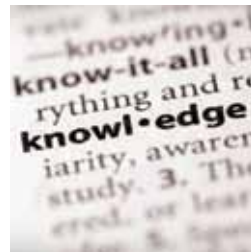


ANNUAL REPORT 2010/2011

Our mission is to facilitate research and disseminate knowledge that furthers the understanding, development and effectiveness of chiropractic care.



ABOUT THE FOUNDATION

Our focus is chiropractic research.

The Australian Spinal Research Foundation (Spinal Research) is a non-profit organisation focused on supporting, facilitating and delivering chiropractic research.

Spinal Research was incorporated in 1976 and is a company limited by guarantee under Australian Corporations Law.

Our Mission is to facilitate research and disseminate knowledge that furthers the understanding, development and effectiveness of chiropractic care. Our focus is chiropractic research.

To date the Foundation has committed funds to 183 research-related projects and granted research funds in excess of A\$1.75m. Australian Spinal Research Foundation is amongst the largest funding bodies, internationally, for chiropractic research. We appreciate the linkage between research, policy and practice. Our aim is to generate research that is supportive of the profession, is practice relevant and provides positive influence to policy-makers.

Spinal Research supports and encourages publication of research in the scientific literature. Progress on funded research is reported at scientific symposia, conferences, within newsletters and through other media.

Australian Spinal Research Foundation is managed by an honorary Board of eleven Governors elected by the membership. The Board upholds governance principles concerned with the structure, systems and processes that ensure the overall direction, effectiveness, supervision and accountability of the Foundation.

Spinal Research's activities are across these key responsibilities:

- Understanding the landscape in which we operate and factors impacting on chiropractic
- Sponsoring chiropractic research
- Creating a collaborative environment with stakeholders to help grow the chiropractic research community and research outcomes
- Managing a best practice peer review process for grant applications
- Communicating relevant research from various sources to chiropractors, clients, educators, influencers, legislators and the media
- Generating funds for research.

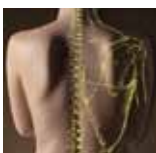
Our Foundation has benefited from an engagement model - we welcome volunteer effort. The Foundation's success is largely driven by the involvement of others participating in organising and attending events, adding to our research efforts, providing governance as well as contributing to communications and publications.



We are the research foundation which demonstrates that chiropractic care enhances quality of life and human performance

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As I sit down to right this report I have just returned home from speaking at a chiropractic career night - a night where four chiropractors spoke to around twenty people considering a career as a chiropractor. My job was to give the potential future chiropractors an idea of what it was like to be a practicing chiropractor. In preparing for the talk I wondered how I may best give the attendees an accurate sense of what life

is like in practice. I decided that I would share some stories about a few of the clients I had seen on the day of the talk. I decided I would only talk about those that I had seen that day so that it would give a realistic "slice" of practice life. So, on the day of the talk I found myself actively looking for standout, positive experiences so that I could share them later that night at the career talk.

Two things struck me as I more consciously looked for clients who had enjoyed a response that I could share later that night. Firstly, how many there were. I was looking for four or five stories to tell but had at least ten times that many that spoke to some aspect of why practicing chiropractic was rewarding. The second thing that struck me was that so many of the people who came in and had expressed positive experiences had them in ways that we don't yet have the scientific evidence to document the value of chiropractic in that area. I had clients who came in and said that they had a massive change in global wellbeing since they started care. A three year old who has been getting adjusted for three months came in and had just experienced her first month without an ear infection since she was nine months old. An eleven year old boy with OCD and Asperger's syndrome has been able to participate in school sport for the first time in six years of schooling.

“Over the last five years there have been massive challenges to this vitalistic model of chiropractic”

While it is incredibly rewarding to hear this sort of positive feedback it also gives me a great deal of concern - concern that in the very near future the opportunity for people to experience these sort of benefits may be much more challenging or actually denied. Over the last five years there have been massive challenges to this vitalistic model of chiropractic - challenges in terms of guidelines for practice that tend to minimise chiropractic to a musculoskeletal therapy. We've also experienced challenges in public relations where chiropractic is attacked in the media for being "unscientific". As these challenges mount it makes it harder for practicing chiropractors to tell people about the potential benefits of chiropractic beyond musculoskeletal pain relief. These claims of chiropractic not having adequate scientific evidence are more likely to result in the public being distrustful of chiropractic. All this means that less people will get the real benefits of chiropractic - that, quite simply, life goes better with chiropractic.

The answer to these challenges is simple too. We need more research. And we need it faster. The answer for the profession is simple. The ability for the profession to achieve this is more challenging.

Over the last five years the Australian Spinal Research Foundation has been undertaking a process to establish a position of massively increasing the amount of research supporting the chiropractic paradigm as well as chiropractic practice. I am thrilled to report that the Foundation has been able to deliver the result of this process - establishment of the "Chiropractic Research Partnership" which was launched at the Parker Seminar in Sydney in June. It will deliver more research, faster. It is a comprehensive plan to deliver ten times the amount of research we, as a profession, are able to conduct currently. The plan was developed in consultation with chiropractic leaders and researchers around the world and the level of support from the chiropractic profession has been phenomenal. At the launch chiropractors donated and pledged \$250,000 - an outstanding response from only those in attendance. We are in discussions with Chiropractic Associations around the world and some have already expressed they are very keen to be part of the partnership.

“We need more research. And we need it faster. The answer for the profession is simple.”

The international expansion of the influence of Spinal Research has been another area the Foundation has made great strides over the last year. The Chiropractic Research Partnership is designed to bring together the support of the global chiropractic community for an expanded research agenda. Over the last year we have had the opportunity to raise the profile of the Foundation and the Partnership with chiropractors and chiropractic leaders in New Zealand, Canada, the United States and the United Kingdom. We look forward to further developments in the coming year.

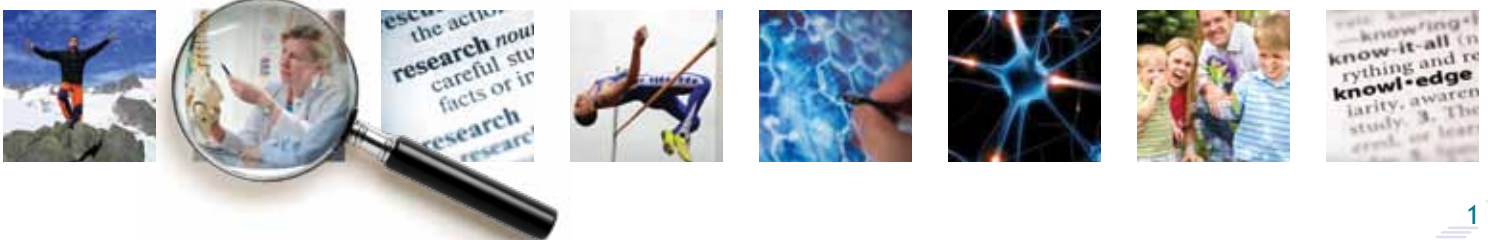
The activity of the Foundation has expanded to such a degree that to try and capture a sense of it in this report is not possible. I would recommend that you look at the "Highlights" on pages 2-3 to get a sense of some of the magnificent achievements over the last year. I would like to take this opportunity to thank and acknowledge the entire Board of Governors for their commitment, passion and sheer hard work in delivering all these results as well as many others. It has been a highly successful year.

These achievements are also testimony to the phenomenal work of the Spinal Research office team. CEO Roley Cook and his team Peter Banfield, Helen Crew, Rachel Connie, Simon Christie, Sharyn Mick and Marc Tyler are highly engaged with the mission of Spinal Research and have worked tirelessly to move the Foundation forward.

Lastly, but with enormous respect, I extend formal appreciation to those people who have stepped up and supported the Chiropractic Research Partnership and Spinal Research.

While we are certainly living in interesting times I am absolutely certain that the activities of Spinal Research this year will pay dividends for years to come. That dividend will be in the form of more research, faster which will translate into better practices and people experiencing that life really does go better with chiropractic.

Dr Martin Harvey
President



Highlights

2010-2011 Approved Research Grant Applications



After initial Expressions of Interests from 12 researchers seeking research grants during the past year's round the Board approved the following studies to receive funds;

Dr Heidi Haavik/Dr Stanley Flavel
New Zealand College of Chiropractic
Research Title: "The effect of chiropractic care on synchronised pelvic floor muscle contraction"

Professor Bernadette Murphy
University of Ontario, Institute of Technology
Research Title: "The effect of chiropractic care on cerebellar function"

Dr William Reed
Palmer College of Chiropractic
Research Title: "Effects of spinal manipulation on thalamic mechanical response threshold"

Dr Kelly Holt
New Zealand College of Chiropractic
Research Title: "Randomised controlled trial of the effects of sixteen weeks of chiropractic care on objective markers of sensorimotor function in older people"

Chiropractic Research Partnership



It's Time for Action! In order to massively increase the amount of support provided to achieve more research, faster Spinal Research launched the Chiropractic Research Partnership. The Partnership calls for the joining of resources and forces to build the evidence base for chiropractic and generate greater certainty in practice, better health outcomes for patients and more credibility for the profession across the broader health sector. The Partnership was launched in the last two weeks of the year under report and we are optimistic we will report favourable progress in next year's Annual Report.

