



Annual Report

2020-2021



MISS
GOODBYE
TO MS



Acknowledgement of Country

MS Australia acknowledges the traditional custodians of country throughout Australia, and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to Elders past, present and emerging.

<i>Introduction</i>	4
About MS Australia	5
About MS	5
President Update	6
CEO Welcome	8
Board Members	10
Our Patrons	11
Awards	11
<i>COVID-19 Response</i>	12
Introduction	13
<i>Research</i>	16
Research at a glance	17
Epstein-Barr virus (EBV) and MS	18
Innovative ways to use MRI	19
Lifestyle guides	20
InforMS	21
Adaptive clinical trials	21
International Progressive MS Alliance	22

Table of Contents

<i>Advocacy</i>	24		
Advocacy at a glance	25	Meet Connie: Living with MS at 9 years of age	38
Supercharging the MS agenda	26	What The May 50K means to someone living with MS	39
Ending Loneliness Together	27		
Atlas of MS	27	<i>Awareness and Education</i>	40
Participation in Australian Government initiatives	28	Awareness and education at a glance	41
National Disability Gateway	28	Live Update 2020	42
Submissions	29	Women's Health Week 2020	43
National Advocates	30	World MS Day 2021	44
		Resource translations	45
<i>Fundraising</i>	32	<i>Finance</i>	46
Fundraising at a glance	33	Finance at a glance	47
For this researcher, it's personal	34	Income and expenditure	48
Hearts and Minds Investments	35	Appendix: Financial report	50
Catherine's six-hour swim	35		
The May 50K	37		

INTRODUCTION



About MS Australia

MS Australia is the national peak body for people affected by MS. We work with the MS community to fund and coordinate MS research, advocate on behalf of people living with MS and drive awareness and education as part of the worldwide effort to solve MS. We work closely with our four state and territory MS Member Organisations that provide services, programs, and support to the MS community nationwide.

About MS

Multiple sclerosis (MS) is a condition of the central nervous system, interfering with nerve impulses within the brain, spinal cord, and optic nerves.

In MS, the body's own immune system mistakenly attacks and damages myelin, a fatty material that protects and insulates nerves. Myelin is important for protecting and insulating nerves so that the electrical messages that the brain sends to the rest of the body travel quickly and efficiently.

There is no known single cause of MS, but many genetic, environmental and behavioural factors contribute to its development. These can include genetics and ethnicity, gender, viral infection, climate and sun exposure, vitamin D, smoking, stress, diet and physical activity and various other factors.

64% of people with MS use a disease modifying therapy (DMT), *an increase of 40%* since 2010



More than **25,600** Australians live with MS

MS affects more *young adults* than any other acquired chronic neurological disease



Nearly **3** million people live with MS worldwide

3 out of **4** Australians diagnosed with MS are *women*



Average *age of diagnosis* is between **20-40** years old

\$1.75 billion is the estimated cost of MS to the Australian community in 2017

1-2 Australians are *diagnosed with MS* every day





President Update

Despite the challenges the pandemic brought, this past year has been a momentous time in MS Australia's history.

Australians living with MS are now represented by a single, efficient national body that speaks with one voice. Every dollar we spend supports the current and future needs of Australians living with and affected by MS and our relentless pursuit of a cure.

MS Australia's key focus is providing the best outcomes for people with MS and overseeing our research program to better treat, prevent and ultimately find a cure for MS.

The new-look MS Australia, now fully amalgamated with our former subsidiary MS Research Australia, has more connections than ever before. Recruitment of a new, specialised and highly experienced hybrid Board, and increased capacity, will allow us to provide more support to our state and territory MS Member Organisations, research institutions and our highly engaged volunteers and MS community.

MS Australia needed to evolve to be as successful in the future as it has been in the past. The organisation had to develop to be progressive and relevant now and into the future. Our reform agenda is complete, and we are so very grateful that not only have we taken our key stakeholders with us on this journey but collected new ones on the way.

MS Australia is in an outstanding position moving forward, with stewardship not only coming from our new Board, but also from our new and highly acclaimed CEO and the team he is building to support the organisation.

As someone living with MS and President of MS Australia, I have never felt more empowered, confident, or excited about our future.

Our ambitious plans include:

- Supercharging the research agenda to find a cure and improve the daily lives of people living with MS
- Advocating to key stakeholder groups and organisations, including the National Disability Insurance Agency and the Australian Government, on behalf of researchers and people living with MS
- Continuing to develop our partnerships with key stakeholders, in particular our state and territory MS Member Organisations and the Neurological Alliance Australia.

Looking to the future

MS Australia and the state and territory MS Member Organisations will continue to engage with people living with MS, their families, and carers; the research community; and other partners and supporters – with a focus on delivering improved outcomes and ensuring a better quality of life for those living with MS.

We remain committed to increasing funding for MS research to record levels and providing certainty to our researchers around their research and career paths. The highly regarded governance and processes provided by the Research Management Council, which oversee research strategy and funding allocations, will continue to operate in the way it always has.

Under its new governance model, MS Australia is responsible for national and international relations, while the state and territory MS Member Organisations are responsible for fundraising within the states and territories.

We have had major achievements, challenges and wins, but above all, there is incredible work being done to improve the lives of people living with MS.

Board

This year, MS Australia moved to a fully integrated approach and aligned advocacy with research, consolidating teams and appointing one CEO and Board. For the very first time in approximately 65 years, we now have a clear governance structure. We have better synergy and administrative efficiencies, which means we can now keep a laser focus on our objectives.

Our Board sets the strategic direction for the newly amalgamated MS Australia, which will address the two fundamental needs of people with MS in Australia:

- Better treatments, prevention and ultimately, a cure for the disease
- Improved support for the management and care of MS.

In mid-2021, I was pleased to announce the appointment of two new Directors, Vicki Thomson and Bronwyn Rout and the re-appointment of Sharlene Brown and George Pampacos to the MS Australia Board of Directors. They serve alongside the five state and territory MS Member Organisation Board directors.

Significantly, our new single Board structure reflects the necessary skills to represent MS Australia's priorities – care, research, and advocacy, as well as other governance requirements and the reviewing of MS Australia's 2022–2026 strategic plan.



Our aim, with the assistance of the Board and CEO Rohan Greenland, is to supercharge the MS research agenda and seek funding for our research activities, to better treat, prevent and find a cure for MS. MS Australia has made significant gains in the area of MS research in the past ten years, particularly in the past five years, both in searching for a cure and in improving the treatments and care available to people living with MS.

We will do everything possible to assertively progress this aim.

Associate Professor Desmond Graham
President



CEO Welcome

This past year has been one of considerable challenge and change. It has also been a year where the investment in change has paid dividends and will continue to do so for years to come.

It has been an honour to work with a deeply committed and highly skilled Board and President, who have together driven the change needed to ensure we meet and exceed the expectations of our state and territory MS Member Organisations, and the community we collectively serve.

Key milestones over the past year include:

- Consolidation of our research arm, MS Research Australia, into the parent body MS Australia
- Strong growth in funding for MS research, including the announcement of a record \$7.4 million donation from MSWA
- Enhanced advocacy, particularly on issues relating to the National Disability Insurance Scheme (NDIS) and aged care
- Raising \$5.2 million for MS research thanks to a very successful The May 50K
- Enhanced partnerships with our Member Organisations, including better integration of our fundraising programs to avoid duplication and improve returns, so we can invest more in MS research as we move forward
- Inclusion of four new skills-based Directors on our Board, sitting alongside five Directors nominated by our Member Organisations
- Development of a major proposal for a research partnership with the Australian Government through the Medical Research Future Fund (MRFF)
- Engagement of a new Head of Corporate Services and Company Secretary to help steer us to new levels of fiscal effectiveness

- Continued growth in new listings of disease modifying therapies, with the listing of Zeposia® (ozanimod) on the Pharmaceutical Benefits Scheme (PBS) and Kesimpta® (ofatumumab), registered by the Therapeutic Goods Association (TGA) and recommended for listing on the PBS.

COVID-19, of course, has presented significant challenges for MS Australia and the broader MS community. However, we've been able to pivot to ensure research gets funded, submissions are made, and our voices are heard. The MS Australia staff and team leaders deserve praise for their ability to make things happen, even as our physical offices opened and closed, events and meetings were postponed, and new, online solutions were found to ensure we were able to work together while working apart.

Significantly, we were able to provide a funding lifeline of \$275,000 to our MS researchers, including recipients of the prestigious MS Australia Scholarships and Fellowships, who were most affected by the COVID-19 pandemic. We also expanded our research program, launching two new research platforms:

- InforMS: This platform aims to create a patient-centred health data portal to advance timely treatment and care of people with MS
- Adaptive Clinical Trials: This platform is aimed at understanding clinical trial accessibility needs for researchers, research centres and people living with MS and proposing solutions to fulfil these needs.

Through our collaboration with the Australian and international MS research community, we have been able to provide people living with MS with up-to-date information on COVID-19 and MS, including the latest information about vaccines and MS medications.



During the year we also launched two key resources, the Modifiable Lifestyle Factor Guides, which provide practical, evidence-based, self-care strategies on modifiable lifestyle factors including smoking, physical activity, diet, gut health, supplements, and vitamin D for people with MS, and evidence-based advice for health professionals.

On May 30, we were able to mark World MS Day 2021 with a broad range of activities, including the development of an animation, now subtitled in 12 languages, and an MS Research and Advocacy Update with the Parliamentary Friends of MS, live-streamed from Parliament House, at which the Prime Minister, the Hon Scott Morrison MP, made a virtual appearance.

Pleasingly, all this work hasn't gone unnoticed, with awards earned this year including an FIA Impact Through Events Award (for The May 50K) and an Australian Charity Award for Outstanding Achievement.

While COVID-19 has dramatically limited our ability to travel, we have spent as much time as possible engaging with people living with MS, our state and territory MS Member Organisations, our amazing MS researchers, our incredible donors, those working in the pharmaceutical industry, and politicians and public servants with an interest in MS. We are particularly grateful to the Co-Chairs of our Parliamentary Friends of MS Group, Senator Wendy Askew from Tasmania, and Senator Deborah O'Neill from New South Wales. Their help and support has been outstanding.

I am also indebted to our Member Organisations – MS Limited, MSWA, MS Queensland and MS Society SA & NT – for their support and guidance. Their continued commitment to support MS Australia, our world-class research and our robust advocacy agenda is deeply appreciated and will be the bedrock on which our future success is made.

But none of our work would be possible without the MS community at large. Engagement with the MS community has made one thing abundantly clear to me – this is a community that is highly motivated, energised and committed. That energy will be critical to our success as our researchers continue to make enormous strides towards our ultimate objective, a cure for MS. Hold on to your hats, the next few years are going to be extraordinary.

Rohan Greenland
CEO



Board Members



**Associate Professor
Desmond
Graham, President**
November 2014 –
present



**George Pampacos,
Vice President**
October 2017 –
present



Horst Bemmerl
December 2020 –
present



Sharlene Brown
July 2019 –
present



Ron Brent
June 2017 –
present



Christina Gillies
May 2007 –
present



Christine Hahn
February 2021 –
present



Adrian Hinton
July 2019 –
February 2021



Johanna Roche
November 2019 –
present



Garry Whatley
September 2019 –
present

Our Patrons



David Hurley AC DSC

His Excellency General the Honourable David Hurley AC DSC (Retd) Governor-General of the Commonwealth of Australia and Patron of MS Australia.



Simon McKeon AO

Simon McKeon – 2011 Australian of the Year – is the current Chancellor of Monash University and is the Patron and Life Governor of MS Australia.

Awards



John Studdy Award 2020 – Ian Pennell AM

Ian Pennell is the latest recipient of MS Australia's prestigious John Studdy Award. The award honours the late John Studdy, a tireless advocate for the Australian MS community who was dedicated to advancing the wellbeing of people living with MS and finding a cure.

Ian received the award in recognition of his work to grow services for people living with MS in Australia. Ian's empathy and understanding of the MS community has ensured that people living with MS received the very best services and support from the organisations he represented.

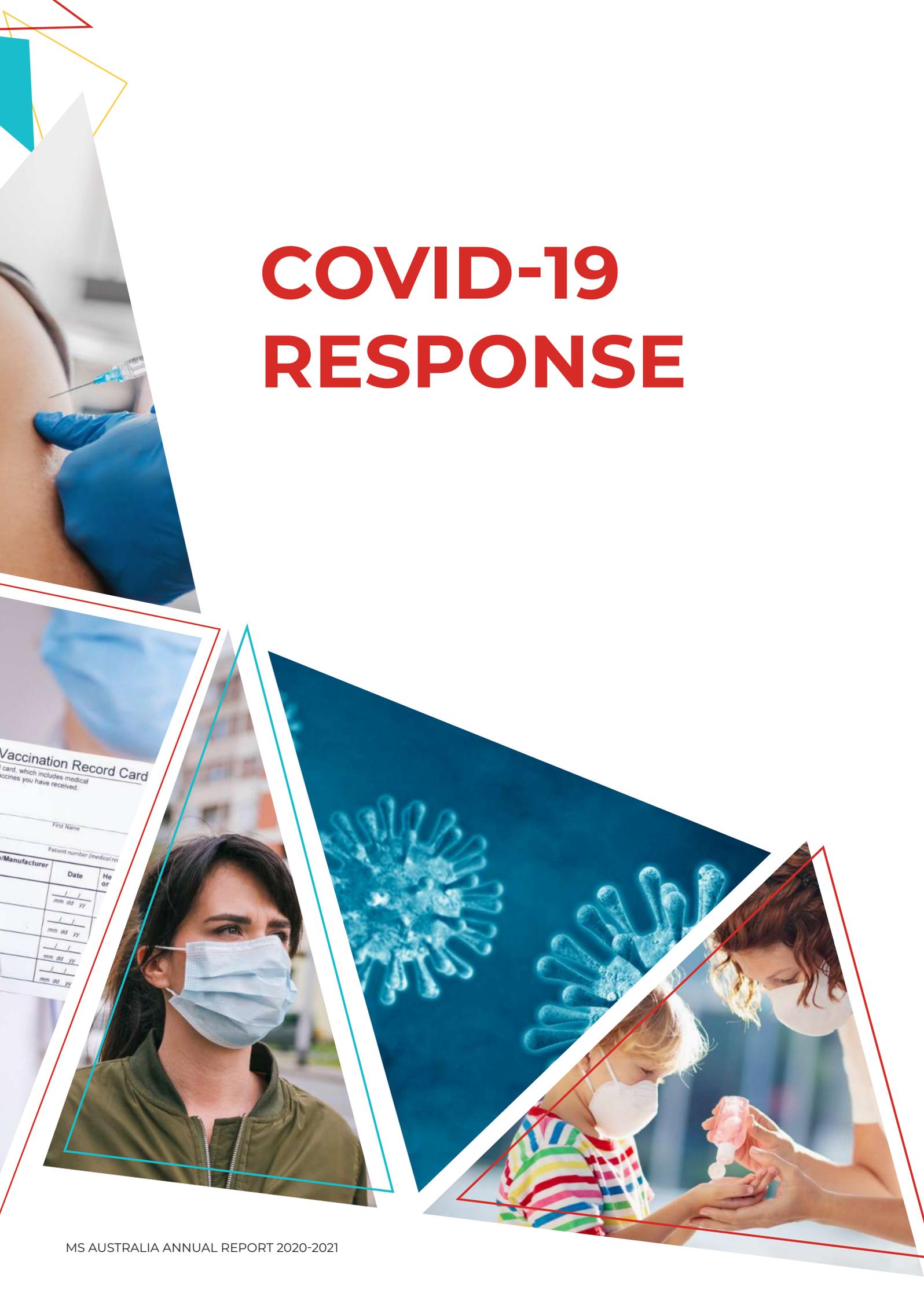


Governor-General's Medallion 2020 – Donna Socratous

Our Patron, His Excellency General the Honourable David Hurley AC DSC (Retd), the Governor-General of Australia and Mrs Hurley, generously gifted a special medallion to MS Australia to award to a staff member, volunteer or supporter who has contributed to MS Australia's work in a significant way.

The medallion was awarded posthumously to Donna Socratous, a tireless volunteer and advocate for the MS community. Donna led several peer support groups, including a culturally and linguistically diverse peer support group in Melbourne's western suburbs.

COVID-19 RESPONSE



Vaccination Record Card
card, which includes medical
vaccines you have received.

