



**National Stroke Foundation  
ABN 42 006 173 379**

**Financial Report for the year ended  
31 December 2019**



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## Foundation information

### ABN

42 006 173 379

### Directors

Professor James Angus AO	President and Non-executive Director
Professor Amanda Thrift	Non-executive Director representing interests of Research
Professor Bruce Campbell	Non-executive Director representing interests of Clinicians
Ms Jennifer Muller PSM	Non-executive Director representing interests of Consumers
Ms Karen Vernon	Non-executive Director
Ms Sally Bateman	Non-executive Director
Mr Christopher Edwards	Vice-President and Non-executive Director
Mr Andrew Matthews	Non-executive Director representing interests of Consumers
Mr James Stanistreet	Non-executive Director
Mr Christopher Nunn	Non-executive Director
Ms Janice Thomas	Non-executive Director

### Company secretary

Mr John Buchanan

### Registered office

Level 7, 461 Bourke Street  
Melbourne, Victoria, 3000

### Auditors

Pitcher Partners  
Level 13, 664 Collins Street  
Docklands VIC 3008

### Internet

[www.strokefoundation.org.au](http://www.strokefoundation.org.au)

The National Stroke Foundation is a company limited by guarantee.

## Directors' Report

Your Directors present their report for the year ended 31 December 2019.

### Directors

The names of the Directors of the Foundation in office during the year ended 31 December 2019 and until the date of this report are as follows. All Directors, unless otherwise indicated in Corporate Information were in office from the beginning of the financial period until the date of this report.

#### Names, qualifications, experience and special responsibilities

**Professor James Angus AO** BSc, PhD, FAA, FAHMS (Hon)  
(President and Non-executive Director)

Professor James Angus is an Honorary Professorial Fellow and Professor Emeritus in the Department of Pharmacology and Therapeutics in the Faculty of Medicine, Dentistry and Health Sciences (MDHS), University of Melbourne. In July 2013 he completed a 10-year term as Dean of the Faculty of MDHS at the University of Melbourne. Before becoming Dean, he was Professor and Head of the Department of Pharmacology and Deputy Dean of the Faculty of MDHS. At the University of Melbourne, Professor Angus has been President of the Academic Board (2000-2001), Pro Vice-Chancellor (1999-2001) and member of University Council (1999-2001).

Professor Angus was awarded the Gottschalk Medal of the Australian Academy of Science (1984), is a Fellow of the Academy (FAA) and has been a member of its Council. In 2003 he was awarded Australia's Centenary Medal for contribution to Pharmacology and the Community.

Professor Angus was a First Vice-President of the International Union of Pharmacology (IUPHAR) and was President of the Australasian Society of Clinical and Experimental Pharmacologists and Toxicologists. From 2009-2011 he was President of Medical Deans Australia and New Zealand.

His current roles include Chair, Australian Advisory Council on the Medicinal Use of Cannabis; Chair, Melbourne University Sport Advisory Board; Director, Jack Brockhoff Foundation; Director, National Stem Cell Foundation of Australia and Director, Science in Australia Gender Equity Ltd.

Professor Angus holds a Bachelor of Science and Doctor of Philosophy from the University of Sydney, and received The Order of Australia in 2010 for distinguished service to biomedical research, particularly in the fields of pharmacology and cardiovascular disease, as a leading academic and medical educator, and as a contributor to a range of advisory boards and professional organisations both nationally and internationally.

**Professor Amanda Thrift** BSc (Hons), PhD, PGDipBiostat  
(Non-executive Director representing interests of Research and Chair of Research Advisory Committee)

Professor Amanda Thrift is Head of Stroke and Ageing Research and Senior Research Fellow at Monash University. She is a past President of the Stroke Society of Australasia and sits on numerous national and international advisory groups.

Professor Thrift gained her PhD from Monash University in 1995 in epidemiology in the study of risk factors for intracerebral haemorrhage. She has considerable research expertise in the epidemiology of stroke, having led the influential North East Melbourne Stroke Incidence Study (NEMESIS). This study has provided much of the evidence base for policy decisions around stroke in Australia. Her current portfolio of research include NHMRC funded studies of implementation of secondary prevention of stroke and vascular disease in Australia, and studies of causal factors for vascular disease and hypertension in low and middle income countries. In 2017, she was recognised for her work via receipt of the Excellence in Stroke Award, the highest honour awarded by the Stroke Society of Australasia.

## Directors' Report (continued)

**Professor Bruce Campbell** MBBS(Hons), BMedSc, PhD, FRACP, FAHMS  
(Non-executive Director representing interests of Clinicians and Chair of Clinical Council)

Professor Bruce Campbell is a consultant neurologist and Head of Stroke at the Royal Melbourne Hospital as well as a professorial research fellow in the Department of Medicine, Melbourne Brain Centre at the Royal Melbourne Hospital, University of Melbourne.

Professor Campbell holds a Doctor of Philosophy from the University of Melbourne and is a Fellow of the Royal Australasian College of Physicians and the Australian Academy of Health and Medical Sciences. Professor Campbell's main research interests include imaging and emergency treatment of stroke, including randomised controlled trials of new treatments.

**Ms Jennifer Muller** PSM, MAICD, Dip Rad (Diag), Grad Dip Hlth Ed, MEnv&ComHealth  
(Non-executive Director representing interests of Consumers and Chair of Consumer Council)

Ms Jennifer Muller has a lived experience of stroke and has been a consumer advocate for stroke survivors on various state and national committees over the last five years. She also brings to the Board her experience and knowledge of public health, health systems and strategic planning and held the position of Adjunct Associate Professor, School of Public Health and Social Work, Faculty of Health, Queensland University of Technology for six years.

Prior to her current role, Ms Muller was a Senior Executive in Queensland Health and led the development and implementation of the state-wide cancer screening services BreastScreen Queensland, the Cervical and Bowel Cancer Screening Programs including; establishing information systems, state level clinical quality registers and ensuring equitable access to services for people in rural and remote areas, Aboriginal and Torres Strait Islanders, people from diverse cultures and disadvantaged groups.

Ms Muller holds a Master of Environmental and Community Health from Griffith University, a Graduate Diploma of Health Education from Queensland University of Technology and a Diploma of Radiography (Diagnostic) from NSW University of Technology and is the recipient of an Australian Public Service Medal Honours Award and an Australia Day Achievement Medallion.

**Ms Karen Vernon** BA (Hons), LLB, GAICD, FGIA  
(Non-executive Director and Chair of the Governance and Nominations Committee)

Ms Karen Vernon is a barrister practising in Western Australia. She has a Bachelor of Arts (Honours) (1990) and a Bachelor of Laws (1994) from the University of WA.

Ms Vernon has practiced law for almost 25 years, beginning her career at national law firm Phillips Fox in 1994. She was a partner in a law firm for 6 years before working in London between 2003 and 2004, but returned to Perth when her father suffered a stroke. Upon her return to Perth, Ms Vernon worked as a prosecutor with the Commonwealth DPP prior to commencing practice as a barrister in 2005.

Ms Vernon is a Graduate of the Australian Institute of Company Directors and a Fellow of the Governance Institute of Australia. Ms Vernon has held various company director and board positions over the last 15 years, including WA Bar Chambers Ltd, Vincentcare Advisory Board WA, and the Chair of the Homelessness and Mental Health Services Committee of the Society of St Vincent de Paul WA. In 2017 she was elected to local government as a councillor in the Town of Victoria Park, and is also a councillor on the Mindarie Regional Council. In 2018 she was appointed to the State Operations Committee of the Society of St Vincent de Paul WA. In 2019 Ms Vernon was elected Mayor of the Town of Victoria Park.

## Directors' Report (continued)

**Ms Sally Bateman** BA (Public Relations), Grad Dip Psych, GAICD  
(Non-executive Director)

Ms Sally Bateman is the Chief Executive Officer of Make-A-Wish Australia, one of the country's most inspirational charities for children.