New Foundation Ambassador

The Australian Spinal Research Foundation was delighted Anthony Field, the Blue Wiggle, accepted the honorary position of Foundation Ambassador and advocate for chiropractic research. Anthony's conviction to what he believes are the benefits of regular chiropractic care positions him ideally to help heighten the awareness of the Foundation and the work it does with the chiropractic community.



2011-2012 Research Grant Round

Research is our reason for being and we are delighted that we have seen 15 Expressions of Interest (EOI) for grants from various parts of the world in our 2011-2012 funding round. Following the review 7 EOI have passed through the initial review process and invitations have been extended to submit full grant applications.



International Awareness and Effectiveness

In order to grow awareness and effectiveness of Spinal Research and to generate more international support we have sought audience with and guidance from various associations and some of the professions' most acclaimed leaders. During the past year presentations and discussions have been shared with the Chiropractors' Association of Australia, International Chiropractors' Association, United Chiropractic Association, Scottish Chiropractic Association, Parker University and a specially convened group of chiropractic thought leaders.

We acknowledge and appreciate their leadership and their input.

Committees Supporting Research Grants

During the past year we have expanded our capacity to manage the grant application process through the appointment of additional honorary reviewers to the Clinical Advisory Panel and the Research Committee via use of technology. We have added well-known international chiropractic leaders to our Clinical Advisory Panel including Drs Gerry Clum, Gilles Lamarque, Michael Hall, Liz Anderson-Peacock and David Russell. We are also delighted that Emeritus Professor Peter J Drake has joined our Research Committee. We welcome these new members and salute the honorary contribution of all Clinical Advisory Panel and Research Committee members to chiropractic research.

Membership

Foundation Membership is one of the most fundamental ways the chiropractic community can support its future through support for chiropractic research.

Membership participation has grown steadily in recent years with 2010-2011 membership revenue increasing by 8.2% over the prior year.

A new category of membership, Commercial Membership, introduced 2 years ago for supporting suppliers to the profession has seen participation doubled over the last year. Our valued Commercial members are recognised on the members' page.



Dynamic Growth Congress



Dynamic Growth Congress continues to evolve, educate and engage!

DG remains as the chiropractic profession's premier multi-dimensional event in Australasia. Growth in delegate numbers of 13.5% was achieved in 2011. In addition, Dynamic Growth Congress hosted the largest Australian exhibition for suppliers of chiropractic related goods and services.

Parker Seminars Sydney



We have enjoyed a very constructive partnership with Parker Seminars and 2011 afforded another opportunity to showcase the 'best of the best' Parker speakers. Delegates were treated to a blend of Parker Principles, some of the latest patient centred care information and practice success advice. Delegate attendance increased 16% on the Parker Seminar held in Melbourne in 2009.

We were honoured to be awarded the Parker 10 Year Service Award in recognition of our work.

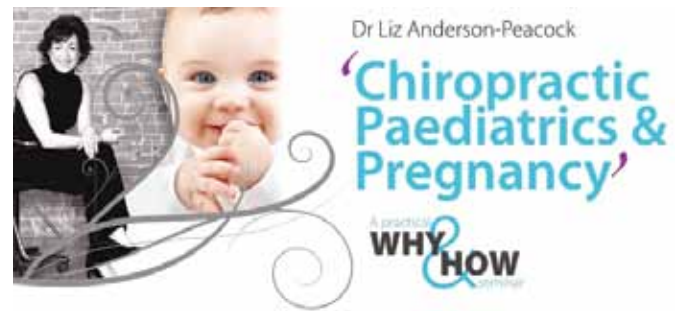
Dynamic Growth Jumpstart - Emerging Chiropractors



The last year has seen the Foundation's involvement with Emerging Chiropractors (students and recent graduates) consolidate significantly. The Board had previously identified the important need to help fill the void Emerging Chiropractors experienced as they moved from student to chiropractor and from campus to practice. The Foundation introduced numerous initiatives during 2010-2011 which included -

- free membership
- subsidised registration fees to Foundation managed events
- the development of free Emerging Chiropractors seminars on campus (Macquarie and RMIT)
- an expanded free program at Dynamic Growth Congress and Parker Seminars Sydney
- support for the Talk the TIC competition for students

Chiropractic Paediatrics and Pregnancy Seminar



The highly successful one day Chiropractic Paediatrics and Pregnancy seminars in Sydney and Melbourne were introduced to the Foundation's event calendar during the financial year. Dr Liz Anderson-Peacock was our presenter in 2010. The success of this event and the Foundation's experience and expertise in organising and managing events has encouraged the Foundation to add a second quarter seminar as an annual fixture in our event fundraising calendar.

Volunteers

An outstanding highlight during the past year has been the contribution of our wonderful volunteers. Our volunteer Board of Governors and Associate Governors, our Clinical Advisory Panel and Research Committee have all expanded their participation. In addition, our office-based and event volunteer teams have excelled.

130 volunteers contributed to the success of Dynamic Growth Congress and 100 contributed at Parker Seminars Sydney. Others helped at Dynamic Growth Experiences all over Australia and New Zealand. The Foundation's ability to hold financially viable seminars and subsequently fund research is largely influenced by the contribution of our volunteers. We say a big Thank You!



Communicate

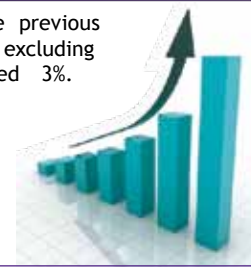


Three years ago the Foundation launched Communicate - a message delivery service to the chiropractic community for suppliers of goods and services on a fee for service basis. This Foundation initiative, aimed at developing a sustainable stream of income which is independent of funds raised through membership, donations and events is now a regular financial contributor to supporting chiropractic research and showed a 162% growth during the year under review.

Revenue

Revenue has increased by 19% on the previous year whilst operating expenses, excluding grants allocated, have only increased 3%. The compound revenue growth over the past 2 years represents a 57% increase.

We extend congratulations to all who have contributed to making this possible.



Research Committee Chair Report



This past year has been one of substantial transition and growth in our core business - research.

Our most recent Strategic Plan update brought emphasis to our entering a phase where we are strongly focused on growing resources, capacity and influence.

“We are strongly focused on growing resources, capacity and influence.”

RESOURCES

I'm pleased to report that we have added to our resources through increased participation on our Research Committee and Clinical Advisory Panel. These two groups oversee the passage of Expressions of Interest (EOI) for grants through to full application status for those who's EOI qualify and make final recommendations to our Board of Governors. These two groups are essential to reassure the Board that final applications meet tests on relevance, merit and potential and are of the highest standard. I would like to acknowledge the valuable contribution made by members of these groups and express our appreciation for their honorary service to the Foundation and profession.

Research Committee Members

Professor Ray Hayek (Chair), BSc (Hons), M Chiro, PhD, FICC, CertHEd
Professor Elizabeth Deane, BSc (Hons 1), PhD
Emeritus Professor Peter J Drake AM, BComm (Hons) (Melb), PhD (ANU), DUni (ACU), FCPA
Professor Bernadette Murphy, BA, DC, MSc, PhD
Emeritus Professor Charles Oxnard, BSc (Hons 1), MB, ChB, PhD, DSc (Science & Engineering)
Associate Professor Barbara Polus, BAppSc (Chiro), MSc, PhD
Associate Professor Goran Strkalj, BA, MA, PhD

Clinical Advisory Panel Members

Dr Mark Uren (Chair), DC, M Chiro Sc (Paediatric)
Dr Elizabeth Anderson-Peacock, BSc, DC, DICCP, FICA
Dr David Cahill, BAppSc (Chiro)
Dr James Carter, DC
Dr Gerald Clum, DC, HCD
Dr Ari Diskin, BA (Business Management), DC (USA), FACC
Dr Michael Hall, DC, FIACN
Dr Martin Harvey, BSc, M Chiro, MACC
Dr Doug Herron, DC, BSc (Bio)
Dr Rosemary Keating, BAppSc (Chiro), M Chiro Sc (Paediatric)
Dr Gilles LaMarche, BS, DC
Dr Paul McCrossin, BAppSc (Chiro)
Dr Mark Postles, DC
Dr David Russell, BSc (Psych), BSc (Chiro)
Dr Patrick Sim, BSc, M Chiro
Dr Lawrence Tassell, BA, DipEd, DC
Dr Taylor Vagg, BSc, M Chiro, MACC
Dr Adrian Wenban, BSc (Anatomy), BAppSc (Chiro), M Med Sc (Clinical Epidemiology), MACC
Dr Wayne Whittingham, BAppSc (Chiro), PhD

GRANTS

Despite global economic challenges and on-going uncertainty our research grant program has been refreshed and funding has been maintained. In my last report I indicated that we had received 17 EOI. The following final applications received grant funding.

Grants Approved for 2011

- 1 The effect of chiropractic care on synchronised pelvic floor muscle contraction.**
Drs Heidi Haavik/Stanley Flavel - New Zealand College of Chiropractic
- 2 Randomised controlled trial of the effects of sixteen weeks of chiropractic care on objective markers of sensorimotor function in older people**
Dr Kelly Holt - New Zealand College of Chiropractic
- 3 The effect of chiropractic care on cerebellar function**
Professor Bernadette Murphy - University of Ontario
- 4 Effects of spinal manipulation of thalamic mechanical response threshold**
Dr William Reed - Palmer College of Chiropractic

The following is a list of previously approved research projects for which we continue to have a funding commitment:

- 1 The effects of lumbopelvic adjustments on the function of the pelvic floor muscles**
Professor Bernadette Murphy - University of Ontario
- 2 Somato-Sympathetic responses to chiropractic adjustments in a model of cervical disc degeneration**
Dr Christopher Colloca - Arizona State University
- 3 Do chiropractic spinal adjustments modulate brain derived neurotrophic factor levels in the brain? - a study in the rodent**
Associate Professor Philip Bolton - University of Newcastle
- 4 Do chiropractic vertebral adjustments modulate sympathetic nerve activity in humans?**
Associate Professor Philip Bolton - University of Newcastle

“Despite global economic challenges and on-going uncertainty our research grant program has been refreshed and funding has been maintained.”