First Name _____

Patient number (medical nr) _____

Manufacturer	Date	He or
	mm dd yy	

Introduction

COVID-19 created many challenges for both MS Australia and the wider MS community. MS Australia rose to the challenge, adapting ways of working to support the MS and research communities.

Researchers received extensions and financial support to continue their work, and funding for additional research registries enabled investigation of the impact of COVID-19 on people with MS. MS Australia also worked hard to keep the MS community informed with the latest COVID-19 information and medical advice.

Grant extensions

COVID-19 caused major delays in research, with many universities and medical research institutes temporarily shutting or restricting access to labs and equipment. The MS Australia Board acted swiftly to extend research timelines and secure important research outcomes.

“It was critical that we worked quickly to support our researchers, extending their research timelines by six months, and securing the completion of important work. We’re grateful for the generosity of our donors and fundraisers who helped us provide these grant extensions,” said Associate Professor Desmond Graham, President, MS Australia.

A \$275,000 funding lifeline ensured researchers affected by the pandemic could continue to answer vital MS research questions.

“The frustration of seeing our research stalled and the added pressure of trying to find a salary was very stressful.”

“I’m so grateful to MS Australia for providing such incredible support for myself and other researchers in the MS research community,” said Dr Wolfgang Marx, MS Australia Postdoctoral Fellowship recipient.

Dr Wolfgang Marx





COVID-19 Registries

Two registries funded by MS Australia followed people with MS who contracted COVID-19 to gather valuable medical insight into the impact of the virus on MS.

Associate Professor Ingrid van der Mei used the Australian MS Longitudinal Study (AMSLS) to survey and record information on COVID-19 infection in people with MS. The registry provided high-quality, detailed statistics on people with MS who had and had not been infected with COVID-19, providing valuable comparison data to the international COVID-19 information collection effort.

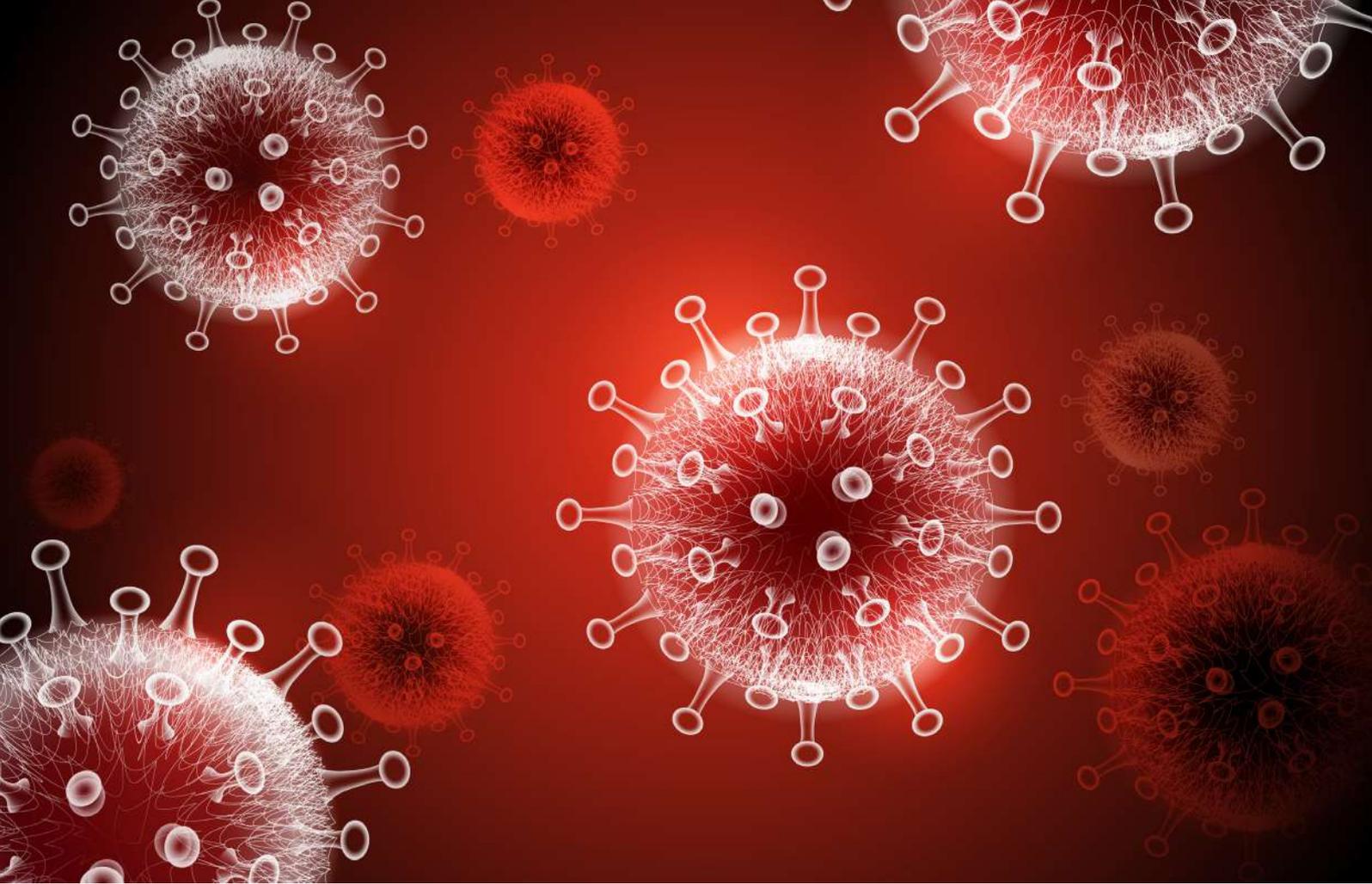
The AMSLS was also used to collect information for a global data-sharing project led by the MS International Federation (MSIF) and MS Data Alliance. This initiative collected data to support decisions around the clinical management of MS during the pandemic, including the impact and associated risks of COVID-19 on the lives and treatments of those with MS.

AMSLS participants completed 1,608 baseline surveys and a further 2,154 follow-up surveys.

Associate Professor Anneke van der Walt worked with the Australian and New Zealand Association of Neurologists (ANZAN) to establish the second MS Australia-funded registry. It followed the outcomes of people with MS or other neurological immune disorders who had been infected with COVID-19. The purpose of this registry was to understand if people with MS had an increased risk of contracting the virus and if they did, whether their outcomes were worse.

Collecting, sharing, and analysing data from around the world helps us gain faster and more accurate insights into COVID-19 and MS - and for people with MS and their healthcare teams, to make evidence-based decisions on vaccinations and MS management if they develop COVID-19.

L-R: Associate Professor Ingrid van der Mei, Associate Professor Anneke van der Walt.



Educating the MS community about COVID-19 research

Australian researchers published several COVID-19-specific studies internationally during 2020-21. The MS Australia research team kept the MS community up to date on the progress and results of the studies through our website and social channels.

One study looked at the effects of crisis resilience and healthcare outcomes in people living with MS, with recommendations on clinical care to improve quality of life.

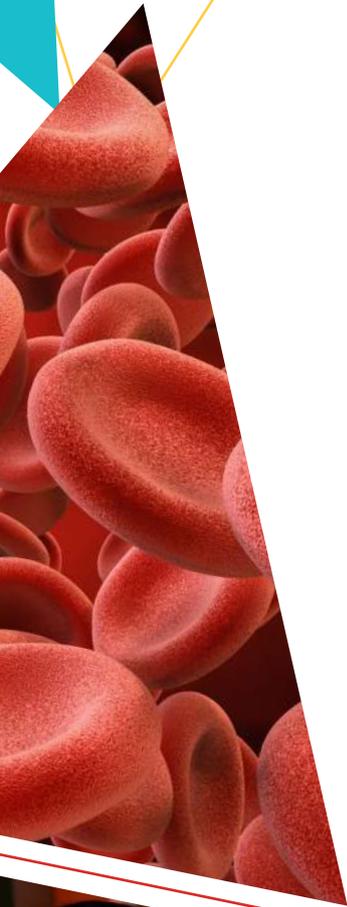
Another study examined the benefits of COVID-19 enforced telehealth, how it could be used after the pandemic, and how the administration of MS medication infusions could be improved during COVID-19.

COVID-19 Hub

When the COVID-19 pandemic hit, MS Australia rallied with the neurological and medical communities to quickly distribute evidence-based medical advice to the MS community.

MS Australia created a COVID-19 Hub with information on the COVID-19 virus, relapses and MS medications and vaccination guidance, in collaboration with ANZAN. The Hub also shows how Australia is contributing to international MS and COVID-19 knowledge, led by the MSIF.

RESEARCH



Research at a glance

26



new *research grants* awarded

\$275K

funding provided to researchers most affected by COVID-19

60



investigator-led projects currently funded

2

modifiable lifestyle factor guides launched, one for people living with MS and one for healthcare professionals



Over **\$3M** allocated in the 2021 grants round, the largest-ever round

1st

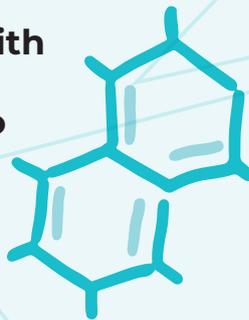
ever treatment for secondary progressive MS added to the PBS

A **5-year**

strategic partnership with the St Vincent's Curran Foundation launched to help establish a

Centre of Excellence in Cellular Therapy

at St Vincent's Hospital in Sydney



Over **\$270K**

awarded to *12 new incubator grants*, providing seed funding to new, innovative research ideas

Epstein-Barr virus (EBV) and MS

The Epstein Barr virus (EBV) and its strong connection to MS is a major area of interest for the MS research community. Commonly associated with glandular fever, most people are infected with EBV in childhood with only mild symptoms. Around 90% of the general population has had EBV, but this increases to almost 100% for people with MS. While EBV doesn't trigger MS on its own, it does provide a solid starting point for research investigation.

New links between B cells and EBV infections in women with MS

The link between EBV and MS is not fully understood, but we know that EBV chronically infects a type of immune cell called B cells, causing them to multiply and resist natural cell death. One theory is that autoimmune B cells (B cells targeting the brain) infected by EBV may multiply and attack the brain, leading to the development of MS.

Research funded by MS Australia and MSWA is looking at B cells, antibodies, and EBV. Dr Stephanie Trend from The University of Western Australia compared people experiencing an MS relapse or clinically isolated syndrome (CIS - the first neurological symptoms before an MS diagnosis) to those without MS. The team measured levels of a molecule on the surface of B cells called CD32b, which senses antibodies and prompts the cells to reduce their response. In lab models, the molecule shuts down autoimmune responses and prevents B cells from targeting the individual.

The research revealed that levels of the molecule are lower in certain B cells of people with MS and CIS than in people without MS, but only in women: which means B cells in women with MS may be less able to switch off autoimmune responses.



Also found was a special B cell-activating factor that reactivated EBV, pointing to a possible relationship between these B cells and control of an EBV infection in women with MS. Discovering unique differences in the immune system of women with MS may help us understand why women are more susceptible to developing MS.

Controlling EBV as a therapy for MS

Professor Sanjay Swaminathan and his team from the Westmead Institute for Medical Research have found that many genes associated with MS are also used to fight EBV. Finding out how these genes interact may help us to identify new ways of targeting the EBV virus, with a view to altering MS disease progression.

Funded by an MS Australia Project Grant, Professor Swaminathan and his team found one EBV protein that hijacks some of the human genes in the immune cells they infect. This protein binds more often to genes associated with MS risk than MS protection.

The team was able to block the protein from binding to the genes, stopping the virus from switching the genes on or off (known as 'viral hijacking'). Blocking the specific viral protein is now a potential therapeutic option for targeting EBV in MS. The team now plan to develop new inhibitors to block the protein using RNA (ribonucleic acid) technology.

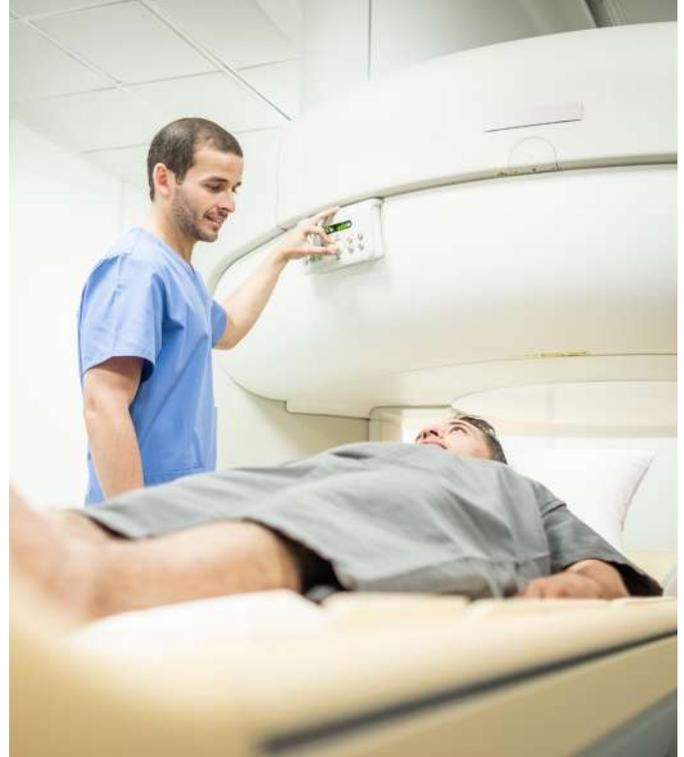
Innovative ways to use MRI

Magnetic resonance imaging (MRI) is the only way to identify MS lesions in the brain and monitor long-term disease progression. Its potential may not be fully realised though, finding innovative ways to use MRI could help us better understand MS and improve disease monitoring.

Understanding MS disease progression using MRI

MS progression often involves 'silent' changes in the brain that don't directly lead to a noticeable improvement or worsening of symptoms. These changes include inflammation, damage to the myelin surrounding nerve fibres, repair of myelin, failure of repair mechanisms, and ultimately loss of nerve fibres. New MS treatments in development focus on repairing the damage caused by the immune system but assessing them requires tools sensitive enough to detect these 'silent' changes to monitor disease progression or improvement.

Dr Chenyu Wang received an MS Australia Postdoctoral Fellowship to use artificial intelligence (AI) to better analyse MRI results. Together with computer scientists and clinicians, Dr Wang and his team developed AI tools that significantly improved the efficiency and accuracy of MRI markers for MS. Better image analysis allowed them to define microstructural brain changes associated with brain shrinkage in MS, including changes in the brain's 'white matter' beyond MS lesions. They also developed new techniques to correct bias caused by lesions in different parts of the brain.



Predicting and monitoring the long-term effects of MS

The course of MS is different in every person, with limited tools to predict disease severity in individuals. MS Australia-funded researcher Dr Ai-Lan Nguyen combined MRI results with mental and physical tests to find the best predictors for future disability.

Brain volume loss or shrinkage occurs naturally as we age but is accelerated in MS. This may predict clinical outcomes, such as levels of disability in the future. MRI scans can measure the loss, but accurate measurements need to be taken across multiple scans to measure minuscule changes.

Dr Nguyen collected MRI scans from MS clinics around Australia and the Czech Republic. She compared scans from different machines; and the same machine at different times, to see if automated calculations of brain volume loss were accurate in different settings. Funded by an MS Australia Ian Ballard Travel Award, Dr Nguyen travelled to the University of Genoa in Italy, working with internationally acclaimed MS researcher Professor Maria Pia Sormani to analyse the project's results. They found that a particular MRI software, with strict selection criteria; could reliably determine brain volume change.



Lifestyle guides

Australian experts teamed up with MS Australia to create evidence-based lifestyle guides to help people with MS improve disease outcomes by changing daily habits. The guides explore important areas of everyday life that can positively impact their condition – helping to manage relapses, disability and improve quality of life.

Adapting your lifestyle – a guide for people with MS covers nine lifestyle areas relevant to MS – smoking, physical activity and exercise, diet and nutrition, gut health and microbiome, supplements, vitamin D and sun exposure, weight and obesity, living with other medical conditions, and fat or 'lipid' profiles.

A second guide, *Modifiable Lifestyle Factors and MS: A guide for Health Professionals* presents the latest scientific evidence on these same areas for healthcare providers.

The guidelines concluded that simple lifestyle changes like a balanced diet and physical

activity could have the most impact. They also concluded that fad MS diets weren't supported by evidence and should be avoided.

“...exercise can not only help to manage pain, mobility, and fatigue with MS – it can also result in a reduced rate of relapse and may slow disability progression.”

