



Waikato Medical Research
Foundation

Annual Report

For the Year Ended 31 May 2020

Waikato Medical Research Foundation

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For the Year Ended 31 May 2020

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Waikato Medical Research Foundation

Directory

As at 31 May 2020

Waikato Medical Research Foundation is a charitable trust registered under the Charities Act 2005.

Entity's Purpose or Mission	Waikato Medical Research Foundation ("the Foundation") exists to support, teach and encourage medical research within the region and to assist in the publication of the results of this research. The ultimate aim of the Foundation is to improve the medical care of people in the Waikato. Supporting research and teaching is vital to maintaining and raising the level of care of people throughout the region. Each year, the Foundation invites research proposals that are related to health and medical topics to apply for grant funding. The proposals are carefully considered by the Grants Committee and successful applications are selected in line with set criteria.
Entity Structure	The Foundation is governed by a Board of Trustees and the Board is supported by a Patron, an Administrator, a Treasurer and an Investment Advisor. In addition, two sub-committees have been formed (the Grants Committee and the Finance Committee) to assist with the operations of the Foundation. The Grants Committee uses a sophisticated research grant ranking methodology to process, review and rank applications received for medical research funding each year. The Finance Committee oversees the investment structure and strategy for managing the Foundation's assets, which include a capital fund being managed by an appointed Investment Advisor.
Main Sources of Cash and Resources	Grants paid to researchers are funded from the income the capital fund generates and from grants and donations received from a number of trusts, philanthropic organisations and individuals, bequests and legacies.
Main Methods Used to Raise Funds	Payroll giving Website giving Circulation of Annual Report Directly approaching primary healthcare and other philanthropic organisations to support specific research applications received.
Entity's Reliance on Volunteers and Donated Goods or Services	The Foundation relies on the volunteer time and expertise provided by the Board of Trustees and the Patron. The appointed Investment Advisor and Treasurer provide their services at a discounted rate to the Foundation.
Accountants	Baker Tilly Staples Rodway Waikato LP Chartered Accountants Level 4 BNZ Building, 354 Victoria Street Hamilton
Registered Charity Number	CC20443

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Our audit was completed on 00 January 1900

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For the Year Ended 31 May 2020

Description of the Entity's Outcomes

- To preserve and grow the capital of the Foundation.
- To maximise investment returns within reasonable and prudent levels of risk.
- To secure grants and donations from outside organisations and individuals to assist with co-funding research applications.

Description and Quantification of the Entity's Outputs

- The capital of the Foundation decreased by \$74,019 to \$3,346,296 this financial year (2019: increased by \$76,296 to \$3,420,315).
- Total grants, donations and legacies received from outside organisations and individuals totalled \$250,047 this year (2019: \$138,560).
- The Foundation funded grants totalling \$221,245 this year (2019: \$205,453).

Waikato Medical Research Foundation

Statement of Financial Performance

For the Year Ended 31 May 2020

	Note	Actual 2020 \$	Actual 2019 \$
Revenue			
Donations, fund raising and other similar revenue	2	250,047	138,560
Interest, dividends and other investment revenue	3	139,961	189,189
Total Revenue		<u>390,008</u>	<u>327,749</u>
Less Expenses			
Grants and donations	4	221,245	205,453
Other expenses	5	43,897	46,000
Investment Losses	6	198,884	-
Total Expenses		<u>464,026</u>	<u>251,453</u>
(Deficit) Surplus		<u>(74,019)</u>	<u>76,296</u>

Waikato Medical Research Foundation

Statement of Financial Position

As at 31 May 2020

	Note	2020	2019
		\$	\$
Current Assets			
Cash & Bank Balances	7	741,873	176,205
Prepayments		6,708	6,708
Work in Progress -Website		-	14,389
Term Deposits		1,462,486	2,142,329
Total Current Assets		2,211,067	2,339,631
Non-Current Assets			
Property, Plant & Equipment	8	16,295	-
Term Investments	9	1,221,052	1,117,513
Total Non-Current Assets		1,237,347	1,117,513
Total Assets		3,448,414	3,457,144
Current Liabilities			
Bank Overdraft	10	32,346	-
Accounts Payable		69,772	36,829
Total Liabilities		102,118	36,829
Net Assets		3,346,296	3,420,315
Accumulated Funds			
Capital	11	3,346,296	3,420,315
Total Accumulated Funds		3,346,296	3,420,315

