



National Stroke Foundation
ABN 42 006 173 379

Financial Report for the year ended
31 December 2021



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Corporate information

ABN

42 006 173 379

Directors

| | |
|--------------------------------|---|
| Professor Linda Kristjanson AO | President, Non-Executive Director (appointed President 6 May 2021) |
| Mr Christopher Nunn | Vice-President, Non-Executive Director (appointed Vice-President 6 August 2021) |
| Ms Sally Bateman | Non-Executive Director |
| Professor Bruce Campbell | Non-Executive Director representing interests of Clinicians |
| Mr Andrew Matthews | Non-Executive Director representing interests of Consumers |
| Ms Jennifer Muller PSM | Non-Executive Director representing interests of Consumers |
| Mr Peter Nikolettatos | Non-Executive Director (appointed 2 December 2021) |
| Ms Janice Thomas | Non-Executive Director |
| Professor Amanda Thrift | Non-Executive Director representing interests of Research |
| Ms Karen Vernon | Non-Executive Director |
| Professor James Angus AO | President, Non-Executive Director (retired 5 May 2021) |
| Mr Christopher Edwards | Vice-President, Non-Executive Director (resigned 9 June 2021) |

Company secretary

Mr Matthew Oakey

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

The National Stroke Foundation ("the Foundation") is a company limited by guarantee.

Directors' Report (continued)

Your Directors present their report for the year ended 31 December 2021.

Directors

The names of the Directors of the Foundation in office during the year ended 31 December 2021 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

Emeritus Professor Linda Kristjanson AO PhD, MN, BN, GAICD
(President and Non-executive Director)

Professor Kristjanson is a Fellow of the Australian Institute of Company Directors and a Fellow of the Australian Academy of Technology and Engineering. She is Chair of the Board of the Victorian Comprehensive Cancer Centre. Professor Kristjanson is Non-Executive Director of Seek Ltd., Skalata Ventures Ltd., Education Australia Ltd., and Global Citizen Ltd. She is a member of the Australian Council for International Education.

Professor Kristjanson served as Vice-Chancellor and President of Swinburne University of Technology from 2011, retiring in August 2020. In 2002, Linda was named Australian Telstra Business Woman of the Year in recognition of her entrepreneurial work in health and science. Professor Kristjanson was made an Officer of the Order of Australia in the 2017 Queen's Birthday Honours list, acknowledged for her distinguished service to tertiary education through leadership and governance roles, strategic and innovative university reforms, and contributions to cancer research, palliative care and to women.

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

Mr Chris Nunn retired in 2019 having held 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. He is the non-executive chair of the fund manager and AFS licence holder, Impact Funds Management Pty Ltd.

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.

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 and 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.

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.

Mr Andrew Matthews FIAA, BCom, MSOD, GAICD
(Non-executive Director representing interests of Consumers and Chair of the Philanthropy 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, a Partner at Ernst & Young, in 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 Stroke Foundation.

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

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.

Mr Peter Nikolettatos BBus, MEdStu, GradDipLaw, FAIPM, MAICD, MAIM, MACS
(Non-executive Director)

Peter Nikolettatos is TechnologyOne's Industry General Manager, Education, responsible for setting the company's higher education strategy and driving customer success through digital transformation. Peter holds a concurrent position as Adjunct Professor Computer Sciences and IT at La Trobe University, providing him with a deep understanding of the higher education industry.

Directors' Report (continued)

With more than 30 years experience in ICT, Peter previously held several C-suite roles across the higher education, telecommunications, radiology and resources sectors, and in 2014, was voted as one of the planet's Top 100 influential social CIOs, and Top CIOs to follow on Twitter by Huffington Post.

Outside his executive roles, Peter has previously chaired the AIIA Digital Skills Special Interest Group in 2019 and is an advisor on several committees. He has previously held various Board Director roles including AARNet Pty Ltd, Research Data Storage (RDS), VERNet Pty Ltd, Intersect Pty Ltd, NUSport Pty Ltd, former Vice President CAUDIT, and the Chair of the Victorian Directors of IT (VDIT) in 2016-17.

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, she 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.

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 includes 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.

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.

Directors' Report (continued)

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.

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.

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 Chief Financial Officer 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 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.

Directors' Report (continued)

Company Secretary - Mr Matthew Oakey BCom CPA

Mr Matthew Oakey is Partner, in Business and Private Client Advisory of SW Accountants and Advisors and is a member of CPA Australia and an affiliate member of The Institute of Chartered Accountants in Australia and New Zealand. Matthew is a director or company secretary for several charities including The Creswick Foundation, Florence & Melville Hughes Trust, Domov Special Accommodation Fund, Crazy Socks 4 Docs Trust Foundation. Matthew is also a director of several Private Ancillary Funds and for-profit entities. Matthew is the Partner representative on the SW Accountants and Advisors Corporate Social Responsibility Committee.

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 2021 the collective liability of members was \$500 (2020: \$550).

For further information, the Foundation's Annual Review for 2021 can be found at this address: [Annual Reviews | Stroke Foundation - Australia](#)

Operating and financial review

The operating result for the 2021 year was a net surplus of \$1,033,000 (2020: \$2,122,000 surplus, restated).

Details of the restatement of prior periods due to two final agenda decisions issued by the International Financial Reporting Standards Interpretations Committee (IFRIC) which impact SaaS arrangements can be found in note 23 to the accounts.

The Foundation intends to invest surpluses in mission activities when future opportunities align with the 2022 to 2024 Strategic Plan.