Dr Yvonne Learmonth, Neurological Physiotherapist and Senior Lecturer at Murdoch University, Perth, said, “For many years, some doctors advised people with MS to avoid physical activity or exercise, fearing it could trigger the onset or worsening of MS symptoms. Now we know that exercise can not only help to manage pain, mobility, and fatigue with MS – it can also result in a reduced rate of relapse and may slow disability progression.”



InforMS

An online, patient-centric portal called InforMS is in development to improve healthcare for people with MS. The portal will support healthcare self-management and shared decision-making with care teams, creating a personalised or 'precision' medicine approach to MS treatment.

The project was awarded a \$1.4 million Partnership Grant from the National Health and Medical Research Council, with MS Australia, Menzies Institute for Medical Research and Monash University, to work with IT partners on the portal. The project's lead investigator is epidemiologist, Professor Ingrid van der Mei of the Menzies Institute for Medical Research, who also manages the Australian MS Longitudinal Study (AMSLS).

People with MS, MS nurses, MS neurologists, and representatives from the partner organisations worked to identify the needs of people at various stages of their MS. This work informed a landscape map of the system and user testing of mock-up interfaces in preparation for software development.

Soon, people with MS will be able to gather and visualise their health data from the AMSLS, the MSBase clinical registry, and MyHealth Record, and from wearables like Fitbit and Garmin watches.

Adaptive clinical trials

Adaptive clinical trials offer a more flexible and timely approach than traditional clinical trial methods, analysing data as the study progresses instead of waiting until the end of the study to look at the results. Researchers can then make pre-planned changes such as altering drug dosages, changing patients to studies that show more promise, or stopping the trial early if the outcome is already known. This approach can speed up results and give people faster access to drugs and intervention.

MS Australia commissioned an analysis of adaptive clinical trials for MS in Australia, discussing the concept with key stakeholders. People living with different types of MS, pharmaceutical companies focusing on MS, neurologists/trialists involved in MS research, research managers, and study coordinators identified how MS Australia could help MS centres and the MS community prepare for adaptive clinical trials.

There are currently very few adaptive clinical trials offered for MS in Australia. The analysis highlighted how MS Australia could ensure that stakeholders are informed, educated, and ready to participate in adaptive clinical trials when they become available. We aim to roll out programs for research staff to improve clinical trial centres, support new centres to open and enhance networks and communication. We also plan to work closely with the MS community to promote the inclusion of people with MS in clinical trial development, support education on clinical trials, and address barriers to participation.



International Progressive MS Alliance

MS Australia is a managing member of, and helps fund the International Progressive MS Alliance, a global collaboration of MS organisations, researchers, health professionals, the pharmaceutical industry, companies, trusts, foundations, donors, and people affected by progressive MS.

The Alliance aims to address the unmet needs of people with progressive MS and rally the global community to find solutions.

Drug repurposing for the treatment of progressive MS

BRAVEinMS is an International Progressive MS Alliance platform to discover new treatment options for progressive MS. Researchers from Germany, Canada, and Australia screened drugs that have been approved or are in clinical trials for other diseases to see if they could enhance remyelination.

“...could promote remyelination in a laboratory model of MS and may be therapeutic candidates for the treatment of progressive MS.”

Published in *EBioMedicine*, the researchers used the changing location of a protein in myelin-producing cells to see if the drug could increase myelination. They found three drugs – danazole, parabendazole, and methiazole – that could promote myelination in a model of brain development. The lesser-known parabendazole and danazole could promote remyelination in a laboratory model of MS and may be therapeutic candidates for the treatment of progressive MS.



Biomarkers for progressive MS

A major barrier to the development of new treatments for progressive MS is the lack of reliable evidence of whether treatment is slowing disease progression. The International Progressive MS Alliance has been investigating neurofilament light chain (NfL) as a potential biomarker, or sign, for progressive MS. NfL is a protein fragment produced when nerve fibres are damaged, entering the spinal fluid and blood. Studies have explored how NfL could detect and predict disease activity, including response to treatments.

The U.S. Food and Drug Administration (FDA) has provided a Letter of Support for further research on an MS-specific biomarker for clinical trials, encouraging the International Progressive MS Alliance to keep exploring NfL as a potential rapid indicator of experimental therapy in trials. Materials have been submitted to the European Medicines Agency (EMA) requesting similar support.



Mitochondria – a potential pathway to treat progressive MS

When myelin is lost, nerves work harder to transmit impulses, increasing demands on the cell's energy-producing factories known as mitochondria. In progressive MS the mitochondria are already dysfunctional, compounding the problem. The resulting lack of energy reserves ultimately contributes to the breakdown of the nerve fibre.

Published in *Acta Neuropathologica*, an international team of researchers used a drug to stimulate the production of mitochondria in the nerve cell. In the presence of this drug, nerves were able to mobilise mitochondria to areas of myelin loss, protecting the nerve from degenerating. The treatment also protected against nerve degeneration in a laboratory model where energy production was already impaired, mimicking the problem in progressive MS.

Prioritising progressive MS research

An International Progressive MS Alliance study identified the four symptoms most important to people with progressive MS: fatigue, mobility and hand/arm function, pain, and cognition (memory and thinking).

MS Australia has funded many projects addressing the significant knowledge gaps in these symptom areas. This included research from Dr Lisa Grech on depression, Dr Phu Hoang on the mobility of lower limbs, Dr Yvonne Learmonth on resilience, Dr Marzena Pedrini on exercise and mobility, and Dr Charles Malpas on cognition.

We look forward to sharing the outcomes of these projects with the MS community and will continue to prioritise progressive MS rehabilitation research to develop better methods to treat and ultimately end progressive MS.

ADVOCACY



Advocacy at a glance



13 submissions to government and departmental inquiries and consultations

7

submissions about the NDIS



2 submissions to the PBAC to support the listing of MS medications on the PBS



3 new DMTs for MS listed on the PBS



Met with *Deputy CEO of NDIA* to discuss issues of concern regarding the NDIS



15 volunteer *National Advocates* work to advance MS advocacy efforts



Member of **7** alliances



13 *Parliamentary Friends of MS* group members

Meeting held with *Minister for Aged Care*, to discuss issues of concern regarding the aged care policy



Supercharging the MS agenda

In the lead-up to World MS Day 2021, MS Australia hosted a special MS research and advocacy update with the Parliamentary Friends of MS, live-streamed from Parliament House.

Joining parliamentarians, MS researchers, advocates, and people living with MS were speakers from MS Australia, including: President, Associate Professor Desmond Graham, CEO Rohan Greenland, and Head of Research, Dr Julia Morahan. Co-Chairs of the Parliamentary Friends of MS group, Senator Wendy Askew and Senator Deborah O'Neill, and MS researcher Professor David Tschärke also spoke.

Speakers highlighted the work underway to improve the lives of people living with MS and brought to light the importance of connections within the MS community. Associate Professor Graham, identified World MS Day as the marker to supercharge the MS

research agenda, calling on Parliamentary leaders to assist us in ending MS once and for all.

“Today we know so many of the moving parts that make up the MS puzzle. We’ve improved disease modifying therapies and translated research findings into improved quality of life.”

“It’s our aim more than ever at MS Australia to supercharge the MS agenda,” said Associate Professor Graham.

MS Australia will continue to play its role in raising awareness, advocating, and prioritising our efforts to treat, prevent and ultimately find a cure for people with MS.

L-R: Senator Wendy Askew, Senator Deborah O'Neill, Professor David Tschärke, Rohan Greenland, Senator Wendy Askew, Katrina Chisholm, Associate Professor Desmond Graham, Andrew Potter.

Ending Loneliness Together

Living with an acquired chronic neurological disease like MS can often lead to loneliness and isolation, particularly when first diagnosed.

Ending Loneliness Together is a national network of organisations that aim to address the growing problem of loneliness in Australia. Its activities closely align to the World MS Day three-year (2020-2022) 'Connections' theme, which aims to build community connection, self-connection, and connections to quality care.

MS Australia's involvement in Ending Loneliness Together stemmed from an invite to National Advocacy Coordinator Andrew Potter to participate in a 'Loneliness Thought Leadership Roundtable' hosted by Consumers Health Forum in 2020. We will continue to work with Ending Loneliness Together to bring people, community, and government together to make connection and belonging a priority for people living with MS.

Atlas of MS

The *Atlas of MS* is a worldwide study, mapping global MS statistics. A new edition published in 2020 shows the latest patterns of MS worldwide and the makeup of the global MS community.

Launched in 2008, the *Atlas of MS* addresses the lack of MS data globally. It covers 87% of the global population with information from 115 countries, including Australian data to which MS Australia contributed.

The new 2020 edition revealed that:



There are now 2.8 million people in the world living with MS (up from 2.3 million in 2013)



On average, a person is diagnosed with MS at 32 years of age



Every 5 minutes, someone, somewhere around the world, is diagnosed with MS.





Participation in Australian Government initiatives

MS Australia is often asked to participate in Australian Government initiatives to represent the interests of the MS community.

National Disability Gateway

The Australian Government launched a new National Disability Information Gateway pilot, inviting MS Australia to be part of the Reference Group.

The pilot website is the first 'public phase' of the Government's \$45 million commitment to develop a National Disability Information Gateway service. This comprises a website and a national call centre, to assist people with disabilities, their families and carers, to find and access information and services. The final version of the Gateway was launched in January 2021.

Final Report of the Aged Care Royal Commission

MS Australia welcomed the release of the final Report of the Aged Care Royal Commission, with the report's key recommendations closely aligning to the pillars of MS Australia's Roadmap to Support People Ageing with MS and our Roadmap to Support People with MS Living with Disability.

These pillars were set out in detail in our 2019 submission to the Royal Commission.





Submissions

MS Australia makes submissions to national inquiries on issues that affect people living with and affected by MS. This helps us build strong networks and relationships with federal parliamentarians and other government decision-makers to raise awareness of MS at a national level.

This past year we made 13 submissions to government, inquiries, and consultations.

Submissions to the Pharmaceutical Benefits Advisory Committee (PBAC)

MS Australia advocates strongly for safe, affordable, and accessible treatments to improve the lives of people with MS. The efficacy, side-effects, and ability to tolerate MS medications vary greatly; hence a range of affordable treatment options needs to be available to increase the chance of every person finding a treatment that suits them.

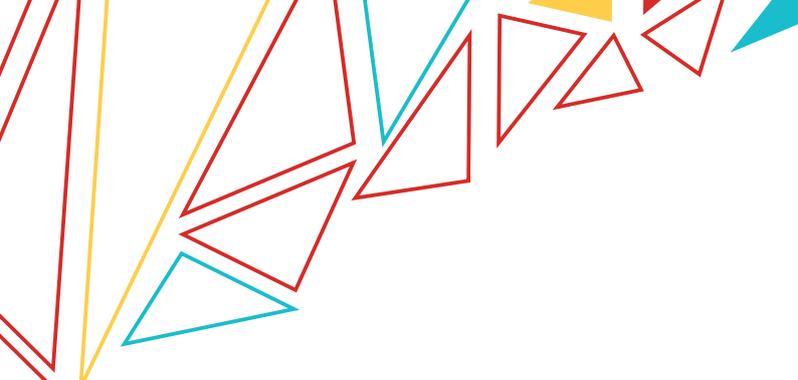
MS Australia made two submissions to the PBAC to list MS medications on the Pharmaceutical Benefits Scheme (PBS) to make them accessible and affordable for all people with MS:

- Kesimpta (ofatumumab) for the treatment of relapsing remitting MS
- Soliris® (eculizumab) for the treatment of neuromyelitis optica spectrum disorder, a condition closely related to MS.

Pharmaceutical Benefits Advisory Committee outcomes

Successful PBS listings were made by PBAC because of earlier submissions from MS Australia:

- Mayzent® (siponimod), an oral treatment, was listed on the PBS for people with secondary progressive MS who are ambulant (with or without support)
- Zeposia (ozanimod) was listed on the PBS for the treatment of relapsing remitting MS (RRMS)
- Kesimpta (ofatumumab) for the treatment of relapsing-remitting MS was recommended for listing on the PBS.



National Advocates

MS Australia's National Advocates lobby and advocate for the MS community, helping to raise awareness of MS and its impact.

Dr Mary Webb is one of 15 National Advocates for MS Australia, and a member of the Steering Committee of the Australian MS Longitudinal Study and the Research Management Council (Social and Applied Research Sub-Committee).

Mary's story

When Mary was diagnosed with MS in 1995, her neurologist told her there were no medications for her condition.

Mary went home to a baby and a toddler, feeling frightened and understandably sorry for herself. She soldiered on with symptoms such as difficulty walking and strong sensations down the back of her neck.

"It was challenging to manage with small children and the worry of not really knowing what would happen to me," said Mary.

"A couple of years after my diagnosis, the first treatments became available in Australia, but they were all injectables and I wasn't keen on doing that."

"I changed my job, so I had less stress, but I continued to have changing symptoms, including nausea caused by vertigo – which was particularly debilitating," added Mary.

After a particularly bad flare-up, Mary ended up in hospital.

"It was there that I thought, 'Damn it. I think I'll just have to get over my "I don't want to do injections" fear'. It was also when I contacted my local MS organisation because they had an MS nurse who could show me how to auto-inject a treatment that could help me."

"Seeing that nurse was a turning point because she was so wonderful. She was maternal in a way, and I really felt cared for. I began to see the value in connecting with the MS community."

Since contacting her local MS society in Canberra, Mary has become one of the Australian MS community's most active and influential members. In 2018, Mary won MS Australia's prestigious John Studdy award which recognises outstanding consistent and selfless provision of meritorious service to people living with MS.

Mary has been an active, passionate National Advocate for MS Australia since 2004.

In this role, she has attended many MS advocacy meetings at Parliament House, Canberra, including as a spokesperson and media interviewee, on behalf of the National Advocates Group.

Mary's participation in these events, her wide network, and the esteem in which the MS community holds her, ensures MS Australia always has a willing group of people able to assist with meetings with key decision-makers.



Mary's also been a fundraising and peer support volunteer and has had various governance roles.

Over the decades of Mary's involvement with MS causes, she has also seen the transformative impact of investment in MS research. Mary is currently on the Research Management Council for MS Australia and is super impressed with the quality of the research and promising results.

"I think the number of treatments now available in Australia is very good. If you can manage your symptoms well, I feel that's almost as good as a cure, especially as there is such promising work underway on myelin repair and the chance of reversing damage."

When Mary was diagnosed with MS, there were no medications. Today, we have 16 different medications because of exciting research happening around the world.

Mary has benefited personally from these advances. After over 18 years of daily injections, it's a great relief to now be on a simple capsule every day.

"I think if I hadn't got into the MS community, I probably would have felt more sorry for myself. I'm also, luckily, an optimist, and I feel that this is a way for me to make a positive out of a negative."

Mary regards it as an honour to support others living with MS by being a National Advocate for MS Australia.

Mary, we thank you for your tireless advocacy efforts to advance the MS cause.

L-R: Dr Mary Webb and Prime Minister, the Hon Scott Morrison MP.

FUNDRAISING



Fundraising at a glance

More than
\$118K
received from
Gift in Wills

The May 50K won the
*FIA 2021 Awards for
Excellence in Fundraising
Impact Through Events*



Over **\$5.2** million
raised for MS research by
the The May 50K in 2021

More than **\$1** million
received from donations
and fundraising

\$14 million
raised in Australia
since *The May 50K*
launched in 2019



+ **\$17.4** million
raised globally



Over **\$1** million
donated by Trusts
and Foundations



927
people with MS
participated in
The May 50K 2021



For this researcher, it's personal

"On the bright side, it's not a brain tumour," is how Professor David Tscharke's GP broke the news that he had evidence of MS on an MRI scan.

After trying several medications, he found one that worked but caught a virus that meant he had to stop the treatment or risk a devastating brain infection. He's now on the last drug available to him: no treatments will be left if he develops any further complications.

This experience drove David, a virologist, to try and solve the problem himself. Funding from MS Australia has allowed him to research a new kind of blood test that could help people with MS identify the best medication to use.

David believes this blood test technology could track how well a person with MS responded to a new treatment. If he's right, people with MS could have a way to know if their medication is effective or not before a relapse occurs.

David's hopeful his research could lead to a breakthrough, changing his own life and countless others living with MS.

"It's a real privilege to use all the experience I have in research and apply that to a disease I really understand."

"I'd like to thank everyone who's donated for helping make that possible," said David.