Chair _____

Date _____

Waikato Medical Research Foundation

Statement of Cash Flows

For the Year Ended 31 May 2020

Note	2020	2019
	\$	\$
Cash Flows from Operating Activities		
Cash was received from:		
Donations, fundraising and other similar receipts	230,047	138,560
Grants refunded	20,000	-
Interest, dividends and other investment receipts	137,149	94,408
	<u>387,196</u>	<u>232,968</u>
Cash was applied to:		
Payments to suppliers	35,716	42,695
Donations or grants paid	195,740	197,287
Foreign currency translation loss (gain)	(2,812)	554
	<u>228,644</u>	<u>240,536</u>
Net Cash Flows from Operating Activities	158,552	(7,568)
Cash Flows from Investing Activities		
Cash was received from:		
Receipts from the sale of investments and term deposits	711,297	1,377,717
	<u>711,297</u>	<u>1,377,717</u>
Cash was applied to:		
Payments to purchase investments and term deposits	333,876	1,663,102
Payments to acquire fixed assets	2,651	14,388
	<u>336,527</u>	<u>1,677,490</u>
Net Cash Flows from Investing Activities	374,770	(299,773)
Net Increase in Cash Held	533,322	(307,341)
Cash at the Beginning of the Year	176,205	483,546
Cash at the End of the Year	<u><u>709,527</u></u>	<u><u>176,205</u></u>
This is represented by:		
Cash & Bank Balances	709,527	176,205

Waikato Medical Research Foundation

Notes to and forming part of the Financial Statements

For the Year Ended 31 May 2020

1 Statement of Accounting Policies

Reporting Entity

Waikato Medical Research Foundation is a charitable trust registered under the Charities Act 2005.

The performance report of Waikato Medical Research Foundation has been prepared according to generally accepted accounting practice in New Zealand as determined by the External Reporting Board.

Statement of Compliance and Basis of Preparation

Waikato Medical Research Foundation is eligible to apply Tier 3 PBE Accounting Requirements : PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit), on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. The charitable trust has elected to report in accordance with PBE SFR-A (NFP). All transactions in the Performance Report are reported using the accrual basis of accounting.

The accounting principles recognised as appropriate for the measurement and reporting of the Statement of Financial Performance and Statement of Financial Position on a historical cost basis are followed by the charitable trust, unless otherwise stated in the Specific Accounting Policies.

The information is presented in New Zealand dollars.

The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Statement of Financial Performance and Statement of Financial Position have been applied:

(a) Inventories

Inventories are recognised at lower of cost and net realisable value, determined on a first-in first-out basis.

The cost of work in progress and finished goods includes the cost of direct materials, direct labour and a proportion of the manufacturing overhead, based on the normal capacity of the facilities, expended in putting the inventories in their present location and condition.

(b) Property, Plant & Equipment and Investment Property

Property, plant and equipment is recognised at cost less aggregate depreciation. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

All other repairs and maintenance are recognised as expenses in the Statement of Financial Performance in the financial period in which they are incurred.

Depreciation has been calculated using the maximum rates permitted by the Income Tax Act 2007.

Gains and losses on disposal of fixed assets are taken into account in determining the net result for the year.

(c) Income Tax

The Foundation has charitable status and is exempt from income tax.

Waikato Medical Research Foundation

Notes to and forming part of the Financial Statements (continued)

For the Year Ended 31 May 2020

(d) Investments

Investments are valued at market value in New Zealand dollars.

(e) Foreign Currencies

Transactions in foreign currencies are converted at the New Zealand rate of exchange ruling at the date of the transaction.

At balance date, foreign monetary assets and liabilities are translated at the closing rate and exchange variations arising from these translations are recognised in the Statement of Financial Performance.

(f) Goods and Services Taxation (GST)

The amounts recorded in the performance report are inclusive of GST (if any). The Foundation is not registered for GST.

(g) Changes in Accounting Policies

There have been no changes in accounting policies during the year. All policies have been applied on a basis consistent with those used in the previous year's performance report.

