



Multiple Sclerosis Research Australia

Abbreviated Annual Financial Report For the Financial Year Ending 30 June 2010

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1. MSRA FINANCIALS 2010

(a) STATEMENT OF INCOME

	2010 \$	2009 \$
Gross Income		
MS Societies	880,000	1,167,310
Bequests	886,133	0
Donations	779,607	1,002,564
F5m	668,384	627,363
Government	375,000	375,000
Pharmaceutical Sponsorship	352,886	245,000
Interest Received	188,704	182,493
Total Gross Income	4,130,714	3,599,730
Gross Expenditure		
Operating Costs	1,050,120	841,960
Research Grants	2,300,377	2,138,509
Total Gross Expenditure	3,350,497	2,980,469
Net Surplus	780,217	619,261

(b) STATEMENT OF FINANCIAL POSITION

	2010 \$	2009 \$
Current Assets		
Cash & Cash Equivalents	4,213,267	3,441,843
Trade Receivables	459,471	285,288
Prepayment & Other Assets	145,854	107,853
Total Current Assets	4,818,592	3,834,984
Non Current assets		
Property, Plant & Equipment	1,442	1,637
Total Assets	4,820,034	3,836,621
Current Liabilities		
Trade & Other Payables	900,435	718,563
Provisions	25,026	18,431
Total Current Liabilities	925,461	736,994
Long Term Liabilities – Provisions	14,729	0
Total Liabilities	940,190	736,994
Net Assets/Members funds	3,879,844	3,099,627

2. Future Agreements for Research

The Research Management Council meets annually to determine the amount of individual grants for Investigator Driven Research and Fellowships and Scholarships for periods up to 5 years in advance. At 30th June 2010 these agreements totalled \$2,557,256 for the financial years to June 2014. The agreements will be funded partly from existing Non Specific Income and future MS Society Grants and third party donations.

In addition the unspent balances for Platform Projects of \$1,802,740, New Gene Development \$134,906, Brain and Tissue bank \$484,276, Proteomics \$211,984, MS Life Study \$510,000, Prevention \$125,955, NSW Clinical Trials Network \$269,300 and the Menzies Research Institute \$66,318 have been committed as future research expenditure.

RMC & Platform Projects	30th June 2010 \$
Platform Projects	1,802,740
Fellowships and Scholarships	1,283,628
Investigator Driven Projects	1,273,628
Total Future Commitments at 30 th June 2010	<u>4,359,996</u>

Available Funds as a percentage of Total Future Commitments equals 89%.

3. Research Program Analysis

The Research Program Analysis at 30 June 2010 of \$3,879,844 (2009: \$3,099,627) has been prepared to reflect the ongoing balances of the individual platform projects of \$620,137 (2009: \$623,824), Scholarships and Fellowships \$60,000 (2009: \$206,275) and the balance of non specific income of \$3,199,707 (2009: \$2,269,528).

The non specific income is the balance in equity funds that have not been specifically allocated to a research project or required to fund operational costs to 30th June 2010.

Research Project	Balance 1st July 2009 \$	Spend 2009/10 \$	Income 2009/10 \$	Internal Transfers 2009/10 \$	Balance 30th June 2010 \$
Platform Projects	623,824	(496,766)	241,236	251,843	620,137
Scholarships	206,275	(382,004)	181,660	54,069	60,000
Investigator Driven	-	(1,373,888)	1,215,000	158,888	-
Non Specific Income	2,269,528	-	1,708,966	(778,787)	3,199,707
Other Research	-	(47,719)	81,307	(33,588)	-
Expenditure	-	-	-	-	-
Operational Cost	-	(1,050,120)	702,545	347,575	-
Total Equity	<u>3,099,627</u>	<u>(3,350,497)</u>	<u>4,130,714</u>	<u>-</u>	<u>3,879,844</u>

3. Research Program Analysis (Cont'd)

(a) Platform Research

Ongoing research projects in the 2009/10 year include the MS Life Study, Aus-immune program, the ANZgene program, New Gene Development, MSRA Brain Bank, Prevention and Clinical Trials.

Research Project	Balance 1st July 2009 \$	Spend 2009/10 \$	Income 2009/10 \$	Internal Transfers 2009/10 \$	Balance 30th June 2010 \$
MS Life Study	-	(174,550)	25,886	148,664	-
New Gene Develop.	150,000	(20,094)	5,000	-	134,906
MSRA Brain Bank	370,954	(147,478)	135,800	-	359,276
Prevention	102,870	(14,465)	37,550	-	125,955
Clinical Trials	-	(37,926)	-	37,926	-
Proteomics	-	(99,717)	37,000	62,717	-
N.M.O.	-	(2,536)	-	2,536	-
Total Platform	623,824	(496,766)	241,236	251,843	620,137

The Platform Projects internal transfer of \$251,843 is to reflect that several of the projects have not been fully funded by specific donations in the year, with the balance funded from Non Specific Income.