Hearts and Minds Investments

Hearts & Minds Investments Limited (HMI) is a unique listed investment company with the combined objective of providing high conviction equities portfolio, whilst also supporting Australian medical research. Fund managers waive investment fees and instead, HMI donates 1.5% of net tangible assets to its designated charities. In 2021 they paid \$11.3 million to medical research organisations, funding important research into preventing and treating chronic diseases and mental health disorders.

MS Australia has been a nominated beneficiary of HMI since its inception in 2018. Through their generosity, we've developed unique research projects like the three-year Paired Fellowships Project also supported by the Macquarie Group Foundation. The project funded a senior research fellow and clinician to fast-track research breakthroughs and improve outcomes for people living with MS. They were also able to leverage this initial funding to source over \$13 million in additional funding. One of MS Australia's Incubator Projects also found support from TDM Growth Partners, the newest member of the Hearts & Minds Investments Limited core fund managers.

We sincerely thank the Directors of Hearts & Minds Investments Limited for their continued support and significant annual contribution, TDM Growth Partners for their inaugural HMI allocation, and the entire Hearts & Minds Community for their invaluable and generous support to advance innovative research into the prevention, better treatments and ultimately a cure for MS.



Catherine's six-hour swim

Catherine is a passionate Kiss Goodbye to MS supporter who is determined to live a fulfilled life and handle her MS as positively and productively as possible.

This determination fuelled her latest Kiss Goodbye to MS fundraiser, a six-hour endurance swim and run.

Catherine swam 40 metres across an inlet and ran 400 metres back to her starting point, repeating the circuit until she reached the six-hour mark.

She raised an incredible \$5,118, and donated \$2,559 (50%) to Kiss Goodbye to MS to support our MS researchers.



The May 50K

This year marked the third year of MS Australia's national fundraising campaign, The May 50K. The virtual fitness and fundraising movement challenges Australians and the MS community to run or walk 50 kilometres throughout May.

The combined efforts in The May 50K 2021 resulted in an impressive \$5.2 million raised for vital MS research.

In 2021, over 28,600 Australians took on a range of inspiring activities, including cycling, running, horse riding, arm cranking, walking and paddleboarding. Some even completed their 50km in one day, taking the challenge to a whole new level. Together, they logged a monumental 1,273,899 kilometres, the equivalent of 31 laps around the world.

Once again, more people participated than the number of Australians living with MS (25,600). A record 500 workplaces also got involved, including Merck, Atlassian, Coca-Cola Europacific Partners Australia, Nuzest, JBL and many more, raising over \$841,000.

Our Australian-born The May 50K campaign has grown to include the US, Canada, Ireland, the Netherlands, and the UK. Over 11,130 people took on the challenge globally in 2021, raising a collective AUD \$2.2 million.

Since its launch in 2019, The May 50K has raised a record-breaking \$14 million in Australia and \$17.4 million globally.

MS Australia would like to thank our incredible Kiss Goodbye to MS community and fundraisers, their generous donors, and all supporters. Thanks to you, we can continue vital research into MS, ensuring early prevention, better treatments and cures for people living with MS.



Meet Connie: Living with MS at 9 years of age

Whilst the average age of diagnosis is between 20-40 years, children and teenagers can also develop MS, some diagnosed as young as two. It's thought that up to 10% of people with MS experience their first symptoms or receive a diagnosis in childhood – also referred to as paediatric MS.

This year, we met a young girl called Connie Baker who took part in The May 50K. Connie is 9-years old and was diagnosed with paediatric MS in late 2020.

Connie's parents took her to a paediatrician after she experienced migraines that got progressively worse. Sadly, an MRI identified lesions on her brain and after undergoing multiple tests, Connie was diagnosed with MS.

The Baker family decided to show their support to Connie by taking on The May 50K. Connie's mother Paula believes MS research is the key to ensuring Connie can live a relatively normal and fulfilled life.

“What if the funds we raise enable the research that cures MS? We have to be passionate about research because this is our daughter's life. This is her future, and we will do whatever we can to make it better.”

To show Connie the MS community's support for her, MS Australia created 'Connie's Crew' and asked The May 50K participants to join her. 848 participants joined her team and raised a record-breaking \$316,500.

MS Australia would like to thank everyone who joined Connie to show that she's not alone on her mission to Kiss Goodbye to MS. Together, we're accelerating vital research into MS to create a brighter future for people and children living with MS, like Connie.

L-R: Connie Baker in hospital. Connie (middle) with her sister and brother.



What The May 50K means to someone living with MS

Monique Bolland has lived with MS since she was 23. She has experienced first-hand the life-saving impact of MS research and the advancements in treatment and disease management.

When Monique was diagnosed more than 15 years ago, there were just a handful of treatment options available. Now, thanks to research made possible by MS Australia and fundraising efforts like The May 50K, there are 16 DMTs in Australia for MS. Monique is onto her fifth therapy.

“They just keep getting better with fewer side effects and relapses. It’s not just treatment options that are being developed, it’s symptom management, research into prevention and, the holy grail for all of us, a cure for MS,” said Monique.

Monique reflected on the importance of being part of a community fundraising program.

“This year, I realised the emotional benefit of The May 50K. When I was first diagnosed there wasn’t a lot of awareness around

MS. Illness and disease can be extremely isolating, and I met people who were almost ashamed to speak up and share their story with family and friends,” said Monique.

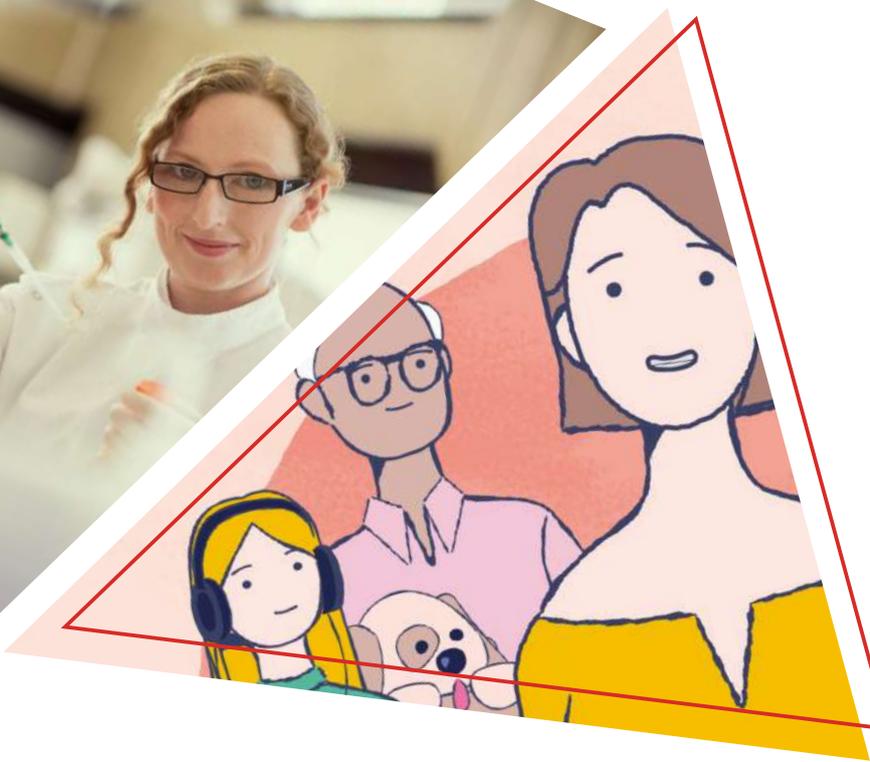
Since becoming a mother, Monique believes that finding a cure is more important than ever.

“It’s not just about me now, it’s about my daughter and not wanting MS to impact her life. I know that with enough research, a cure for MS is within reach. World-class initiatives like The May 50K go a long way to funding that research and I’m proud to have been involved.”

“Thank you for your commitment to Kiss Goodbye to MS - helping to improve the lives of people living with MS like myself. Here’s to The May 50K 2022!”

Monique Bolland, Kiss Goodbye to MS Ambassador and Co-founder of Nuzest

AWARENESS & EDUCATION



Awareness and education at a glance

15

research report
videos produced



156,070

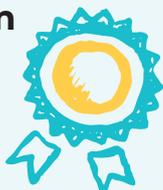
engagements on
social media*



764
media mentions

+ **55,806**
average circulations*

Outstanding Achievement
Award (OAA) from
*The Australian
Charity Awards*
in 2020



2,557,617

people reached
on social media*



392,532
total website visitors*

Over **11,000**
Live Update views

25.3%

average newsletter
open rate
(average not-for-profit
open rate 20.39%)



22,854

*Connecting with Family
and Friends Animation*
views



Live Update 2020

MS Australia's annual Progress in MS Research Live Update shares the latest insights, breakthroughs and MS research findings with the MS community, direct from our expert MS researchers.

It was live-streamed to 519 people and watched on-demand by over 11,000 people.

The 2020 Live Update explored the latest research on the future of remyelination therapies, new MS treatments, and how to manage MS by adapting lifestyle factors like diet and exercise.

Dr Julia Morahan, Head of Research at MS Australia, hosted the event alongside Breony Heanue, who lives with MS.

Breony directed questions to three expert speakers: Associate Professor Kaylene Young, Associate Professor Todd Hardy, and Dr Yvonne Learmonth.

Associate Professor Kaylene Young discussed the future of remyelination therapies, known as the 'holy grail' of MS research. Neurologist, Associate Professor Todd Hardy shared his insight on current and future MS treatments. Dr Yvonne Learmonth explored adapting lifestyle factors like diet and exercise to manage MS symptoms.

Thanks to hosts Breony Heanue and Dr Julia Morahan, speakers Associate Professor Kaylene Young, Associate Professor Todd Hardy, and Dr Yvonne Learmonth. MS Australia would also like to thank Bristol Myers Squibb for sponsoring the Progress in MS Research Live Update 2020.



LIVE
UPDATE





Women's Health Week 2020

MS Australia announced its first-ever community partnership with Jean Hailes for Women's Health Week, 7-11 September 2020.

The annual Women's Health Week campaign focuses on good health and wellbeing for women and girls in Australia.

MS affects three times as many women as men, commonly diagnosed between 20 and 40 years of age.

Early diagnosis and good health management can make a big difference to the treatment and management of MS, fitting well with the 2020 Women's Health Week 'health check' theme.

Our goal was to raise awareness about MS and to help women with MS understand that good health management can help to prevent co-morbidities and minimise relapses.

In collaboration with our state and territory MS Member Organisations: MS Limited, MS Queensland, MS Society SA & NT and MSWA, we hosted events, launched resources, and spotlighted health, wellbeing, and MS.

Our inaugural Community Partnership explored the MS journey, including explaining MS, the importance of early diagnosis and disease management.

L-R: Associate Professor Todd Hardy.
Professor Jeanette Lechner-Scott.

Maximise your healthcare appointments

We launched a new resource sharing ten strategies to help maximise healthcare appointments, to help anyone take control and get more out of their healthcare.

Diagnosis - time matters in MS

Author Catherine Brooks and champion cyclist Emily Petricola recounted their vastly different MS diagnosis experiences.

The article served as a timely reminder that health concerns are worth getting checked out, no matter how small.

Events

Together with MS Limited and MS Queensland, MS Australia hosted a program of public events for Women's Health Week 2020 including:

- An 'About MS' presentation
- 'How MS research is improving clinical care for women' webinar with Associate Professor Anneke van der Walt
- 'What is it with hormones?' webinar with Professor Jeanette Lechner-Scott
- 'Finding your voice - better outcomes and empowerment' Facebook Live with psychologist Dr Sally Shaw
- 'Using gender to help understand MS' webinar with Dr Ruth Dobson



World MS Day 2021

Each year on 30 May, World MS Day brings together the global MS community to raise awareness, advocate for better services and effective treatments, connect with research and build support networks and communities.

The 2020-2022 'Connections' theme explores relationships, connections and the impacts of social isolation and loneliness for people living with MS.

Working alongside our state and territory MS Member Organisations, our 'Connecting with Family and Friends' sub-theme encouraged the MS community to stay connected or reconnect with loved ones, and invited Australians to stand shoulder to shoulder with those affected by MS.

The Prime Minister, the Hon Scott Morrison MP, shared a video for the MS community on his Facebook page. The Federal Parliament Hansard report also acknowledged World MS Day 2021.

Connecting with Family and Friends Animation

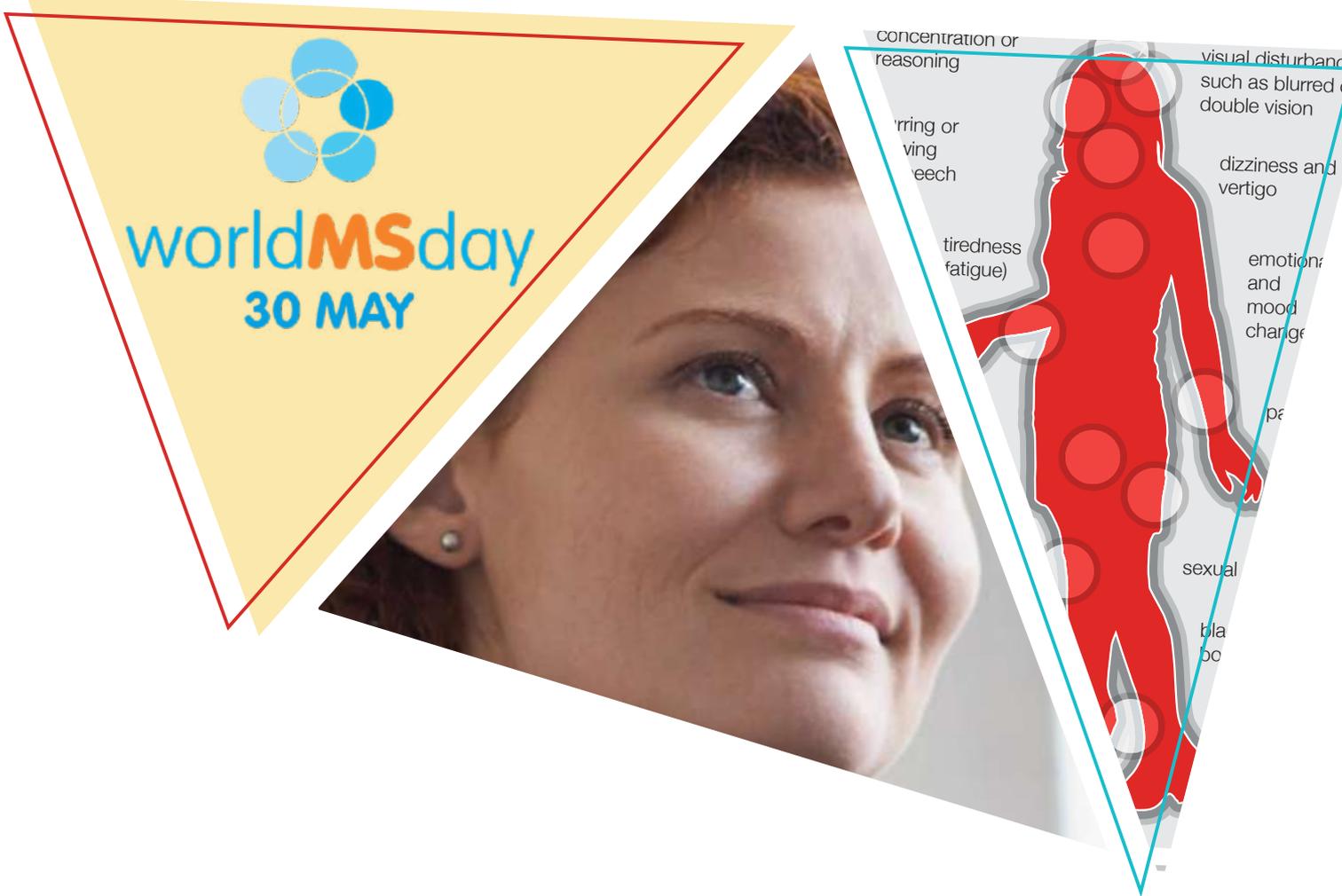
MS Australia worked with the MS community to create a *Connecting with Family and Friends* animation for World MS Day 2021.

The animation highlights the importance of connection and how staying connected with family and friends (even virtually) can help people weather any storm.

Our animation has had over 22,000 views with subtitled versions in Spanish, Greek, Swedish, Slovak, Chinese (Traditional and Simplified), Italian, Serbian, German, Indonesian, French and Canadian French.