A former Senior Publishing Executive, Ms Bateman was Penguin Random House's inaugural Asia Pacific Director of Marketing, Publicity and Digital following the international merger of Penguin and Random House. Previously, she spent 17 years with Penguin Australia where she led Marketing & Digital strategy during a decade of disruption.

Ms Bateman is a Graduate of the Australian Institute of Company Directors, and holds a Bachelor of Arts, Public Relations and a Graduate Diploma of Psychology.

**Mr Christopher Edwards** FCA, CPA, BSc Econ (Hons), GAICD  
(Vice-President, Non-executive Director and Chair of Audit, Finance, Investment & Risk Committee)

Mr Christopher Edwards is a senior finance executive with both Australian and international experience in CFO roles mostly in the financial services sector with companies including HSBC, Prudential Insurance and Colonial First State. He has also worked in the IT industry and at QANTAS.

In addition to financial responsibilities, Mr Edwards' roles have included responsibility for strategic and business planning, risk, internal audit/compliance, property management, investment management, customer service, and IT.

Mr Edwards has focussed on supporting the strategic and commercial operations of organisations by improving transparency of performance, ensuring that business decisions are based on sound analysis, prioritising scarce resources and by identifying risks together with minimising, monitoring and controlling their potential impact.

Mr Edwards holds a BSc(Econ) with Hons from the London School of Economics and trained as a Chartered Accountant with PwC in London, migrating to Sydney on qualifying. Mr Edwards is a member of CPA Australia and a graduate member of the Australian Institute of Directors.

**Mr Andrew Matthews** FIAA, BCom, MSOD, GAICD  
(Non-executive Director representing interests of Consumers and Chair of the Endowment Fund Management Committee)

Mr Andrew Matthews is a Principal and Actuary at Finity Consulting, and an Associate Professor at Monash Business School. Mr Matthews has more than 25 years' experience in financial services in roles including: Chief Actuary at Medibank Private, Partner at Ernst & Young, a range of leadership roles in actuarial practice across the insurance industry.

Mr Matthews is a stroke survivor after experiencing a stroke in 2016 and benefitting from the support of the National Stroke Foundation.

Mr Matthews holds a BCom from the University of Melbourne, a Master of Science (Organizational Development) from Pepperdine University in California, and Fellow of the Institute of Actuaries Australia. Mr Matthews is also a graduate member of the Australian Institute of Company Directors.

## Directors' Report (continued)

**Mr James Stanistreet MAICD**  
(Non-executive Director)

With more than four decades of experience in the Australian healthcare sector, Mr Jamie Stanistreet has been an active member of the Australian medical devices industry and is committed to improving access for all patients requiring medical technology in particular, timely access to treatment for stroke.

Mr Stanistreet recently retired from Medtronic Australia & New Zealand after 19 years' service and 17 years as Managing Director & Vice President.

Prior to this, Mr Stanistreet worked with AVE, Bard Australia, Bio-Spectrum, Stelmara Biomedical & 3M Australia.

Mr Stanistreet was the Vice Chair of the Board for the Medical Technology Association of Australia, from 2006 to 2013. In 2013, Jamie was awarded the Medical Technology Association of Australia's (MTAA) highest honour - the inaugural Outstanding Individual Achievement Award. He was AmCham (American Chamber of Commerce) Governor from 2010 to 2018. He was a Finalist in the 2014/15 CEO Magazine Executive of the year award. Medtronic Australia's Best Employers in the 2005, 2006/07 and 2008 Hewitt Best Employers Australia and New Zealand Awards, and again in 2010 when the company received a Highly Commended award. He has also been deeply committed to promoting Medtronic as an Employer of Choice for Women by the Australian Government's Equal Opportunity for Women in the Workplace agency since 2006.

**Mr Chris Nunn BSc(Econ) Hons, CA, GAICD**  
(Non-executive Director)

Mr Chris Nunn recently retired as Chief Financial Officer at Redbubble Limited, an ASX listed online marketplace but he remains a non-executive director of fund manager, Impact Funds Management Pty Ltd. Mr Nunn has held a number of senior finance executive roles for more than 25 years in mostly ASX-listed organisations in investment banking, equities and property funds management, transport and online marketplace businesses.

In addition to the financial responsibilities, Mr Nunn has also held responsibility for risk management, compliance, internal/external audit, client administration, IT and human resources. He also holds a qualification in investment advice with a Graduate Diploma in Investment Management through FinSIA. Mr Nunn has particularly strong hands-on experience in the areas of finance, risk, audit, governance and investment, mainly in the corporate environment.

Mr Nunn holds a BSc (Econ) with Hons from Loughborough University, UK and trained as a chartered accountant with Coopers & Lybrand (now PWC), migrating to Melbourne in 1986. He is a member of Chartered Accountants Australia & New Zealand and a graduate of the Australian Institute of Company Directors.

## Directors' Report (continued)

**Ms Janice Thomas MAICD**  
(Non-executive Director)

Ms Janice Thomas is an Executive and Board Member with 20+ years' success at the forefront of advancement and engagement strategies in Secondary and Higher Education. Ms Thomas pioneered sustainable funding streams and built new collaborative cross-sector partnerships central to delivering the Teaching, Learning and Research agendas of some of Australia's most iconic institutions.

Founding her career in education in fighting for the continued provision of K-12 schooling in the community of Bendigo, Ms Thomas built a reputation for transformational leadership with a succession of appointments to roles involving ground-up functional establishment and key strategic contributions.

Ms Thomas is the Director of Hamilton's Consulting Australia Pty Ltd. She has held senior roles in the tertiary education sector including: as Inaugural Director of Development at the University of Western Sydney, Senior Director, Advancement & Communications and Senior Director of Engagement in the Faculty of Medicine, Dentistry and Health Sciences at the University of Melbourne.

An active not-for-profit and NGO Board Member and Advisor, Ms Thomas holds expertise across the ecosystem of fundraising, marketing, communications, external relations, community, philanthropic and corporate engagement. In addition, Ms Thomas brings transferable skills in government relations, multi-party stakeholder management and governance.

**Company Secretary - Mr John Buchanan**

Mr John Buchanan is a Fellow of The Institute of Chartered Accountants in Australia and New Zealand, a member of CPA Australia, a member of The Taxation Institute of Australia and a Registered Company Auditor.

## Directors' Report (continued)

### Foundation overview

The National Stroke Foundation provides stroke services across all regions of Australia.

The business derives its revenue from:

- Donations from the Australian public
- State and federal governments for specific stroke awareness or support programs
- Corporations in the form of donations or funding for specific programs
- Trusts and foundations

The Foundation is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If wound up, the Constitution states that each member is required to contribute a maximum of \$50 each towards meeting any outstanding obligations of the Foundation. At 31 December 2019 the collective liability of members was \$550 (2018: \$550).

### Operating and financial review

The operating result for the 2019 year was a net deficit of \$1,342,000 (2018: \$210,000 surplus). The deficit was a result of the decision by the Board and management to continue the multi-year investment in donor acquisition to grow community income through regular giving. This investment has a positive return and short payback period and will deliver a reliable regular giving base for income providing greater financial security for the Foundation and a platform upon which plans for expanded mission-related activities can be confidently built. It will also facilitate the continuing pursuit of strategies to diversify revenue streams further going forward.

### Nature of operations and principal activities

During the financial period main areas of operation for the Foundation were to provide services that aim to prevent stroke, improve access to stroke treatment and reduce the impact of stroke on the Australian community. This was pursued by building community awareness of stroke, funding research to foster new thinking and innovative treatments and supporting survivors to live the best possible life after stroke. The principal activities during 2019 were to:

- Raise awareness of the risk factors, signs of stroke and promote healthy lifestyles;
- Improve access to evidence-based treatment for stroke to save lives and reduce disability through provision of clinical guidelines, audit data and online education for health professionals;
- Enhance recovery and support survivors to live well after stroke through the development and provision of support and information for stroke survivors and their families and carers;
- Encourage, stimulate and aid research in Australia and internationally in branches of health and medical science pertaining to stroke;
- Advocate for evidence-based policies and programs to prevent, treat and beat stroke; and
- Raise funds from the community, corporate sector and government to continue our mission.