(b) Scholarships and Fellowships

Research Project	Balance 1st July 2009 \$	Spend 2009/10 \$	Income 2009/10 \$	Internal Transfers 2009/10 \$	Balance 30th June 2010 \$
RMC Grants					
Dr Sabo	-	(22,256)	15,000	7,256	-
Dr Gianni	29,000	(26,000)	13,000	(16,000)	-
Incubator Grants	-	(59,040)	-	59,040	-
Dr Field	-	(22,000)	-	22,000	-
Betty Cuthbert					
Dr Xiao	-	(17,500)	35,000	(17,500)	-
Dr Merson	32,275	(17,500)	5,410	(20,185)	-
Other	60,000	(13,000)	13,250	(250)	60,000
AFA					
Dr Kolbe	-	(24,128)	-	24,128	-
Fellowships					
Senior Practitioner	35,000	(50,000)	20,000	(5,000)	-
Practitioner	-	(40,000)	45,000	(5,000)	-
Ian Ballard Travel	-	(35,000)	35,000	-	-
International					
Scholarship	50,000	(44,452)	-	(5,548)	-
Dr Drummond	-	(11,128)	-	11,128	-
Total Scholarships	206,275	(382,004)	181,660	54,069	60,000

The internal transfer \$54,069 relates to the 2009/10 financial year.

The balance at 30th June 2010 \$60,000 represents funding received for fellowships and scholarships in advance of payment of the scholarship.

3. Research Program Analysis (Cont'd)

(c) Investigator Driven Projects and their funding

Research Project	Balance 1 st July 2009 \$	Spend 2009/10 \$	Income 2009/10 \$	Internal Transfers 2009/10 \$	Balance 30 th June 2010 \$
Research Management Council					
- Social & Applied	-	(273,855)	10,000	263,855	-
- Genetics & Epidemiology	-	-	285,000	(285,000)	-
- Neurobiology & Pathology	-	(565,441)	880,000	(314,559)	-
- Immunology & Virology	-	(534,592)	40,000	494,592	-
- F5m Charity Works	-	-	-	-	-
Total Investigator Driven	-	(1,373,888)	1,215,000	158,888	-

Research Management Council approved grants of \$2,516,000 in the 2009/10 financial year.

The Investigator Driven Projects internal transfer adjustment \$158,888 relates to the current financial year and represents the net of the State MS Societies grants of \$880,000 and those amounts paid as approved by the Research Management Council.

(d) Non Specific income

	Balance 1 st July 2009 \$	Spend 2009/10 \$	Income 2009/10 \$	Internal Transfers 2009/10 \$	Balance 30 th June 2010 \$
Multiple Sclerosis Australia	184,000	-	-	-	184,000
Donations - General	139,428	-	208,571	-	347,999
Bequests	-	-	886,133	-	886,133
Foundation 5 million	1,675,420	-	614,262	(778,787)	1,510,895
Uncommitted Allocation	-	-	-	-	-
National MS Research Foundation	270,680	-	-	-	270,680
Total	2,269,528	-	1,708,966	(778,787)	3,199,707

The non specific income received in the 2010 year comprised of general donations of \$208,571 (2009: \$482,991) of which the donor did not specify a particular research program for the donation. The bequest above is from the Chardtard Estate \$886,133. Foundation 5 Million achieved a net income of \$614,262 (2009: \$499,626).

An internal transfer in the 2009/10 financial year \$778,787 to other research categories is included to represent the total net non specific income used to fund research spending and operating costs.

3. Research Program Analysis (Cont'd)

(e) Other Research Expenditures

	Balance 1 st July 2009 \$	Spend 2009/10 \$	Income 2009/10 \$	Internal Transfers 2009/10 \$	Balance 30 th June 2010 \$
Other Research	-	(47,719)	81,307	(33,588)	-
Total	-	(47,719)	81,307	(33,588)	-

Expenditure in the 2010 financial year of \$47,719 related to the Progress in MS research conference.

The internal transfer of \$33,588 to Non Specific Income is to cover the sponsored costs to be incurred in the 2011 financial year.

