



Mindgardens Neuroscience Network Limited

(A Company Limited By Guarantee)

ABN 95 640 902 530

General Purpose Financial Report

For the period ended 30 June 2023

Contents

Directors' Report	1
Auditor's Independence Declaration	5
Statement of Total Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Members' Funds	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Declaration by the Directors'	19
Independent Auditor's Report	20

This annual report is the report for Mindgardens Neuroscience Network Limited ("the Company"). Its registered office and principal place of business is:

Mindgardens Neuroscience Network Limited

139 Barker Street
Randwick, NSW 2031

The principal activities of the entity during the financial period were the conduct of medical research in the neurosciences, development of medical research facilities and fundraising to support these activities.

Directors' Report

The directors present their report together with the financial statements of Mindgardens Neuroscience Network Limited (the Company), for the financial period 1 May 2022 to 30 June 2023 and the auditor's report thereon.

1. Directors

The names and details of directors of the Company in office during the financial period are:

John Grill AO - Independent Director & Chair

John Grill was appointed Director and Chair in May 2022. He is Chairman of Worley Limited.

Michael Still - Nominee of South Eastern Sydney Local Health District

Michael Still was appointed Director in May 2022. He was Chair of the South Eastern Sydney Local Health District.

Tobi Wilson - Nominee of South Eastern Sydney Local Health District

Tobi Wilson was appointed Director in May 2022. He is Chief Executive of the South Eastern Sydney Local Health District.

Vlado Perkovic – Nominee of University of New South Wales

Vlado Perkovic was appointed Director in May 2022. He is Provost, University of New South Wales.

Michael Farrell – Nominee of University of New South Wales

Michael Farrell was appointed Director in August 2022. He is Director of the National Drug and Alcohol Research Centre at the University of New South Wales.

Jennifer Alexander – Nominee of Neuroscience Research Australia

Jennifer Alexander was appointed Director in May 2022. She is a Member of the UNSW Council and Director of Neuroscience Research Australia.

Peter Joseph AM – Nominee of Black Dog Institute

Peter Joseph was appointed Director in May 2022 and is Chair of the Black Dog Institute.

Julian Adler – Independent Director

Julian Adler was appointed Director in May 2022. He is a radiologist and CEO, Imaging Division, Sonic Healthcare.

Richard Matthews AM - Independent Director

Richard Matthews was appointed Director in May 2022. He is a consultant and a former Deputy Director General, Strategic Development for NSW Health.

Mark Nelson – Independent Director

Mark Nelson was appointed Director in May 2022 and is Executive Chairman of Caledonia (Private) Investments Pty Limited.

Kristin Stubbins AM – Independent Director

Kristin Stubbins was appointed Director in May 2022. She was a partner at PricewaterhouseCoopers.

Jackie Curtis – Executive Director

Jackie Curtis was appointed in October 2022. She is the Executive Director of Mindgardens Neuroscience Network Limited.

Directors' Report (continued)

Finance, Risk, Audit and Compliance (FRAC) Committee

The FRAC Committee is a Board Committee and a recommending body with no specific delegations of authority that oversees all financial, risk and compliance aspects of the Company. The members of the FRAC Committee during the period were: Peter Joseph (Chair), Kristin Stubbins and Jennifer Alexander.

Nomination & Remuneration Committee

The nomination committee reviews the balance of skills, experience and diversity of the Board and Committees to ensure the Directors and members are of the highest value to the Company. The members of the Nomination & Remuneration Committee during the period were: John Grill (Chair), Michael Still, Vlado Perkovic and Kristin Stubbins. The Committee did not meet during the period.

Non-Executive Directors

Non-executive directors were not paid any compensation during the period.

Directors' Meetings

The number of directors' meetings and number of meetings attended by each of the directors of the Company during the financial period are:

Director	Board meetings	
	A	B
Mr John Grill AO	7	7
Prof Vlado Perkovic	7	7
Prof Michael Farrell	5	6
Mr Michael Still	5	7
Mr Tobi Wilson	7	7
Dr Julian Adler	6	7
Dr Jennifer Alexander	6	7
Prof Peter Joseph AM	5	7
Mr Richard Matthews AM	4	7
Dr Mark Nelson	4	7
Ms Kristin Stubbins AM	6	7
Prof Jackie Curtis	5	5

A – Number of meetings attended.

B – Number of meetings held during the time the director held office during the period

Company Secretary

Ayse Burke was appointed Company Secretary in May 2022 and resigned in February 2023. Felicity Forsyth was appointed Company Secretary in December 2022.