There were no significant changes to these activities during the year.

### Objectives

The vision of the National Stroke Foundation is a world free from disability and suffering caused by stroke.

The National Stroke Foundation's mission is to Prevent Stroke, Save Lives and Enhance Recovery.

During 2019, the Foundation continued to make great progress against the five-year strategic plan called Strategy 2022 which has five strategic goals:

- Fewer preventable strokes in Australia;
- Ensure all Australians have access to evidence-based stroke treatment;
- Enhance recovery to help Australians live well after stroke;
- Champion research in stroke; and
- Grow our impact and manage our charity effectively and efficiently.

## Directors' Report (continued)

To achieve these goals, the organisation is implementing the following strategies:

### *Fewer preventable strokes in Australia*

- Boost the number of people who know their blood pressure and associated stroke risk
- Increase community understanding of atrial fibrillation (AF) and its impact on stroke
- Increase community understanding of personal stroke risk factors

### *Ensure all Australians have access to evidence-based stroke treatment*

- Help more Australians know the F.A.S.T. signs of stroke (Face, Arms, Speech, Time)
- Ensure time critical stroke treatments are nationally accessible and supported by stroke unit care
- Support hospitals to improve adherence to the rehabilitation framework and collaborative goal setting

### *Enhance recovery to help Australians live well after stroke*

- Support hospital staff to improve comprehensive discharge planning for stroke survivors
- Extend stroke resources and support tools to diverse communities
- Improve our engagement with primary health and community sectors

### *Champion research in stroke*

- Advocate for increased stroke research funding
- Increase our funding for and participation in stroke research
- Develop and strengthen our research network partnerships

### *Grow our impact and manage our charity effectively and efficiently*

- Sustainably diversify and grow our funding revenues and increase our profile
- Attract the right people and support them with the systems they need to drive organisational performance
- Strengthen our cultural diversity and build industry, academic and institutional partnerships

In 2019, the National Stroke Foundation delivered the following programs and initiatives:

- F.A.S.T. (Face, Arms, Speech, Time), a public awareness and community education campaign which aims to teach people the most common signs of stroke;
- StrokeSafe community education that uses trained volunteers to educate people on how to reduce their risk of stroke. New targeted community education programs commenced in Tasmania and Western Australia with the State Government financial support;
- Health Check Program, incorporating the My Health for Life initiative in Queensland (QLD) and Australia's Biggest Blood Pressure Check campaign, which raises awareness of risk factors for stroke and diabetes in the community through pharmacy, workplace and community health checks. In partnership with Ryman Healthcare, a dedicated mobile Health Check service was launched in Victoria;
- Stroke Connect, a program to ensure that stroke survivors and their carers are provided with information and supported to access the necessary resources to assist in their best possible recovery and improve the quality of life after stroke. Major activities include:
  - Stroke Connect Follow-up (ACT and QLD), where stroke survivors and their carers are supported to access the necessary services, resources and information in order to improve the quality of life post stroke. The QLD follow-up service finished on 30 June 2019 following cessation of State Government funding for this program.
  - My Stroke Journey (MSJ), which delivers high quality information to stroke survivors, their family members and carers. MSJ is designed to support care planning and the transition from hospital to home. It is complemented by a range of information fact sheets on the impact of stroke. A new easy English version of MSJ was launched in 2019. Consultation on the development of a culturally sensitive MSJ for Aboriginal people was completed with QAIHC, an Aboriginal community leadership and policy organisation in Queensland.

## Directors' Report (continued)

- Strokeline, a telephone and online helpdesk service operated by trained health professionals who provide information and advice on stroke prevention, treatment and recovery;
- EnableMe, an online portal that uses adaptive technology to empower stroke survivors, carers and families with the information they need to maximise their recovery and to navigate the journey after stroke;
- Stroke Connect Support groups – providing support to stroke survivors in the community via volunteer led groups, and
- Stroke Outcomes Program (StOP) (Tasmania) - delivers planned, individualised and coordinated education at a key point in people's stroke journey, when they are highly motivated to act, but lacking in the knowledge and skills needed to effectively reduce their risk of subsequent stroke.
- Childhood Stroke – this is a new area of work for the National Stroke Foundation and the first project commenced in 2019 to develop Australia's first evidence-based resource for families of children with stroke, called "My family's stroke journey". This is the first step in our journey to develop a range of support and education services for families of children with stroke and health professionals working in this area.
- Resources for diverse communities – fact sheets and video in languages were developed in 2018/2019. Planning is underway to translate all major stroke resources and to build connection with diverse communities.
- Stroke EXPERT, a program aimed at healthcare professionals, including:
  - Living Clinical Guidelines for Stroke Management project (supported by the Medical Research Future Fund) – building on our experience in clinical guideline development and with our digital platform InformMe and working in partnership with Cochrane Australia, we developed Australia's first "living guidelines". This innovative project will enable clinicians, consumers and policy makers in stroke to easily access the latest, evidence-based research and treatment information in one place via mobile devices and desktop computers;
  - National Acute Stroke Services Framework and the Rehabilitation Framework which aims to improve the quality of acute and rehabilitation health services in Australia by outlining recommended systems, structures, networks, settings and criteria;
  - National Audit – presents data central to the understanding of the current acute and rehabilitation services in Australia, reports on areas for improvement and tracks performance over time against best practice clinical guidelines and standards; we launched a report to examine trends in access, treatment and care over the past 20 years since the National Audit was established by the National Stroke Foundation;
  - StrokeLink – a team-based quality improvement program for hospital staff in Queensland and Tasmania working in stroke which uses audit and Australian Stroke Clinical Registry (AuSCR) data to help reduce the gap between evidence and practice; and
  - InformMe – A digital 'one stop shop' platform to provide health professionals working in stroke evidence-based information, clinical guidelines, audit and benchmarking data, quality improvement tools and online education modules to promote best practice stroke care in acute and rehabilitation services.
- Research – we expanded the National Stroke Foundation research program which provides funding and in-kind support for capacity building grants in stroke research including:
  - Four (4) seed grants (total \$196,592) were awarded by the National Stroke Foundation;
  - Awarded two named research grants from a newly established stroke research endowment fund that we set up with two families who both lost their young adult sons to stroke. The Tim Glendinning and Gavin Paul Bennier funds are supporting research into young adult stroke;
  - Through funding provided by the Medical Research Future Fund, established the process and awarded two Return to Work, Return to Life research grants;

## Directors' Report (continued)

- In early discussions and development of a third endowment fund dedicated to stroke prevention.
- Advocacy at federal and state/territory government levels to secure support for research and proven interventions which will ultimately reduce the economic, societal and health burdens of stroke in Australia. In collaboration with the National Heart Foundation, we developed a National Action Plan for Heart Disease and Stroke, supported by a grant from the Australian Government. We are also strongly advocating to further develop the Australian Telestroke Network (ATN) so that regional and rural Australians have the same access to time-critical stroke treatment, by linking rural centres with comprehensive stroke centres in major cities, delivering best practice treatment and care 24 hours a day, seven days a week.

This work was supported by:

- Good governance: ensuring financial sustainability and effective risk management processes, engaging and retaining outstanding people, implementing quality processes and systems and creating quality infrastructure and environments. The Foundation implemented Salesforce application in 2018/19 to replace its existing customer relationship management and fundraising systems and is continuing the migration of various technology solutions to cloud-based applications as part of its Modern Workplace project.
- Communications: working with the media, business, governments, health professionals and the general community to establish two-way flows of information to raise awareness about stroke, show how stroke can be prevented and treated, and demonstrate how life can be improved for stroke survivors and their carers, friends and families.