During the year, the Foundation continued to deal effectively with the ongoing impacts of the coronavirus (COVID-19) pandemic. Despite ongoing restrictions, fundraising programs were able to maintain growth in regular giving donors, now the largest income stream - this provides a reliable, consistent source of ongoing revenue. Realised and unrealised gains from investments supplemented this strong performance, if they are excluded the underlying result in 2021 was \$16,000 (2020: \$1,622,000). Government income and costs have both reduced compared to 2020, due to the completion of several programs.

Nature of operations and principal activities

During the financial period, the 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. Details of the principal activities during 2021 are as follows:

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)

Directors' Report (continued)

- Ensure time-critical stroke treatments are nationally accessible and supported by stroke unit care
- Support hospitals to improve adherence to the acute stroke standard rehabilitation framework and collaborative goal setting

Enhance recovery to help Australians live well after stroke

- Support hospital staff to improve comprehensive discharge planning for survivors of stroke
- 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
- 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 the 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 survivors of stroke and their families and carers;
- Encourage, support and fund stroke research in Australia and internationally;
- Advocate for evidence-based policies and programs to prevent, treat and beat stroke; and
- Raise funds from the community, corporate sector and governments to continue our mission.

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

Objectives

The vision of the Foundation is 'A World free from disability and suffering caused by stroke'.

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

In 2021, the Foundation continued to make progress in achieving its mission through the following activities:

- 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. With the support of a federal community grant, Stroke Foundation developed and launched a suite of new F.A.S.T. video messages translated into eight different languages to increase awareness within culturally and linguistically diverse communities;
- StrokeSafe community education that uses trained volunteers to educate people on how to reduce their risk of stroke. Targeted community education programs continued in Tasmania and Western Australia with the State Government financial support. All StrokeSafe community education experienced some periods of disruption during 2021 due to COVID-19. An online education package was developed to support the program when face to face sessions were not permitted;
- Prevention programs – "My health for life" (QLD) is a health check and healthy lifestyle behaviour modification program in the community, workplace, primary care and pharmacy. Australia's Biggest Blood Pressure Check (ABBPC) campaign raises awareness of the importance of blood pressure as a risk factor for stroke. Partnering with Blooms The Chemist, Stroke Foundation launched ABBPC (coinciding with World Hypertension Day on 17 May) across social media, electronic direct mail, podcast and media (TV, radio, print and online). The Ryman Healthcare Blood Pressure van (dedicated mobile health check service) was re-launched at Epworth Hospital in Geelong, coinciding with World Hypertension Day with media coverage, but was suspended due to COVID-19;

Directors' Report (continued)

- StrokeConnect - a program to ensure that survivors of stroke 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:
 - StrokeLine - telephone and helpdesk service operated by trained health professionals who provide information and advice on stroke prevention, treatment and recovery;
 - Stroke Connect Follow-up (ACT) and Outreach (QLD) – post hospital discharge support services 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. Follow-up (ACT) received ongoing funding from the ACT Government until 30 June 2024. Outreach (QLD) is supported by a 12-month QLD government COVID-19 Immediate Support Grant which ended on 30 June 2021;
 - 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;
 - My Stroke Journey (MSJ) and the complementary MSJ Easy English - deliver 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;
 - Resources for Aboriginal and Torres Strait Islander communities – in consultation with a diverse number of Aboriginal and Torres Strait Islander communities our evidence-based resource “Our Stroke Journey” is being developed. This resource is designed to support care planning and the transition from hospital to home specifically tailored to Aboriginal and Torres Strait Islander communities;
 - Resources for diverse communities – in addition to the multi-cultural F.A.S.T. messages, work is underway to translate major stroke resources and to build connection with diverse communities;
 - 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;
 - Young Stroke – with a 3-year grant from the National Disability Insurance Agency, Stroke Foundation commenced a co-designed project with young survivors of stroke to develop tools and resources to enable young survivors to recover well post stroke;
 - Childhood Stroke – building on the work and collaboration in producing “Our Family's Stroke Journey”, Australia's first evidence-based resource for families of children with stroke, and related podcasts, the partnership with Little Stroke Warriors was formalised, bringing the group under the Stroke Foundation umbrella; and
 - StrokeConnect Support groups – providing support to stroke survivors in the community via volunteer led groups.
- Stroke EXPERT, a program aimed at health professionals, including:
 - Living Clinical Guidelines for Stroke Management project (which was supported by the Medical Research Future Fund in its early development) – building on our experience in clinical guideline development and with our digital platform InformMe and working in partnership with Cochrane Australia, Stroke Foundation 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,

Directors' Report (continued)