Directors' Report (continued)

2. Principal activities

The principal activities of the Company during the financial period were to create a sound framework to support, strengthen and guide the activities of the Members to build a world-class, internationally recognised research collaboration and to develop related fundraising activities. The Company was established in the Randwick Health and Innovation Precinct and brings together the strengths of its member organisations - Black Dog Institute, Neuroscience Research Australia, South Eastern Sydney Local Health District, and University of New South Wales.

3. Performance

The Company's surplus for the period ended 30 June 2023 was \$4,391,463.

During the period, the Company received research grants from the Commonwealth Government, NSW Health and various other grant giving bodies to fund its activities. The Company also received donations and conducted fundraising activities, the proceeds of which were used to fund current and future activities.

4. Events subsequent to reporting date

There have been no events subsequent to balance date, which would have a material effect on the Company's financial statements at 30 June 2023.

5. Neuroscience Research Australia

Mindgardens Neuroscience Network was incorporated on 1 May 2022. During the year, and as intended, the Mindgardens Neuroscience Network portion of the Neuroscience Research Australia consolidated entity was transferred to the Mindgardens Neuroscience Network Ltd (ACN 640 902 530) company. This transfer took effect from the 1st of May 2022.

Neuroscience Research Australia consolidated entity results include a sum of \$3,313,177, being the transfer of accumulated surpluses of the Mindgardens Neuroscience Network division since 1st January 2018 when the Mindgardens Alliance first came into effect.

6. Likely developments and expected operating results

The Company will continue to pursue the principal activities of the Company during the financial period being to create a sound framework to support, strengthen and guide the activities of the Members to build a world class, internationally recognised research collaboration and to develop related fundraising activities.

7. Insurance of directors and officers

During the financial year period, insurance for directors, the secretary and certain officers of the entity was provided by ProRisk Insurance. During or since the financial year period, the entity has not indemnified or made a relevant agreement to indemnify an officer or auditor of the entity or of any related body corporate against a liability incurred by such an officer or auditor. In addition, the entity has not paid, or agreed to pay, a premium in respect of a contract insuring against a liability incurred by an officer or auditor.

8. Objectives and Strategy

The Company's principal activities were bringing together clinicians, researchers, consumers, and their families to address the most urgent challenges in mental health, drug and alcohol and neurological disorders and fundraising to support these activities.

The Company's vision is to transform the understanding, prevention, treatment and cure of mental health, drug and alcohol and neurological disorders. The mission is implemented through a Strategic Plan which focuses on driving clinical excellence, outstanding translational research and quality education in mental health, drug and alcohol and neurological disorders.

Directors' Report (continued)

9. Members liability

The Company is a company limited by guarantee and without share capital. In accordance with the constitution of the Company, every member of the Company undertakes to contribute an amount limited to \$10 per member to the assets of the Company in the event of it being wound up while he or she is a member or within one year afterwards for payment of the debts and liabilities of the Company contracted before he or she ceases to be a member and of the costs, charges, and expenses of winding up and for the adjustment of the rights of the contributories among themselves. The total amount that members of the Company are liable to contribute if the Company is wound up is \$120.

10. Auditor's independence declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-Profits Commission Act 2012

The Lead Auditor's independence declaration is set out on page 5 and forms part of the Directors report for the financial period ended 30 June 2023.

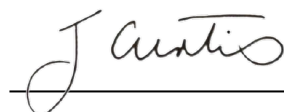
Signed in accordance with a resolution of the directors:



John Grill
Chairman

Date: 5 December 2023

Sydney



Jackie Curtis Executive
Director

Date: 5 December 2023

Sydney



Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for- profits Commission Act 2012

To: the members of Mindgardens Neuroscience Network Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial period ended 30 June 2023 there have been:

- i. no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Warwick Shanks
Partner

Sydney
5 December 2023

Statement of Total Comprehensive Income

For the period 1 May 2022 to 30 June 2023

	Note	2023 \$
REVENUE		
Grant Revenue	2	7,840,737
Other Income	2	3,313,177
TOTAL REVENUE		11,153,914
EXPENSES		
Personnel Expense	3	(1,873,115)
Other Expenses	4	(4,976,886)
TOTAL EXPENSES		(6,850,001)
SURPLUS FROM OPERATIONS		4,303,913
Finance Income	5	193,934
Finance Expenses	5	(106,384)
NET FINANCE INCOME		87,550
SURPLUS FOR THE YEAR		4,391,463

The Statement of Total Comprehensive Income is to be read in conjunction with the accompanying notes to the financial statements on pages 10 to 18