### Strategy and operational risk management

The Board of the National Stroke Foundation is actively involved in the identification and management of enterprise risks within the context of the organisation's risk management framework, and reviews significant changes in organisational risk profile at each Board meeting. The monitoring of risks has been delegated by the Board to the Audit, Finance, Investment & Risk Committee which formally reviews risks at bi-monthly meetings and escalates to the Board when residual risks increase significantly, or when emerging issues exceed organisational risk appetite.

The Board has mechanisms in place to ensure that management's objectives and activities are aligned with potential business risks and opportunities. They include the implementation of Board approved operating plans and budget, and the Board monitoring of progress against these budgets, including financial and non-financial key performance indicators.

Management and the Board monitor the Foundation's overall performance, from its implementation of the strategic plan through to the performance of the Foundation against operating plans and financial budgets.

The Board, together with management, monitor organisational performance through a suite of key result areas (KRAs). Management monitor KRAs on a timely basis. Directors receive various financial and non-financial KRAs for review prior to each Board meeting allowing all Directors to monitor the Foundation's performance.

### Significant changes in the state of affairs

During the year, there were no significant changes in the state of affairs of the Foundation.

### Subsequent Events

From March 2020, the Australian Federal and State Governments have enforced significant changes in business practices as a consequence of the Coronavirus (COVID 19) outbreak. The Foundation is taking steps to respond to requirements as they are announced. At this stage it is not possible to forecast the extent of business disruption. As part of the Foundation's response, the Board and management are actively monitoring operational impacts and cash flows.

## Directors' Report (continued)

### **Indemnification and insurance of directors and officers**

The Foundation has agreed to indemnify the immediate current and former Directors and the current and the immediate former Company Secretary against all liabilities to another person (other than the Foundation) that may arise from their position as Directors or Secretary of the Foundation, except where the liability arises out of a lack of good faith. The agreement stipulates that the Foundation will meet the full amount of such liabilities, including costs and expenses.

The Foundation has paid insurance premiums of \$7,066 (2018: \$6,545) in respect of Directors and Officers Liability insurance.

### **Indemnification of auditors**

To the extent permitted by law, the Foundation has agreed to indemnify its auditors, Pitcher Partners, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Pitcher Partners during or since the financial year.

## Directors' Report (continued)

### Directors' meetings

	Meetings of Directors and Committees					
	Directors' meetings		Audit, Finance Investment & Risk		Governance & Nominations	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
<b>Number of meetings held</b>	<b>8</b>		<b>6</b>		<b>5</b>	
<b>Directors:</b>						
Professor James Angus AO <sup>1</sup>	8	8	-	-	5	5
Professor Amanda Thrift	8	5	-	-	-	-
Professor Bruce Campbell	8	6	-	-	-	-
Ms Jennifer Muller	8	7	-	-	-	-
Ms Karen Vernon <sup>2</sup>	8	7	-	-	5	5
Ms Sally Bateman	8	7	-	-	5	5
Mr Christopher Edwards <sup>3</sup>	8	8	6	6	5	4
Mr Andrew Matthews	8	8	6	4	-	-
Mr James Stanistreet	8	6	-	-	-	-
Mr Christopher Nunn	8	6	6	4	-	-
Ms Janice Thomas	8	6	-	-	-	-
<b>Independent advisors:</b>						
Mr Peter Fekete	-	-	6	4	-	-
Mr Alan Lahiff	-	-	6	6	-	-

<sup>1</sup> Chairperson of Directors' Meetings

<sup>2</sup> Chairperson of Governance & Nominations Committee

<sup>3</sup> Chairperson of Audit, Finance Investment & Risk Committee

### Key performance indicators

To help evaluate whether the activities the Foundation established during the year have achieved its short-term objectives, the Foundation uses the following indicators to measure, analyse and monitor its performance:

	Target	Actual	Comments
Increase the percentage of the community who recognise stroke as a medical emergency	90%	75%	Federal government funding secured to promote recognition
Increase resources available for childhood and young stroke survivors	Multiple	None	The first additional resource, 'Our Family's Stroke Journey' for parents will be launched in March 2020. Further resources will follow.
Increase expenditure on research grant funding	\$500,000	\$784,350	
Sustain the percentage of total spend on stroke services and advocacy (prevention, treatment, recovery and research)	50%	51%	

## Directors' Report (continued)

### Auditor independence Declaration

In addition to audit services, Pitcher Partners were engaged to perform an agreed-upon procedure assignment.

A copy of the auditor's independence declaration under section 307c of the *Corporation's Act 2001* in relation to the audit for the Financial year is provided with this report.

Signed in accordance with a resolution of the Directors.

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

Professor James Angus AO  
President

A handwritten signature in black ink, appearing to read 'Christopher Edwards'.

Mr Christopher Edwards  
Vice-President

Melbourne

2 April 2020

**NATIONAL STROKE FOUNDATION**  
**ABN: 42 006 173 379**

**AUDITOR'S INDEPENDENCE DECLARATION**  
**TO THE DIRECTORS OF NATIONAL STROKE FOUNDATION**

In relation to the independent auditor's review for the period ended 31 December 2019, to the best of my knowledge and belief there have been no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.



M J HARRISON  
Partner

2 April 2020



PITCHER PARTNERS  
Melbourne

## Statement of profit or loss and other comprehensive income

For the year ended 31 December 2019

	Note	2019 \$'000	2018 \$'000
Revenue from operating activities	5	13,463	13,830
Core activity costs	5	13,998	12,080
<b>Gross (deficit)/surplus</b>		(535)	1,750
Administration costs		316	445
Occupancy expenses		482	460
Depreciation	8	471	62
Amortisation	9	1,527	810
<b>Deficit from operating activities</b>		(3,331)	(27)
Other income	5	669	871
Realised gain/(loss) on investments	5	159	275
Unrealised gain/(loss) on investments	5	1,160	(902)
Gain/(loss) on disposal of fixed assets	5	1	(7)
<b>(Deficit)/surplus before income tax expense</b>	5	(1,342)	210
Income Tax Expense		-	-
<b>(Deficit)/surplus after income tax expense</b>		(1,342)	210
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		-	-
<b>Total comprehensive income attributable to members of the entity</b>		(1,342)	210

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

## Statement of financial position

As at 31 December 2019

	Note	2019 \$'000	2018 \$'000
<b>Current assets</b>			
Cash & cash equivalents	17(b)	4,918	6,647
Trade and other receivables	6	668	555
Other financial assets	7	12,230	11,473
<b>Total current assets</b>		<b>17,816</b>	<b>18,675</b>
<b>Non-current assets</b>			
Plant & equipment	8	2,510	181
Intangible assets	9	4,306	3,668
<b>Total non-current assets</b>		<b>6,816</b>	<b>3,849</b>
<b>Total assets</b>		<b>24,632</b>	<b>22,524</b>
<b>Current liabilities</b>			
Trade and other payables	10	1,131	756
Provisions	11	391	302
Deferred revenue	12	1,802	1,095
Lease Liabilities	13	241	-
<b>Total current liabilities</b>		<b>3,565</b>	<b>2,153</b>
<b>Non-current liabilities</b>			
Provisions	11	113	122
Deferred revenue	12	-	100
Lease Liability	13	2,197	-
Other liabilities	14	-	50
<b>Total non-current liabilities</b>		<b>2,310</b>	<b>272</b>
<b>Total liabilities</b>		<b>5,875</b>	<b>2,425</b>
<b>Net assets</b>		<b>18,757</b>	<b>20,099</b>
<b>Funds</b>			
General Funds	15	3,757	5,099
Reserves	16	15,000	15,000
<b>Total funds</b>		<b>18,757</b>	<b>20,099</b>

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

## Statement of changes in equity

For the year ended 31 December 2019

	Reserves \$'000	General Funds \$'000	Total \$'000
<b>At 1 January 2018</b>	15,000	4,889	19,889
Surplus for year	-	210	210
<b>Balance at 31 December 2018</b>	15,000	5,099	20,099
<b>At 1 January 2019</b>	15,000	5,099	20,099
Deficit for year	-	(1,342)	(1,342)
<b>Balance at 31 December 2019</b>	15,000	3,757	18,757