2	Donations, fund raising and other similar revenue	2020	2019
		\$	\$
	Legacies	91,537	-
	Donations and Grants	138,510	138,560
	Grants Refunded	20,000	-
	Total Donations, fund raising and other similar revenue	250,047	138,560
3	Interest, dividends and other investment revenue	2020	2019
		\$	\$
	Foreign Currency Gains	2,812	(554)
	Dividends Received	33,939	31,500
	Interest Received	103,210	103,759
	Unrealised Gain/(Loss) on Investments	-	51,497
	PIE Income	-	2,987
	Total Interest, dividends and other investment revenue	139,961	189,189
4	Grants and donations	2020	2019
		\$	\$
	Depreciation	745	-
	Grants Paid	220,500	205,453
	Total Grants and donations	221,245	205,453

Waikato Medical Research Foundation

Notes to and forming part of the Financial Statements (continued)

For the Year Ended 31 May 2020

5 Other expenses			2020	2019
			\$	\$
Accountancy Fees			9,995	10,026
Administration Expenses			13,053	13,653
Advertising			-	600
Audit Fees			3,222	3,670
Bank Fees and Charges			99	136
Management Fees			16,375	15,949
Strategic Planning			-	1,857
Printing, Stationery and Postage			1,153	109
Total Other expenses			43,897	46,000
6 Investment Losses			2020	2019
			\$	\$
Unrealised Loss on Investments			198,884	-
Total Investment Losses			198,884	-
7 Cash & Bank Balances			2020	2019
			\$	\$
Bank Account Balances				
Westpac Current Account			21,637	23,587
Public Trust - NZD Call Account			601,502	44,952
BNZ Online Account			3,461	1,452
Westpac Appeal Account			21	21
Westpac Bonus Saver Account			115,252	32,155
Public Trust AUD Call Account			-	74,038
Total Cash & Bank Balances			741,873	176,205
8 Property, Plant & Equipment				
	Cost	Depreciation Charged	Accumulated Depreciation	Closing Book Value
Property, Plant & Equipment 2020	\$	\$	\$	\$
Website				
Website	17,041	745	745	16,295
	17,041	745	745	16,295
Total Property, Plant & Equipment	17,041	745	745	16,295
	Cost	Depreciation Charged	Accumulated Depreciation	Closing Book Value
Property, Plant & Equipment 2019	\$	\$	\$	\$
Total Property, Plant & Equipment	-	-	-	-

Waikato Medical Research Foundation

Notes to and forming part of the Financial Statements (continued)

For the Year Ended 31 May 2020

	2020	2019
9 Term Investments		
	\$	\$
NZ Equities	302,444	241,744
NZ Fixed Interest	293,317	347,986
NZ Listed Property	177,488	188,636
Australian Investments	447,803	339,147
Total Term Investments	1,221,052	1,117,513
10 Bank Overdraft		
	\$	\$
Bank Account Balance		
Public Trust AUD Call Account	32,346	-
Total Bank Overdraft	32,346	-
11 Capital		
	\$	\$
Opening Balance	3,420,315	3,344,019
Plus:		
Net Surplus	-	76,296
Less:		
Net Deficit	74,018	-
Total Capital	3,346,297	3,420,315

12 Related Parties

During the year, the Foundation paid accounting fees to Baker Tilly Staples Rodway Waikato LP of which Sharyn Bell (a Trustee of the Foundation) is a Director.

Total accounting fees paid or payable to Baker Tilly Staples Rodway Waikato LP for the year was \$9,995 (2019: \$10,026).

During the year, the Foundation paid website preparation fees \$2,651 (2019:\$14,389) to Harcourts & Gage Brown Limited of which Kylie Harcourt (a Trustee of the Foundation) is a Director & Shareholder.

13 Commitments

The Foundation has no commitments as at 31 May 2020 (2019 Nil).

14 Contingent Liabilities

The Foundation has no contingent liabilities as at 31 May 2020 (2019 Nil).

15 Events Occurring After Balance Date

There were no events that have occurred after the balance date that would have a significant impact on the Performance Report. (Last Year - Nil).

Waikato Medical Research Foundation

Depreciation Schedule

For the Year Ended 31 May 2020

	RATE & TYPE	% PVT USE	Cost on HAND	OPENING WDV	ADDITIONS	DATE of ADDITION	SALE PRICE	PARTSALE PRICE	PROFIT (LOSS)	DISPOSAL DATE	Cost	CAPITAL GAIN/LOSS	DEPN	ACC DEPN	PRIVATE DEPN	ACCUM PRIVATE	CLOSING WDV
Website																	
Website	50.00D		17,041	-	17,041	30/04/20	-	-	-		-	-	745	745	-	-	16,296
			17,041	-	17,041		-	-	-		-	-	745	745	-	-	16,296
TOTAL			17,041	-	17,041		-	-	-		-	-	745	745	-	-	16,296