Social media campaign

During May, MS Australia launched a social media campaign to highlight and raise awareness of World MS Day 2021. The campaign reached 133,540 people, with 13,384 engagements across social media accounts. On Facebook alone, the campaign reached 91,398 people with 12,017 engagements.



Resource translations

Events

We also hosted an MS Research and Advocacy Update with the Parliamentary Friends of MS. Live-streamed from Parliament House, MS research experts, Parliamentary Friends of MS Group Co-Chairs Senator Deborah O'Neill and Senator Wendy Askew, MS Australia CEO Rohan Greenland and MS Australia President, Associate Professor Desmond Graham, presented the latest updates in MS research and advocacy.

Speakers also highlighted the work MS Australia is doing with the support of research partners, stakeholders, and government to improve the lives of people living with MS.

MS Australia collaborated with Cultural Perspectives to translate our *Key facts and figures about MS* and *Understanding MS* resources into ten community languages.

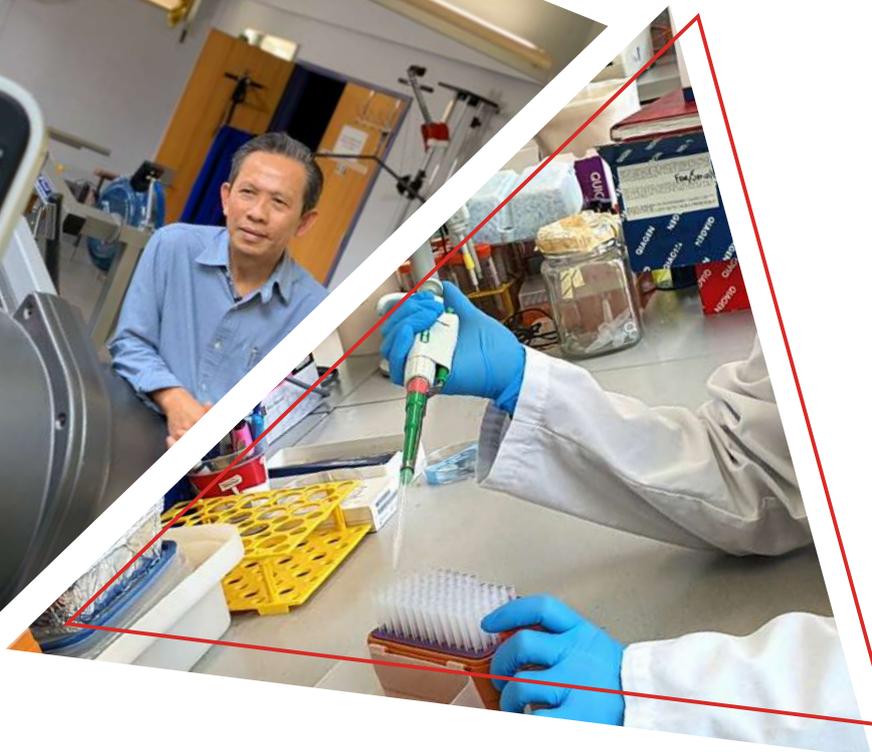
Cultural Perspectives is a research, communications and consulting agency that reaches culturally and linguistically diverse (CALD) and Indigenous audiences. They identified Arabic, Cantonese, Japanese, Khmer, Korean, Mandarin, Punjabi, Spanish, Thai, and Vietnamese as the most at-need language groups for information about MS.

With help from MS organisations including in Morocco, China, Japan, India, Spain, Thailand and more, our translated resources sit on a hub managed by the Federal Department of Social Services, with information on various conditions and diseases in many community languages.

Our translated *Key facts and figures about MS* and *Understanding MS* brochures also appear on the Victorian Government's Health Translations site, which aims to improve the health and wellbeing of people from culturally and linguistically diverse backgrounds.

**KISS
GOODBYE
TO MS**

FINANCE



Finance at a glance

Over **\$7.6** million
income from *fundraising*



Over **66%**
of expenditure spent
on *MS research*



\$275,000
funding lifeline for MS
researchers impacted by
COVID-19



\$5.2 million
raised for vital MS research
by *The May 50K 2021*



A record **\$7.4** million
donation commitment from
MSWA for MS research

Support from our state and territory MS Member Organisations

Over **37%** of all
revenue was received
from our state and
territory MS Member
Organisations

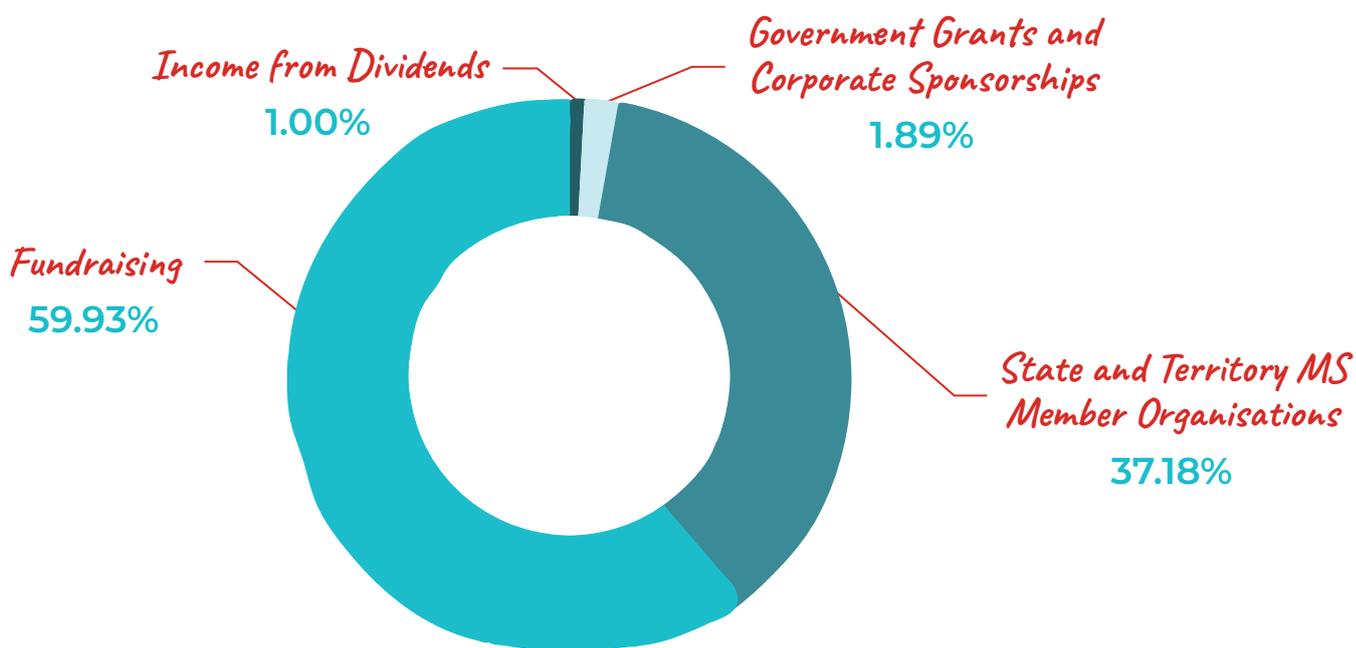
Over **\$4.7** million
received from our state
and territory MS Member
Organisations

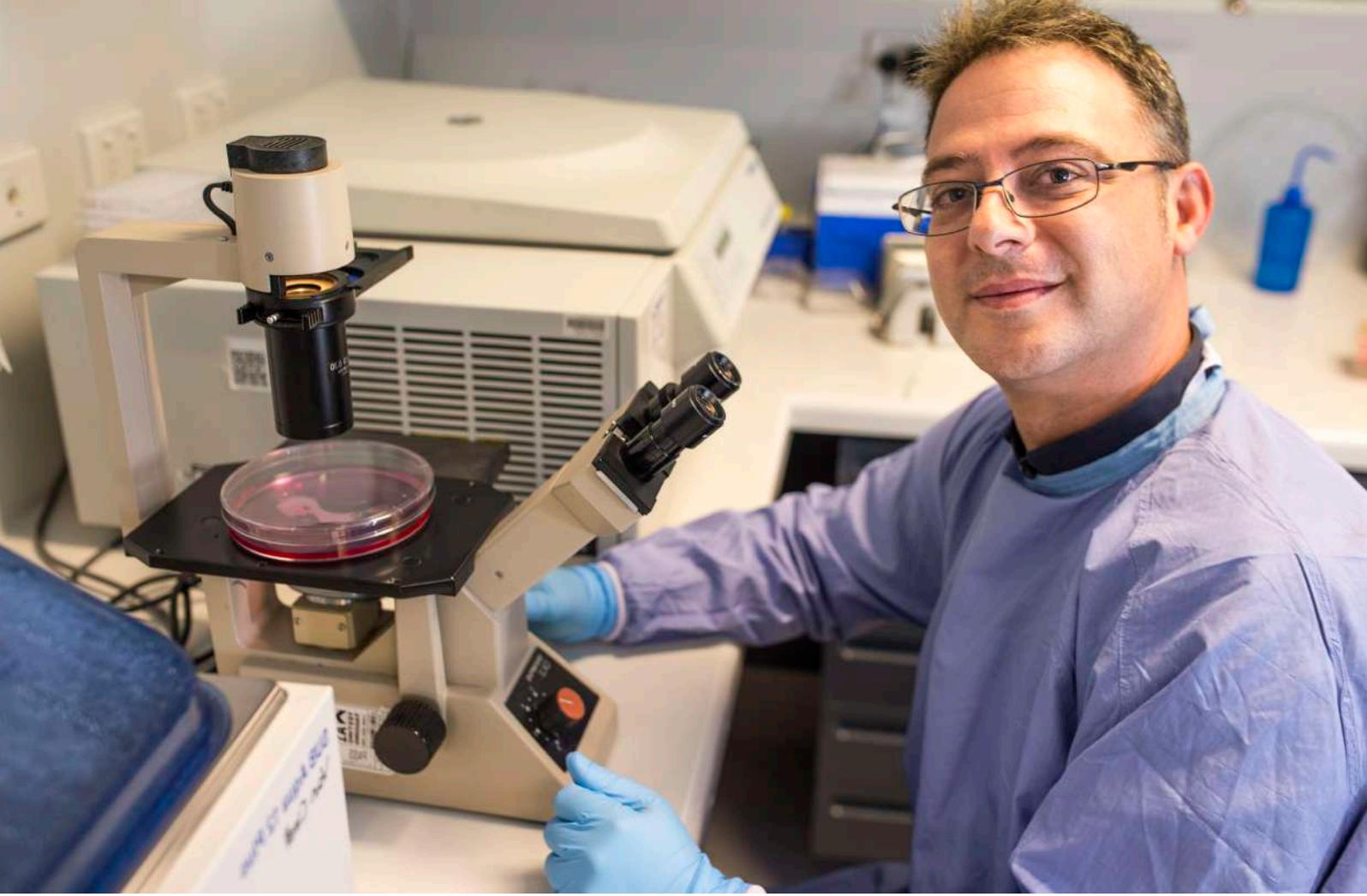




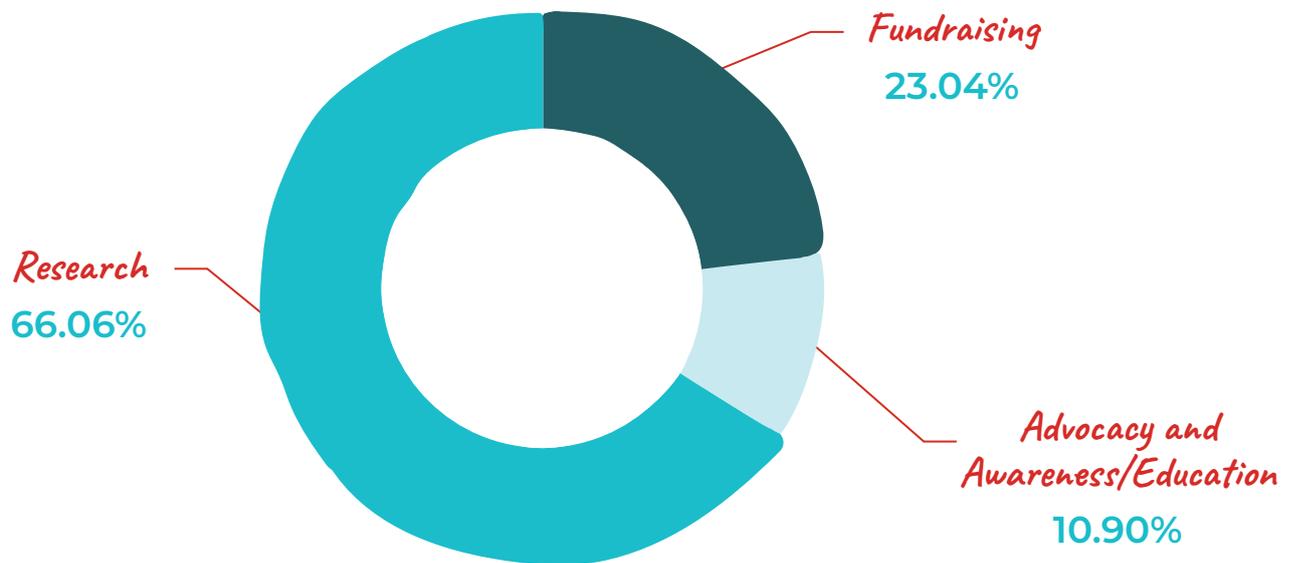
Income and expenditure

Income Sources





Expenditure by Strategic Activity



Appendix: Financial report



Multiple Sclerosis Australia and Controlled Entity

ACN 008 515 508

Annual Financial Report for the Year Ended 30 June 2021

Multiple Sclerosis Australia and Controlled Entity

	Page Number
<i>Directors' Report</i>	52
<i>Auditor's Independence Declaration</i>	56
<i>Independent Auditor's Report</i>	57
<i>Principal Officer's Declaration</i>	60
<i>Responsible Persons' Declaration</i>	61
<i>Statements of Comprehensive Income</i>	62
<i>Statements of Financial Position</i>	63
<i>Statements of Changes in Equity</i>	64
<i>Statements of Cash Flows</i>	65
<i>Notes to the Financial Statements</i>	66

Multiple Sclerosis Australia and Controlled Entity Directors' Report

The Directors of Multiple Sclerosis Australia ("MSA") submit herewith the annual financial report of the Company and Controlled Entity (the "Group") for the financial year ended 30 June 2021.

The names and particulars of the Directors of the Company during the year are:

<p>Assoc Professor Desmond Graham Chair of the Board of Directors Appointed: 21 November 2014 Appointed Chair: 26 September 2019</p>	<p>Chair, Multiple Sclerosis Research Australia Limited Director, Multiple Sclerosis Limited Member, Menzies Institute for Medical Research MS Flagship Management Committee Chair, Menzies Institute of Medical Research MS Research Flagship – Consumer and Community Reference Committee Former Chairman, Multiple Sclerosis Society of Tasmania</p>
<p>Mr George Pampacos Deputy Chair of the Board of Directors Appointed: 11 October 2017 Appointed Deputy Chair: 16 November 2019</p>	<p>Director, Multiple Sclerosis Research Australia Limited Former President, MSWA</p>
<p>Mr Horst Bemmerl Non-Executive Director Appointed: 3 December 2020</p>	<p>Director, MSWA Director, Multiple Sclerosis Research Australia Limited</p>
<p>Mr Ron Brent Non-Executive Director Appointed: 14 June 2017</p>	<p>Director, Multiple Sclerosis Limited Director, Multiple Sclerosis Research Australia Limited Member, MS Community Engagement Council ACT Region Chair, MSA National Funding Committee Chair, MSA Governance Committee</p>
<p>Ms Sharlene Brown Non-Executive Director Appointed: 22 July 2019</p>	<p>Director, Multiple Sclerosis Limited Director, Multiple Sclerosis Research Australia Limited Member, Menzies Flagship Scientific Advisory Committee</p>
<p>Ms Christine Hahn Non-Executive Director Appointed: 15 February 2021</p>	<p>President, The Multiple Sclerosis Society of South Australia and Northern Territory Inc. Director, Uniting SA Ltd Director, Uniting SA Housing Ltd Director, Multiple Sclerosis Research Australia Limited</p>
<p>Ms Christina Gillies Non-Executive Director Appointed: 20 May 2007</p>	<p>Director, Multiple Sclerosis Limited Director, Multiple Sclerosis Research Australia Limited</p>
<p>Ms Johanna Roche Non-Executive Director Appointed: 16 November 2019</p>	<p>Director, Multiple Sclerosis Society of Queensland Director, Multiple Sclerosis Development and Research Foundation of Queensland Inc Director, Multiple Sclerosis Queensland Limited Director, Neuro Queensland Limited Director, Multiple Sclerosis Research Australia Limited</p>
<p>Mr Garry Whatley Non-Executive Director Appointed: 7 September 2019</p>	<p>Chair, Multiple Sclerosis Limited Director, Multiple Sclerosis Research Australia Limited</p>

Multiple Sclerosis Australia and Controlled Entity Directors' Report

Former Directors

Mr Adrian Hinton

Former Non-Executive Director
Appointed: 29 July 2019
Resigned: 13 February 2021

Director, Carers Association of SA Inc
Director, The Multiple Sclerosis Society of South
Australia and Northern Territory Inc

Directors' Meetings

During the financial year 2021, nine Directors' meetings were held, and the number of meetings attended by each Director of the Company during the financial year are shown below.