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

## Statement of cash flows

For the year ended 31 December 2019

	Note	2019 \$'000	2018 \$'000
<b>Cash flows from operating activities</b>			
Receipts from ordinary activities (inclusive of GST)		14,264	14,724
Payments to suppliers and employees (inclusive of GST)		(14,245)	(13,750)
Interest received		74	58
Payment of interest on lease liability		(180)	
Net cash inflows from operating activities	17(a)	(87)	1,032
<b>Cash flows from investing activities</b>			
Proceeds from sale of investment securities		8,252	12,513
Purchase of investment securities		(7,689)	(11,008)
Purchase of plant and equipment	8	(370)	(18)
Purchase of intangible assets	9	(2,163)	(1,950)
Dividends received		418	538
Interest received		237	337
Net cash (outflows)/inflows from investing activities		(1,315)	412
<b>Cash flows from financing activities</b>			
Payment of lease liability		(327)	-
Net cash outflows from financing activities		(327)	-
Net (decrease)/increase in cash and cash equivalents		(1,729)	1,444
Cash and cash equivalents at the beginning of the financial year		6,647	5,203
<b>Cash and cash equivalents at end of period</b>	17(b)	<b>4,918</b>	<b>6,647</b>

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

## Notes to the financial statements (continued)

For the year ended 31 December 2019

### 1. Corporate information

The financial report of the National Stroke Foundation Limited for the year ended 31 December 2019 was authorised for issue in accordance with a resolution of the Directors on 4 April 2020.

National Stroke Foundation Limited is a company limited by guarantee incorporated and domiciled in Australia. The financial report is presented in Australian dollars, which is the Foundation's functional currency.

The nature of the operations and principal activities of the Foundation are described in the Directors' Report.

### 2. Statement of significant accounting policies

#### Basis of preparation of financial report

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. National Stroke Foundation is a not-for-profit entity for the purpose of preparing financial statements. The financial report has been prepared on a historical cost basis, except for financial assets which have been measured at fair value. All financial statements should be read in conjunction with the notes.

#### (a) Statement of compliance with IFRS

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

#### (b) Basis of consolidation

The financial report comprises the financial statements of the National Stroke Foundation and its subsidiary as at 31 December each year.

Subsidiaries are entities over which the Foundation has the power to govern the financial and operating policies so as to obtain benefits from their activities.

Stroke Care Australia Pty Ltd is the only subsidiary and has not operated during the financial year. Stroke Care Australia Pty Ltd has no assets or liabilities, accordingly a consolidated financial report would mirror the financial report of National Stroke Foundation.

#### (c) New and revised accounting standards effective 31 December 2019

##### (i) AASB 16 Leases

*Accounting policy applied to the information presented for the current period under AASB 16 Leases:*

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the Foundation recognises a lease asset representing its right to use the underlying asset, and a lease liability representing its obligation to make lease payments.

#### **Lease assets**

Lease assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the Foundation, and an estimate of costs to be incurred by the Foundation in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequent to initial recognition, lease assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss.

## Notes to the financial statements (continued)

For the year ended 31 December 2019

### 2. Summary of significant accounting policies (continued)

#### (c) New and revised accounting standards effective 31 December 2019 (continued)

##### (i) AASB 16 Leases (continued)

Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

##### *Lease liabilities*

Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the Foundation's incremental borrowing rate.

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e., the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

##### *Leases of 12-months or less and leases of low value assets*

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

##### (ii) AASB 1058: Income of Not-for Profit Entities

AASB 1058: Income of Not-for Profit Entities replaces the income recognition requirements in AASB 1004: *Contributions* applicable to private sector not-for-profit entities with a model based on the principles of AASB 15: Revenue from Contracts with Customers. Consequently, AASB 1058 requires private sector not-for-profit entities to recognise all revenue from contracts with customers when the related performance obligations are satisfied, irrespective of whether the ultimate beneficiary of the goods or services provided by the not-for-profit entity is the grantor of the funds or another entity. An agreement involving a not-for-profit entity would be classified as a contract with a customer if the agreement:

- (a) creates enforceable rights and obligations between the parties; and
- (b) includes a promise by the not-for-profit entity to transfer a good or service that is sufficiently specific for the entity to determine when the obligation is satisfied.

For contracts with customers that comprise a donation component, AASB 1058 requires such components to be treated as part of the performance obligation(s) unless the entity can demonstrate that component is not related to the promised goods or services.

When an arrangement does not meet the criteria for a contract with a customer, the inflows are accounted for in accordance with AASB 1058, which requires:

- (a) the asset received by the not-for-profit entity to be accounted for in accordance with the applicable Australian Accounting Standard; and
- (b) any difference between the consideration given for the asset and its fair value to be recognised in accordance with its substance (such as a contract liability, a financial instrument and/or a contribution by owners), and any residual amount recognised as income.

AASB 1058 and the applicable amending standards, mandatorily apply to annual reporting periods commencing on or after 1 January 2019 and was first applied by the Foundation in the financial year commencing 1 January 2019.

## Notes to the financial statements (continued)

For the year ended 31 December 2019

### 2. Summary of significant accounting policies (continued)

#### d) Revenue recognition

##### Revenue from contracts with customers

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from the rendering of services is recognised upon the delivery of the service to the customers.

##### Donation Revenue

Where no specific contract exists, donation revenue is recognised on receipt from donors.

##### Event Income

Revenue from organising and hosting events is recognised in the period in which the events are held.

##### Dividend and other distributions

Dividend and other distribution revenue is recognised when the right to receive a dividend or other distribution has been established.

##### Interest

Interest revenue is measured in accordance with the effective interest method.

All revenue is stated net of the amount of goods and services tax (GST).

#### (e) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position include cash at bank, cash in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. The Foundation does not have an overdraft facility.

#### (f) Trade and other receivables

Trade receivables generally have terms of 30-60 days and are recognised initially at fair value and subsequently measured at amortised cost less an allowance for any expected credit loss.

#### (g) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Foundation's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Foundation's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

#### (h) Rounding of amounts

In accordance with *ASIC Corporations (Rounding in Financial/Directors Reports) Instrument 2016/191*, the amounts in the directors' report and in the financial report have been rounded to the nearest one thousand dollars, or in certain cases, to the nearest dollar (where indicated).

## Notes to the financial statements (continued)

For the year ended 31 December 2019

### 2. Summary of significant accounting policies (continued)

#### (i) Plant and equipment

Plant and equipment is carried at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line basis over the useful life of individual items of plant and equipment.

Depreciation rates for plant and equipment is over 1 to 10 years, depending on asset classification.

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate at each financial year end.

An item of plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

#### *Impairment of plant and equipment*

Plant and equipment is tested for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable, and also annually at each reporting date. Assets are written down to their recoverable amount when the carrying amount of the asset is greater than the higher of the assets' fair value less costs to sell and value in use. The recoverable amount is the assets current replacement cost.

#### (j) Intangible assets

##### **Separately acquired intangible assets**

Included in this category as an asset are the incremental costs of obtaining a financial commitment from a list of donors that have signed up to provide ongoing donations to the donor acquisition program, acquired through a third-party recruitment agency.

On initial recognition, intangible assets acquired separately are measured at cost. The cost of a separately acquired intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates and any directly attributable cost of preparing the asset for its intended use.

Separately acquired intangible assets are recognised at cost and amortised over their estimated useful lives commencing from the time the asset is available for use. The amortisation method applied to an intangible asset is consistent with the estimated consumption of economic benefits of the asset. Historical data shows that acquired donors that have signed up, continue to donate for at least 4 years. After initial recognition, separately acquired intangible assets are measured at cost, less accumulated amortisation (where applicable) and any accumulated impairment losses.

