



# **Multiple Sclerosis Research Australia Limited**

ACN 008 581 431

Annual Financial Report for the Year Ended 30 June 2018

(Abridged version)

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# Multiple Sclerosis Research Australia Limited

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Note: Full Audited Financial Report 2018 can be found on the Australia Charities and Not-for-profit Commission's website

<https://www.acnc.gov.au/charity/e20ee96505b8d4d2c6984918ca74b47f#financials-documents>

# Multiple Sclerosis Research Australia Limited

## Future Agreements for Research

	30 June 2018	30 June 2017
	\$	\$
<b>RMC, Platform &amp; Other projects</b>		
<b>RMC projects</b>		
Fellowships and Scholarships	1,337,428	923,234
Investigator Driven Projects	1,573,417	1,081,250
<b>Total RMC projects</b>	<b>2,910,845</b>	2,004,484
<b>Platform projects</b>		
MS Life Study/Longitudinal Study	105,703	61,615
Prevention Study	1,543,768	2,959,640
NSW Clinical Trials Network #1	-	-
ARC Linkage	19,478	-
ANZGene #1	23,747	-
MS Brain Bank #1	-	-
<b>Total Platform projects</b>	<b>1,692,696</b>	3,021,255
<b>Other projects</b>		
International Progressive MS Alliance	879,861	330,769
Queensland Institute of Medical Research Project #2	56,898	284,490
<b>Total other projects</b>	<b>936,759</b>	615,259
<b>Total Future Agreements as at June</b>	<b>5,540,300</b>	5,640,998

#1 Platform projects continue with internal expenditure.

#2 This is a joint agreement between MS Research Australia, MS Society of Queensland and Queensland Institute of Medical Research.

Over the years, the Company experienced increasing number of donors who wish to make a donation towards a specific research grant. Funds donated or fundraised during the year and prior years will be remitted to the appropriate research institution on completion of their milestones. As at 30 June 2018, \$1,120,000 was received and receivable from donors and fundraisers (20% of future research commitments).

The above table illustrates future multi-years research commitments by Multiple Sclerosis Research Australia Limited as at end of each financial year.

# Multiple Sclerosis Research Australia Limited

## Statement of Comprehensive Income for the year ended 30 June 2018

	Notes	2018 \$	2017 \$
<b>Gross Revenue</b>			
Donations & Fundraising		2,368,186	3,492,809
Bequest Revenue		332,183	124,360
Kiss Goodbye to MS		810,670	1,145,291
Sponsorships (including pharmaceutical companies)		359,778	195,525
Government Grants		276,250	355,000
Contributions from State based MS organisations	23(b)	2,235,595	2,777,752
Dividend received		42,814	87,953
Interest revenue		164,016	122,359
<b>Total Revenue</b>		<b>6,589,492</b>	<b>8,301,049</b>
<b>Expenditure</b>			
Administration expenditure	2(b)	(714,255)	(577,091)
Kiss Goodbye to MS campaign	2(c)	(314,523)	(266,453)
Other Fundraising Expenditure	2(d)	(468,635)	(696,414)
<b>Research and Strategic Expenditure</b>			
Grants for Research		(1,628,856)	(1,658,190)
Other Research Expenditure	2(e)	(2,202,015)	(1,274,970)
Research and Strategic Expenditure	2(f)	(963,121)	(604,386)
<b>Total Expenditure</b>		<b>(6,291,405)</b>	<b>(5,077,504)</b>
<b>Income Before Income Tax Expense</b>		<b>298,087</b>	<b>3,223,545</b>
Income tax expense	1(a)	-	-
<b>Income Attributable to Members of the Entity</b>		<b>298,087</b>	<b>3,223,545</b>
Items that may be reclassified subsequently to profit or loss:			
- Fair value (loss)/gain on available-for-sale financial asset during the year	8	(3,792)	62,235
<b>Total comprehensive income for the year</b>		<b>294,295</b>	<b>3,285,780</b>

*The above statement of comprehensive income should be read in conjunction with the accompanying notes.*