- treatment and care over the past 20 years since the National Audit was established by the National Stroke Foundation;
- Quality Improvement Programs – In Queensland and Tasmania StrokeLink provides a team-based quality improvement program for hospital staff working in stroke which uses audit and Australian Stroke Clinical Registry (AuSCR) data to help reduce the gap between evidence and practice. In other States and Territories quality improvement is provided by hospital engagement activities. A new National Webinar series complements the quality improve activities; 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 – Stroke Foundation increased commitment to its research program with seed funding for capacity building grants and successful partnerships in stroke research including:
 - Three (3) early and early-mid career research seed grants (total \$193,031) were awarded by the National Stroke Foundation to address evidence and implementation gaps in stroke prevention, treatment and recovery;
 - The inaugural 'Lady Marigold Southey Aphasia Research Grant' was launched through the generosity of Stroke Foundation Patron, Lady Marigold Southey, and many donors and supporters. The \$100,000 2-year grant addresses aphasia research priority areas identified by the Centre for Research Excellence in Aphasia Recovery and Rehabilitation. The purpose of this grant and our commitment to aphasia research investment enabled by philanthropy is to support researchers find the answers about which therapies enable people with aphasia to recover; as well as explore more ways for their caregivers to support them;
 - The Australian Paediatric Acute Code Stroke (PACS) study progressed with a study set up and implementation of Paediatric Code Stroke protocols in some study sites. In this world's-first research project, Stroke Foundation has partnered with the Murdoch Children's Research Institute, major paediatric hospitals around Australia and families impacted by stroke. The study received \$4m through the Medical Research Future Fund Cardiovascular Health Mission in 2020 and aims to transform the care of children with stroke by decreasing time to diagnosis and increasing the number of children receiving reperfusion therapies;
 - The Stroke Golden Hour research project was awarded \$40 million under Stage Two of the Frontier Health and Medical Research Initiative in 2021. The project is developing lightweight and portable brain scanners enabling these devices to be put into ambulances on the roads and in the air. This Australian Stroke Alliance project brings together experts from more than 30 of Australia's leading health and academic institutes and charities, including Stroke Foundation as a primary partner;
 - Stroke Foundation provided in-kind support (letter, in-house resources) to 23 research institutions during 2021; 7 research partnership projects were successfully awarded over \$16m in funding, including almost \$10m awarded by the Australian Government to The Florey Institute of Neuroscience and Mental Health, to establish Australia's first young stroke service. This collaborative 5-year project builds upon the first seed research grant project funded by the Tim Glendinning Memorial Fund for Young Adult Stroke in 2019, part of Stroke Foundation's Endowment Fund;
 - Stroke Foundation continued to administer grants to two research teams supporting "Return to life, return to work" clinical trials, funded by the Medical Research Future Fund and concluding in 2022;
 - Stroke Foundation published its 2021 Research and Innovation Report and updated its Research and Innovation Framework to reflect the new 3-year strategic plan launching in 2022.
 - 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. The main advocacy projects during 2020 included:

Directors' Report (continued)

- The federal Department of Health formally endorsed the National Action Plan for Heart Disease and Stroke, developed in partnership with the National Heart Foundation.
- Australian Telestroke Network (ATN) – an initiative seeking to ensure 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. WA Government committed \$9m in funding to establish a WA Telestroke system in 2020.
- Stroke Foundation commissioned Deloitte Access Economics to produce the “Economic Impact of Stroke in 2020” report and to update the No Post Code Untouched report which provides a snapshot of stroke risk and incidence by post code in Australia. Both reports were launched by His Excellency David Hurley, the Governor General and her Excellency Linda Hurley in November 2020; and
- Stroke Foundation, as a member of the Australian Living Evidence Consortium, developed a business case for Living Evidence. This proposal seeks to develop a model to support the production of living clinical guidelines in Australia.

This work was supported by:

- Good governance, administration and effective support 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 commenced a strategy to migrate its information technology to cloud-based solutions before the advent of the COVID-19 pandemic as part of its Modern Workplace project. At year end, this migration was close to completion. A key benefit of this activity was realised immediately as the workforce was able to continue to work effectively from remote locations throughout the year.
- 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.

During 2021, the Foundation developed the next strategic plan 2022-2024 ‘Empowering, Supporting, Connecting: Stroke Strategy 2024’ which has three mission goals:

- Prevention – All adult Australians have the knowledge and support to take action to reduce preventable stroke
- Treatment - All Australians who experience a stroke have timely access to evidence-based stroke care
- Recovery - After a stroke, all survivors, carers and families are offered connection to trustworthy information and support to live well

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 Foundation’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.

Directors' Report (continued)

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

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Foundation during the year.

Subsequent Events

No matters or circumstances have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the group, the results of those operations, or the state of affairs of the group in future financial years.

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 \$8,294 (2020: \$6,282) 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.

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).

Directors' Report (continued)

Directors' meetings

Meetings of Directors and Committees

| | Directors' meetings | | Audit, Finance Investment & Risk | | Governance & Nominations | |
|---|---------------------|----------|-------------------------------------|----------|-----------------------------|----------|
| | Eligible | Attended | Eligible | Attended | Eligible | Attended |
| Number of meetings held | 7 | | 5 | | 6 | |
| Directors: | | | | | | |
| Professor Linda Kristjanson AO ¹ | 7 | 6 | - | 1 | 6 | 6 |
| Mr Christopher Nunn ⁴ | 7 | 6 | 5 | 4 | 3 | 2 |
| Ms Sally Bateman | 7 | 7 | - | - | 6 | 6 |
| Professor Bruce Campbell | 7 | 7 | - | - | - | - |
| Mr Andrew Matthews | 7 | 7 | 5 | 5 | - | - |
| Ms Jennifer Muller PSM | 7 | 6 | - | - | - | - |
| Mr Peter Nikoletatos | - | - | - | - | - | - |
| Ms Janice Thomas | 7 | 7 | - | - | - | - |
| Professor Amanda Thrift | 7 | 7 | - | - | - | - |
| Ms Karen Vernon ² | 7 | 6 | - | - | 6 | 6 |
| Professor James Angus AO ¹ | 3 | 3 | - | - | 1 | 1 |
| Mr Christopher Edwards ³ | 3 | 3 | 2 | 2 | 2 | 2 |
| Independent advisors: | | | | | | |
| Mr Peter Fekete ⁵ | - | - | 5 | 5 | - | - |
| Mr Alan Lahiff ⁵ | - | - | 5 | 5 | - | - |