##### **Internally generated intangible assets**

Internally generated intangible assets primarily relate to internally developed software.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Development costs represent typical internally generated intangible assets of relevance for the Foundation. Costs incurred in relation to individual projects are capitalised only when the future economic benefit of the project is probable and the following main conditions are met:

- the development costs can be measured reliably,
- the technical feasibility of the product has been ascertained and
- Management has the intention and ability to complete the intangible asset and use or sell it.

## Notes to the financial statements (continued)

For the year ended 31 December 2019

### 2. Summary of significant accounting policies (continued)

#### (j) Intangible assets (continued)

##### *Impairment of intangible assets*

Intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable, and also annually at each reporting date. Assets are written down to their recoverable amount when the carrying amount of the asset is greater than the higher of the assets' fair value less costs to sell and value in use. The recoverable amount is the assets current replacement cost.

#### (k) Other financial assets

##### *Investments and other financial assets*

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided. Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

##### *Financial assets at fair value through profit or loss*

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

##### *Impairment of financial assets*

The Foundation recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured based on the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

#### (l) Trade and other payables

Trade and other payables are carried at amortised cost and due to their short-term nature, they are not discounted.

They represent liabilities for goods and services provided to the Foundation prior to the end of the financial year that are unpaid and arise when the Foundation becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

## Notes to the financial statements (continued)

For the year ended 31 December 2019

### 2. Summary of significant accounting policies (continued)

#### (m) Employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

##### *Wages, salaries and annual leave*

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured using remuneration rates which are expected to be paid when the liability is settled.

Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

##### *Long service leave*

The liability for long service leave is recognised and measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. In determining the present value of expected future cash outflows, the market yield as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, are used.

#### (n) Income tax and other taxes

##### *Income tax*

As the Foundation is a charitable institution in terms of subsection 50-5 of the *Income Tax Assessment Act 1997*, as amended, it is exempt from paying income tax.

##### *Other taxes*

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the ATO, in which case the GST is recognised as either part of the cost of acquisition of an asset or as part of the expense item; and
- receivables and payables, which are stated with the amount of GST included.

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

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

#### (o) Provisions

Provisions are recognised when the Foundation has a present obligation (legal, equitable or constructive) to make a future outflow of economic benefits as a result of past transactions or other past events, it is probable that a future outflow of economic benefits will be required and a reliable estimate can be made of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

## Notes to the financial statements (continued)

For the year ended 31 December 2019

### 2. Summary of significant accounting policies (continued)

#### (p) Comparative figures

Where required by Accounting Standards, comparative figures have been reclassified and repositioned for consistency with current year disclosures.

#### (q) Government grants

Government grants are recognised when there is reasonable certainty that the grant will be received and all grant conditions are met.

For government grants with no specific performance obligations attached, revenue is recognised on the receipt of cash.

Grants relating to depreciable assets are credited to deferred income and are recognised in profit or loss over the period and in the proportions in which depreciation expense on those assets is recognised.

### 3. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgments and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgments and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

Management has identified the following critical accounting policies for which significant estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

#### (a) Key estimates

Amortisation rate for donor acquisition costs

The Foundation recognises as an asset the incremental costs of obtaining a final commitment from a donor where these costs are expected to be recovered. These costs are then amortised over the expected life of the commitment based on historical trends estimated from previous years' donor acquisition programmes.

## Notes to the financial statements (continued)

For the year ended 31 December 2019

### 4. Financial risk management objectives and policies

#### (a) Financial risk management objective and policies

Interest, liquidity and credit risk arise in the normal course of the Foundation's operations. The Foundation's principal financial instruments comprise investments, cash and short-term deposits. Other financial instruments include trade receivables and trade payables.

The Foundation uses different methods to measure and manage different types of risks to which it is exposed, as further outlined below. The Foundation's management of financial risk is aimed at supporting the delivery of the Foundation's financial targets while protecting future financial security.

The totals for each category of financial instruments are as follows:

	Note	2019 \$'000	2018 \$'000
<b>Financial assets</b>			
Cash and cash equivalents	17(b)	4,918	6,647
Trade and other receivables	6	668	555
Other current financial assets	7	12,230	11,473
Total financial assets		17,816	18,675
<b>Financial liabilities</b>			
Trade and other payables	10	1,131	756
Total financial liabilities		1,131	756

#### (b) Interest rate risk

The Foundation's exposure to the risk of changes in market interest rates relates primarily to the Foundation's cash and cash equivalent assets. The Foundation has no borrowings.

At balance date the Foundation had the following mix of financial assets exposed to Australian variable interest rate risk:

	2019		2018	
	Interest rate %	\$'000	Interest rate %	\$'000
Cash at bank	0.00 - 2.50	3,741	0.00 - 2.50	4,370
Deposits at call	2.50 - 3.00	1,177	2.50 - 3.00	2,277
Total exposure		4,918		6,647

## Notes to the financial statements (continued)

For the year ended 31 December 2019

### 4. Financial risk management objectives and policies (continued)

#### (c) Liquidity risk

Liquidity risk is the risk that the Foundation may encounter difficulty in meeting obligations associated with financial liabilities as and when they fall due.

The liquidity position for the Foundation is managed to ensure financial commitments are met in a timely manner. Forecasted cash flows are used to calculate a future liquidity position and to maintain suitable liquidity levels.

The Foundation's exposure to liquidity risk is low due to the active and regular monitoring of financial performance, approved budgets and future cash flows, coupled with the significant reserves held.

#### (d) Credit risk

Credit risk is the risk that a contracting party with the Foundation may not meet its obligations and in turn result in a potential financial loss to the Foundation.

The carrying amount of financial assets represents the maximum credit exposure. The major trade receivables of the Foundation are large corporations who hold strong relationships with the Foundation and Governments. Credit risk is therefore considered low for the majority of the balance. The Foundation holds no collateral on trade receivables as the Foundation only deals with creditworthy third parties. Receivable balances are monitored on an ongoing basis and given the low risk profile of customers, the Foundation's exposure to bad debts is not significant.

#### (e) Price risk

The Foundation's listed and unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Foundation manages the equity price risk through the guidance of external investment advisors. Price risk is minimised via diversification and by placing an agreed upon framework around limits of how the portfolio is allocated. Reports on the equity portfolio are submitted to the Foundation's senior management and Board of Directors on a regular basis.

At balance date, the Foundation had the following mix of financial assets exposed to changes in market prices:

	2019		2018	
	Yield estimate	\$'000	Yield estimate	\$'000
ASX listed - Australian securities	0.00 - 7.00	7,450	0.00 - 7.00	7,929
ASX listed - International securities	0.00 - 7.00	4,750	0.00 - 7.00	3,530
Unlisted Australian securities	0.00	30	0.00	14
Total exposure		<u>12,230</u>		<u>11,473</u>

Australian securities are traded on the Australian Securities Exchange.

International securities are traded on the Australian Warrant and Exchange Traded Funds (ETF) Exchange. They are predominantly exposed to U.S, U.K and European currency fluctuations. At balance date, approximately 39% of securities held via the ETF Exchange include an inbuilt currency hedge to protect the Foundation against currency risk exposure.

Any increase or decline on Australian or international markets could have an impact on the income or equity attributable to the Foundation, depending on whether any increase or decline is significant or prolonged.

## Notes to the financial statements (continued)

For the year ended 31 December 2019

### 4. Financial risk management objectives and policies (continued)

#### (f) Fair value

Due to their short-term nature, the fair value of all the financial assets and liabilities held by the Foundation is assumed to approximate the individual carrying values of those assets and liabilities.

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The listed financial assets are based on a level 1 method to determine fair value.

The unlisted financial assets are based on a level 2 method to determine fair value.

There are no other recurring or non-recurring financial assets or liabilities measured at fair value.