Chiropractic Student Research Award 2011

I also have great pleasure in advising the winner of our annual student research project awards. These awards recognise outstanding research performance by students from Australian and New Zealand chiropractic institutions.

A research project entitled 'Assessment of the Clinical knowledge of chiropractic students relating to Temporomandibular Joint Disorders' was awarded to Mr Rick Endres from Macquarie University. We will eagerly await Rick's progress and contribution to chiropractic research in the future.

CAPACITY

'Capacity' is defined as our ability to produce. Over the past year we have enhanced our capacity through multiple activities.

Our Board has been reviewing our Vision and Mission Statement to ensure they maintain currency with the profession whilst staying congruent with our values and principles. Our Vision Statement has been altered to **“We are the research foundation which demonstrates that chiropractic care enhances quality of life and human performance.”**



We have also taken a position whereby we recognise our mandate is to support of the leadership of the profession by providing the research they require to inform health policy, practitioners, policy-makers, educators and the general public.

In recognition of our need to create more research faster, by whatever means, we have adopted a position where our unique intellectual property of seeking and assessing research unique to the chiropractic paradigm is central to the profession receiving this type of research. In the past we have used this process and then directly paid grants from funds we have raised. We therefore funded research. We have changed our position to enable more to be done. We now continue to provide our funds for research but we will also facilitate funding. We believe funds don't have to flow 'through' our organisation if that is an impediment to research. Our role is to get the research done, however that can be achieved. Our previous Mission Statement referred to us exclusively as *funding* research and disseminating knowledge that furthers the understanding development and effectiveness of chiropractic care. We have revised this to allow facilitation. Our Mission Statement - *"The Mission of the Australian Spinal Research Foundation is to facilitate research and disseminate knowledge that furthers the understanding, development and effectiveness of chiropractic care."*

Over the past year our Board also endorsed minor changes to our Research Culture Statement and Research Priorities for EOI and full grant applications to be submitted for the 2011 funding round.

"We have also taken a position whereby we recognise our mandate is to support of the leadership of the profession by providing the research they require to inform health policy, practitioners, policy-makers, educators and the general public."

Research Culture Statement

The chiropractic paradigm hypothesises that chiropractic care leads to better nervous system function, facilitating a greater level of health, enhanced quality of life and human performance.

In this 2011 grant round, our focus is on funding research that investigates this hypothesis and funding will be directed to support two research priorities.

Priority 1: Fundamental Research

The Foundation is interested in supporting research that expands our knowledge and understanding of the vertebral subluxation complex and the chiropractic adjustment.

Priority 2: Clinical Research

The Foundation is interested in supporting clinically oriented studies that contribute to and expand our knowledge and understanding of the impact of chiropractic care on human physiology, the nervous system, global well being and quality of life.

All of these changes, whilst seeming subtle, are very important in realising our Vision.

I am pleased to report we have received 15 EOI, from various countries, for the 2011 grant round. These EOI will be reviewed for fit to our Research Priorities, Culture Statement, merit, relevance and potential to determine suitability for submission of a full and complete grant application.

Perhaps the greatest increase to our capacity has been the launch of the Chiropractic Research Partnership. This Partnership aims to bring together parties who can help fund more research, faster as well as leverage benefit from the research. We are calling on individuals to support the research that the profession needs. The Chiropractic Research Partnership casts a net to engage everyone - those involved in practice, politics, health policy, chiropractic education and PR for the profession. The Partnership was launched in late June with excellent response from a limited audience.

The Partnership is aimed at generating funds to allow for additional research grants, the establishment of practice based research networks, provision of administrative and laboratory support for researchers as well as certainty for those researching within the chiropractic paradigm. This is a long list but if the profession is to prosper all of these must be achieved over time.

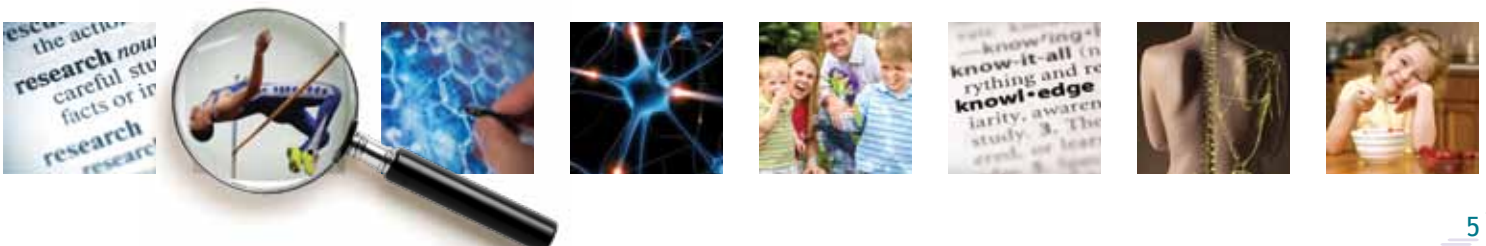
We will continue to promote the partnership through all areas of the profession here and internationally with the intention of creating *more research, faster* and seeing the research used to advance the credibility and political status of the profession.

Other developments aimed at increasing our capacity include drafted changes to the management of future grant applications. In the past an approved grant immediately became a 'funded' grant - we paid the monies and awaited the outcome. During the past year we introduced a process of making progressive payments against a cash flow schedule which is now required with each approved grant. This allows us to retain monies - and the earnings off these monies - until they are required within the research study. During the next year of grants we will be introducing a process of approving grants, conditional on funds availability. It is our intention to promote approved but not yet funded projects to generate greater interest and financial support for research activities.

INFLUENCE

Our influence is increasing at a global level. This past year has seen some significant benefits flow from the international relationship development undertaken by our President Dr Martin Harvey and our CEO Mr Roley Cook. Dr Harvey has made numerous presentations to various associations and audiences. He has forward bookings to present information about our work in Scotland, London and San Francisco with other invitations expected. He and Mr Cook hosted a lunch at Parker Seminar Las Vegas attended by 14 international leaders of the chiropractic profession internationally. Whilst our ability to fund such activities is limited the return on investing in these activities is becoming exponential. We are mindful that our research is of benefit to the whole chiropractic profession, internationally. It is amazing that a humble Australian organisation provides unique chiropractic research of global significance.

"Our influence is increasing at a global level. It is amazing that a humble Australian organisation provides unique chiropractic research of global significance."





Testimony to our increased global influence, albeit in baby steps so far, was the recognition provided to our Foundation by Parker College of Chiropractic (now Parker University) in bestowing the Parker College of Chiropractic Leadership Award on us “in recognition of years of leadership in chiropractic research”.

Further testimony of our growing influence was a donation of \$15,000 received from the Edmonton Chiropractic Society, Canada, led by Dr Don MacDonald. This small group of just seven people has shown outstanding leadership which we hope will be observed and followed by others.

To further expand our influence and raise the profile of research we sponsored the research session at the Chiropractors’ Association of Australia’s National Development Forum in 2010. We were pleased to showcase work by Angela Todd, Randy Beck, Heidi Haavik, and Kelly Holt.

CONCLUSION

It has been a very productive and rewarding year for Spinal Research. I would like to express gratitude to all who have contributed. I acknowledge those volunteers who selflessly give of themselves to

make chiropractic better. This may manifest in volunteering on a committee or at one of our events - it all contributes ultimately to our research effort.

I would like to especially acknowledge Mrs Helen Crew, Spinal Research’s Administration Manager. Helen is responsible for keeping the wheels greased and turning. She does a remarkable job.

I appreciate the wisdom and expertise of the Research Committee members and those on the Clinical Advisory Panel - you are core to our unique research paradigm.

In conclusion, I thank those who contribute and encourage those who don’t to do so!

Professor Ray Hayek
Chair, Research Committee



Corporate governance is the framework of rules, relationships, systems and processes within and by which authority is exercised and controlled in corporations. It encompasses the mechanisms by which companies, and those in control, are held to account. Corporate governance influences how the objectives of the company are set and achieved, how risk is monitored and assessed and how performance is optimised. Our governance is concerned with the structure, systems and processes that ensure the overall direction, effectiveness, supervision and accountability of the Foundation.

The primary functions of the Board of the Australian Spinal Research Foundation (Spinal Research) are to collectively ensure delivery against the purposes for which Spinal Research was established, to set its strategic direction, uphold its values and manage its “safe passage”. The Board is collectively responsible and accountable for ensuring and monitoring that Spinal Research is performing well, is solvent, with adequate financial and human resources and is complying with all its legal, financial and ethical obligations.

Our governance respects these responsibilities and is also concerned with the way our Board and individual Governors work with the Chief Executive Officer, staff and stakeholders to ensure Spinal Research is effective and delivers on our Mission, which is “to facilitate research and disseminate knowledge that furthers the understanding, development and effectiveness of chiropractic care”.