Statement of Financial Position

As at 30 June 2023

	Note	2023 \$
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	6	2,112,716
Trade and Other Receivables	7	1,372,234
Other Financial Assets	8	2,610,662
TOTAL CURRENT ASSETS		6,095,612
TOTAL ASSETS		6,095,612
LIABILITIES		
CURRENT LIABILITIES		
Trade and Other Payables	9	242,583
Deferred Revenue	10	1,461,566
TOTAL CURRENT LIABILITIES		1,704,149
TOTAL LIABILITIES		1,704,149
NET ASSETS		4,391,463
MEMBERS' FUNDS		
Retained Surplus		4,391,463
TOTAL MEMBERS' FUNDS		4,391,463

The Statement of Financial Position is to be read in conjunction with the accompanying notes to the financial statements on pages 10 to 18

Statement of Changes in Members' Funds

For the period ended 30 June 2023

2023
\$

Retained
Surplus

BALANCE AT 1 MAY 2022

-

Surplus for the year

4,391,463

BALANCE AS AT 30 JUNE 2023

4,391,463

The Statement of Changes in Members' Funds is to be read in conjunction with the accompanying notes to the financial statements on pages 10 to 18

Statement of Cash Flows

For the period 1 May 2022 to 30 June 2023

2023
\$

CASH FLOWS FROM OPERATING ACTIVITIES

Grants received	9,127,690
Payments to suppliers and employees	(7,368,341)
Interest received	145,662
Finance costs paid	(15,533)

NET CASH FROM OPERATING ACTIVITIES

1,889,478

CASH FLOWS FROM INVESTING ACTIVITIES

Net investments in other financial assets	223,238
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NET CASH FROM INVESTING ACTIVITIES

223,238

NET INCREASE IN CASH AND CASH EQUIVALENTS

2,112,716

Cash and cash equivalents at the beginning of the financial year

-

CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR

2,112,716

The Statement of Cash Flows is to be read in conjunction with the accompanying notes to the financial statements on pages 10 to 18

Notes to the Financial Statements

For the period ended 30 June 2023

Note 1 Accounting Policies

REPORTING ENTITY

Mindgardens Neuroscience Network Limited (the 'Company') is domiciled in Australia. The Company's registered office is at Margarete Ainsworth Building 139 Barker St, Randwick, NSW, 2031.

The Company is a non-for-profit entity and is primarily involved in the conduct of medical research, the development of medical research facilities and fundraising activities.

BASIS OF PREPARATION

a) Statement of Compliance

These financial statements are general purpose financial statements for distribution to the members and for the purpose of fulfilling the requirements of the Australian Charities and Not-for-Profits Commission Act 2012. They have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures made by the Australian Accounting Standards Board and the Australian Charities and Not-for-Profits Commission Act 2012.

These financial statements are the first general purpose financial statements prepared in accordance with Australian Accounting Standards - Simplified Disclosures. During the period, and as intended, the Mindgardens Neuroscience Network portion of the Neuroscience Research Australia consolidated entity was transferred to the Mindgardens Neuroscience Network Ltd company. This transfer took effect from 1st of May 2022. The financial statements and relevant notes are presented from 1 May 2022 to 30 June 2023, a 14 month period, with no comparative amounts presented. The financial statements do not comply with International Financial Reporting Standards (IFRS) as the Company has adopted the exemptions allowed for-not-for-profit organisations under AASB 101 Presentation of financial statements.

These financial statements were authorised for issue by the Board of Directors as of the date of the Directors Declaration.

b) Basis of measurement

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes.

c) Functional and presentation currency and rounding

These financial statements are presented in Australian dollars, which is the Company's functional currency. There is no rounding in the financial statements.

d) Use of judgements and estimates

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Details of the specific judgement, estimates and assumptions that have the most significant effects on the amounts recognised in the financial statements are summarised in the Notes.

Notes to the Financial Statements (continued)

For the period ended 30 June 2023

Note 1 Accounting Policies (cont.)

BASIS OF PREPARATION (cont.)

e) Going Concern

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

A number of new standards are effective from 1 May 2022 but do not have a material effect on the Company's financial statements.

INCOME TAX

The Company is a registered charity and is exempt from income tax under s50-5 of the Income Tax Assessment Act 1997.

FINANCIAL INSTRUMENTS

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at amortised cost or fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets in the "at amortised cost" category particularly include trade accounts receivable (not including factoring), cash and cash equivalents and other receivables.

Cash equivalents are short-term, extremely liquid financial investments that can be converted to cash at any time and that are only subject to insignificant risks of changes in value.