¹ Chairperson of Directors' Meetings

² Chairperson of Governance & Nominations Committee

³ Chairperson of Audit, Finance Investment & Risk Committee (to 9 June 2021)

⁴ Chairperson of Audit, Finance Investment & Risk Committee (from 15 June 2021)

⁵ Members of Audit, Finance Investment & Risk Committee

Directors' Report (continued)

Key performance indicators

To help evaluate whether the activities the Foundation established during the year have achieved its short-term objectives, amongst other metrics, 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% | 79% | Conducted a larger population health survey (than prior years) to enable better understanding of stroke awareness in regional, rural and culturally and linguistically diverse communities. Community messaging impacted by COVID19. |
| Increase resources available for childhood and young stroke survivors | 2 or more | 33 | Multiple resources delivered: Childhood stroke: Our Family's Stroke Journey, childhood stroke webpage, Little Stroke Warriors peer-to-peer support group. Young stroke survivors: website, ten workshops, five podcasts, fifteen videos, many stories, blog posts. |
| Increase expenditure on research grant funding | \$500,000 | \$1,022,000 | Funding received from the Medical Research Future Fund (MRFF) supported the growth in research expenditure. |
| Sustain the percentage of total spend on stroke services and advocacy (prevention, treatment, recovery and research) | 50% | 47% | Pandemic impacts slowed expenditure on stroke services. |

Auditor independence declaration

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.



Emeritus Professor Linda Kristjanson AO
President

Melbourne

5 April 2022

NATIONAL STROKE FOUNDATION

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

In relation to the independent audit for the year ended 31 December 2021, 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



PITCHER PARTNERS

Melbourne

Date: 6 April 2022

Statement of profit or loss and other comprehensive income

For the year ended 31 December 2021

| | | 2021 | 2020 |
|---|------|--------|------------|
| | | | (Restated) |
| | Note | \$'000 | \$'000 |
| Revenue from operating activities | 5 | 18,186 | 18,831 |
| Core activity expenditure | 5 | 13,904 | 13,126 |
| Gross surplus | | 4,282 | 5,705 |
| Administration expenditure | | 2,107 | 1,870 |
| Occupancy expenses | | 46 | 67 |
| Depreciation and amortisation | 5 | 2,881 | 2,446 |
| (Deficit)/surplus from operating activities | | (752) | 1,322 |
| Other income | 5 | 838 | 319 |
| Realised gain/(loss) on investments | | 207 | (184) |
| Unrealised gain on investments | | 810 | 684 |
| Loss on disposal of fixed assets | | (70) | (19) |
| Surplus before income tax expense | 5 | 1,033 | 2,122 |
| Income tax expense | | - | - |
| Surplus after income tax expense | | 1,033 | 2,122 |
| Other comprehensive income for the year, net of tax | | - | - |
| Total other comprehensive income for the year | | - | - |
| Total comprehensive income attributable to members of the entity | | 1,033 | 2,122 |

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

Statement of financial position

As at 31 December 2021

| | | 2021 | 2020 |
|--------------------------------------|-------|---------------|----------------------|
| | Note | \$'000 | (Restated) \$'000 |
| Current assets | | | |
| Cash & cash equivalents | 16(b) | 9,671 | 9,758 |
| Trade and other receivables | 6 | 730 | 1,439 |
| Other financial assets | 7 | 13,766 | 12,063 |
| Total current assets | | <u>24,167</u> | <u>23,260</u> |
| Non-current assets | | | |
| Property, plant & equipment | 8 | 1,851 | 1,999 |
| Intangible assets | 9 | 4,622 | 4,466 |
| Total non-current assets | | <u>6,473</u> | <u>6,465</u> |
| Total assets | | <u>30,640</u> | <u>29,725</u> |
| Current liabilities | | | |
| Trade and other payables | 10 | 1,018 | 858 |
| Provisions | 11 | 704 | 584 |
| Deferred revenue | 12 | 2,514 | 2,840 |
| Lease liability | 13 | 294 | 120 |
| Total current liabilities | | <u>4,530</u> | <u>4,402</u> |
| Non-current liabilities | | | |
| Provisions | 11 | 135 | 131 |
| Deferred revenue | 12 | 2,613 | 2,758 |
| Lease liability | 13 | 1,987 | 2,092 |
| Total non-current liabilities | | <u>4,735</u> | <u>4,981</u> |
| Total liabilities | | <u>9,265</u> | <u>9,383</u> |
| Net assets | | <u>21,375</u> | <u>20,342</u> |
| Funds | | | |
| General funds | 14 | 6,375 | 5,342 |
| Reserves | 15 | 15,000 | 15,000 |
| Total funds | | <u>21,375</u> | <u>20,342</u> |

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 2021

| | Note | Reserves \$'000 | General Funds \$'000 | Total \$'000 |
|-------------------------------------|------|--------------------|----------------------------|-----------------|
| At 1 January 2020 (Restated) | | 15,000 | 3,220 | 18,220 |
| Surplus for year (Restated) | 23 | - | 2,122 | 2,122 |
| Balance at 31 December 2020 | | 15,000 | 5,342 | 20,342 |
| At 1 January 2021 | | 15,000 | 5,342 | 20,342 |
| Surplus for year | | - | 1,033 | 1,033 |
| Balance at 31 December 2021 | | 15,000 | 6,375 | 21,375 |