Our Board recognises the following essential governance principles:

Leadership

The Board should set and maintain Foundation direction, culture, ethics and policies, recognising its role in guardianship.

Systems and Procedures

The Board is responsible for policy, systems of financial control, audit and performance reporting.

Managing Risk

The Board must regularly review the risks to which the Foundation is subject and take action to mitigate risks identified.

Performance Review

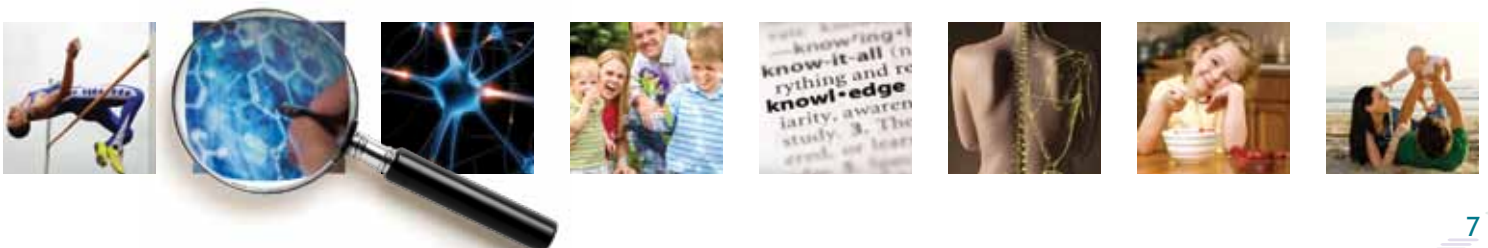
The Board should ensure that there is a system for the regular review of the Chief Executive Officer. The Board should review its own effectiveness in meeting its responsibilities to stakeholders and to ensure individual governors add value.

Australian Spinal Research Foundation is a company limited by guarantee under Australian Corporations Law. Whilst the Foundation is a not-for-profit organisation, with different structures and objectives to many ‘for-profit’ companies, we acknowledge the ASX Corporate Governance Council’s Principles and Recommendations for corporate governance and reported ‘best practice’ governance for not-for-profit organisations.

Board of Governors



From Left to Right:
 Dr James Carter, Professor Ray Hayek, Dr Tony Rose, Dr Carmen Atkinson, Dr Martin Harvey, Dr Brett Grant, Dr Nimrod Weiner, Dr Mark Uren, Dr Gary Smith
Inset:
 Professor Elizabeth Deane



Honour Roll - Members and Significant Donors as at 30 June 2011

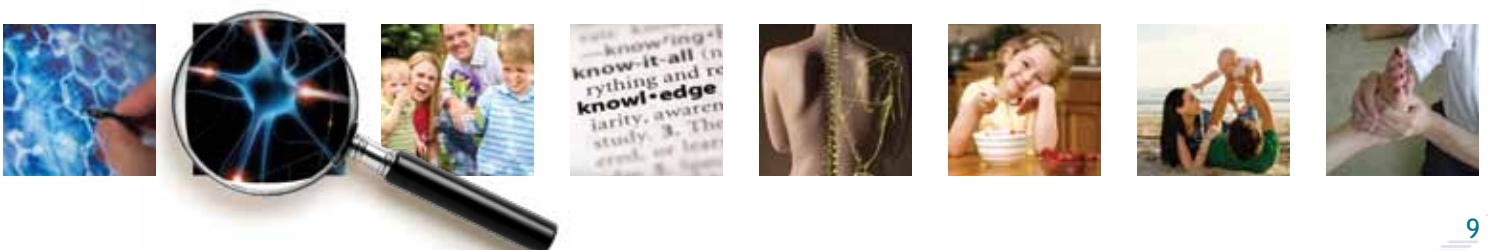
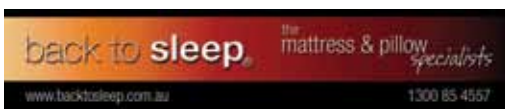
We salute those who give so generously to chiropractic research through membership and donations

7 Eleven Stores	Scott Champion	Phillip Ebrall	Vanessa Harrington	Randall Kelly
Janine Adams	Chris Charlton	Steven Eddy	Marti Harris	Hart Kennedy
Helen Alevaki	Lindy Cheetham	Edmonton Chiropractic Society	Tim Harrison	Ryan Kennedy
Rob Allan	Angeli Cherubim	Daniel Edwards	Christopher Hart	Tracy Kennedy-Shanks
Sarah Allan	James Chestnut	Ian Edwards	Douglas Hart	Andrew Kerr
Gillian Allport	Rod Chiapello	Jackie Elkins-Pole	Malcolm Hart	Krishna Keswani
Olivia Alysandratos	Andrina Chien	Kim Elliott	Martin Harvey	Billy Khan
Kingsley Anthonisz	Maree Chilton	Tim Ellis	Andrew Harwood	Janine Kinahan
Vicki Anthonisz	Irene Chin	William B Ellis	Nat Harwood	Suzanne Kippen
Sean Armstrong	Billy Chow	Simon Elrahi	Ewan Hauler	Nicholas Kitsou
Brad Atkinson	Bruce Chow	Deanne Esposito	Erin Hawken	Kathy Knight
Carmen Atkinson	Themis Christodoulou	Paul Fair	Michael Haworth	Robert Kokolich
Carli Axford	Tanya Christofas	Glenn Farrant	Christy Hawthorne	Carl Kosta
Peter Babilis	Lisa Clark	Peter Farrelly	Emma Hay	Michelle Kotzman
Chris Baginski	Lois Clark	Keith Farrugia	Geoff Hay	Jack Kucheran
Marc Bajcic	Robert Clark	Mark Feldman	Ray Hayek	William Kwok
Luke Banch	Tiffani Clingin	Susan Ferguson	Lawson Heath	Mark Lacey
Daniel Bank	Robert Clugston	Fay Finlay	Shane Hennig	Leonie Lancaster
Josephine Barnes	James Cobb	Paul Finn	Natessa Henville	Nathalie Laurendeau
Lorelle Barnett	Michael Cohen	Joe Floreani	Sue Heringslake	Cherine & Steven Lawer
Margie Barry	Thomas Cole	Phil Flowers	Doug Herron	Andrew Lawrence
Andrew Bartlett	Garry Coleman	Dominic Flynn	Julie Herron	Kerrie Lawrence
Victoria Bartram	Dennis Collis	Hannah Flynn	Angus Heseltine	Maree Lawryk
Keith Bastian	Matthew Comerford	Luke Foley	Brett Hill	Kathleen Lawson
Luke Bastian	Bryce Conrad	Brett Foote	John Hinwood	Chelsea Layden-Power
Sally Battle	Daniel Constable	Craig Foote	Judy Hinwood	Rod Le Coz
Alexander Baxter	Roley & Sharon Cook	Colleen Forbes	John Hobson	Stephanie Le Coz
Bianca Beaumont	Phillip Corbett	Arron Forrester	Louise Hockley	Keith LeBoeuf
George Belle	Adrian Couzner	Michelle Foster	Matthew Hodgson	Andrew Leece
Hayden Belle	John Covetz	Stephen Foster	Nick Hodgson	Miranda Lenis
Philip Benjabutr	Anthony Coxon	Toni Fountain	Anthea Holder	Ralph Levetan
Gordon Benz	Julianne Coyne	Robert Fraser	Kelly Holt	Andi Lew
Paul Bergamo	Dale Cramer	Joshua Freedman	Ian Homan	Caitlin Lewis
Peter Bertram	Tony Croke	Helen French	Jaslin Hood	Scott Lieschke
Sam Bettison	Sally Cunningham	Marc Frochot	Ian Hope	Brett Lillie
Kaushal Bhuta	Sue Cunningham	Jennifer Frohlich	John Horner	Oskar Lindback
Leisha Bickley	Joshua Cutrell	Teresa Fujimoto	Sharon Howard	Dean Lines
Natalie Bird	Nicole Czornohalan	Vanessa Fullard	Richard Howden	Maria Liosis
Dorte Bladt	Mark Dalton	Karon Fuller	Randy Hoysted	Clara Loh
Leanne Blencowe	Gianni Dalzotto	Ross Fullnell	Douglas Hren	Matthew Lonsdale
Theo Blote	Nicholas Daniels	Kimberlie Furness	Andy Hsu	Bernard Love
Steven Boord	Roxanne Daniels	Naomi Gale	Robert Human	Paula Love
Mark Boutle	Daniel Danuser	Derek Gallant	Christopher Hume-Phillips	Zoe Love
Amanda Boyd	Jason Davis	Peter Garbutt	Ben Humphries	Maurice Luna
Russell Brady	Jodi Davis	James Gardiner	Carmen Hunwardsen	Brandi MacDonald
Michael Brett	Kynan Dawes	Todd Gignac	Franz Hutter	Don MacDonald
Colin Brice	Dale Day	Craig Gilberd	Albert Huynh	Andrew MacFarlane
Nathan Bridge	John de Voy	Brianna Gist	Andrew Iggo	Nicholas Maczyszyn
Neil Brodie	Ian Deitch	Edna Giuntini	Berni Ireland	Yadira Magana
Alison Brooker	Misha Del Rae	Fiona Glenn	Brett Ireland	Glenn Maginness
Andrew Broughan	Brett Delar	Jennifer Gobbos	Daniel Irvine	Jim Mahanidis
Alan Brown	Genevieve Dharamaraj	Peter Goodman	Geoff Irvine	Ursula Maher
Alexandra Browne	Daniela Digiacomio	Kathy Goodwin	Dirk Jacobsz	Ben Maitland
Phillip Burgess	Carly Digney	Samantha Goor	Lazar Jancic	Carol Ann Malizia
Nicole Byrne	Alfie Dimalanta	Kathy Grace	Suzanne Jarschke	Daniel Malone
CAA (National)	Michael DiPaul	Per Granlund	Nathan Jenner	Fabrizio Mancini
David Cahill	Ari Diskin	Bradley Grant	Cherie Johnson	Sarah Mannes
Rachel Cairns	Bianca Dobson	Brett Grant	Jenny Johnson	Timothy Mannes
Andrew Cameron	Steven Doig	Ivanka Grant	Rita Johnson	Anita Marcinkowski
Neil Campbell	Sam Dona	Gary Gray	Kim Jom	Robert Marin
Scott Campbell-Lloyd	Ben Dorrat	Julie Gray	Andrew Kaltenback	Stephanie Mathieson
Don Cannon	Shara Downey	Peter Grieve	Jim Karagiannis	Clint Mayer
Tanya Canoy	Shalom Drimer	David Griffiths	Lucas & Melissa Karayannis	Jennifer Mayer
Simon Carlin	Christina Dryden	Raffi Grigorian	Christopher Kay	Gillian McCall
G Carr	Elena Dunne	Joel Grist	Genevieve Keating	Clinton McCauley
James Carter	Dynamic Chiropractic	Alan Hagen	Rosemary Keating	Andrew McColl
Ben Carvosso	Kerein Earney	Toni Hamilton	Luke Keenan	Heather McColl
Simon Cassidy	Ryan Ebeling	Michelle Hand	Brian Kelly	Pat McDougall
Nicholas Cetrola	Lance Eblen	Samantha Harman	Paul Kelly	Mark McEwan