	Note	Board Meetings		Audit and Risk Committee Meetings		Governance Committee Meetings		National Fundraising Committee	
		No. eligible to attend	No. attended	No. eligible to attend	No. attended	No. eligible to attend	No. attended	No. eligible to attend	No. attended
Current Directors									
A/Prof Desmond Graham		9	9	-	-	4	4	4	4
Mr George Pampacos		9	8	4	4	4	4	4	4
Mr Horst Bemmerl	(i)	4	4	2	2	-	-	-	-
Mr Ron Brent		9	9	-	-	4	4	-	-
Ms Sharlene Brown		9	8	-	-	-	-	3	3
Ms Christina Gillies		9	8	-	-	-	-	3	3
Ms Christine Hahn	(i)	3	3	2	2	-	-	-	-
Ms Johanna Roche		9	9	3	3	4	4	3	3
Mr Garry Whatley		9	8	-	-	3	3		
Former Directors									
Mr Adrian Hinton	(ii)	6	4	-	-	-	-	-	-

(i) Director appointment during the financial year 2021

(ii) Director resignation during the financial year 2021

Company Secretary

Sonya Blondinau

Company Secretary
Appointed: 1 June 2021

Patrick Foong

Company Secretary
Resigned 31 May 2021

Multiple Sclerosis Australia and Controlled Entity

Directors' Report

Principal Activities

The principal activities of Multiple Sclerosis Australia and Controlled Entity are:

- (a) To advocate for people who have been diagnosed with Multiple Sclerosis and other chronic, degenerative, neurological diseases. This advocacy will support
 - i. People who have been diagnosed with Multiple Sclerosis and other chronic, degenerative, neurological diseases, and their families and carers, to assist people who have been diagnosed to access and participate in, as far as they are able, all facets of life and to remove barriers that prevent them from enjoying equal access, opportunities and participation within the community; and
 - ii. Members and other organisations with similar purposes;
- (b) To support research into the cause, cure, effects and treatments of Multiple Sclerosis and other chronic, degenerative, neurological diseases, including the incidence, prevalence, economic, social, and other effects of Multiple Sclerosis and other chronic, degenerative, neurological diseases on people and their Carers affected by these diseases; and
- (c) To provide and engage in education of the public and members of Parliaments in the effects of Multiple Sclerosis and advocate on behalf of people affected by Multiple Sclerosis.

Auditor's Independence Declaration

The auditor's independence declaration is included on page 7.

Income and Property

The Company's Constitution specifically prohibits the payment of its income or property directly or indirectly by way of dividend bonus or otherwise to members of the Company.

Review of Operations

The Company and controlled entity continued to pursue its principal activities throughout the year.

The Company recorded a surplus of \$80,650 (2020: deficit of \$63,434) for the year.

The Group recorded a surplus of \$3,576,646 (2020: surplus of \$6,430,183) for the year.

Changes in State of Affairs and Likely Developments

The impact of COVID-19 pandemic is ongoing. The Directors and management are continually monitoring and managing the Group's operations closely in response to COVID-19 as explained in Note 22.

The Group was impacted by the COVID-19 pandemic, primarily impacting the ability of researchers to continue their work. The Company worked alongside researchers to assist them to continue their work. Revenue received by the Company was mainly from grants from its Member Organisations with a limited amount of unsolicited donations received during the year. The Company has a wholly owned subsidiary, Multiple Sclerosis Research Australia Limited which experienced success in its fundraising efforts mainly through the May 50K community fundraising campaign and received \$3.8 million in research contribution from the Member Organisations.

Management is actively monitoring the impact of COVID-19 and its impact on the Group's financial position. At year-end, the Group had cash and short-term investments of \$22.7 million.

Multiple Sclerosis Australia and Controlled Entity

Directors' Report

Subsequent events

On 15 September 2021, Multiple Sclerosis Australia entered a Deed of Gift and Transfer with Multiple Sclerosis Australia Research limited (controlled entity). On this date, all the Business and Assets of Multiple Sclerosis Research Australia Limited were transferred to Multiple Sclerosis Australia, and all remaining employees of Multiple Sclerosis Research Australia Limited were transferred to Multiple Sclerosis Limited. Multiple Sclerosis Australia assumes all Liabilities of Multiple Sclerosis Research Australia Limited to the extent they relate to the period up to and including 15 September 2021.

Multiple Sclerosis Australia remains committed to increasing funding for Multiple Sclerosis research and to providing certainty to multiple sclerosis researchers in their research and career paths.

The Group will outsource its fundraising activities to Multiple Sclerosis Limited from 1st July 2021. The Group will benefit from the economies of scale generated by this and Multiple Sclerosis Limited's scope of expertise as a fundraiser.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected or may significantly affect the Group's operations, the results of those operations, or their situation in future financial years.

Declaration of Directors Interests

The Company receives grants from its members. During the financial year, some Directors of Multiple Sclerosis Australia were also Directors of other related Member Organisations.

Organisations that are associated with Associate Professor Desmond Graham may have received research funding. Associate Professor Desmond Graham has no financial interests in these organisations. He is not a member of the Research Management Council (RMC) and did not participate in the grant approval process through the RMC when these grants were assessed and approved.

Indemnification and Insurance of Officers and Auditors

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

Since the end of the previous financial year the Group has paid insurance premiums in respect of Directors' and officers' liability and legal expenses insurance contracts for current Directors and officers. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium paid.

The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

Signed in accordance with a resolution of the Directors.

On behalf of the Directors



A/Professor Desmond Graham
Chair



Mr George Pampacos
Deputy Chair

At Melbourne 28 October 2021

At Melbourne 28 October 2021



Auditor's Independence Declaration to the Members of Multiple Sclerosis Australia

We declare that, to the best of our knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit of the financial report of Multiple Sclerosis Australia for the year ended 30 June 2021.

This declaration is in relation to Multiple Sclerosis Australia and the entity it controlled during the period.

A handwritten signature in black ink that reads 'HLB Mann Judd Assurance (NSW) Pty Ltd'.

HLB Mann Judd Assurance (NSW) Pty Ltd
Chartered Accountants

Sydney, NSW
28 October 2021

A handwritten signature in black ink that reads 'A G Smith'.

A G Smith
Director

hib.com.au

HLB Mann Judd Assurance (NSW) Pty Ltd ABN 96 153 077 215

Level 19, 207 Kent Street Sydney NSW 2000 Australia

T: +61 (0)2 9020 4000 **F:** +61 (0)2 9020 4190 **E:** mailbox@hlbnsw.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd is a member of HLB International, the global advisory and accounting network.



Independent Auditor's Report to the Members of Multiple Sclerosis Australia:

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Multiple Sclerosis Australia ("the Parent Entity") and its controlled entity ("the Group") which comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible persons' declaration.

In our opinion:

- (a) the accompanying financial report of Multiple Sclerosis Australia is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (i) giving a true and fair view of the Parent Entity's and the Group's financial position as at 30 June 2021 and of their financial performance and cash flows for the year then ended; and
 - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
- (b) the financial report gives a true and fair view of the financial result fundraising appeals for the financial year;
- (c) any money received as a result of fundraising appeals conducted during the year ended 30 June 2021 has been properly accounted for and applied in accordance with the *Charitable Fundraising Act 1991 (NSW)*, the *Fundraising Act 1998 (VIC)*, and the Regulations thereto;
- (d) the financial statements and associated records have been properly kept during the financial year in accordance with provisions of the *Charitable Fundraising Act 1991 (NSW)*, the *Fundraising Act 1998 (VIC)*, and the Regulations thereto; and
- (e) at the date of this statement there are reasonable grounds to believe that the Group will be able to pay its debts as and when they are due.

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 Group in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("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 confirm that the independence declaration required by Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the directors, would be in the same terms if given as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2021 but does not include the financial report and our auditor's report thereon.

hlb.com.au

HLB Mann Judd Assurance (NSW) Pty Ltd ABN 96 153 077 215

Level 19, 207 Kent Street Sydney NSW 2000 Australia

T: +61 (0)2 9020 4000 **F:** +61 (0)2 9020 4190 **E:** mailbox@hlbnsw.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd is a member of HLB International, the global advisory and accounting network.



Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of the Directors for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, the *Australian Charities and Not-for-profits Commission Act 2012*, the *Charitable Fundraising Act 1991 (NSW)*, the *Fundraising Act 1998 (VIC)* and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Parent Entity's and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Parent Entity or the Group, or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Parent Entity's or Group'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 Parent Entity or Group 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

A handwritten signature in black ink that reads "HLB Mann Judd".

HLB Mann Judd Assurance (NSW) Pty Ltd
Chartered Accountants

Sydney, NSW
3 November 2021

A handwritten signature in black ink that reads "A G Smith".

A G Smith
Director

Multiple Sclerosis Australia and Controlled Entity Declaration by Principal Officer in Respect of Fundraising Appeals

I, Rohan Greenland, Chief Executive Officer of Multiple Sclerosis Australia declare that in my opinion:

- (a) the Statement of Comprehensive Income gives a true and fair view of all income and expenditure of Multiple Sclerosis Australia and Controlled Entity with respect to fundraising appeals;
- (b) the Statement of Financial Position and accompanying notes give a true and fair view of the situation with respect to fundraising appeals;
- (c) the provision of the Charitable Fundraising Act 1991 (NSW), Fundraising Act 1998 (VIC), Collections Act 1966 (QLD), Collections for Charities Act 2001 (TAS), the regulations thereto, and the conditions attached to the Charitable Fundraising Authority Conditions have been complied with; and
- (d) the internal controls exercised by Multiple Sclerosis Australia and Controlled Entity are appropriate and effective in accounting for all income received and applied by Multiple Sclerosis Australia and Controlled Entity from any of its fundraising appeals.



Mr Rohan Greenland
Principal Officer

At Melbourne 28 October 2021

Multiple Sclerosis Australia and Controlled Entity Responsible Persons Declaration

The Directors declare that:

- (a) In the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as when they become due and payable;
- (b) In the Directors' opinion:
 - (i) the attached financial statements and notes thereto are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including compliance with the Australian Accounting Standards - Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Regulation 2013; and
 - (ii) the attached financial statements give a true and fair view of the financial position as at 30 June 2021 and performance of the Group for the financial year ended on that date.

Signed in accordance with a resolution of the Directors made pursuant to s.60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013.

On behalf of the Directors



A/Professor Desmond Graham
Chair



Mr George Pampacos
Deputy Chair

At Melbourne 28 October 2021

At Melbourne 28 October 2021

Multiple Sclerosis Australia and Controlled Entity

Statements of Comprehensive Income for the Year Ended 30 June 2021

	Note	Consolidated		Company	
		2021 \$	2020 \$	2021 \$	2020 \$
Gross Revenue					
Donations & fundraising		2,083,219	2,366,806	270,753	178,421
Gifts in will		118,754	302,829	-	214,115
Kiss Goodbye to MS / May50K		5,423,370	6,986,474	-	-
Member Organisations - research contribution	20(b)	3,785,000	3,625,000	-	-
Member Organisations	20(b)	945,254	945,254	945,254	945,254
Sponsorships - pharmaceutical companies		130,000	283,125	-	-
Government grants		110,000	178,750	60,000	50,000
Expense reimbursement	20(a)	-	-	245,711	108,626
Interest/dividend revenue		124,488	201,699	21,039	33,377
Total revenue		12,720,085	14,889,937	1,542,757	1,529,793
Expenditure					
Advocacy		(517,053)	(565,055)	(517,053)	(565,055)
Communications		(222,935)	(185,042)	(222,935)	(185,042)
National management		(180,771)	(122,222)	(180,771)	(122,222)
Administration expenditure		(1,113,919)	(1,370,293)	(591,525)	(627,493)
Risk & compliance		(49,264)	(18,515)	(49,264)	(18,515)
Fundraising costs		(2,191,433)	(1,818,579)	-	-
Interest expense		(19,248)	(24,752)	-	-
Research Expenditure					
Grants for research		(1,763,132)	(2,119,992)	-	(24,118)
Other research expenditure		(2,200,120)	(976,415)	-	-
Research & strategic expenditure		(994,451)	(1,201,723)	-	-
(Loss) on foreign currency exchange		(5,064)	(4,930)	(5,064)	(4,930)
Total expenditure		(9,257,390)	(8,407,518)	(1,566,612)	(1,547,375)
Surplus / (Deficit) before net fair value gain/(loss) on financial assets	2	3,462,695	6,482,419	(23,855)	(17,582)
Net fair value gain/(loss) on financial assets at fair value through profit or loss	9	113,951	(52,236)	104,505	(45,852)
Income / (loss) before Income tax		3,576,646	6,430,183	80,650	(63,434)
Income tax expense	1(a)	-	-	-	-
Total comprehensive income/(deficit) for the year		3,576,646	6,430,183	80,650	(63,434)

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

Multiple Sclerosis Australia and Controlled Entity
Statements of Financial Position as at 30 June 2021

	Note	Consolidated		Company	
		2021 \$	2020 \$	2021 \$	2020 \$
ASSETS					
Current Assets					
Cash and cash equivalents	15	7,316,098	1,912,330	301,259	253,547
Short term investments	16	15,422,199	16,771,469	1,450,878	1,498,236
Trade receivables	5	133,187	-	-	-
Prepayments and other assets	5	154,060	187,988	87,501	61,343
Total Current Assets		23,025,544	18,871,787	1,839,638	1,813,126
Non-Current Assets					
Plant and equipment	6	41,906	67,439	18,639	25,461
Intangibles	7	21,701	34,801	-	-
Right-of-use assets	8	383,565	536,990	-	-
Other financial assets	9	685,457	571,505	342,754	238,249
Total Non-Current Assets		1,132,629	1,210,735	361,393	263,710
Total Assets		24,158,173	20,082,522	2,201,031	2,076,836
LIABILITIES					
Current Liabilities					
Trade and other payables	10	1,366,428	846,482	238,539	169,533
Lease liabilities	11	158,304	144,199	-	-
Income received in advance		181,300	-	-	-
Annual leave payable		107,176	140,971	64,916	73,435
Provision for long service leave	12	51,270	73,463	24,895	47,047
Total Current Liabilities		1,864,478	1,205,115	328,350	290,015
Non-Current Liabilities					
Provision for long service leave	12	84,763	86,817	48,988	43,778
Lease liabilities	11	256,962	415,266	-	-
Total Non-Current Liabilities		341,725	502,083	48,988	43,778
Total Liabilities		2,206,203	1,707,198	377,338	333,793
Net Assets		21,951,970	18,375,324	1,823,693	1,743,043
Retained Earnings					
Contributed equity reserve	13 (a)	3,272,730	3,272,730	-	-
Retained earnings	13 (b)	18,679,240	15,102,594	1,823,693	1,743,043
Total Retained Earnings		21,951,970	18,375,324	1,823,693	1,743,043

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

Multiple Sclerosis Australia and Controlled Entity

Statements of Changes to Equity for the Year Ended 30 June 2021

	Consolidated			Company
	Retained Earnings \$	Contributed Equity Reserve \$	Total Equity \$	Retained Earnings \$
Balance as at 1 July 2019	8,672,411	3,272,730	11,945,141	1,806,477
Total Comprehensive Income/(Deficit) for the year	6,430,183	-	6,430,183	(63,434)
Balance as at 30 June 2020	15,102,594	3,272,730	18,375,324	1,743,043
Total Comprehensive Income for the year	3,576,646	-	3,576,646	80,650
Balance as at 30 June 2021	18,679,240	3,272,730	21,951,970	1,823,693

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

Multiple Sclerosis Australia and Controlled Entity
Statements of Cash Flows for the Year Ended 30 June 2021

	<u>Consolidated</u>		<u>Company</u>	
	2021	2020	2021	2020
Note	\$	\$	\$	\$
Cash Flows from Operating Activities				
Cash receipts in course of operations	12,927,506	14,598,503	1,521,718	1,508,318
Cash payments in course of operations	(8,816,019)	(8,048,036)	(1,537,421)	(1,406,835)
Lease interest paid	(19,248)	(24,752)	-	-
Net cash received from operating activities	4,092,240	6,525,715	(15,703)	101,483
Cash Flows from Investing Activities				
Interest/Dividends received	124,488	200,672	21,039	32,350
Purchase of plant and equipment	(20,692)	(65,578)	(7,645)	(26,329)
Purchase of intangibles	-	(30,406)	-	-
Net Investment in term deposits	1,351,933	(6,818,526)	50,021	(24,515)
Net cash used in investing activities	1,455,729	(6,713,838)	63,415	(18,494)
Cash Flows from Financing Activities				
Lease repayments	(144,200)	(130,950)	-	-
Net cash used in financing activities	(144,200)	(130,950)	-	-
Net (decrease)/increase in cash and cash equivalents	5,403,768	(319,073)	47,712	82,989
Cash and cash equivalents at beginning of the financial year	1,912,330	2,231,403	253,547	170,558
Cash and cash equivalents at end of the financial year	7,316,098	1,912,330	301,259	253,547
15				

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

Multiple Sclerosis Australia and Controlled Entity

Notes to the Financial Statements for the Year Ended 30 June 2021

1. Summary of Accounting Policies

Statement of Compliance

The financial report is a Tier 2 general purpose financial report which has been prepared in accordance with Division 60 of the *Australian Charities and Not for Profits Commission Act 2012* and Australian Accounting Standards - Reduced Disclosure Requirements and complies with the *Charitable Fundraising Act 1991 (NSW)*. The Group consisting of the Company and its controlled entity are not-for-profit entities under the Australian Accounting Standards.