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 2021

| | Note | 2021 \$'000 | 2020 \$'000 |
|--|-------|----------------|----------------|
| Cash flows from operating activities | | | |
| Receipts from ordinary activities (inclusive of GST) | | 18,008 | 22,738 |
| Payments to suppliers and employees (inclusive of GST) | | (14,963) | (16,591) |
| Interest received | | 17 | 33 |
| Payment of interest on lease liability | | (154) | (160) |
| Net cash inflows from operating activities | 16(a) | 2,908 | 6,020 |
| Cash flows from investing activities | | | |
| Proceeds from sale of investment securities | | 6,233 | 5,491 |
| Purchase of investment securities | | (6,918) | (4,267) |
| Purchase of plant and equipment | 8 | (279) | (2) |
| Purchase of intangible assets | 9 | (2,680) | (2,648) |
| Dividends received | | 678 | 326 |
| Interest received | | 122 | 163 |
| Net cash outflows from investing activities | | (2,844) | (937) |
| Cash flows from financing activities | | | |
| Payment of lease liability | | (151) | (243) |
| Net cash (outflows) from financing activities | | (151) | (243) |
| Net (decrease)/increase in cash and cash equivalents | | (87) | 4,840 |
| Cash and cash equivalents at the beginning of the financial year | | 9,758 | 4,918 |
| Cash and cash equivalents at end of period | 16(b) | 9,671 | 9,758 |

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 2021

1. Corporate information

The financial report of the National Stroke Foundation Limited for the year ended 31 December 2021 was authorised for issue in accordance with a resolution of the Directors on 5 April 2022.

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.

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

(a) 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.

(b) Revenue recognition

The Foundation derives income from the transfer of assets when the Foundation provides no consideration in exchange for the asset received, or the consideration provided by the Foundation is significantly less than the fair value of the asset received, principally to enable the Foundation to further its objectives, and the arrangement does not satisfy the criteria to be accounted for as a 'contract with a customer'.

Government subsidies

Government subsidies are recognised when there is reasonable certainty that the subsidy will be received and all conditions are met. Government subsidies include amounts received or receivable under the Federal Government's JobKeeper Payment Scheme, and the Cashflow Boost supplement which provide temporary subsidies to eligible businesses significantly affected by COVID-19.

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

Notes to the financial statements (continued)

For the year ended 31 December 2021

2. Summary of significant accounting policies (continued)

(b) Revenue recognition (continued)

Revenue from contracts with customers

Revenue is recognised when the Foundation satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

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).

(c) 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.

(d) 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.

(e) 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.

Notes to the financial statements (continued)

For the year ended 31 December 2021

2. Summary of significant accounting policies (continued)

(f) Property, Plant and equipment

Plant and equipment are 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.

(g) 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 2021

2. Summary of significant accounting policies (continued)

(g) 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.

(h) 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.

(i) 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 2021

2. Summary of significant accounting policies (continued)

(j) 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.

A reimbursement asset has been recognised in relation to the Foundation's right to claim the reimbursements under the Victorian and ACT portable long service leave scheme, in relation to those employees covered by the scheme.

(k) 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.

(l) 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 2021

2. Summary of significant accounting policies (continued)

(m) 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.

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.

(n) Comparative figures

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

A prior period restatement was performed amending the net surplus for the year 2020. Details are provided in Note 23.

(o) 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 2021

3. Significant accounting judgements, estimates and assumptions

Certain accounting estimates include assumptions concerning the future, which, by definition, will seldom represent actual results. Estimates and assumptions based on future events have a significant inherent risk, and where future events are not as anticipated there could be a material impact on the carrying amounts of the assets and liabilities discussed below:

Revenue from contracts with customers

In applying AASB15 Revenue from Contracts with Customers, primary reference is made to the timing and achievement of defined performance obligations under the specific programs involved. Where performance obligations have not been defined, reference is made to the timing of program funding remittances and the duration of the program as a realistic proxy for program achievement in accordance with the expectations of the funding body.

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.

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 | 2021 \$'000 | 2020 \$'000 |
|--------------------------------|-------|----------------|----------------|
| Financial assets | | | |
| Cash and cash equivalents | 16(b) | 9,671 | 9,758 |
| Trade and other receivables | 6 | 730 | 1,439 |
| Other current financial assets | 7 | 13,766 | 12,063 |
| Total financial assets | | 24,167 | 23,260 |
| Financial liabilities | | | |
| Trade and other payables | 10 | 1,018 | 858 |
| Lease liabilities | 13 | 2,281 | 2,212 |
| Total financial liabilities | | 3,299 | 3,070 |

Notes to the financial statements (continued)

For the year ended 31 December 2021

4. Financial risk management objectives and policies (continued)

(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:

| | 2021 | | 2020 | |
|-------------------|--------------------|--------|--------------------|--------|
| | Interest rate % | \$'000 | Interest rate % | \$'000 |
| Cash at bank | 0.00 - 1.00 | 6,011 | 0.00 - 2.50 | 5,081 |
| Deposits at call | 1.00 - 2.00 | 3,660 | 2.50 - 3.00 | 4,677 |
| Lease Liabilities | 7.00 | 155 | 0.00 | 180 |
| Total exposure | | 9,826 | | 9,938 |

(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 Investment Portfolio has listed securities that 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:

| | 2021 | | 2020 | |
|---------------------------------------|---------------------|--------|---------------------|--------|
| | Yield estimate % | \$'000 | Yield estimate % | \$'000 |
| ASX listed - Australian securities | 0.00 - 7.00 | 8,029 | 0.00 - 7.00 | 7,248 |
| ASX listed - International securities | 0.00 - 7.00 | 5,737 | 0.00 - 7.00 | 4,815 |
| Total exposure | | 13,766 | | 12,063 |

Notes to the financial statements (continued)

For the year ended 31 December 2021

4. Financial risk management objectives and policies (continued)

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 42% 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.

