



Multiple Sclerosis Research Australia Limited

ACN 008 581 431

Abridged Financial Report for the Year Ended
30 June 2013

Multiple Sclerosis Research Australia Limited

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Multiple Sclerosis Research Australia Limited

1. MSRA Financials

a. Statement of Income

	2013 \$	2012 \$
Revenue		
MS Society Grants	1,552,864	1,442,808
Donations	856,069	1,268,434
Fundraising	502,453	315,368
Kiss Goodbye to MS	141,659	578,741
Sponsorship Other	609,380	542,643
Government Grants	714,100	335,900
Interest received	216,134	223,440
Other	959	40,208
Total Revenue	4,593,618	4,747,542
MSRA Expenditure		
Accounting Risk and Compliance		
- Audit Fees	(24,510)	(23,691)
- Multiple Sclerosis Australia Accounting and Other Services	(107,787)	(169,183)
- Other Costs	(22,178)	(11,829)
Foundation 5 Million		
- Employee Expenses	(72,126)	(181,533)
- Other Costs	(108,784)	(83,151)
Kiss Goodbye to MS	(34,876)	(560,313)
Research Campaign		
- Employee Expenses	(435,499)	(378,285)
- Other Costs	(137,477)	(120,122)
Research Expenditure		
- Grants for Research	(2,891,108)	(2,568,111)
- Other Research Expenditure	(75,358)	(165,062)
- Research Administration	(193,699)	(154,317)
- Progress in MS Conference	-	(99,364)
- Branding awareness	(68,720)	-
Profit Before Income Tax Expense	421,496	232,581
Taxation Expense	-	-
Profit Attributable to Members of the Entity	421,496	232,581
Items that will not be reclassified subsequently to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	421,496	232,581

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b. Statement of Financial Position

	2013 \$	2012 \$
Current Assets		
Cash and cash equivalents	3,731,160	4,109,990
Trade receivables	1,844,447	1,332,188
Prepayments and other assets	181,149	47,199
Total Current Assets	<u>5,756,756</u>	<u>5,489,377</u>
Non Current Assets		
Property, plant & equipment	3,938	2,070
Total Non Current Assets	<u>3,938</u>	<u>2,070</u>
Total Assets	<u>5,760,694</u>	<u>5,491,447</u>
Current Liabilities		
Trade and other payables	1,099,227	1,247,325
Provisions	30,993	46,578
Total Current Liabilities	<u>1,130,220</u>	<u>1,293,903</u>
Long Term Liabilities		
Provisions	38,265	26,831
Total Long Term Liabilities	<u>38,265</u>	<u>26,831</u>
Total Liabilities	<u>1,168,485</u>	<u>1,320,734</u>
Net Assets	<u>4,592,209</u>	<u>4,170,713</u>
Retained Earnings		
Retained Earnings	<u>4,592,209</u>	<u>4,170,713</u>
Total Members' Funds	<u>4,592,209</u>	<u>4,170,713</u>

\$

Balance as at 1 July 2011	3,938,132
Total comprehensive income for the year	232,581
Balance as at 30 June 2012	<u>4,170,713</u>
Total comprehensive income for the year	<u>421,496</u>
Balance as at 30 June 2013	<u><u>4,592,209</u></u>

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2. Future Agreements for Research

The company enters into funding arrangements for periods between 1 to 5 years. Funding for these grants to researchers is paid in instalments and in accordance with the achievement of agreed milestones and MSRA's capacity to pay. The company actively raises funds to meet future agreements and fund new grants while adhering to the donor's intention.

The Research Management Council meets annually to determine the amount of individual grants for Investigator Driven Research and Fellowships and Scholarships for periods up to 5 years in advance. At 30 June 2013 these agreements totalled \$2,955,837 for the financial years to June 2016. The agreements will be funded partly from existing Non Specific Income, future MS Society Grants and third party donations.

In addition the unspent balances for Platform Projects of \$3,561,870 (2012: \$4,089,901) are shown in the 2nd table below.