The financial statements were authorised by the Directors on the 28 October 2021.

Basis of Preparation

The financial report has been prepared based on historical cost except financial assets which are at fair value through profit or loss. All amounts are presented in Australian dollars unless otherwise noted.

Standards and Interpretations affecting amounts reported in the current period

In the current year, the Group has adopted all new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting. There has been no material impact on the financial statements.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. These are not expected to have a material impact on future financial statements.

Critical Accounting and Key Sources of Estimation Uncertainty

In the application of the Australian Accounting Standards, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making these judgements. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The key critical judgement that management has made in the process of applying the accounting policies, and that has the most significant effect on the amounts recognised in the financial statements, is in relation to grant income received.

Management must analyse the grant agreements in place to determine whether the grant should be recognised as revenue under AASB 1058 *Income of Not-For-profit Entities* or a contribution under AASB 15 *Revenue from Contracts with Customers*.

Judgements made by management in the application of Australian Accounting Standards that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Significant Accounting Policies

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2021, and the comparative information presented in these financial statements for the year ended 30 June 2020.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other event is reported. The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

Multiple Sclerosis Australia and Controlled Entity

Notes to the Financial Statements for the Year Ended 30 June 2021

Significant Accounting Policies (Continued)

(a) Taxation

The company is an exempt body for income tax purposes under the provisions of Section 50-50 and Section 50-52 of the Income Tax Assessment Act (1997) and accordingly no provision for income tax or income tax expense has been made.

(b) Plant and Equipment

Plant and equipment are brought to account at cost less, any accumulated depreciation and impairment. Depreciation is provided on plant and equipment and is calculated on a straight-line basis to write off the net cost of each asset over its expected useful life commencing from the time the asset is held ready for use. The depreciation rates used for each class are as follows:

	2021	2020
	%	%
Computer equipment	33	33
Office equipment	10	10

Depreciation methods will be reviewed at least annually and, where changed, will be accounted for as a change in accounting estimate. Where depreciation rates or methods are changed, the net written down value of the asset is depreciated from the date of the change in accordance with the new depreciation rate or method. Depreciation recognised in prior financial years shall not be changed, that is, the change in the depreciation rate or method will be accounted for on a 'prospective' basis.

(c) Receivables

Trade receivables and other receivables are recorded at amortised costs less any allowance for expected credit losses.

(d) Payables

Trade payables and other payables are recognised when the entity becomes obliged to make future payments resulting from the purchase of goods and services.

(e) Provisions

Provisions are recognised when the Group has a present obligation, (legal or constructive) because of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, considering the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows.

When some or all the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is probable that recovery will be received, and the amount of the receivable can be measured reliably.

Multiple Sclerosis Australia and Controlled Entity

Notes to the Financial Statements for the Year Ended 30 June 2021

Significant Accounting Policies (Cont'd)

(f) Revenue Recognition

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable considerations and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

The Group will only defer revenue received during the financial year, in the statement of financial position on the condition that it has met the following three inseparable criteria: (1) performance obligation; (2) sufficiently specific (cannot be general purpose) and (3) enforceable rights and obligations within the agreement.

Grants received from Members and Government

Grant revenues are recognised on receipt and disclosed in the profit or loss statement when the Group does not meet all the three conditions mentioned above. However, if the Group meets all three conditions, the Group can defer the grant and will be recognised in the statement of financial position as a liability until performance obligation is satisfied.

Donations or sponsorships

Specified and non-reciprocal donations and sponsorships are recognised on receipt and disclosed in the profit or loss statement when the Group does not meet all the three conditions mentioned above. However, if the Group meets all three conditions, the Group can defer the contribution and will be recognised in the statement of financial position as a liability until the respective performance obligation is satisfied.

Donations/sponsorships received that are tied to a particular activity or provided for a specified purpose are spent in a manner consistent with the donor's intention.

The timing of the recognition of donations and bequests depends when control of these monies is obtained which is usually on receipt of the monies.

Program Funding or Reciprocal Sponsorship

Program funding and reciprocal sponsorships are recognised on receipt and disclosed in the profit or loss statement when the Group does not meet all the three conditions mentioned above. However, if the Group meets all three conditions, the Group can defer the contribution and will be recognised in the statement of financial position as a liability until the respective performance obligation is satisfied. Donations/sponsorships received that are tied to a particular activity or provided for a specified purpose are spent in a manner consistent with the donor's intention.

Interest Revenue

Interest revenue is recognised on a time proportionate basis that considers the effective yield on the financial asset.

Dividends

Dividends are recognised when it is declared and received in the investment account. When the payout dividends are franked dividends, the Group will accrue the franking credits during the financial year on an accrual basis and subsequently lodge a claim to the Australian Taxation Office on the franking credits.

Multiple Sclerosis Australia and Controlled Entity

Notes to the Financial Statements for the Year Ended 30 June 2021

Significant Accounting Policies (Cont'd)

(g) Goods and Services Tax

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

- i. 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
- ii. for receivables and payables which are recognised inclusive of GST; or
- iii. where fundraising events held are declared as an input credit tax event all revenue and expenditure are recorded inclusive of GST. No amount is payable to/from Australian Taxation Office (“ATO”). Up to 15 events of this type can be declared as an input tax credit event prior to commencement in a single financial year.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(h) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and investments in money market instruments.

(i) Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required, and they are capable of being measured reliably. In the financial year 2021, the Group accrued provision for long service leave from the commencement date of employment.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

(j) Intangibles

During the financial year, the Group has reviewed its intangible assets and those assets that are not income generating have been expensed during the year. In line with AASB 138 *Intangible Assets*, website costs that are solely income generating are eligible to be capitalised, for example Kiss Goodbye to MS website which is an income generating fundraising campaign website. Amortisation is calculated on a straight-line basis over 5 years.

(k) Impairment of Non-Financial Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include considering both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Multiple Sclerosis Australia and Controlled Entity

Notes to the Financial Statements for the Year Ended 30 June 2021

Significant Accounting Policies (Cont'd)

(l) Financial Instruments

i. Classification

The Group classified its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss ("FVPL"), and;
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

ii. Recognition and Derecognition

Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

iii. Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset.

The Company subsequently measures all debt investments that do not qualify for measurement at amortised cost and all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on debt and equity investments in profit or loss, interest and dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

iv. Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and equity instruments carried at FVPL. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(m) Right-of-Use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-to-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

(n) Short-term Investments

Short term investments represent term deposits held with banks with short to medium term maturity periods. The investments are measured at amortised cost using effective interest method, less any impairment.

Multiple Sclerosis Australia and Controlled Entity

Notes to the Financial Statements for the Year Ended 30 June 2021

Significant Accounting Policies (Cont'd)

(o) Lease Liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise fixed payments less any lease incentives receivable.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used, residual guarantee, lease term, certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(p) Comparative figures

The comparative figures have been amended, where necessary, to conform to current reporting requirements.

2. Surplus/(deficit) for the year

	Consolidated		Company	
	2021	2020	2021	2020
	\$	\$	\$	\$
Surplus/(deficit) before income tax includes:				
Expenditure				
Depreciation of plant and equipment	34,184	26,327	10,712	8,042
Amortisation of intangibles	13,100	18,531	-	1,160
Depreciation of right-of-use assets	153,425	153,426	-	-
Annual leave and long service leave	188,123	201,866	71,895	71,485
Employee benefits	2,989,797	2,777,365	1,106,020	811,265

3. Key Management Personnel Compensation

Short term benefits	846,625	1,156,894	286,887	307,709
Post-employment benefits	142,428	93,955	89,220	28,205
Total	989,053	1,250,849	376,107	335,914

4. Remuneration of Auditors

HLB Mann Judd

Amounts received or receivable by auditors for auditing the financial report.

	48,500	46,500	19,000	18,250
--	--------	--------	--------	--------

5. Trade Receivables, Prepayments and Other Assets

Current

Trade receivables	95,101	-	-	-
GST receivable and other receivables	38,086	-	-	-
Amounts receivable from Member Organisations	-	-	-	-
Total trade and other receivables	133,187	-	-	-

Multiple Sclerosis Australia and Controlled Entity
Notes to the Financial Statements for the Year Ended 30 June 2021

	Consolidated		Company	
	2021 \$	2020 \$	2021 \$	2020 \$
5. Trade Receivables, Prepayments and Other Assets (Cont'd)				
Accrued income	6,156	60,197	2,907	10,141
Prepayments and other assets	147,904	127,791	84,594	51,202
Total other assets	<u>154,060</u>	<u>187,988</u>	<u>87,501</u>	<u>61,343</u>
Aged receivables:				
Current	95,101	-	-	-
31-60 days	-	-	-	-
Total Trade Debtors	<u>95,101</u>	<u>-</u>	<u>-</u>	<u>-</u>
6. Plant and Equipment				
Cost	187,776	218,885	54,860	73,487
Accumulated depreciation	<u>(145,870)</u>	<u>(151,446)</u>	<u>(36,221)</u>	<u>(48,026)</u>
	<u>41,906</u>	<u>67,439</u>	<u>18,639</u>	<u>25,461</u>
Reconciliation of the carrying amounts:				
Carrying amount at beginning of year	67,439	28,186	25,461	7,174
Additions	20,692	65,580	7,645	26,329
Disposal	(12,041)	-	(3,755)	-
Depreciation expense	<u>(34,184)</u>	<u>(26,327)</u>	<u>(10,712)</u>	<u>(8,042)</u>
	<u>41,906</u>	<u>67,439</u>	<u>18,639</u>	<u>25,461</u>
7. Intangibles				
Cost	117,905	117,905	-	-
Accumulated amortisation	<u>(96,204)</u>	<u>(83,104)</u>	<u>-</u>	<u>-</u>
	<u>21,701</u>	<u>34,801</u>	<u>-</u>	<u>-</u>
Reconciliation of the carrying amounts:				
Carrying amount at beginning of year	34,801	22,926	-	1,160
Additions	-	30,406	-	-
Amortisation expense	<u>(13,100)</u>	<u>(18,531)</u>	<u>-</u>	<u>(1,160)</u>
	<u>21,701</u>	<u>34,801</u>	<u>-</u>	<u>-</u>
8. Right-to-use Assets				
Cost	690,416	690,416	-	-
Accumulated amortisation	<u>(306,851)</u>	<u>(153,426)</u>	<u>-</u>	<u>-</u>
	<u>383,565</u>	<u>536,990</u>	<u>-</u>	<u>-</u>

Multiple Sclerosis Australia and Controlled Entity

Notes to the Financial Statements for the Year Ended 30 June 2021

	Consolidated		Company	
	2021	2020	2021	2020
	\$	\$	\$	\$
8. Right-to-use Assets (Cont'd)				
Reconciliation of the carrying amounts:				
Carrying amount at beginning of year	536,990	690,416	-	-
Depreciation expense	(153,425)	(153,426)	-	-
	383,565	536,990	-	-

There were no additions to the right-of-use assets during the year. The Group leases a building for its office under an agreement for 5 years, with no option to extend. The lease has various escalation clauses. The lease held by the Group is reflected in the statement of financial position as a right-of-use asset and a lease liability.

	Consolidated		Company	
	2021	2020	2021	2020
	\$	\$	\$	\$
9. Other Financial Assets				
Non-current:				
Financial assets at fair value through profit or loss: Shares and preference shares in financial institutions	685,457	571,505	342,754	238,249

The fair value of preference shares with Commonwealth Bank, National Australia Bank, and Westpac and ordinary shares with Commonwealth Bank are determined by using the market rates at the end of the reporting period and changes in the fair value is recognised as profit or loss.

During the financial year the Company continued to hold Commonwealth Bank ordinary shares that were donated in January 2017. The controlled entity invested most of its excess funds in short term deposits with National Australia Bank.

During the financial year, the Group recognised a net gain of \$113,951 (2020: net loss of \$52,236) arising from fair value changes.

	Consolidated		Company	
	2021	2020	2021	2020
	\$	\$	\$	\$
10. Trade and other payables				
Current				
Trade payables	1,223,476	470,838	138,659	112,891
GST and PAYG	-	199,036	40,030	8,600
Accruals and other payables	142,952	176,608	59,850	48,042
Total Trade and other payables	1,366,428	846,482	238,539	169,533

The average credit period on purchases is 30 days. No interest is charged on trade payables. The Group has financial risk policies to ensure that all payables are paid within the credit terms.

Multiple Sclerosis Australia and Controlled Entity

Notes to the Financial Statements for the Year Ended 30 June 2021

	Consolidated		Company	
	2021	2020	2021	2020
	\$	\$	\$	\$
11. Lease Liabilities				
Current	158,304	144,199	-	-
Non-current	256,962	415,266	-	-
Total	415,266	559,465	-	-

Lease liabilities are related to the office lease agreement between, Multiple Sclerosis Research Australia Limited with Northpoint Tower Property Pty Ltd, which will end on 20 December 2023.

Interest expense recognised in profit or loss was \$19,248 (FY2020: \$24,752) and interest and principal payments made to lessors in respect to lease liabilities was \$163,448 (FY2020: \$155,702) for the year.

12. Provision for Long Service Leave

	Consolidated		Company	
	2021	2020	2021	2020
	\$	\$	\$	\$
Current				
Carrying amount at beginning of year	73,463	43,386	47,047	22,134
Additional provision recognised	165	10,172	206	5,008
Reclassify from non-current to current	-	19,905	-	19,905
Reduction by payment to employees	(22,358)	-	(22,358)	-
Balance of current provision at 30 June	51,270	73,463	24,895	47,047
Non-current				
Provision for Long Service Leave Liabilities				
Carrying amount at beginning of year	86,817	112,058	43,778	54,361
Reclassify from non-current to current	-	(19,905)	-	(19,905)
(Reduction)/Additional provision recognised	(2,054)	(5,336)	5,210	9,322
Balance of current provision at 30 June	84,763	86,817	48,988	43,778

13 (a). Contributed equity reserve

On 18 December 2012, 7 members of the Member Organisations passed control of Multiple Sclerosis Research Australia Limited to Multiple Sclerosis Australia. These Member Organisations were: (1) Multiple Sclerosis Society of New South Wales, (2) Multiple Sclerosis Society of Victoria, (3) Multiple Sclerosis Society of Queensland, (4) Multiple Sclerosis Society of South Australia and Northern Territory (Inc), (5) Multiple Sclerosis Society of Tasmania, (6) MSWA and (7) Multiple Sclerosis Society of the Australian Capital Territory (Inc).