- | | | | | |
|-----------------------|------------------------|-----------------------|------------------------|-------------------|
| Anita McGrath | Mark O'Brien | Tim Robards | Chris Slater | Julie Uren |
| Andrew McGregor | Anthony O'Reilly | Narrelle Roberts | Richard Sloane | Mark Uren |
| Katelyn McGregor | Sophie Osborne | Shirley Roberts | Gary & Carmel Smith | Taylor Vagg |
| Aidan McGuigan | Steve Osborne | Jackie Robson | Roy Smith | Scott Vatcher |
| Erin McIntosh | Mark Ottley | Ian Rock | Travis Smith | Christophe Vever |
| Alexandra McIntyre | Siobhan Overberg | Kathryn Rock | Lisa Smycz | Andrew Vincent |
| Lynda McLean | Gabriella Palomares | Alexander Rodwell | Melanie Sounness | Alan Vlahov |
| Sarah McLinden | Anthony Papaleo | Christine Rollman | Samuel Sox III | Nancy Von Pfyffer |
| Kate McMaster | Leonardo Papanicolaou | Jenny Roppola | Mark Speechley | Tim Wade-Ferrell |
| David McNair | Andrea Parisio-Ferraro | Brennan Rose | Duane Spiccia | Kain Walker |
| Judith McNeill | Stella Parissis | Tony Rose | Paula Stacey-Thomas | Paulette Walker |
| Bobbie McPhail | Graham Park | Russ Rosen | Karissa Stallwood | Susan Walker |
| Aaron McPherson | Scott Parker | Sarah Rossi | Lauren Steinfert | Pauline Walsh |
| Yvette McPherson | Mark Pascoe | Lee Round | Scott Stephens | Murray Warner |
| Eva McQueen | Paul Patterson | Kirk Royle | Andrew Stevenson | Aimee Weaver |
| Frank Mechler | Vicki Patterson | Malcolm Rudd | Frederick Stevenson | Nimrod Weiner |
| Karen Meldrum | Andrew Paul | Tony Rudd | Ken Stewart | Jason Wells |
| Mike Melling-Williams | Sarah Pearce | Liana Ruggiero | Adrian Stocco | Tracey Wells |
| Shane Mezger | Clifford Pearson | Bradley Rulfs | Daniel Strong | Alaquoque Welsh |
| Jesse Middleton | John Petrozzi | David & Tania Russell | Paul Stuchbery | Travis West |
| January Mierzejewski | David Pham | Eric Russell | Lisa Sullivan | Claire Wheeler |
| Troy Miles | Ben Phillips | Lee Sandley | Louise Sung | Carmel Whelan |
| David Minns | Mark Pickford | Jeremy Sangster | John Swatland | Kieran Whelan |
| Richard Mitton | Rebecca Pithers | Angelo Santin | Jonathan Tan | Wendy Whyte |
| Tanja Mitton | Monica Plane | Kitty Satiu | Sean Tan | Kelly Wignell |
| Andrija Mladenovic | Fiona Plant | Matthew Scheier | Linda Tarran | Nick Wignell |
| Goran Mladenovic | Michael Portelli | Sibille Schindler | David Tasker | Helen Wilcox |
| Tania Mladenovic | Victor Portelli | Jennifer Schrader | Leisa Tassell - Hunter | Alisa Williams |
| Joy Moolman | Ali Postles | Benjamin Schutte | Gerrard Taylor | Sharon Williams |
| Craig Moore | Mark Postles | Eric Schwelm | Gregory Taylor | Stuart Williams |
| Nicole Moore | Cameron Potter | Aaron Scott | Laurence Tham | Nathalie Willis |
| Robert Moore | Jeffrey Pow | Alison Scott | Jeremy Thomas | Paige Willoughby |
| Christopher Morgan | Jon Powderly | Eon Scott | Judith Thomas | Matt Windsor |
| Simon Morgan | Heidi Power | Ryan Seaman | Bruce Thompson | Douglas Winter |
| Philip Morphew | Iain Praeger | Jessica Seebauer | Cindy Thompson | Paul Wise |
| Jenny Murphy | Tarli Preston | Josephine Sexton | Wendy Thompson | Tim Woicsek |
| Andrew Mutzig | Jacey Pryjma | David Shahar | Andrew Timbs | Nick Wood |
| Bernie Nadolny | Angus Pyke | Anthony Shanahan | Angela Todd | Beau Woods |
| Gayathri Nanayakkara | Bill Pyrke | Keiran Shanahan | Bettina Tornatora | Marcus Yeo |
| Mark Navin | Georgia Quinn | Shauna Shaw | Bruce Towle | Ryan Yorke |
| Julie Neave | Adam Ransley | Jody Shawn | April Traynor | Rachel Young |
| Kevin Neufeldt | Kristin Rappold | Leigh Sheldrick | Debbie Trembath | Warren Young |
| Alice Nguyen | Carl Rasch | Lisa Shelton | Graham Tripp | Lucy Youren |
| Nam Nguyen | Kathy Rasch | Lisa Shortridge | Michael Troy | Daryl Zeiderman |
| Daniel Niemiec | Ken Rasura | John Sichter | Jacqui Trugar | Maria Zuschmann |
| Orlando Nieves | Bernadette Redfern | Patrick Sim | Warren Tse | |
| Joji Kazu Nisino | Sherry Repka | Warren Sipser | Dina Tsonis | |
| Gillian Nixon | Andrew Richards | Erik Skar | Braxton Turnage | |
| Andrew Norwood | Dennis Richards | Brett Skilton | Andrew Tyler | |
| Craig Nunn | Shayne Riordan | Denise Skinner | Wesley Upfold | |

A new category of membership, Commercial Membership, introduced 2 years ago for suppliers to the profession has seen participation doubled over last year.



Why and how I serve Spinal Research



I acknowledge and praise the Australian Spinal Research Foundation for the growth and strength that it continues to offer our profession. Spinal Research is leading the way globally when it comes to the advancement of the profession through chiropractic research.

As an Emerging Chiropractor I am passionate about supporting this vision and am grateful to be involved with the amazing team at Spinal Research.

Currently my role as the Convenor for DG Jumpstart 2012 is an opportunity to support the future of the profession by expanding their knowledge and certainty on what is possible within chiropractic. DG Jumpstart is an initiative created by the Emerging Chiropractors' Portfolio, which is aimed to support the transition process from student to chiropractor.

I look forward to continuing my service to Spinal Research and inspiring other Emerging Chiropractors to see the benefits of also getting involved.

Dr Ali Postles, Chiropractor



Along with Kimberlie Furness, I am the Co-Convenor for Dynamic Growth Experience in Melbourne. I also help with running DG Congress. I have been attending DG events every year since my first year as a student, because I always find them to be an awesome experience. So when I was offered the opportunity to help with the organising and running of these events, I jumped at the chance to be able to give back and

contribute to the Foundation and the profession.

I believe that quality research is currently lacking in our profession and it is vital that we change this situation. I see that Spinal Research is leading the way by funding and creating a platform for vitalistic research that is congruent with our chiropractic philosophy. I believe that supporting the Foundation is supporting the future of our profession. That is why I am honoured to be able to contribute.

Dr Troy Miles, Chiropractor



It is such an honour to serve on the Board of the Australian Spinal Research Foundation and to work alongside a team of such committed Board members and staff who constantly go above and beyond for spinal research.

My increasing awareness of the science that underpins our chiropractic philosophy was what helped me grow in confidence and certainty in practice, so I felt driven to contribute so that other chiropractors could benefit from understanding what it is we do and how what we do can improve human health and performance.