(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 2021

5. Surplus / (Deficit) from ordinary activities

| | 2021 | 2020 (Restated) |
|---|---------------|--------------------|
| | \$'000 | \$'000 |
| Operating revenue | | |
| Government | 3,126 | 4,871 |
| Community | 10,514 | 9,491 |
| Bequests received | 4,121 | 4,058 |
| Trusts and foundations | 106 | 43 |
| Corporate | 233 | 280 |
| Interest | 17 | 33 |
| Product merchandising | 69 | 55 |
| Total operating revenue | 18,186 | 18,831 |
| Core activity expenditure | | |
| Programs and Operations | 7,319 | 7,461 |
| Income Development | 4,890 | 4,578 |
| Research | 1,022 | 443 |
| Advocacy | 673 | 644 |
| Total core activity expenditure | 13,904 | 13,126 |
| Depreciation and amortisation | 2,881 | 2,446 |
| Governance and Sustainability | 2,153 | 1,937 |
| Total expenditure | 18,938 | 17,509 |
| (Deficit)/surplus from operating activities | (752) | 1,322 |
| Other income | | |
| Interest income on interest bearing securities | 122 | 123 |
| Dividend income on equity securities | 612 | 145 |
| Franking credits earned | 104 | 51 |
| Total other income | 838 | 319 |
| Gain on investments | 1,017 | 500 |
| Loss on disposal of fixed assets | (70) | (19) |
| Total comprehensive income attributable to members of the entity | 1,033 | 2,122 |

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

Notes to the financial statements (continued)

For the year ended 31 December 2021

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 2021

6. Current assets - Trade and other receivables

| | 2021 \$'000 | 2020 \$'000 |
|-----------------------------------|----------------|----------------|
| Trade debtors | 107 | 34 |
| Provision for impaired debtors | (26) | - |
| | <u>81</u> | <u>34</u> |
| Other receivables: | | |
| Sundry receivables | 12 | 11 |
| GST receivable | 228 | 259 |
| Refundable Franking credits | 125 | 88 |
| Prepayments | 284 | 1,047 |
| | <u>649</u> | <u>1,405</u> |
| | | |
| Total trade and other receivables | <u>730</u> | <u>1,439</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 |
|--------------|-------|-----------|------------|------------|-----------|
| 2021 (\$000) | 107 | 7 | 46 | 29 | 25 |
| 2020 (\$000) | 34 | 1 | - | - | 33 |

7. Financial assets

| | 2021 \$'000 | 2020 \$'000 |
|--|----------------|----------------|
| Investments at fair value through profit and loss: | | |
| Quoted equity shares | 13,766 | 12,063 |
| Total investments at fair value | <u>13,766</u> | <u>12,063</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 42% 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 2021

8. Non-current assets – Property, plant and equipment

| | Plant and equipment | Right to Use Asset - Office Lease Buildings | Total |
|----------------------------|------------------------|---|--------|
| | \$'000 | \$'000 | \$'000 |
| Cost | | | |
| At 1 January 2020 | 999 | 2,432 | 3,431 |
| External additions | 2 | - | 2 |
| At 31 December 2020 | 1,001 | 2,432 | 3,433 |
| At 1 January 2021 | 1,001 | 2,432 | 3,433 |
| External additions | 59 | 220 | 279 |
| Transfer | 28 | - | 28 |
| Disposals | (166) | - | (166) |
| At 31 December 2021 | 922 | 2,652 | 3,574 |
| Depreciation | | | |
| At 1 January 2020 | 505 | 416 | 921 |
| Depreciation for the year | 101 | 412 | 513 |
| At 31 December 2020 | 606 | 828 | 1,434 |
| At 1 January 2021 | 606 | 828 | 1,434 |
| Depreciation for the year | 56 | 354 | 410 |
| Disposals | (121) | - | (121) |
| At 31 December 2021 | 541 | 1,182 | 1,723 |
| Net carrying amount | | | |
| At 31 December 2020 | 395 | 1,604 | 1,999 |
| At 31 December 2021 | 381 | 1,470 | 1,851 |

Notes to the financial statements (continued)