RMC & Platform Projects	30 June 2013 \$	30 June 2012 \$
Platform Projects	3,561,870	4,089,901
Fellowships and Scholarships	658,599	1,088,150
Investigator Driven Projects	2,297,238	1,517,850
Total Future Agreements at 30 June 2013	6,517,707	6,695,901

Platform Projects	30 June 2013 \$	30 June 2012 \$
MS Life Study	410,000	580,000
Prevention Study	2,150,000	2,284,818
NSW Clinical Trials Network	94,300	145,233
Stem Cell Register	75,000	75,000
MS Brain Bank	632,570	804,850
Progress in MS Conferences & Other	200,000	200,000
Total Future Platform at 30 June 2013	3,561,870	4,089,901

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3. Research Program Analysis

The Research Program Analysis at 30 June 2013 of \$4,453,207 (2012: \$4,170,713) has been prepared to reflect the ongoing balances of the individual platform projects of \$2,321,330 (2012: \$2,215,017), and the balance of non-specific income of \$2,096,876 (2011: \$1,955,696).

The non-specific income is the balance in equity funds that have not been specifically allocated to a research project or required to fund operational costs to 30 June 2013.

Research Project	Balance 1st July 2012	Spend 2012/13	Income 2012/13	Internal Transfers 2012/13	Balance 30th June 2013
	\$	\$	\$	\$	\$
- Platform Projects	2,215,016	(853,421)	1,044,517	(84,781)	2,321,330
- Scholarships	-	(609,480)	404,564	239,916	35,000
- Investigator Driven	-	(1,520,255)	914,372	605,883	-
- Non Specific Income	1,955,695	(94,775)	881,312	(645,356)	2,096,876
- Other Research Expenditure	-	(55)	-	55	-
- Operational Cost	-	(1,040,172)	1,155,888	(115,717)	-
Total Equity	4,170,712	(4,118,158)	4,400,653	-	4,453,207

Definitions:

Platform Projects:

Funding for a national collaboration and supporting infrastructure to address significant scientific questions in MS research.

Fellowships and Scholarships:

Funding to support the training of young scientists in MS research (capacity building) approved by the Research Management Council.

Investigator Driven Grants:

Funding for peer reviewed project applications approved by the Research Management Council.

Non Specific Income:

Where donors have not stated a preference of the type of research their donation should be committed.

Other Research:

Funding for Seminars and Conferences to accelerate further MS research collaboration.

Internal transfers have been made between the research projects (to apportion both non-specific income and where a donor's intention is across more than one research category) to determine the balance at 30 June 2013.

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a. Balance at 30 June 2004

The National Multiple Sclerosis Research Foundation closing balance of equity of \$270,680 at 30 June 2004 formed the opening equity balance for Multiple Sclerosis Research Australia Limited.

b. Research Expenditure

Research expenditure is summarised in the following categories:

i. Platform Research

Ongoing research projects in the 2012/13 year include the MS Life Study, NSW Network, the New Gene Development, Brain and Tissue Bank, Prevention, Clinical Trials, Proteomics and N.M.O.

Research Project	Balance 1 st July 2012	Spend 2012/13	Income 2012/13	Internal Transfers 2012/13	Balance 30 th June 2013
	\$	\$	\$	\$	\$
- MS Life Study	-	(173,470)	180,000	(6,530)	-
- NSW Network	(35,766)	(53,309)	96,283	-	7,208
- New Gene Develop	60,705	(17,176)	72,500	-	116,029
- Brain & Tissue Bank	304,849	(258,072)	210,791	-	257,568
- Prevention	1,784,818	(316,152)	371,643	-	1,840,309
- Clinical Trials	-	(25,992)	-	25,992	-
- NeuroMyelitisOptica	-	(4,284)	113,300	(109,016)	-
- Stem Cell Register	100,411	(192)	-	-	100,219
- Proteomics	-	(4,773)	-	4,773	-
Total Platform	2,215,017	(853,420)	1,044,517	(84,781)	2,321,333

The Platform Projects internal transfer of \$84,781 is to reflect that several of the projects have not been fully funded by specific donations in the year, with the balance funded from Non Specific Income.

ii. Scholarships and Fellowships

Research Project	Balance 1 st July 2012	Spend 2012/13	Income 2012/13	Internal Transfers 2012/13	Balance 30 th June 2013
	\$	\$	\$	\$	\$
Incubator Grants					
Dr Kalinick	-	(55,000)	-	55,000	-
Dr Gianni	-	(13,000)	5,000	13,000	5,000
Dr Lim	-	(85,000)	-	85,000	-
Dr Commerford	-	(40,000)	-	40,000	-
Dr Ly	-	(66,500)	-	66,500	-
Other	-	(139,980)	10,000	139,980	10,000
Fellowships					
Dr Hawke	-	-	299,564	(299,564)	-
Dr Booth	-	(130,000)	55,000	95,000	20,000
Dr Parrot	-	(80,000)	35,000	45,000	-
Total Scholarships	-	(609,480)	404,564	239,916	35,000