# Multiple Sclerosis Research Australia Limited

## Statement of Financial Position as at 30 June 2018

	Notes	2018 \$	2017 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	15(a)	1,685,083	3,332,590
Short term investment	16	6,840,362	3,853,173
Trade receivables	5	1,882,553	2,368,541
Prepayment and other assets	5	129,878	120,332
<b>Total current assets</b>		<b>10,537,876</b>	<b>9,674,636</b>
<b>Non current assets</b>			
Plant and equipment	6	11,094	29,728
Intangibles	7	66,504	84,691
Other financial asset	8	331,522	1,052,117
<b>Total non current assets</b>		<b>409,120</b>	<b>1,166,536</b>
<b>Total assets</b>		<b>10,946,996</b>	<b>10,841,172</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	9	257,837	403,822
Income received in advance	10	355,784	420,074
Provision for annual leave	17	56,716	70,998
Provision for long service leave	18	17,254	6,470
<b>Total current liabilities</b>		<b>687,591</b>	<b>901,364</b>
<b>Non current liability</b>			
Provision for long service leave	18	56,382	31,080
<b>Total non current liability</b>		<b>56,382</b>	<b>31,080</b>
<b>Total liabilities</b>		<b>743,973</b>	<b>932,444</b>
<b>Net Assets</b>		<b>10,203,023</b>	<b>9,908,728</b>
<b>Total Members' Funds</b>			
Contributed equity		3,272,730	3,272,730
Retained earnings	11	6,929,230	6,631,143
Available-for-sale reserve	12	1,063	4,855
		<b>10,203,023</b>	<b>9,908,728</b>

*The above statement of financial position should be read in conjunction with the accompanying notes.*

# Multiple Sclerosis Research Australia Limited

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## Statement of Changes in Equity for the Year Ended 30 June 2018

	<b>Retained Earnings \$</b>	<b>Contributed Equity \$</b>	<b>Available- for-sale reserve \$</b>	<b>Total \$</b>
Balance as at 1 July 2016	3,407,598	3,272,730	(57,380)	6,622,948
Total comprehensive income for the year	3,223,545	-	62,235	3,285,780
Balance as at 30 June 2017	6,631,143	3,272,730	4,855	9,908,728
Total comprehensive income for the year	298,087	-	(3,792)	294,295
Balance as at 30 June 2018	<b>6,929,230</b>	<b>3,272,730</b>	<b>1,063</b>	<b>10,203,023</b>

The above statement changes in equity should be read in conjunction with the accompanying notes.

# Multiple Sclerosis Research Australia Limited

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## Statement of Cash Flows for the Year Ended 30 June 2018

	<b>Note</b>	<b>2018</b> <b>\$</b>	<b>2017</b> <b>\$</b>
<b>Cash Flows From Operating Activities</b>			
Cash receipts in course of operations		<b>6,410,329</b>	8,091,777
Cash payments in course of operations		<b>(5,993,889)</b>	(5,245,511)
Net cash provided by operating activities	15(b)	<b>416,440</b>	2,846,266
<b>Cash Flows from Investing Activities</b>			
Sold/(Purchase) of plant and equipment		<b>4,699</b>	(11,149)
Purchases of intangibles		<b>(5,091)</b>	(5,392)
Disposal/(Purchase) of available-for-sale financial asset	1(l)	<b>716,804</b>	(61,833)
Net (renew) of term deposits		<b>(2,987,189)</b>	(975,777)
Interest/Dividend income received		<b>206,830</b>	11,921
Net cash used in investing activities	15(c)	<b>(2,063,947)</b>	(1,042,230)
Net (decrease)/increase in cash and cash management		<b>(1,647,507)</b>	1,804,036
Cash and cash equivalents at beginning of the financial year		<b>3,332,590</b>	1,528,554
Cash and cash equivalents at end of the financial year	15(a)	<b>1,685,083</b>	3,332,590

The above statement of cash flows should be read in conjunction with the accompanying notes.