Contributed equity reserve of \$3,272,730 represents the net asset of Multiple Sclerosis Research Australia Limited as at the date of transfer of ownership from the Member Organisations to Multiple Sclerosis Australia.

Multiple Sclerosis Australia and Controlled Entity

Notes to the Financial Statements for the Year Ended 30 June 2021

13 (b). Retained Earnings

	Consolidated		Company	
	2021	2020	2021	2020
	\$	\$	\$	\$
Retained Earnings at the beginning of the year	15,102,594	8,672,411	1,743,043	1,806,477
Net income/(deficit) attributable to members	3,576,646	6,430,183	80,650	(63,434)
Retained Earnings at the end of the year	18,679,240	15,102,594	1,823,693	1,743,043

14. Members' Guarantee

The Company is limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$50 (2020: \$50) towards meeting any outstanding obligations of the Company.

At 30 June 2021 the number of members were 4 (2020: 4). The members were: (1) Multiple Sclerosis Limited; (2) Multiple Sclerosis Society of Queensland; (3) The Multiple Sclerosis Society of South Australia and Northern Territory Inc; and (4) MSWA.

Membership

Multiple Sclerosis Research Australia Limited, a wholly owned subsidiary of Multiple Sclerosis Australia acts to accelerate research that contributes to the worldwide effort to solve Multiple Sclerosis. It was established in 2003 to facilitate Multiple Sclerosis research at research institutes and universities around Australia and overseas, and raise funds as required. This research is chosen based on scientific governance principles, independently from Multiple Sclerosis Australia's Member Organisations.

15 Notes to the Statement of Cash Flows

Reconciliation of Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalents include cash on hand and in bank. Cash and cash equivalents at the end of the financial year as shown in the Statement of Cash Flow is reconciled to the related items in the Statement of Financial Position as follows:

	Consolidated		Company	
	2021	2020	2021	2020
	\$	\$	\$	\$
Cash on hand and at financial institutions	7,316,098	1,912,330	301,259	253,547

16 Short term Investments

Term deposits (term of more than 3 months)	15,422,199	16,771,469	1,450,878	1,498,236
--	------------	------------	-----------	-----------

During the financial year, the Group invested in short term investments with National Australia Bank with an average maturity of 133 days (2020: 209 days).

Multiple Sclerosis Australia and Controlled Entity

Notes to the Financial Statements for the Year Ended 30 June 2021

17 Contingent Liabilities and Commitments

Multiple Sclerosis Research Australia Limited has a bank guarantee of \$125,408 (2020: \$125,408) in place for 5-year lease of an office premise in North Sydney. The Group has no other contingent liabilities as at the date of this report.

Multiple Sclerosis Research Australia Limited had carried forward future research commitment of \$34.2 million over five years.

Multiple Sclerosis Research Australia Limited raises funds through national fundraising to meet its future research commitments. The controlled entity reserves the right to delay or cease payments. This clause is reflected in all contracts with funded MS researchers and with the entity's MS research platforms.

Over the last 15 years, the subsidiary has been able to fulfil every one of its commitments to research.

18 Financial Instruments

(a) Capital Risk Management

The capital structure of the Company is underpinned by contributions from external funders and retained earnings. The structure is supported by holdings of cash and cash equivalents to meet the present and future obligations.

(b) Financial Risk Management objectives

The Directors manage the financial risks relating to the operations of the Group. The Group does not enter into or trade financial instruments for speculative purposes nor does it use derivative instruments. The Company's financial risk exposure is primarily due to changes in interest rates.

(c) Fair Value of Financial Instruments

The carrying amounts of financial assets and financial liabilities on the financial statements are recorded at fair value. The following table gives information about how the fair value of these financial assets are determined as a consolidated entity:

Financial asset	Fair value as at		Fair value hierarchy	Valuation technique and key inputs
	30 June 2021	30 June 2020		
	\$	\$		
Financial assets at fair value through profit or loss	685,457	571,505	Level 1	Quoted bid prices in an active market

Further information on financial asset is disclosed in Note 9.

19. Economic Dependence

The Company and Group are dependent on its income from the Member Organisations by way of grants and research contributions in the current financial year of \$945,254 and \$4,730,254 (2020: \$945,254 and \$4,570,254) respectively which represents 61% and 37% (2020: 62% and 31%) of total revenue.

Multiple Sclerosis Australia and Controlled Entity

Notes to the Financial Statements for the Year Ended 30 June 2021

20. Related Party Transactions

	Consolidated		Company	
	2021 \$	2020 \$	2021 \$	2020 \$
(a) <u>Transactions with Multiple Sclerosis Research Australia Limited</u>				
Recharge to Multiple Sclerosis Research Australia Limited	-	-	245,711	108,636
Recharge from Multiple Sclerosis Research Australia Limited	-	-	(35,146)	(122,551)

During the current financial year, Multiple Sclerosis Australia provided administration services, recharged a portion of the total Multiple Sclerosis International Federation membership subscription and media monitoring services at a net cost of \$245,711 (2020: \$108,636, financial services and MSIF membership subscription only) to Multiple Sclerosis Research Australia Limited.

In the same financial year, Multiple Sclerosis Research Australia Limited provided other administration services and incurred shared expenditure paid on its behalf at a net cost of \$35,146 (2020: \$122,551) to Multiple Sclerosis Australia. Increased recharges during the year were mainly due to bequest income received by Multiple Sclerosis Australia meant for Multiple Sclerosis Research Australia Limited.

	Consolidated		Company	
	2021 \$	2020 \$	2021 \$	2020 \$
(b) <u>Grants and Research Contributions from Member Organisations</u>				
Multiple Sclerosis Limited	925,513	1,925,513	595,513	595,513
Multiple Sclerosis Society of Queensland	189,047	189,047	189,047	189,047
Multiple Sclerosis Development and Research Foundation of Queensland Inc	170,000	170,000	-	-
The Multiple Sclerosis Society of South Australia and Northern Territory Inc	797,263	72,263	47,263	47,263
MSWA	2,648,431	2,213,431	113,431	113,431
Total Income from Member Organisations	4,730,254	4,570,254	945,254	945,254

During the financial year Member Organisations provided grants and research contributions of \$945,254 (2020: \$945,254) to the Company and \$4,730,254 (2020: \$4,570,254) to the Group respectively.

Multiple Sclerosis Australia and Controlled Entity

Notes to the Financial Statements for the Year Ended 30 June 2021

		Consolidated		Company	
		2021	2020	2021	2020
		\$	\$	\$	\$
20.	Related Party Transactions (Cont'd)				
(c)	<u>Amounts owed to the Group by Related Parties:</u> <u>Current</u> No amount owing to related parties (FY2020: Nil)				
(d)	<u>Amounts owed by the Group to Related Parties:</u> <u>Current</u> Multiple Sclerosis Limited	29,431	-	-	-
(e)	<u>In-kind donation by Multiple Sclerosis Limited to the Group:</u> Multiple Sclerosis Limited	14,500	14,400	14,500	14,400
	During the current financial year Multiple Sclerosis Limited provided in-kind services relating to Human Resource and Payroll services to the Company with a value estimated to be \$4,500 (2020: \$6,000) and to the Group \$4,500 (2020: \$6,000).				
	From April 2021, the Company sourced an external payroll provider. In addition, rent free office space at its Blackburn VIC premise and Canberra, ACT premises were provided to the Company with an estimated rental cost of \$10,000 (2020: \$8,400).				
(f)	<u>Financing Activities with Related Parties</u> No new loans in 2021 (2020: Nil).				

Multiple Sclerosis Australia and Controlled Entity

Notes to the Financial Statements for the Year Ended 30 June 2021

21. Additional Information furnished under the Charitable Fundraising Act 1991 (NSW), Fundraising Act 1998 (VIC), Collections Act 1966 (QLD) and Collections for Charities Act 2001 (TAS) on a program basis

Consolidated

	Year to 30 June 2021			Year to 30 June 2020		
	Gross Revenue	Direct Expense	Net Proceeds	Gross revenue	Direct Expense	Net Proceeds
Gross Revenue						
Donations & Fundraising	2,083,219		2,083,219	2,366,806		2,366,806
Gifts in Will	118,754		118,754	302,829		302,829
Kiss Goodbye to MS	5,423,370		5,423,370	6,986,474		6,986,474
State-based MS organisations - research contribution	3,785,000		3,785,000	3,625,000		3,625,000
State-based MS organisations - grants (Note 20(b))	945,254		945,254	945,254		945,254
Sponsorships Pharmaceutical Companies	130,000		130,000	283,125		283,125
Government Grants	110,000		110,000	178,750		178,750
Total	12,595,597	2,191,433	10,404,164	14,688,238	1,818,579	12,869,659

Administration expenditure (Refer * below)

(1,368,266)

(1,540,712)

Net funds raised before Cost of Services Provided and research expenditure.

9,035,898

11,328,947

% of Gross Revenue

% of Gross Revenue

Direct Expenditure

17.4%

12.4%

Administration expenditure

10.9%

10.5%

Total direct and administration expenditure

28.3%

22.9%

Net amount raised

71.7%

77.1%

Company

	Year to 30 June 2021			Year to 30 June 2020		
	Gross Revenue	Direct Expense	Net Proceeds	Gross Revenue	Direct Expense	Net Proceeds
Gross Revenue						
Donations & Fundraising	270,753		270,753	178,421		178,421
Gifts in Will	-		-	214,115		214,115
State-based MS organisations - grants (Note 20(b))	945,254		945,254	945,254		945,254
Government Grants	60,000		60,000	50,000		50,000
Total	1,276,007		1,276,007	1,387,790		1,387,790

Administration expenditure (Refer * below)

(826,624)

(773,160)

Net funds raised before Cost of Services Provided

449,383

614,630

% of Gross Revenue

% of Gross Revenue

Direct Expenditure

0.0%

0.0%

Administration expenditure

64.8%

55.7%

Total direct and administration expenditure

64.8%

55.7%

Net funds raised

35.2%

44.3%

* Administration expenditure consists of National Management, Administration, Risk & Compliance, Gain/(loss) on foreign currency exchange and interest expense disclosed in the Statement of Comprehensive Income.

Multiple Sclerosis Australia and Controlled Entity
Notes to the Financial Statements for the Year Ended 30 June 2021

21. Additional Information furnished under the Charitable Fundraising Act 1991 (NSW), Fundraising Act 1998 (VIC), Collections Act 1966 (QLD) and Collections for Charities Act 2001 (TAS) on a program basis (Cont'd)

	Consolidated		Company	
	2021	2020	2021	2020
	\$	\$	\$	\$
(a) Fundraising Activities Conducted				
Major Gifts and donations from Public Gross Proceeds from Fundraising Appeals				
Gross Proceeds:				
Fundraising & donations, Gifts in Will and Sponsorship	7,755,343	9,939,234	270,753	392,536
State-based MS organisations - research contribution	3,785,000	3,625,000	-	-
Gross Proceeds from Fundraising Appeals	<u>11,540,343</u>	<u>13,564,234</u>	<u>270,753</u>	<u>392,536</u>
Total Fundraising Costs, representing Total Costs of Fundraising Appeals #	<u>2,191,433</u>	<u>1,818,579</u>	<u>-</u>	<u>-</u>
Net Surplus	9,348,910	11,745,655	270,753	392,536
Cost of Services Provided *	4,703,240	3,846,504	739,988	750,097
Total Expenditure				
Non Fundraising Costs	7,065,957	6,588,939	1,566,612	1,547,375
Fundraising Costs	<u>2,191,433</u>	<u>1,818,579</u>	<u>-</u>	<u>-</u>
Total Expenditure	<u>9,257,390</u>	<u>8,407,518</u>	<u>1,566,612</u>	<u>1,547,375</u>
Total Fundraising Income less Fundraising Costs	<u>9,348,910</u>	<u>11,745,655</u>	<u>270,753</u>	<u>392,536</u>
# The cost of fundraising disclosed reflects direct cost associated to fundraising. Indirect costs are reflected in the delivery of services.				
* The cost of services provided in the current financial are as follow and also disclosed in the Statement of Comprehensive Income.				
Advocacy	517,053	565,055	517,053	565,055
Communications	222,935	185,042	222,935	185,042
Grants for Research and other research	<u>3,963,252</u>	<u>3,096,407</u>	<u>-</u>	<u>24,118</u>
	<u>4,703,240</u>	<u>3,846,504</u>	<u>739,988</u>	<u>774,215</u>

Note: Multiple Sclerosis Australia is registered as required by law in each state and territory where it raises funds including Western Australia where it is registered through The Multiple Sclerosis Society of Western

Multiple Sclerosis Australia and Controlled Entity
Notes to the Financial Statements for the Year Ended 30 June 2021

21. Additional Information furnished under the Charitable Fundraising Act 1991 (NSW), Fundraising Act 1998 (VIC), Collections Act 1966 (QLD) and Collections for Charities Act 2001 (TAS) on a program basis (Cont'd)

(b) Comparisons of Monetary figures and percentages

	2021		2020	
	\$	%	\$	%
Consolidated				
Total Cost of Fundraising to Gross Fundraising Income	\$ 2,191,433		\$ 1,818,579	
	\$ 11,540,343	19%	\$ 13,564,234	13%
Net Surplus from Fundraising to Gross Income from Fundraising	\$ 9,348,910		\$ 11,745,655	
	\$ 11,540,343	81%	\$ 13,564,234	87%
Total Cost of Services to Total Expenditure	\$ 4,703,240		\$ 3,846,504	
	\$ 9,257,390	51%	\$ 8,407,518	46%
Total Cost of Services to total income received from fundraising	\$ 4,703,240		\$ 3,846,504	
	\$ 11,540,343	41%	\$ 13,564,234	28%
Company				
Total Cost of Fundraising to Gross Fundraising Income	\$ -		\$ -	
	\$ 270,753	0%	\$ 392,536	0%
Net Surplus from Fundraising to Gross Income from Fundraising	\$ 270,753		\$ 392,536	
	\$ 270,753	100%	\$ 392,536	100%
Total Cost of Services to Total Expenditure	\$ 739,988		\$ 750,097	
	\$ 1,566,612	47%	\$ 1,547,375	48%
Total Cost of Services to total income received from fundraising	\$ 739,988		\$ 750,097	
	\$ 270,793	273%	\$ 392,536	191%

Multiple Sclerosis Australia and Controlled Entity

Notes to the Financial Statements for the Year Ended 30 June 2021

22. Impact of COVID-19 and subsequent events

Impact of the COVID-19

The Board and management have considered the impact of COVID-19 on the Group's operations and financial performance and have noted that this has not had a significant impact to date. The Group has achieved a surplus mainly due to the success of the May 50K community fundraising event organised by its wholly owned subsidiary and the additional research contribution from MS State organisations.

In preparing the consolidated financial report, management has considered the impact of COVID-19 on the various balances in the financial report, including the carrying values of assets, as well as balances and accounting estimates for which cash flow forecasts are required to be prepared, such as the impairment assessment of assets. Management determined that there was no significant impact of COVID-19 on these balances and accounting estimates.

Subsequent events

On 15 September 2021, Multiple Sclerosis Research Australia Limited entered a Deed of Gift and Transfer with Multiple Sclerosis Australia (parent entity). On this date, all the Business and Assets of Multiple Sclerosis Research Australia Limited were transferred to Multiple Sclerosis Australia, and all remaining employees transferred to MS Limited. Multiple Sclerosis Australia assumes all Liabilities of Multiple Sclerosis Research Australia Limited to the extent they relate to the period up to and including 15 September 2021.

Multiple Sclerosis Australia remains committed to increasing funding for multiple sclerosis research and providing certainty to our researchers in their search for a cure.

No other matter or circumstance has arisen since 30 June 2021 that has significantly impacted or may significantly impact the Company's or the group's operations, the results of those operations, or their situation in future financial years.

23. Additional Company Information

Multiple Sclerosis Australia is a Company limited by guarantee, incorporated, and operating in Australia

Registered Office

Multiple Sclerosis Australia
Level 19, 100 Northpoint Tower
100 Miller Street
North Sydney, NSW 2060
Tel: (02) 8413 7977

Principal Place of Business

Multiple Sclerosis Australia
The Nerve Centre
54 Railway Road
Blackburn, VIC 3130
Tel: (02) 8413 7977



AUSTRALIA

MS Australia

ABN 51 008 515 508

Head Office: Level 19,
Northpoint, 100 Miller Street,
North Sydney NSW 2060

Postal: PO Box 625, North
Sydney NSW 2059

www.msaustralia.org.au



© MS Australia 2021