In the past 6 months I have taken on the role of Dynamic Growth Congress Convenor. Having attended every DG since my 1st year of Chiropractic College and recognising the influence that this event has had on me over the years both professionally and personally, I am thrilled to now have the opportunity to help co-ordinate this event.

My other Board roles include the publication of a Board Procedural Manual as well as the development of the new portfolio - Event Integration and Continuing Professional Development.

Dr Carmen Atkinson, Governor



Year 2011 will see me attend the Dynamic Growth Congress, Parker Seminar Sydney and the Dynamic Growth Experiences in Brisbane, Mackay and Adelaide. In all of these events I have been on a logistics team, the convenor or a speaker. I am also an annual Gold Member of the Foundation and a Silver Member of the Chiropractic Research Partnership.

I contribute so much to the Foundation for two reasons. Firstly, I have at least 30 more years in practice ahead of me and I want to continue practicing in a subluxation based, wellness orientated manner. The Foundation supports this with their vision and the research that they are funding. And secondly, I receive far more than I give. After every Foundation event that I attend I return to practice with a renewed focus, clearer intent and more drive to serve people. This normally results in record breaking weeks and lifts the clinic to another level of performance. That's why I serve and support the Foundation.

Dr Travis West, Convenor, Dynamic Growth Experience, Brisbane.



I have had the privilege to be involved with Spinal Research for about 23 years. Firstly as a regular and enthusiastic participant of DG Congress, then in various team roles such as a team member, team leader and DG Experience Convenor in Victoria.

My role has gradually developed into the Logistics Team Leader for DG Congress and Parker Seminars in Australia where I coordinate the 130 or so volunteers it takes to run the events.

We are unique in the way we use such an army of volunteers but the benefits are clearly a win-win for all concerned.

I am both challenged and honoured by my role and find working with so many willing supporters of the Spinal Research vision a rewarding and enriching experience.

Dr Richard Mitton, Logistics Team Leader, DG Congress/Parker Seminars



I feel very privileged to serve on the Board of Spinal Research. I am sure that we all recognise the pivotal role that research has in expanding chiropractic's reach, into the future. Research gives us certainty, credibility and confidence in knowing what we know and doing what we do. We are on the brink of various paradigm shifts, intersecting in the near future; and to mature through to the other side, to transition successfully, we will have to step-through with confidence. Research is the vehicle that will move chiropractic closer towards its potential.

It is a great pleasure for me to hold the role of content editor for the Foundation. I see it as fundamental that we leverage the undertaking of greater research and that the research is communicated in a meaningful way to you. This requires a balance between the science arena and its practical application.

I know that the majority of chiropractors notice the disconnect not only between the academic world and the one in practice, but also between the incomplete understanding that is taught in a mechanistic view and the fuller understanding of the potential of chiropractic. My aim is to bring continuously higher quality communication, which inspires and educates each person to advance chiropractic.

I am pleased that the Foundation is such a highly engaged team of motivated people with a very strong sense of purpose, vision and achievement. It boldly leads chiropractic to its future.

Dr Nimrod Weiner, Governor



Each year volunteers contribute to the Australian Spinal Research Foundation and make a huge difference in doing so. The time, talent and expertise offered by our volunteers is a truly valuable resource allowing us to progress the Foundation efficiently, raising funds and saving expenses.

Volunteer roles include participation on our Board of Governors, Research Committee, Clinical Advisory Panel, 'Journos' Team, event logistics teams, special project teams and administration. Our aim is to attract people to engage with the Foundation, giving physical, intellectual or leadership support and adding to our human capital.

Helen Alevaki
Sarah Allan
Lindsey Allard
Rebel Allen
Gillian Allport
Ivo Alquist
Elizabeth Anderson-
Peacock
Kurek Ashley
Jessica Askew
Carmen Atkinson
Ian Baker
Gretchen Balas
Jennifer Barham-Floreani
Margie Barry
Anna Beaton
Randy Beck
Tenille Bentley
Dorte Blatt
Justine Blair
Naomi Bond
Neil Bossinger
Shady Botros
Beth Brook
Alison Brook
Kath Brooks
Katie Buschgens
Sally Butz
Nicole Byrne
David Cahill
Rachel Cairns
Andrew Cameron
Micha Camfield
Simon Carlin
Anna Carter
James Carter
Janice Chan
Eric Cheng
Grace Cheng
Lichia Cheong
James Chestnut
Kerry Cheswick
Andrina Chien
Irene Chin
Don Chisolm
Billy Chow
Lois Clark
Lisa Clark
Helene Clements
Tiffani Clingin
Gerry Clum
Sharon Cook
Kate Cornish
Julianne Coyne
Virginia Croke
Emily Cumming
Meghan Dalton
Sam D'Aquino
Jessica Davidson
Karen Davis
Caroline de Groot
Elizabeth Deane

Brett Dellar
Alicia Dender
John De Voy
Sumit Dhall
Genevieve Dharamaraj
Michael Di Paul
Ari Diskin
Rob Domingues
Meryl Dorey
Ben Dorrat
Peter Drake
Helene Drimer
Shalom Drimer
Keiren Earney
Adam East
Sandy Eskander
Olivia Fabian
Paul Fair
Randall Farrant
Sarah Farrant
Peter Farrelly
Carolyn Fay
Mark Feldman
Chelsea Fitzpatrick
Simon Floreani
Dominic Flynn
Ben Foley
Craig Foote
Allison French
Kimberlie Furness
Nick Gentile
Craig Gilbert
Brianna Gist
Brett Grant
Ivanka Grant
Laura Greening
Dar Griffith
Steve Griffiths
Blake Guy
Heidi Haavik
Alan Hagen
Michael Hall
Phil Hamersley
Matt Hamilton
Laura Harding
Kathryn Harley
Vanessa Harrington
Martin Harvey
Chris Hatchman
Ray Hayek
Candice Haynes
Courtney Hedge
David Hendrey
Irma Hernandez
Doug Herron
Brett Hill
John Hinwood
Judy Hinwood
Esen Hjalmbj
Jade Hooper
Doug Hren
Eigil Instebø

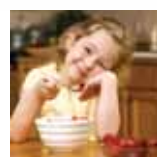
Berni Ireland
Laurence Irvine
Ashleigh Jennings
Beverley Kaps
Jim Karagiannis
Chris Kay
Rosemary Keating
Sandy Keller
John Kelly
Vikki Kelly
Anna Kennedy
Tracy Kennedy-Shanks
Laurence Kinnane
Maddy Kirsch
Damian Kristof
Gilles LaMarche
Kristie Lane
Kerry Laurence
Evan Lawson
Rod Le Coz
Stephanie LeCoz
Nick Lee
Andrew Leece
Miranda Lenis
Caitlin Lewis
Daniel Lewis
Scott Liescke
Brett Lillie
Zoe Maitland
Sharon Mangan
Leanne Mauro
Bobbie McPhail
Rosina McAlpine
Clinton McCauley
Paul McCrossin
Brian McKenzie
Yvonne McKenzie
Shane Mezger
Jesse Middleton
January Mierzejewski
Troy Miles
Chris Milios
David Minns
Richard Mitton
Tanja Mitton
Simon Morgan
Philip Morpew
Demi Morretti
Katrina Morton
Bernadette Murphy
Tara Newton
Alice Nguyen
Brian Nook
Andrew Norwood
Chad O'Connor
Cyndi O'Meara
Toni Oppenlander
Siobahn Overberg
Charles Oxnard
Derek Page
Graham Park
Mark Pascoe

Helen Peters
David Pettite
Andrew Pickering
Barbara Polus
Ali Postles
Mark Postles
Jeff Pow
Jon Powderly
Heidi Power
Dzung Price
Jacey Pryjma
Angus Pyke
Georgia Quinn
Catherine Reddie
Dorothy Rivers
Candice Robertson
Scott Rochford
Annika Rogers
Tony Rose
Stacey Ross
Mick Rowe
Malcolm Rudd
Barry Rushton
David Russell
Kitty Satiu
Michelle Schaffer
Alison Scott
Jessica Seebauer
David Shahar
Jody Shawn
Davina Sheldrick
Lisa Shelton
Patrick Sim
Gregg Smillie
Carmel Smith
Emma Smith
Gary Smith
Kinnersly Smith
Adrian Stocco
Andrew Stott
Goran Strkalj
Lisa Sullivan

Debbie Tan
Lawrence Tassell
Joel Taylor
Victoria Te Rito
Laurence Tham
Judith Thomas
Wendy Thompson
Marty Timchur
Bettina Tornatora
Michael Troy
Jacqui Trugar
Miles Upfold
Julie Uren
Mark Uren
Taylor Vagg
Andrew Vincent
Kain Walker
Zoe Wallace
Stewart Ward
Matthew Watkinson
Alicia Watson
Nimrod Weiner
Adrian Wenban
Travis West
Kieran Whelan
Wayne Whittingham
Alisa Williams
Shirley Winter
Tim Woizek
Lyndon Woods
Shelley Woods
Maria Wright
Ryan Yorke
Maria Zuschmann



as at 3 October 2011



Treasurer's Report



In writing this report I am reminded of Colonel John "Hannibal" Smith the fictional character in the 1980s action/adventure series, The A Team. He made the statement "I love it when a plan comes together!" I do love it when a plan comes together and I am pleased to report that despite the worsening impacts of the GFC and its on-going financial ramifications our Foundation is not just managing financially but is

forging ahead on our planned growth path!