Notes to the Financial Statements (continued)

For the period ended 30 June 2023

Note 1 Accounting Policies (cont.)

FINANCIAL INSTRUMENTS (cont.)

ii. *Classification and subsequent measurement (cont.)*

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in surplus or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in surplus or loss. Any gain or loss on derecognition is recognised in surplus or loss.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in surplus or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in surplus or loss. Any gain or loss on derecognition is also recognised in surplus or loss.

Financial liabilities in the category “at amortised cost” are mainly liabilities (borrowings) to banks and trade accounts payables.

iii. *Derecognition*

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Notes to the Financial Statements (continued)

For the period ended 30 June 2023

Note 1 Accounting Policies (cont.)

FINANCIAL INSTRUMENTS (cont.)

iii. Derecognition (cont.)

Financial assets liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in surplus or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

REVENUE & OTHER INCOME

Revenue from contracts with customers is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer. Revenue is recognised and measured at the fair value of the consideration or contributions received, net of goods and services tax ("GST") or similar taxes, to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Grant income (Research)

Government and other grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and that the Company will comply with the conditions associated with the grant. Grants that compensate the Company for expenses incurred are recognised in surplus or loss as other income on a systematic basis in the same periods in which the expenses are recognised.

Grant income (Non-Research)

Grant income arising from an agreement which contains enforceable and sufficiently specific performance obligations is recognised when control of each performance obligations is satisfied.

Within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the revenue is recognition based on either cost or time incurred which best reflects the transfer of control.

Notes to the Financial Statements (continued)

For the period ended 30 June 2023

Note 1 Accounting Policies (cont.)

REVENUE & OTHER INCOME (cont.)

Revenue

Revenue recognition policy for revenue streams which are either not enforceable or do not have sufficiently specific performance obligations (AASB 1058).

Assets arising from grants in the scope of AASB 1058 are recognised at their fair value when the asset is received. These assets are generally cash but may be property which has been donated or sold to the Company at significantly below its fair value.

Once the asset has been recognised, the Company recognises any related liability amounts (e.g. provisions, financial liabilities).

Once the assets and liabilities have been recognised then income is recognised for any difference between the recorded asset and liability.

Significant estimates and judgements relating to revenue

For many of the grant agreements received, the determination of whether the contract includes sufficiently specific performance obligations was a significant judgement involving discussions with several parties at the Company, review of the proposal documents prepared during the grant application phase and consideration of the terms and conditions.

Grants received by the Company have been accounted for under both AASB 15 and AASB 1058 depending on the terms and conditions and decisions made.

If this determination was changed then the revenue recognition pattern would be different from that recognised in this financial report.

GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

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

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

FINANCE INCOME AND FINANCE COSTS

Finance income comprises interest income on funds invested, dividend income and changes in the fair value of financial assets at fair value through surplus or loss. Interest income is recognised as it accrues in profit or loss using the effective interest method. Dividend income is recognised in surplus or loss on the date on which the Company right to receive payment is established.

Notes to the Financial Statements (continued)

For the period ended 30 June 2023

Note 2 Revenue	2023
	\$
RESEARCH GRANTS	
Research income	4,336,222
Commonwealth grant	2,584,793
Infrastructure - UNSW	808,000
Infrastructure - Other	4,000
Salaries Recovery	107,722
TOTAL GRANT REVENUE	7,840,737
OTHER INCOME	
Contribution from Neuroscience Research Australia	3,313,177
TOTAL OTHER INCOME	3,313,177

Other income of \$3,313,177 relates to the transfer of accumulated surpluses from the Neuroscience Research Australia consolidated entity to the Mindgardens Neuroscience Network Ltd company. This transfer took effect on the 1st of May 2022 and relates to the accumulated surpluses of the Mindgardens Neuroscience Network division since 1st January 2018 when the Mindgardens Alliance first came into effect.

Note 3 Personnel Expense	2023
	\$
Wages, salaries and other personnel expenses	1,841,322
Contributions to superannuation funds	31,793
TOTAL PERSONNEL EXPENSE	1,873,115

Note 4 Other Expenses	2023
	\$
Grant reimbursement	4,269,920
Consultants	538,732
Fundraising costs	37,888
Conference expenses	4,348
Insurance	18,733
Laboratory supplies	1,154
Travel	13,260
Other	92,851
TOTAL OTHER EXPENSES	4,976,886

Notes to the Financial Statements (continued)