# Multiple Sclerosis Research Australia Limited

## Additional Information furnished under the Charitable Fundraising Act 1991 (NSW)

	Year to 30 June 2018			Year to 30 June 2017		
	Gross revenue	Direct Expense	Net Proceeds	Gross revenue	Direct Expense	Net Proceeds
Fundraising and donations	<b>2,368,186</b>	<b>468,635</b>	<b>1,899,551</b>	3,492,809	696,414	2,796,395
Bequest Income	<b>332,183</b>	-	<b>332,183</b>	124,360	-	124,360
Kiss Goodbye to MS	<b>810,670</b>	<b>314,523</b>	<b>496,147</b>	1,145,291	266,453	878,838
Sponsorships	<b>359,778</b>	-	<b>359,778</b>	195,525	-	195,525
Government Grants	<b>276,250</b>	-	<b>276,250</b>	355,000	-	355,000
Contributions from State based MS organisations	<b>2,235,595</b>	-	<b>2,235,595</b>	2,777,752	-	2,777,752
<b>Total</b>	<b>6,382,662</b>	<b>783,158</b>	<b>5,599,504</b>	8,090,737	962,867	7,127,870
Administrative Expenditure			<b>714,255</b>			577,091
Net amount raised before Research and Strategic Expenditure			<b>4,885,249</b>			6,550,779
			<b>% of Gross Revenue</b>			<b>% of Gross Revenue</b>
Direct Expenditure			<b>12%</b>			12%
Administrative Expenditure			<b>11%</b>			7%
Total Expenditure			<b>23%</b>			19%
Net amount raised goes to funding research and strategic expenditures			<b>77%</b>			81%

Note: In the financial ended 30 June 2018, a decline in net amount raised goes to funding research and strategic expenditures has been due to (1) One-off anonymous donation of \$1.5 million in the financial year 2017, (2) reduced contributions from State based MS organisations and (3) The success of the MS Charity Ball event organised by a few external fundraisers that raised funds for Kiss Goodbye to MS in the financial year 2017 was not repeated in 2018 offset by increased bequest income and pharmaceutical sponsorships for the year.



# Multiple Sclerosis Research Australia Limited

## Additional Information furnished under the Charitable Fundraising Act 1991(NSW) (Cont'd)

### (a) 1. Income as per Statement of Comprehensive Income

	2018 \$	2017 \$
Total Gross Revenue	6,589,492	8,301,049
Less Interest revenue and dividend received	206,830	210,312
	<b>6,382,662</b>	<b>8,090,737</b>

### 2. Total Cost as per Statement of Comprehensive Income

Total Cost	<b>6,291,405</b>	5,077,504
Less:		
Research Grants	<b>1,628,856</b>	1,658,190
Other Research Expenditure (refer to Note 2 (d))	<b>2,202,015</b>	1,274,970
Non Fundraising Costs - Research Grants	<b>3,830,871</b>	2,933,160
Less:		
Audit Fees	<b>25,500</b>	24,900
Multiple Sclerosis Australia services & other recharge	<b>104,387</b>	100,000
Management: Employee & Other Costs	<b>584,369</b>	452,191
Research and Strategic Administration	<b>963,121</b>	604,386
Non Fundraising Costs	<b>1,677,377</b>	1,181,477

### 3. Fundraising Costs as per Statement of Comprehensive Income

Other fundraising costs	<b>468,635</b>	696,414
Kiss Goodbye to MS	<b>314,523</b>	266,453
Fundraising Costs as per Income Statement	<b>783,158</b>	962,867

### 4. Cost of Services Provided

Non Fundraising Costs Research Grants	<b>3,830,871</b>	2,933,160
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#### (a) Fundraising Activities Conducted

##### Gross Proceeds:

Fundraising and donations	<b>2,700,369</b>	3,617,169
Kiss Goodbye to MS	<b>810,670</b>	1,145,291
Sponsorships - Pharmaceutical Companies	<b>359,778</b>	195,525
Government Grant	<b>276,250</b>	355,000
Contributions from State based MS organisations	<b>2,235,595</b>	2,777,752
Gross Proceeds from Fundraising Appeals	<b>6,382,662</b>	8,090,737

# Multiple Sclerosis Research Australia Limited

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## Additional Information furnished under the Charitable Fundraising Act 1991 (NSW) (Cont'd)

(b) Comparisons of Monetary figures and percentages

	2018		2017	
	\$	%	\$	%
Total Cost of Fundraising to Gross Fundraising Income	783,158 / 6,382,662	12%	962,867 / 8,090,737	12%
Net Surplus from Fundraising to Gross Income from Fundraising	[6,382,662 - 783,158] / 6,382,662	88%	[8,090,737 - 962,867] / 8,090,737	88%
Total Cost of Services to Total Expenditure (Less Fundraising Costs)	3,830,871 / [6,291,405 - 783,158]	70%	2,933,160 / [5,077,504 - 962,867]	71%
Total Cost of Services to Total Income Received (Less Interest Revenue and Fundraising Expenditure) #1	3,830,871 / [6,382,662 - 783,158]	68%	2,933,160 / [8,090,737 - 962,867]	41%