For the year ended 31 December 2021

9. Non-current assets - Intangible assets

| | Licences | Development costs | Donor Acquisition Costs | Total |
|----------------------------|----------|-------------------|-------------------------|--------|
| | | (Restated) | | |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Cost | | | | |
| At 1 January 2020 | 53 | 1,266 | 5,063 | 6,382 |
| Separately acquired | - | - | 2,601 | 2,601 |
| Internally generated | - | 47 | - | 47 |
| Disposals | - | (19) | - | (19) |
| At 31 December 2020 | 53 | 1,294 | 7,664 | 9,011 |
| At 1 January 2021 | 53 | 1,294 | 7,664 | 9,011 |
| Separately acquired | - | 337 | 2,332 | 2,669 |
| Internally generated | - | 11 | - | 11 |
| Transfers | 3 | (31) | - | (28) |
| Disposals | (10) | (75) | - | (85) |
| At 31 December 2021 | 46 | 1,536 | 9,996 | 11,578 |
| Amortisation | | | | |
| At 1 January 2020 | 46 | 951 | 1,615 | 2,612 |
| Amortisation for the year | - | 223 | 1,710 | 1,933 |
| At 31 December 2020 | 46 | 1,174 | 3,325 | 4,545 |
| At 1 January 2021 | 46 | 1,174 | 3,325 | 4,545 |
| Amortisation for the year | 5 | 80 | 2,386 | 2,471 |
| Disposals | (5) | (55) | - | (60) |
| At 31 December 2021 | 46 | 1,199 | 5,711 | 6,956 |
| Net carrying amount | | | | |
| At 31 December 2020 | 7 | 120 | 4,339 | 4,466 |
| At 31 December 2021 | - | 337 | 4,285 | 4,622 |

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 the Stroke Foundation website.

Comparative information has been restated as per note 23.

10. Current liabilities - Trade and other payables

| | 2021 | 2020 |
|----------------|--------|--------|
| | \$'000 | \$'000 |
| Trade payables | 266 | 350 |
| Other payables | 752 | 508 |
| Total | 1,018 | 858 |

Notes to the financial statements (continued)

For the year ended 31 December 2021

11. Provisions

| | 2021 | 2020 |
|------------------------|------------|------------|
| | \$'000 | \$'000 |
| Current provisions | 704 | 584 |
| Non-current provisions | 135 | 131 |
| Total | 839 | 715 |

| | | |
|---------------------|----|----|
| Number of employees | 85 | 87 |
|---------------------|----|----|

12. Deferred revenue

Deferred revenue comprises revenue from contracts with customers which are yet to be recognised in the statement of profit or loss in accordance with accounting standards.

| | 2021 | 2020 |
|------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Current deferred revenue | 2,514 | 2,840 |
| Non-current deferred revenue | 2,613 | 2,758 |
| Total | 5,127 | 5,598 |

13. Lease assets and lease liabilities

| Lease assets | 2021 | 2020 |
|---|---------------|---------------|
| Carrying amount of lease assets, by class of underlying assets | \$'000 | \$'000 |
| Buildings under lease arrangements | | |
| At cost | 2,432 | 2,432 |
| Additions | 220 | |
| Accumulated Depreciation 2019 | (416) | (416) |
| Accumulated Depreciation 2020 | (412) | (412) |
| Accumulated Depreciation 2021 | (354) | |
| | 1,470 | 1,604 |

| | 2021 | 2020 |
|---|--------------|--------------|
| | \$'000 | \$'000 |
| Reconciliation of the carrying amount of lease assets at the beginning and end of the financial year | | |
| Opening carrying amount | 1,604 | 2,016 |
| Additions | 220 | |
| Depreciation | (354) | (412) |
| Closing carrying amount | 1,470 | 1,604 |

| | 2021 | 2020 |
|---|--------------|--------------|
| | \$'000 | \$'000 |
| Lease Liability | | |
| Current Lease Liabilities | 294 | 120 |
| Non-current lease liabilities | 1,987 | 2,092 |
| Total carrying amount of lease liability | 2,281 | 2,212 |

Notes to the financial statements (continued)

For the year ended 31 December 2021

Carrying amount of lease liabilities

| | | |
|-------------------------|--------------|--------------|
| Opening carrying amount | 2,212 | 2,438 |
| Addition | 220 | 17 |
| Less payments | (305) | (403) |
| Add interest | 154 | 160 |
| Closing carrying amount | <u>2,281</u> | <u>2,212</u> |

Lease Expenses and cashflows

| | 2021 | 2020 |
|--|--------|--------|
| | \$'000 | \$'000 |
| Interest expense on lease liabilities | 154 | 160 |
| Expense relating to leases of low value assets (for which a lease asset and lease liability has not been recognised) | 91 | 31 |
| Expenses relating to leases of 12 months or less (for which a lease asset and lease liability has not been recognised) | - | 4 |
| Depreciation expense on lease assets | 354 | 412 |
| Income from sub-lease arrangements | (16) | (15) |
| Cash outflow in relation to leases | 305 | 403 |

14. General funds

| | 2021 | 2020 |
|--|--------------|--------------|
| | \$'000 | \$'000 |
| General funds at beginning of the financial year | <u>5,342</u> | <u>3,220</u> |
| Net surplus | 1,033 | 2,122 |
| General funds at end of the financial year | <u>6,375</u> | <u>5,342</u> |

15. Reserves

The contingency fund reserve acts specifically as a contingency fund to protect the ongoing operations of the Foundation 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

| | 2021 | 2020 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Contingency fund reserve | <u>15,000</u> | <u>15,000</u> |
| Total contingency fund reserve at end of the year | <u>15,000</u> | <u>15,000</u> |

Notes to the financial statements (continued)