For the period ended 30 June 2023

Note 5 Net Finance Costs	2023
	\$
Interest income	98,567
Dividend income	47,095
Unrealised gains from financial assets	48,272
FINANCE INCOME	193,934
Realised losses from financial assets	(90,820)
Foreign exchange losses	(31)
Investment management fees	(15,301)
Bank charges	(232)
FINANCE EXPENSE	(106,384)
TOTAL NET FINANCE INCOME	87,550
Note 6 Cash and Cash Equivalents	2023
	\$
Bank balances	587,716
Term deposits with maturity <3 months	1,525,000
TOTAL CASH AND CASH EQUIVALENTS	2,112,716
Note 7 Trade and Other Receivables	2023
	\$
Trade receivables due from related parties	113,551
Sundry receivables	61,062
Prepayments	1,197,621
TOTAL TRADE AND OTHER RECEIVABLES	1,372,234
Note 8 Other Financial Assets	2023
	\$
Financial assets – held at fair value through profit or loss	2,610,662
TOTAL OTHER FINANCIAL ASSETS	2,610,662

Notes to the Financial Statements (continued)

For the period ended 30 June 2023

Note 9 Trade and Other Payables	2023
	\$
Trade payables	13,585
Other payables	91,205
Related party payables	137,793
TOTAL TRADE AND OTHER PAYABLES	242,583
Note 10 Deferred Revenue	2023
	\$
Government grants	840,488
Other grants	621,078
TOTAL DEFERRED REVENUE	1,461,566
Note 11 Auditors Remuneration	2023
	\$
AUDIT AND REVIEW SERVICES	
Audit of financial statements	20,900
TOTAL AUDIT AND REVIEW SERVICES	20,900
OTHER SERVICES	
Compilation of financial statements	3,135
TOTAL OTHER SERVICES	3,135

Notes to the Financial Statements (continued)

For the period ended 30 June 2023

Note 12 Related Parties

2023
\$

Key Management Personnel compensation

The key management personnel compensation comprised short-term benefits, post-employment benefits, other long-term benefits.

Key management personnel compensation	386,182
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Member Organisations

Neuroscience Research Australia (NeuRA)
University of New South Wales (UNSW)
South Eastern Sydney Local Health Network (SESLHD)

Transactions with Members

South Eastern Sydney Local Health Network – grants and other income	193,228
South Eastern Sydney Local Health Network - payments for expenses	450,000
UNSW - Grants and expense reimbursements received	3,017,764
UNSW - payments for expenses	146,950
NeuRA - income from grants, investments and other	2,991,938
NeuRA - payments for grant reimbursements and expenses	3,129,732
NeuRA – transfer on date of incorporation	3,313,177

Note 13 Subsequent Events

There have been no events subsequent to balance date which would have a material effect on the Company's financial statements as at 30 June 2023.

Declaration by the Directors'

In the opinion of the Directors of Mindgardens Neuroscience Network Limited (the "Company"):

- a) The financial statements and notes set out on pages 6 to 18 are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
 - i) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its performance, for the financial period ended on that date; and
 - ii) complying with Australian Accounting Standards - Simplified Disclosure Requirements and the *Australian Charities and Not-for-Profits Commission Act 2012*.
- b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



John Grill
Chair

Date: 5 December 2023
Sydney



Jackie Curtis Executive
Director

Date: 5 December 2023
Sydney



Independent Auditor's Report

To the members of Mindgardens Neuroscience Network Limited

Opinion

We have audited the **Financial Report**, of Mindgardens Neuroscience Network Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, and sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991*, including:

- i. giving a true and fair view of the Company's financial position as at 30 June 2023, and of its financial performance and its cash flows for the period ended on that date; and
- ii. complying with *Australian Accounting Standards – Simplified Disclosures Framework* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022 (ACNCR)* [and section 21 of the *Charitable Fundraising Regulation (NSW) 2021*.

The **Financial Report** comprises:

- i. Statement of financial position as at 30 June 2023.
- ii. Statement of total comprehensive income, Statement of changes in member funds, and Statement of cash flows for the period then ended.
- iii. Notes including a summary of significant accounting policies.
- iv. Directors' declaration.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.



We are independent of the Company in accordance with the auditor independence requirements of the *ACNC Act 2012* 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 fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Other Information is financial and non-financial information in Company's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

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. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- i. Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures Framework and the ACNC and ACNCR and sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021*.
- ii. Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
- iii. Assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- i. to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- ii. to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.



Misstatements can arise from fraud or error. They 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 *Australian Auditing Standards*, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- i. 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.
- ii. 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 registered Company's internal control.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- iv. 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 registered 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 registered Company to cease to continue as a going concern.
- v. 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 of the registered Company 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.

Kfma

KPMG

Warwick Shanks

Partner

Sydney

5 December 2023