**Notes to the financial statements (continued)**

For the year ended 31 December 2019

**5. (Deficit)/surplus from ordinary activities**

	2019	2018
	\$'000	\$'000
<b>Operating revenue</b>		
Government	2,846	2,449
Community	8,190	8,133
Bequests received	1,995	2,000
Trusts and foundations	25	659
Corporate	270	455
Interest	74	58
Product merchandising	63	76
<b>Total operating revenue</b>	<b>13,463</b>	<b>13,830</b>
<b>Core activity expenditure</b>		
Programs and Operations	7,028	5,681
Income Development	5,489	5,523
Research	784	297
Advocacy	697	578
<b>Total core activity expenditure</b>	<b>13,998</b>	<b>12,080</b>
Depreciation and amortisation	1,998	872
Governance and Sustainability	798	905
<b>Total expenditure</b>	<b>16,794</b>	<b>13,856</b>
<b>Deficit from operating activities</b>	<b>(3,331)</b>	<b>(27)</b>
<b>Other income</b>		
Interest income on interest bearing securities	254	299
Dividend income on equity securities	305	397
Franking credits earned	110	175
<b>Total other income</b>	<b>669</b>	<b>871</b>
Gain/(loss) on investments	1,319	(627)
Gain/(loss) on disposal of fixed assets	1	(7)
<b>Total comprehensive income attributable to members of the entity</b>	<b>(1,342)</b>	<b>210</b>

(Deficit)/surplus from ordinary activities has been determined after:

The following explanations of revenue types and core activity expenditure groups are provided to assist in understanding the deficit from ordinary activities and net surplus.

## Notes to the financial statements (continued)

For the year ended 31 December 2019

### Revenue

Government revenue is provided by both state and federal governments for specific purposes.

Community revenue includes revenue raised from donations and events where there is no specific requirement for use.

Trust and foundation revenue represents revenue provided by various trusts or foundations for specific purposes.

Corporate revenue is provided by companies for specific and non-specific purposes.

### Core activity expenditure

Programs and Operations expenditure relates to the delivery of nationwide programs. A large number of programs exist to prevent stroke prevalence in the Australian public by educating and informing the community of the risk factors and signs of stroke. Programs also include initiatives to develop support services for people and families living with stroke to improve lives, treatments and access to stroke units.

Expenditure largely includes promotional costs as well as salary and wages.

Income development expenditure relates to fundraising activities and includes salary and wages, developmental investment costs for donor acquisition and a bequest program.

Research costs relate to promoting and supporting excellence in stroke related research.

Advocacy is connected to influencing public-policy and resource allocation decisions within political, economic, and social systems and influencing institutions to the benefit of the Australian public and the stroke community.

### Governance and Sustainability

This non-core activity drives the Foundation's good governance and strategic planning activities. The focus of this activity is to ensure the Foundation is efficient, effective and operates with high integrity and process that services stakeholders to a high level of satisfaction. Expenditure includes salary and wages, administration and overhead type costs.

**Notes to the financial statements (continued)**

For the year ended 31 December 2019

**6. Current assets - Trade and other receivables**

	2019 \$'000	2018 \$'000
Trade debtors	52	19
Provision for impaired debtors	-	(12)
	<u>52</u>	<u>7</u>
Other receivables:		
Sundry receivables	266	255
GST receivable	181	117
Prepayments	169	176
	<u>616</u>	<u>548</u>
Total trade and other receivables	<u>668</u>	<u>555</u>

Trade receivables are non-interest bearing and are expected to settle within 30-60 days.

The Foundation has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue. At 31 December the ageing analysis of trade receivables is as follows:

	Total	0-30 days	31-60 days	61-90 days	+ 91 days
2019	52	41			11
2018	19	7	-	-	11

**7. Financial assets**

	2019 \$'000	2018 \$'000
Investments at fair value through profit and loss:		
Quoted equity shares	12,200	11,459
Unquoted equity shares	30	14
Total investments at fair value	<u>12,230</u>	<u>11,473</u>

Quoted equity shares represent securities traded on the Australian Securities Exchange, the Australian Warrant and Exchange Traded Funds (ETF) Exchange and international markets via an international equity fund. At balance date, approximately 39% of securities held via the ETF Exchange and in international markets include an inbuilt currency hedge to protect the Foundation against currency risk exposure.

**Notes to the financial statements (continued)**

For the year ended 31 December 2019

**8. Non-current assets - Plant and equipment**

	Plant and equipment	Right to Use Asset - Office Lease Buildings	Total
	\$'000	\$'000	\$'000
<b>Cost</b>			
At 1 January 2018	822	-	822
External additions	18	-	18
Disposals	(15)	-	(15)
At 31 December 2018	825	-	825
External additions	370	-	370
Adoption of new accounting standard (AASB 16 - leases)	-	2,432	2,432
Transfer	(9)	-	(9)
Disposals	(187)	-	(187)
At 31 December 2019	999	2,432	3,431
<b>Depreciation</b>			
At 1 January 2018	588	-	588
Depreciation for the year	66	-	66
Disposals	(10)	-	(10)
At 31 December 2018	644	-	644
Depreciation for the year 2019	55	416	471
Transfer	(7)	-	(7)
Disposals	(187)	-	(187)
At 31 December 2019	505	416	921
<b>Net carrying amount</b>			
At 31 December 2018	180	-	180
At 31 December 2019	494	2,016	2,510

**Notes to the financial statements (continued)**

For the year ended 31 December 2019

**9. Non-current assets - Intangible assets**

	Licences	Development costs	Donor Acquisition Costs	Total
	\$'000	\$'000	\$'000	\$'000
<b>Cost</b>				
At 1 January 2018	51	2,013	1,063	3,127
Separately acquired	-	-	1,850	1,850
Internally generated	-	99	-	99
Disposals	(7)	-	-	(7)
At 31 December 2018	44	2,112	2,913	5,069
Separately acquired	-	-	2,151	2,151
Internally generated	-	12	-	12
Transfer	9	-	-	9
At 31 December 2019	53	2,124	5,064	7,241
<b>Amortisation</b>				
At 1 January 2018	25	514	63	602
Amortisation for the year 2018	10	336	459	805
Disposals	(6)	-	-	(6)
At 31 December 2018	29	850	522	1,401
Amortisation for the year 2019	10	423	1,094	1,527
Transfer	7	-	-	7
At 31 December 2019	46	1,273	1,616	2,935
<b>Net carrying amount</b>				
At 31 December 2018	16	1,262	2,390	3,668
At 31 December 2019	7	851	3,448	4,306

Development costs represent internally generated intangible assets of relevance for the Foundation and primarily relate to internally developed software such as the EnableMe, InformMe and Salesforce platforms.

**Notes to the financial statements (continued)**

For the year ended 31 December 2019

**10. Current liabilities - Trade and other payables**

	2019 \$'000	2018 \$'000
Trade payables	631	383
Other payables	500	373
<b>Total</b>	<b>1,131</b>	<b>756</b>

**11. Provisions**

	2019 \$'000	2018 \$'000
Current provisions	391	302
Non-current provisions	113	122
<b>Total</b>	<b>504</b>	<b>424</b>
Number of employees	82	90

**12. Deferred revenue**

	2019 \$'000	2018 \$'000
Current deferred revenue	1,802	1,095
Non-current deferred revenue	-	100
<b>Total</b>	<b>1,802</b>	<b>1,195</b>

Deferred revenue comprises receipts from contracts with customers which are yet to be recognised in the statement of profit or loss in accordance with the provisions of AASB 15 *Revenue from Contracts with Customers*.