For the year ended 31 December 2021

16. Cash flow statement reconciliation

| | 2021 | 2020 |
|---|---------|--------|
| | \$'000 | \$'000 |
| (a) Reconciliation of net cash provided by operating activities to operating surplus / (deficit) | | |
| Net Surplus | 1,033 | 2,122 |
| Adjustments for: | | |
| Depreciation and amortisation | 2,881 | 2,446 |
| (Decrease) in fair value of quoted shares | (1,017) | (500) |
| Shares received in bequests | - | (557) |
| Cash dividends included in the calculation of net surplus | (838) | (319) |
| Loss on disposal of fixed assets | 70 | 19 |
| Changes in assets and liabilities: | | |
| Decrease/(Increase) in trade and other receivables | 746 | (940) |
| Increase/(decrease) in current trade and other payables | 160 | (273) |
| Increase/(decrease) in provisions | 124 | 211 |
| (Decrease)/Increase in deferred income | (471) | 3,796 |
| Increase/(decrease) in other liabilities | 220 | 17 |
| Net cash provided by operating activities | 2,908 | 6,021 |

(b) Cash and cash equivalents at balance date

| | 2021 | 2020 |
|--------------------------|--------|--------|
| | \$'000 | \$'000 |
| Cash at bank and on hand | 6,011 | 5,081 |
| Deposits at call | 3,660 | 4,677 |
| Closing cash balance | 9,671 | 9,758 |

(c) Financing Facilities

The entity has access to the following lines of credit:

| | 2021 | 2020 |
|---|--------|--------|
| | \$'000 | \$'000 |
| Total facilities available and unused at 31 December 2021 | | |
| Bank Guarantees | \$'000 | \$'000 |
| Used | 161 | 175 |
| Unused | 66 | 52 |
| Total | 227 | 227 |

17. Commitments and contingencies

The Foundation had no capital commitments, contingent assets or contingent liabilities at the reporting date (2020: nil)

18. Auditor's remuneration

| | \$'000 | \$'000 |
|--|--------|--------|
| (a) Amounts paid and payable to Pitcher Partners (Melbourne) for: | | |
| Audit or review of the financial report | 40 | 36 |
| Other Assurance Services | 4 | 3 |
| | 44 | 39 |

Notes to the financial statements (continued)

For the year ended 31 December 2021

19. Related party disclosure

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

| | 2021 \$'000 | 2020 \$'000 |
|--|----------------|----------------|
| Related party | 191 | 464 |
| 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) | 191 | 464 |

20. 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.

| | 2021 \$'000 | 2020 \$'000 |
|--------------------------|----------------|----------------|
| Short-term benefits | 896 | 718 |
| Post-employment benefits | 82 | 65 |
| Termination benefits | - | 7 |
| Total | 978 | 789 |

21. Significant events after balance date

There has been no matter or circumstance, which has arisen since 31 December 2021 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 31 December 2021, of the Foundation, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 31 December 2021, of the Foundation.

22. 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 | |
|-----------------------|-----------------------------|--------------------|------|
| | | 2021 | 2020 |
| Stroke Care Australia | Australia | 100% | 100% |

Notes to the financial statements (continued)

For the year ended 31 December 2021

23. Prior Period Restatement

Software-as-a-Service (SaaS) arrangements

The International Financial Reporting Standards Interpretations Committee (IFRIC) has issued two final agenda decisions which impact SaaS arrangements:

- Customer's right to receive access to the supplier's software hosted on the cloud (March 2019) – this decision considers whether a customer receives a software asset at the contract commencement date or a service over the contract term.
- Configuration or customisation costs in a cloud computing arrangement (April 2021) – this decision discusses whether configuration or customisation expenditure relating to SaaS arrangements can be recognised as an intangible asset and if not, over what time period the expenditure is expensed.

The Foundation's accounting policy has historically been to capitalise all costs related to SaaS arrangements as intangible assets in the Statement of Financial Position. The adoption of the above agenda decisions has resulted in a reclassification of these intangible assets to either a prepaid asset in the Statement of Financial Position and/or recognition as an expense in the Statement of Comprehensive Income, impacting both the current and/or prior periods. The cumulative effect of the restatement for years prior to 2020 is included in the opening balance for 2020. The restatement impacts are presented as below:

| | 2020 (as reported) | Restatement | 2020 (restated) |
|--|-----------------------|-------------|--------------------|
| Impact on the statement of profit and loss and other comprehensive income for the year ended 31 December 2020 | \$'000 | \$'000 | \$'000 |
| Core activity costs | 14,961 | (1,835) | 13,126 |
| Administration costs | 37 | 1,833 | 1,870 |
| Occupancy expenses | 67 | (0) | 67 |
| Depreciation and amortisation | 2,618 | (173) | 2,446 |
| Impact of the statement of financial position as at 31 December 2020 | | | |
| Intangible assets | 4,848 | (382) | 4,466 |
| General Funds | 5,724 | (382) | 5,342 |
| Impact on the statement of changes in equity for the year ended 31 December 2020 | | | |
| General Funds | | | |
| At 1 January 2020 | 18,757 | (537) | 18,220 |
| Surplus for year (Restated) | 1,967 | 155 | 2,122 |
| At 31 December 2020 | 20,724 | (382) | 20,342 |

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.



Emeritus Professor Linda Kristjanson AO
President
Melbourne

5 April 2022

NATIONAL STROKE FOUNDATION

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 2021, the statement of profit or loss and other 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 directors' declaration.

In our opinion, the accompanying financial report of National Stroke Foundation, is 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 2021 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements 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 *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 2021, 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.

NATIONAL STROKE FOUNDATION**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF NATIONAL STROKE FOUNDATION***Other Information (Continued)*

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.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the ACNC Act and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management 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 the 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 this 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.

NATIONAL STROKE FOUNDATION

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF NATIONAL STROKE FOUNDATION*Auditor's Responsibilities for the Audit of the Financial Report (Continued)*

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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

Date: 6 April 2022