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iii. Investigator Driven projects and their funding

Research Project	Balance 1st July 2012	Spend 2012/13	Income 2012/13	Internal Transfers 2012/13	Balance 30th June 2013
	\$	\$	\$	\$	\$
- Social & Applied	-	(177,830)	-	177,830	-
- Genetics & Epidem.	-	(352,975)	-	352,975	-
- Neurobiology & Patho.	-	(294,050)	625,000	(330,950)	-
- Immun. & Virology	-	(695,400)	289,372	406,028	-
Total Invest. Driven	-	(1,520,255)	914,372	605,883	-

Research Management Council approved grants of \$1,731,492 in October 2012 for (up to) the 3 years ahead.

The Investigator Driven Projects internal transfer adjustment \$605,883 relates to the current financial year and represents the net of the State MS Societies and other grants of \$914,372 and those amounts paid as approved by the Research Management Council of \$1,520,255.

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4. Additional Information furnished under the Charitable Fund Raising Act 1991(NSW)

	2013 \$	2012 \$
1. Income as per Statement of Comprehensive Income		
Total Revenue	4,593,618	4,747,542
Less Interest Received	216,134	223,440
Gross Proceeds from Fundraising Appeals	4,377,484	4,524,102
2. Total Cost as per Statement of Comprehensive Income		
Total Cost (Total Revenue less MSRA Expenditure)	4,172,123	4,514,961
Less		
Research Grants	2,891,108	2,568,111
Other Research Expenditure	71,358	165,062
Progress In MS Conference	-	99,364
Non Fundraising Costs Research Grants	2,966,466	2,832,537
Less		
Audit Fees	23,000	23,691
Multiple Sclerosis Australia Accounting & Other Services	107,787	169,183
Accounting & Risk Other Costs	22,178	11,829
Research Administration	193,699	154,317
Non Fundraising Costs Other	346,664	359,020
3. Fundraising Costs as per Statement of Comprehensive Income		
Less: Fundraising Costs incurred to raise MS Awareness including Kiss Goodbye to MS	793,993	1,323,404
	68,720	619,770
Fundraising Campaign Costs	725,273	703,634
Research Campaign Costs	572,976	498,407
Foundation 5 Million	180,910	264,684
Kiss Goodbye to MS	34,876	560,313
Fundraising Costs as per Income Statement	793,993	1,323,404

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	2013 \$	2012 \$
4. Cost of Services Provided		
Non Fundraising Costs Research Grants:	2,966,466	2,832,537
Fundraising Costs incurred to raise MS Awareness	68,720	619,770
Cost of Services Provided	<u>3,035,186</u>	<u>3,452,307</u>

(a) Fund Raising Activities Conducted

Gross Proceeds:

Donations from Public	1,359,481	1,417,510
Kiss Goodbye to MS	141,659	578,741
Corporate Gifts	609,380	749,143
Grants	2,266,964	1,778,708
Gross Proceeds from Fundraising Appeals	<u>4,377,485</u>	<u>4,524,102</u>

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	2013 \$	2012 \$
(a) Fund Raising Activities Conducted (Cont'd)		
Fund Raising Costs		
Campaign Costs	725,273	703,634
Total Costs of Fundraising Appeals	725,273	703,634
Net Surplus	3,652,212	3,820,468
Cost of Services Provided	3,035,186	3,452,307
Total Expenditure		
Non Fund Raising Costs – Research Grants	2,966,466	2,832,537
Non Fund Raising Costs – Other	346,664	359,020
Fund Raising Costs	725,273	703,634
Total Expenditure	4,038,403	3,895,191
Total Fund Raising Income Less Fund Raising Cost	3,652,212	3,820,468

Note: MSRA is registered for fundraising in all states of Australia except Western Australia.

(b) Comparisons of Monetary figures and percentages

	2013		2012	
	Amounts	%	Amounts	%
Total cost of Fund Raising to Gross Fund Raising Income	725,273/4,377,484	17%	703,634/4,524,102	16%
Net Surplus from Fund Raising to Gross Income from Fund Raising	3,652,212/4,377,484	83%	3,820,468/4,524,102	84%
Total Cost of Services to Total Expenditure (less Fund Raising Costs)	3,035,186/(4,083,4030 725,273)	92%	3,452,307/(3,895,1910 703,634)	108%
Total Cost of Services to Total Income Received (less Fund Raising costs)	3,035,186/(4,377,4840 725,273)	83%	3,452,307/(4,524,1020 703,633)	90%