Felicity Nicholson was appointed Director in June 2022. She is Senior Executive, Head of Marketing at La Trobe Financial.

Paul Nicolarakis

Paul Nicolarakis was appointed Director in March 2014. He is Chief Data Officer, Commonwealth Department of Veterans' Affairs. He resigned in May 2022.

Norbert Schweizer OAM

Norbert Schweizer was appointed Director in October 2018. Norbert is the founder and partner of Schweizer Kobras, Lawyers and Notaries and an accredited specialist in business law. He resigned in September 2022.

Peter Schofield AO

Peter Schofield was appointed Director in August 2007. He was Chief Executive Officer of Neuroscience Research Australia. He resigned in December 2022.

Dave Sharma

Dave Sharma was appointed Director in February 2023. He is a former Member of Parliament, Ambassador and company director.

Steve Tucker

Steve Tucker was appointed Director in August 2022. He is Chair and Founding Partner at Koda Capital.

Lee Valentine

Lee Valentine was appointed Director in May 2019. Lee is Head of Strategy and Growth for Firefly Future.

Sophie Wong

Sophie Wong was appointed Director in May 2017. She has a Masters Degree in Brain and Mind Sciences from the University of Sydney and a professional doctorate in management from the University of Hertfordshire, UK. She resigned in February 2022.

Notes to the Financial Statements

For the year ended 31 December 2022

DIRECTORS' MEETINGS

The number of Trustee Directors' Meetings (including meetings of committees of directors) and number of meetings attended by each of the directors during the financial period are:

Director	Board	
	A	B
Mr Colin Tate AM	6	5
Mr Stephen Blackman	2	1
Ms Christine Cameron	2	2
Mr Ian Harris	2	2
Mr George Kemp	1	1
Mr Damien Mu	2	1
Ms Felicity Nicholson	4	4
Dr Paul Nicolarakis	2	1
Mr Norbert Schweizer OAM	4	4
Prof Peter Schofield	6	5
Mr Steve Tucker	3	3
Mr Lee Valentine	6	5
Dr Sophie Wong	1	1

A - Number of meetings held during the time the director held office during the period

B - Number of meetings attended

COMPANY SECRETARY

Dr Kate Johnston was appointed Company Secretary in April 2018 and resigned in November 2022. Felicity Forsyth was appointed Company Secretary in November 2022.

FINANCE, RISK, AUDIT AND COMPLIANCE (FRAC) COMMITTEE

The FRAC Committee is a Board Committee and oversees all financial, risk, audit, and compliance aspects of NeuRA. This committee is a joint committee, providing oversight of the activities of the Company, Neuroscience Research Australia, its NeuRA Division and the Mindgardens Neuroscience Network and its subsidiaries, Neuroscience Research Australia Foundation, and the Schizophrenia Research Institute. The members of the FRAC Committee during the period were: Jennifer Alexander (Chair), Stephen Blackman, Barry Shepherd, Peter Ricketts and Peter Schofield. The committee met on 9 occasions.

INVESTMENT COMMITTEE

The Investment Committee oversees and makes investment recommendations to the Boards of Directors to support NeuRAs research and associated infrastructure. This committee is a joint committee, providing oversight of the activities of Neuroscience Research Australia, its NeuRA Division and the Mindgardens Neuroscience Network and its subsidiaries, Neuroscience Research Australia Foundation, and the Schizophrenia Research Institute. The members of the Investment Committee during the period were: Clyde McConaghy (Chair), Christine Cameron, Peter Schofield, and Steve Tucker. The committee met on 4 occasions.

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Notes to the Financial Statements

For the year ended 31 December 2022

NOMINATION & REMUNERATION COMMITTEE

The nomination committee reviews the balance of skills, experience and diversity of the Boards and Committees to ensure the Directors and members are of the highest value to the company. This committee is a joint committee, providing oversight of the activities of Neuroscience Research Australia, its NeuRA Division and the Mindgardens Neuroscience Network and its subsidiaries, Neuroscience Research Australia Foundation, and the Schizophrenia Research Institute. The members of the Nomination & Remuneration Committee during the period were: James MacNevin (Chair), Kirsten O'Doherty, and Colin Tate. The Committee met on 1 occasion.

Note 15 Subsequent Events

There have been no events subsequent to balance date, which would have a material effect on the Trust's financial statements at 31 December 2022.

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Trustees' Declaration

In the opinion of the Trustees of Neuroscience Research Australia Foundation (the "Trust"):

- a) the financial statements and notes, set out on pages 3 to 17, present fairly the financial position of the Trust as at 31 December 2022 and of its performance for the financial period year on that date in accordance with Australian Accounting Standards - Simplified Disclosure Requirements, the Australian Charities and Not-for-profits Commission Act 2012 and the Trust Deed dated 14 November 2007; and
- b) There are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Trustees.



Colin Tate AM
Chairman
Date: 12 May 2023
Sydney



Carole Renouf
Interim Chief Executive Officer
Date: 12 May 2023
Sydney

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Declaration by Responsible Officer in Respect of Fundraising Appeals

I, Carole Renouf, Interim Chief Executive Officer and responsible officer of Neuroscience Research Australia Foundation, declare in my opinion that:

- a) the financial report gives a true and fair view of all income and expenditure of Neuroscience Research Australia;
- b) the statement of financial position gives a true and fair view of the state of affairs with respect to fundraising appeal activities for the year ended 31 December 2022;
- c) the provisions of the Charitable Fundraising Act 1991 (NSW) and the conditions attached to the authority have been complied with for the year ended 31 December 2022; and
- d) the internal controls exercised by Neuroscience Research Australia Foundation are appropriate and effective in accounting for all income received and applied from any fundraising appeals.



Carole Renouf
Interim Chief Executive Officer
Date: **12 May 2023**
Sydney



Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To: the members of Neuroscience Research Australia Foundation

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 December 2022 there have been:

- i. No contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- ii. No contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink, appearing to read 'KPMG'.

KPMG

A handwritten signature in blue ink, appearing to read 'Warwick Shanks'.

Warwick Shanks
Partner

Sydney
12 May 2023



Independent Auditor's Report

To the trustees of Neuroscience Research Australia Foundation

Opinion

We have audited the **Financial Report**, of the Neuroscience Research Australia Foundation (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, and sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991*, including:

- i. Giving a true and fair view of the Company's financial position as at 31 December 2022, and of its financial performance and its cash flows for the year ended on that date; and
- ii. Complying with *Australian Accounting Standards – Simplified Disclosures Framework* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013 (ACNCR)* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021*.

The **Financial Report** comprises:

- i. Statement of financial position as at 31 December 2022
- ii. Statement of total comprehensive income, Statement of changes in trust funds, and Statement of cash flows for the year then ended.
- iii. Notes including a summary of significant accounting policies.
- iv. Trustees' declaration.
- v. Declaration by Responsible Officer in respect of the fundraising appeals of the Trust.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Company in accordance with the auditor independence requirements of the *ACNC Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Other Information is financial and non-financial information in Neuroscience Research Australia Foundation's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Trustees are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- i. Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures Framework and the ACNC and ACNCR and sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021*.
- ii. Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
- iii. Assessing the Trust's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- i. To obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- ii. 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.



Misstatements can arise from fraud or error. They 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 this Financial Report.

As part of an audit in accordance with *Australian Auditing Standards*, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- i. Identify and assess the risks of material misstatement of the Financial Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal control relevant to the Audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered Trust's internal control.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- iv. Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the registered Company to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the Financial Report, including the disclosures, and whether the Financial Report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees' committee members of the registered Trust regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG

Warwick Shanks

Partner

Sydney

12 May 2023