Despite the uncertainty of financial markets, lower consumer confidence and the impact of Mother Nature's wrath across the world we have enjoyed a successful year by all accounts.

The Board, despite challenging global economic influences, has deliberately chosen a course of investing in Spinal Research's future and the future of the profession during the past 5 years. We believe there are four major phases through which we will transition to accomplish our ultimate goals. These include building the initial strategic and operational platform of readiness, growing the resources, capacity and influence of the Foundation - then leveraging our capacity and creating impact as we move to fulfilling our Vision of being the research foundation which demonstrates that chiropractic care enhances quality of life and human performance. In my last report I indicated that we felt we had successfully reached a tipping point to move from phase one to phase two. This phase brings emphasis on growing resources, capacity and influence.

In my eyes, the role of Treasurer is to monitor the degree of accelerator and brake control to be applied whilst delivering the strategic outcomes within acceptable timeframes and agreed financial parameters. From this context I am pleased to advise we have made much progress over the past twelve months - it's been mostly accelerator and almost no brake control! I am sure as you have read through this report you will have observed how our activity levels have increased in many dimensions. Many people have contributed. Our logistics team volunteers are a key strength enabling us to hold successful events. Those who serve selflessly on our Research Committee and Clinical Advisory Panel enable our grant process and we commend them for bringing their expertise and energy to the cause. I also wish to make special mention of the outstanding leadership provided by Martin Harvey. He has made personal sacrifices to walk the talk on behalf of chiropractic research and our Foundation. Martin has presented to audiences internationally and raised awareness of the huge gap between research need and current output.

“ Whilst our activity has been pleasing so too has our financial performance. Revenue during the past year increased by 19% over the previous year whilst expenses, excluding grant allocations, have only increased 3%. ”

It has been our intention to grow collaborative relationships to expand our circle of support, mentoring, knowledge and influence. As an example of having grown international awareness of the Foundation and our ability to benefit from existing relationships we were supported by Parker Seminars in hosting a luncheon meeting

in Las Vegas with 14 of the most influential chiropractic leaders worldwide. These leaders offered advice on potential directions for the Foundation and pledged on-going mentoring. We thank them with deep appreciation for their guidance and assurance. We have enjoyed a wonderfully constructive relationship with Parker Seminars and their support has been a demonstration of truly living by the Parker Principles which they espouse.

The work which has been carried out on the home-front is equally as important in shaping our future. We consciously embarked on embracing emerging chiropractors - those who recently graduated and those who are studying currently. Clearly, they represent the future. For us, a strong relationship leads to greater engagement with the Foundation - more future members, supporters, researchers, event delegates, Board members or participants on committees. Brett Grant and his team have made a significant contribution to developing this activity.

The launch of the Chiropractic Research Partnership in June is the result of extensive consideration, discussion, guidance and hope - hope that the gravity of having insufficient research to meet all regulatory requirements for chiropractors motivates a sufficient critical mass to make a real difference! This is a major initiative and I hope to report on its success in ensuing years.

I would like to acknowledge the work of so many in making our events program so rewarding professionally to those who attend and financially for the Foundation. During the past year we held thirteen events. We work very hard for our income. Events are challenging, complicated and demanding of strong management control to ensure viability. It is a tribute to management and our wonderful volunteers that we have been able to run successful events in disseminating knowledge, as required by our Mission Statement as well as generating profitability. Our thanks go to our speakers, sponsors, exhibitors, volunteers and staff all of whom play a vital role in allowing us to generate funds for chiropractic research.

Whilst our activity has been pleasing so too has our financial performance. Revenue during the past year increased by 19% over the previous year whilst expenses, excluding grant allocations, have only increased 3%. Reviewing performance over the past two years we have seen an increase in revenue of 57% and a corresponding increase in expenses, excluding grant allocations, of only 29%. Other key financial indicators are all satisfactory in the context of where we are in this part of our journey. Full financial information follows in this report and I commend the results achieved.

As stated earlier the Board elected to invest in the Foundation's future in order to grow our ultimate capacity. Capacity takes time to generate and this past year clearly demonstrates the value of investing in competent, diligent and loyal staff. It's impressive to observe the quality and volume of work undertaken by our small staff team. If you have interacted with them this past year you will understand the contribution they provide and the difference they make!

So in summary I can proudly acknowledge the progress achieved with our strategic pursuit of our Vision as well as our financial performance over the past year.

I love it when a plan comes together!

Dr Mark Uren
Treasurer



Governors' Report

The Governors present their report on the Australian Spinal Research Foundation (the "Foundation") for the financial year ended 30 June 2011.

Governors

The names of the Governors in office at any time during or since the end of the financial year are:

- Dr Martin Harvey
- Dr Raymond Hayek
- Dr Mark Uren
- Dr Anthony Rose
- Dr James Carter
- Dr Gary Smith
- Dr Brett Grant
- Professor Elizabeth Deane
- Dr Carmen Atkinson (Appointed 30 October 2010)
- Dr Nimrod Weiner (Appointed 30 October 2010)
- Dr David Cahill (Retired 30 October 2010)
- Dr Rosemary Keating (Retired 30 October 2010)

Governors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

The following person held the position of company secretary at the end of the financial year:

Dr Anthony Rose - B AppSc (Chiro), B Clin Sc. Dr Rose has 6 years of service with the Foundation and has practiced as an associate, locum and principle throughout Australia.

Review and Results of Operations

The Foundation's profit for the financial year amounted to \$71,379 (2010 - \$55,516).

Significant Changes in State of Affairs

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

Principal Activity

The principle activity of Australian Spinal Research Foundation during the financial year was to facilitate research within the chiropractic paradigm.

Our Vision

We are the research foundation which demonstrates that chiropractic care enhances quality of life and human performance.

Our Mission

Our Mission is to facilitate research and disseminate knowledge that furthers the understanding, development and effectiveness of chiropractic care.

The Foundation's short-term objectives are to:

- Grow the total resources, both physical and financial, to pursue our Mission
- Grow the Foundation's capacity to deliver on its Mission
- Build our international presence, relationships and awareness
- Expand our influence within chiropractic and health care

The Foundation's long term objectives and supporting strategies are:

Grow the base of evidence supporting the Chiropractic paradigm

- Grow increased knowledge and understanding of our area of research interest
- Maximise investment in research
- Nurture and grow the research community who share alignment with our research culture

- Grow increased knowledge of our existing research grant program across the international chiropractic community
- Explore new processes for research funding
- Encourage and adopt shared agendas related to our research paradigm

Make the evidence known through expanded and improved communication

- Accumulate information related to research and living a chiropractic lifestyle
- Communicate research in formats that promote increased value
- Increase the visibility of research

Grow the funds available to enable increased investment into gathering and communicating research

- Increase funds from existing revenue sources
- Develop new sources of funds
- Optimise returns on investment

Continuously improve the capacity of the Foundation to deliver its Mission

- Grow awareness of the Foundation and its activities
- Encourage enrolment to our Vision
- Grow the number of people who are engaged with the Foundation
- Elicit support from organisations that support our Vision and Mission
- Continually develop the governance standards of the Foundation
- Build capacity through productivity gains and process improvement

After Balance Date Events

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

Likely Developments

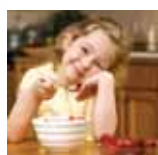
The Foundation expects to maintain the present status and level of operations and hence there are no likely developments in the Foundation's operations.

Environmental Issues

The Foundation's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Information on Governors

Governors	Qualifications	Portfolio	Years of Service
Dr Martin Harvey	BSc, M Chiro, MACC	President	8
Dr Raymond Hayek	BSc (Hons), M Chiro, PhD, FICC, Cert H.Ed	Deputy President	7
Dr Mark Uren	DC, M Chiro Sc (Paediatric)	Treasurer	8
Dr Anthony Rose	B AppSc (Chiro), BClinSc	Secretary	6
Professor Elizabeth Deane	BSc (Hons 1), PhD	Governor	6
Dr Gary Smith	B AppSc, M Chiro, Dip Phys Ed, Grad Dip Rec Studies	Governor	5
Dr James Carter	DC	Governor	3
Dr Brett Grant	BSc, M Chiro	Governor	2
Dr Carmen Atkinson	BAppSc (ClinSc), BCSc	Governor	1
Dr Nimrod Weiner	BSc (Med), M Chiro	Governor	1
Dr David Cahill	BAppSc (Chiro)	Governor	11
Dr Rosemary Keating	BAppSc (Chiro), M Chiro Sc (Paediatric)	Governor	2



Financial Statements

Meetings of Directors

During the financial year three meetings of Governors were held and one teleconference meeting of the Executive. Attendees by each Governor during the year were as follows:

Governors	Number Eligible to Attend	Number Attended
Dr Martin Harvey	4	4
Dr Raymond Hayek	4	4
Dr Mark Uren	4	4
Dr Anthony Rose	4	4
Professor Elizabeth Deane	3	3
Dr Gary Smith	3	3
Dr James Carter	3	3
Dr Brett Grant	3	3
Dr Carmen Atkinson	2	2
Dr Nimrod Weiner	2	1
Dr David Cahill	1	1
Dr Rosemary Keating	1	1

Members' Guarantee

The Foundation is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. In the event of a winding up of the Foundation and the assets of the Foundation being insufficient to meet the liabilities of the Foundation, the Constitution provides that the responsibility of individual members to meet the excess liabilities is limited to no more than \$10. At 30 June 2011 the number of members was 879 (2010: 845) meaning, the total amount that the members would be liable to contribute should the Foundation be wound up is \$8,790 (2010:\$8,450).