**Notes to the financial statements (continued)**

For the year ended 31 December 2019

**13. Lease assets and lease liabilities**

<b>Lease assets</b>	2019
<b>Carrying amount of lease assets, by class of underlying assets</b>	<u>\$'000</u>
Buildings under lease arrangements	
At cost	2,432
Accumulated Depreciation	<u>(416)</u>
Year end 2019	<u>2,016</u>

	Buildings
<b>Reconciliation of the carrying amount of lease assets at the beginning and end of the financial year</b>	<u>\$'000</u>
Carrying amount at 1 January 2019	-
Adoption of new accounting standard	2,432
Depreciation	<u>(416)</u>
Carrying amount at 31 December 2019	2,016

**Net carrying amount**

At 31 December 2018	<u>-</u>
At 31 December 2019	<u>2,016</u>

	<u>\$'000</u>
<b>Lease Liability</b>	
Current Lease Liabilities	241
Non-current lease liabilities	<u>2,197</u>
Total carrying amount of lease liability at 31 December 2019	<u>2,438</u>

**Lease Expenses and cashflows**

	<u>\$'000</u>
Interest expense on lease liabilities	180
Expense relating to leases of low value assets (for which a lease asset and lease liability has not been recognised)	31
Depreciation expense on lease assets	416
Income from sub-lease arrangements	<u>(15)</u>
Total cash outflow in relation to leases	612

**Carrying amount of lease liabilities**

Adoption of new accounting standard	2,765
Less payments	<u>(507)</u>
Add interest	180
Total Carrying amount of lease liabilities	<u>2,438</u>

**Notes to the financial statements (continued)**

For the year ended 31 December 2019

The following information relates to non-cancellable operating lease arrangement of the prior reporting period only and is presented in accordance with the predecessor accounting standard AASB 117 leases.

The Foundation has entered into operating leases on certain office equipment and property for office space as well as capital expenditure.

	2018
Future minimum lease payments to be made:	\$'000
Not later than 1 year	567
Later than 1 year and not later than 5 years	1,767
Later than 5 years	-
Aggregate Lease payments contracted for at reporting date	<u>2,334</u>

**14. Other liabilities**

	2019	2018
	\$'000	\$'000
Non-current other liabilities	-	50
Total	-	<u>50</u>

**15. General funds**

	2019	2018
	\$'000	\$'000
General funds at beginning of the financial year	5,099	4,889
Net surplus/(deficit)	(1,342)	210
General funds at end of the financial year	<u>3,757</u>	<u>5,099</u>

**16. Reserves**

The contingency fund reserve acts specifically as a contingency fund to protect the ongoing operations of the organisation in the event of an unexpected catastrophic event impacting revenue or expense. It also acts as an endowment fund which produces an annual source of revenue (interest, dividends and franking credits) to support and/or invest in the Foundation's activities.

**Reconciliation of Contingency fund reserve**

	2019	2018
	\$'000	\$'000
Contingency fund reserve	<u>15,000</u>	<u>15,000</u>
Total	<u>15,000</u>	<u>15,000</u>

## Notes to the financial statements (continued)

For the year ended 31 December 2019

### 17. Cash flow statement reconciliation

	2019	2018
	\$'000	\$'000
<b>(a) Reconciliation of net cash provided by operating activities to operating (deficit) / surplus</b>		
Net (deficit) / surplus	(1,342)	210
Adjustments for:		
Depreciation of property, plant and equipment	55	66
Amortisation of intangible assets	1,943	805
(Decrease) / increase in fair value of quoted shares	(1,319)	629
Shares received in bequests	(1)	(241)
Cash dividends included in the calculation of net surplus	(669)	(871)
Loss on disposal of assets	-	7
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(101)	(64)
(Decrease)/increase in current trade and other payables	376	123
(Decrease)/increase in provisions	80	45
(Decrease)/increase in deferred income	608	391
(Decrease)/increase in other liabilities	283	(68)
Net cash provided by operating activities	(87)	1,032

### (b) Cash and cash equivalents at balance date

	2019	2018
	\$'000	\$'000
Cash at bank and on hand	3,741	4,370
Deposits at call	1,177	2,277
Closing cash balance	4,918	6,647

### (c) Financing Facilities

The entity has access to the following lines of credit:

	2019	2018
	\$'000	\$'000
Total facilities available and unused at 31 December 2019		
Bank Guarantees	175	175
Used	52	52
Unused	123	123
Total	227	227

### 18. Commitments and contingencies

The Foundation had no capital commitments, contingent assets or contingent liabilities at the reporting date (2018: nil)

## Notes to the financial statements (continued)

For the year ended 31 December 2019

### 19. Auditor's remuneration

	2019 \$'000	2018 \$'000
<b>(a) Amounts paid and payable to Pitcher Partners (Melbourne) for:</b>		
Audit or review of the financial report	28	
Other Assurance Services – Agreed upon procedures	6	
<b>Amounts received or due and receivable by RSM Australia Partners for:</b>		
Audit or review of the financial report	3	29
Other Assurance Services - Due Diligence	3	
<b>Total auditors' remuneration</b>	<b>41</b>	<b>29</b>

### 20. Related party disclosure

The Foundation has purchased services from a related party on commercial terms.

	2019 \$'000	2018 \$'000
Related party		
The Florey Institute of Neuroscience and Mental health - a partner in supporting stroke research and developing infrastructure to collect stroke data. (a company significantly influenced by Prof. James Angus AO)	771	452

### 21. Key management personnel compensation

Key management personnel (KMP) of the Foundation are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, and include the CEO and Divisional Directors of the Foundation. Directors of the Board operate on a pro bono basis and therefore do not receive any remuneration.

The aggregate compensation made to key management personnel is outlined below.

	2019 \$'000	2018 \$'000
Short-term benefits	793	672
Post-employment benefits	69	62
Termination benefits	-	-
<b>Total</b>	<b>862</b>	<b>734</b>

### 22. Significant events after balance date

From March 2020, the Australian Federal and State Governments have enforced significant changes in business practices as a consequence of the Coronavirus (COVID 19) outbreak. The Foundation is taking steps to respond to requirements as they are announced. At this stage it is not possible to forecast the extent of business disruption. As part of the Foundation's response, the Board and management are actively monitoring operational impacts and cash flows.

At the date of issue of these financial statements, the Foundation is not aware of any other events occurring after balance date which will significantly impact the financial position reported at 31 December 2019.

**Notes to the financial statements (continued)**

For the year ended 31 December 2019

**23. Controlled entities**

The consolidated financial statements include the financial statements of National Stroke Foundation Limited and all its subsidiaries as listed in the following table.

	Country of Incorporation	Ownership interest	
		2019	2018
Stroke Care Australia	Australia	100%	100%

## Directors' declaration

In accordance with the resolution of the Directors of the National Stroke Foundation, I state that:

- (a) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- (b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Signed in accordance with a resolution of the directors.

A handwritten signature in blue ink, appearing to read 'James Angus', with a large, stylized initial 'J'.

Professor James Angus AO  
President  
Melbourne

2 April 2020

**NATIONAL STROKE FOUNDATION**  
**ABN: 42 006 173 379**

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF NATIONAL STROKE FOUNDATION**

**Report on the Audit of the Financial Report**

*Opinion*

We have audited the financial report of National Stroke Foundation, the "Company", which comprises the statement of financial position as at 31 December 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the financial report of National Stroke Foundation has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Company's financial position as at 31 December 2019 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

*Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. 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 *Australian Charities and Not-for-profits Commission Act 2012* "ACNC Act" 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 also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Other Information*

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 December 2019 but does not include the financial report and our auditor's report thereon.

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 and, in doing so, 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**NATIONAL STROKE FOUNDATION**  
**ABN: 42 006 173 379**

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF NATIONAL STROKE FOUNDATION**

*Responsibilities of Responsible Entities and Those Charged with Governance for the Financial Report.*

The responsible entities of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *ACNC Act*, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the Company'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 responsible entities either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

*Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

- 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.
- 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.

**NATIONAL STROKE FOUNDATION**  
**ABN: 42 006 173 379**

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF NATIONAL STROKE FOUNDATION**

*Auditor's Responsibilities for the Audit of the Financial Report (continued)*

- Conclude on the appropriateness of the responsible entity's 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 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 Company to cease to continue as a going concern.
- 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 directors 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.



M J HARRISON  
Partner



PITCHER PARTNERS  
Melbourne

2 April 2020