(f) Operating Costs and their funding

	Balance 1 st July 2009 \$	Spend 2009/10 \$	Income 2009/10 \$	Internal Transfers 2009/10 \$	Balance 30 th June 2010 \$
Research Admin.	(940,902)	(298,024)	-	-	(1,238,926)
Research Campaign	(1,062,545)	(527,552)	-	347,575	(1,242,522)
Foundation 5 million	(328,979)	(224,544)	93,370	-	(460,153)
Government Grant	1,250,000	-	250,000	-	1,500,000
Pharmaceutical	582,500	-	266,000	-	848,500
Minor Donations	116,404	-	-	-	116,404
Corporate					
Sponsorship	63,000	-	-	-	63,000
Interest Received	320,522	-	93,175	-	413,697
Total	-	(1,050,120)	702,545	347,575	-

Operating costs for the 2010 financial year \$1,050,120 (2009: \$841,959) included Research Administration \$298,024 (2009: \$288,604), Research Campaign \$527,522 (2009: \$430,080) and Foundation 5 Million \$224,544 (2009: \$123,275).

Funding of the Operating Costs included a grant from the Department of Health & Ageing of \$250,000 (2009: \$250,000). Pharmaceutical Sponsorships of \$266,000 (2009: \$15,000) and Interest received on cash investments of \$93,175 (2009: \$88,008).

4. MSRA FUNDED RESEACH ACTIVITIES ENDING IN:

2012

(a) Identifying the triggers for MS - Neurobiology

- At the University of Melbourne/Florey Neuroscience Institutes

Scott Kolbe is a Research Fellow determining if MRI techniques can predict permanent vision loss in MS after Optic Neuritis.
- At the University of Sydney

Dr John Parratt will continue his work in the neuropathology of MS, working closely with Dr John Prineas.

(b) Developing better Treatments

- Nation wide study: NMO (A /Prof Simon Broadley)
- At the University of Melbourne/Florey Neuroscience Institutes (Dr Helmut Butzkueven)

Is interrogating specific mechanisms that cause brain and spinal damage in MS.
- At the University of Queensland

Dr Judith Greer's work will identify what lesions occur where they do in MS.
- At the University of Adelaide

Dr Ian Comerford is trying to understand the role of white blood cells signaling in MS.
- At The Children's Hospital Westmead (NSW)

Dr Fabienne Brilot-Turville is beginning to identify the earliest immune responses that work against the brain in children who develop MS.
- At The University of La Trobe

Dr Sophie Hill is leading a multidisciplinary team to develop high quality information and tools to help PwMS manage their health.

(c) A Cure for MS via repair or regeneration of cells

- At the University of Melbourne

Dr Ben Emery is unraveling the event and potential "master gene" that controls myelination in the brain and spinal cord.

2013

(a) Immunology & Virology

- At the University of Queensland

Prof Michael Pender continues his work to determine the role of EPV in development of MS, and the potential for treatment.

(b) A Cure for MS via repair or regeneration of cells

- At the University of Adelaide etc

Prof Shaun McColl leads Proteomics research involving a collaboration to find the proteins that cause MS.

2015

(a) Developing better Treatments

- At the Westmead Millennium Institute

Dr David Booth will lead a research group in refining MS genetic associations.

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

	2010	2009
	\$	\$
<i>(a) Fund Raising Activities Conducted</i>		
Gross Proceeds:		
Donations from Public	2,180,124	1,518,237
Corporate Gifts	506,886	489,000
Grants	1,255,000	1,410,000
Gross Proceeds from Fundraising Appeals	3,942,010	3,417,237
Fund Raising Costs		
Campaign Costs	658,262	523,177
Total Costs of Fundraising Appeals	658,262	523,177
Net Surplus	3,283,748	2,894,060
Cost of Services Provided	2,394,212	2,228,690
Total Expenditure		
Non Fund Raising Costs – Research Grants	2,300,377	2,138,509
Non Fund Raising Costs – Other	391,858	318,785
Fund Raising Costs	658,262	523,177
Total Expenditure	3,350,497	2,980,471
Total Fund Raising Income Less Fund Raising Cost	3,283,748	2,894,060

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

(b) Comparisons of Monetary figures and percentages

	2010		2009	
	Amounts	%	Amounts	%
Total cost of Fund Raising to Gross Fund Raising Income	658,262/3,942,010	17	523,177/3,417,237	15
Net Surplus from Fund Raising to Gross Income from Fund Raising	3,283,748/3,942,010	83	2,894,060/3,417,237	85
Total Cost of Services to Total Expenditure (Less Fund Raising Costs)	2,394,212/(3,350,497-658,262)	89	2,228,690/(2,980,471-523,177)	91
Total Cost of Services to Total Income Received (less Fund Raising costs)	2,394,212/(3,942,010-658,262)	73	2,228,690/(3,417,237-523,177)	77