Indemnification of Officer or Auditor

During or since the end of the financial year, the Foundation has paid or agreed to pay a premium in respect of a contract of insurance insuring Officers (and any persons who are Officers in the future and employees of the Foundation) against certain liabilities incurred in that capacity. Disclosure of the total amount of the premiums and the nature of the liabilities in respect of such insurance is prohibited by the contract of insurance.

No indemnities have been given or insurance premium been paid in relation to the Foundations' auditors.

Proceedings on Behalf of the Foundation

No person has applied for leave of Court to bring proceedings on behalf of the Foundation or intervene in any proceedings to which the Foundation is a party for the purpose of taking responsibility on behalf of the Foundation for all or any part of those proceedings.

The Foundation was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out opposite.

Signed in accordance with a resolution of the Board of Governors:

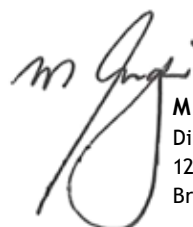


Dr M Harvey
Governor
12 October 2011
Springwood

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF AUSTRALIAN SPINAL RESEARCH FOUNDATION

As lead auditor for the audit of Australian Spinal Research Foundation for the year ended 30 June 2011, I declare that to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



M A Georghiou
Director
12 October 2011
Brisbane

MGI Brisbane Pty Ltd.

MGI Brisbane Pty Ltd

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2011

	Notes	2011 \$	2010 \$
ASSETS			
CURRENT ASSETS			
Cash assets	4	304,281	221,722
Trade and other receivables	5	45,368	24,778
Inventories	6	-	-
Other current assets	7	63,770	30,181
TOTAL CURRENT ASSETS		413,419	276,681
NON CURRENT ASSETS			
Financial assets - investments	8	1,174,779	1,132,612
Property, plant and equipment	9	52,763	61,833
TOTAL NON CURRENT ASSETS		1,227,542	1,194,445
TOTAL ASSETS		1,640,961	1,471,126
CURRENT LIABILITIES			
Trade and other payables	10	108,683	39,608
Financial liabilities	11	24,298	8,137
Provisions - employee benefits	12	42,481	44,382
Other current liabilities	13	103,026	79,415
TOTAL CURRENT LIABILITIES		278,488	171,542
NON CURRENT LIABILITIES			
Financial liabilities	11	-	24,298
Provisions - employee benefits	12	26,310	10,502
TOTAL NON CURRENT LIABILITIES		26,310	34,800
TOTAL LIABILITIES		304,798	206,342
NET ASSETS		1,336,163	1,264,784
EQUITY			
Retained earnings		1,336,163	1,264,784
TOTAL EQUITY		1,336,163	1,264,784



STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2011 \$	2010 \$
Revenue	2	1,622,725	1,367,874
Net fair value gain/ (loss) on re-measurement of financial assets		42,167	101,901
Cost of production		(574,994)	(623,576)
Employee benefits expense		(525,342)	(464,471)
Depreciation expense	3 (a)	(16,011)	(18,045)
Other expenses		(475,855)	(306,071)
Finance costs	3 (a)	(1,311)	(2,096)
Profit/ (loss) before income tax		71,379	55,516
Income tax expense	1 (k)	-	-
Profit/ (loss) after income tax		71,379	55,516
Other Comprehensive Income:			
Other comprehensive income for the year		-	-
Total comprehensive income for the year		-	-
Profit/ (loss) attributable to:			
Members of the Foundation		71,379	55,516
Total comprehensive income attributable to:			
Members of the Foundation		71,379	55,516

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2011

	Retained Earnings \$	Total \$
Balance at 1 July 2009	1,209,268	1,209,268
Comprehensive Income		
Profit attributable to members of the Foundation	55,516	55,516
Other comprehensive income for the year	-	-
Total Comprehensive Income	1,264,784	1,264,784
Balance at 30 June 2010		
Balance at 1 July 2010	1,264,784	1,264,784
Comprehensive Income		
Profit attributable to members of the Foundation	71,379	71,379
Other comprehensive income for the year	-	-
Total Comprehensive Income	1,336,163	1,336,163

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2011 \$	2010 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		1,544,576	1,414,600
Payments to suppliers and employees		(1,539,585)	(1,744,810)
Investment Income received		78,005	66,700
Finance costs		(1,311)	(2,096)
GST received / (paid)		19,451	(65,241)
Net cash provided by / (used in) operating activities	15(b)	101,136	(330,847)
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(10,440)	(36,615)
Proceeds from Term Deposits		-	241,117
Net cash provided by / (used in) investing activities		(10,440)	204,502
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of borrowings		(8,137)	(8,376)
Net cash used in financing activities		(8,137)	(8,376)
Net increase / (decrease) in cash held		82,559	(134,721)
Cash at beginning of financial year		221,722	356,443
Cash at end of financial year	15(a)	304,281	221,722

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

General Information

The financial statements cover the Australian Spinal Research Foundation as an individual entity. Australian Spinal Research Foundation is a public company limited by guarantee, incorporated and domiciled in Australia.

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.



Financial Statements

The financial statements have been prepared on an accruals basis and are based on historical costs, modified where applicable, by the measurement at fair value of financial assets and financial liabilities.

The financial statements were authorised for issue on 12 October 2011 by the directors of the company.

(b) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

(c) Inventories

Inventories are measured at the lower of cost and net realisable value.

(d) Plant and Equipment

Plant and equipment are measured at cost basis or fair value as indicated less, where applicable, depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Foundation and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a diminishing value basis over their useful lives to the Foundation commencing from the time the asset is held ready for use.

Depreciation rates used range from 20% - 40%.

The asset's residual value and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(e) Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus

transaction costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are used.

Amortised cost is calculated as:

- the amount at which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this can not be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivable are classified as non-current assets).



(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Foundation's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other investments are classified as current assets.)

If during the period the Foundation sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities when there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains & losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period, which will be classified as current assets.

(v) Financial Liabilities

Non-derivative financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Foundation assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available - for - sale financial instruments a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short term borrowings in current liabilities on the Statement of Financial Position.

(g) Employee Benefits

Provision is made for the Foundation's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be

paid when the liability is settled, plus related on costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits. Those cashflows are discounted using market yields on notional government bonds with terms to maturity that match the expected timing of cashflows.

Contributions are made by the Foundation to individual employee superannuation funds and are charged as expenses when incurred.

(h) Provisions

Provisions are recognised when the Foundation has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(i) Revenue

Revenue from sale of goods or the rendering of a service is recognised upon the delivery of the goods or the service to the customers.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

Franking credits entitled to be refunded (refer Note 1 (k) below) are recognised as revenue upon receipt.

All revenue is stated net of the amount of goods and services tax (GST).

(j) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from or payable to the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(k) Income Tax

No provision for income tax has been raised as the Foundation is exempt from income tax under Section 50-5 of the *Income Tax Assessment Act 1997*.

The Foundation is an approved Deductible Gift Recipient under Section 30-15 of the *Income Tax Assessment Act 1997*. As a result, any franking credits distributed to the Foundation on its investments are entitled to be refunded.

(l) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that is transferred to the Foundation are classified as finance leases.



Financial Statements

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(m) Impairment of Assets

At each reporting date, the Foundation reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

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

(n) Borrowing Costs

Borrowing costs are recognised in the statement of comprehensive income in the period in which they are incurred.

(o) Critical Accounting Estimates and Judgments

The Governors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Foundation.

(p) New Accounting Standards for Application in Future Periods

The Australian Accounting Standards Board has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the Foundation has decided not to early adopt. A discussion of those future requirements and their impact on the Foundation is as follows:

- AASB 9: Financial Instruments [December 2010] (applicable for annual reporting periods commencing on or after 1 January 2013).

This Standard is applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments. The Foundation has not yet determined any potential impact on the financial statements.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return

on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;

- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and
- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in the other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

- AASB 124: Related Party Disclosures (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities and clarifies the definition of a "related party" to remove inconsistencies and simplify the structure of the Standard. No changes are expected to materially affect the Foundation.

- AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013).

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards - Reduced Disclosure Requirements.

Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

Since the Foundation is a not-for-profit private sector entity, it qualifies for the reduced disclosure requirements for Tier 2 entities. It is anticipated that the Foundation will take advantage of Tier 2 reporting at a later date.

- AASB 2009-12: Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. The Standard also amends AASB 8 to require entities to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purposes of certain operating segment disclosures. The amendments are not expected to impact the Foundation.

- AASB 2009-14: Amendments to Australian Interpretation - Prepayments of a Minimum Funding Requirement [AASB interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2011).



This Standard amends Interpretation 14 to address unintended consequences that can arise from the previous accounting requirements when an entity prepays future contributions into a defined benefit pension plan.

This Standard is not expected to impact the Foundation.

- AASB 2010-4: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard details numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvements project. Key changes include:

- clarifying the application of AASB 108 prior to an entity's first Australian-Accounting-Standards financial statements;
- AASB 7 is amended to add an explicit statement that qualitative disclosures should be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from financial instruments;
- AASB 101 is amended to clarify that disaggregation of changes in each component of equity arising from transactions recognised in other comprehensive income is required to be presented, but is permitted to be presented in the statement of changes in equity or in the notes;
- AASB 134 is amended by adding a number of examples to the list of events or transactions that require disclosure under AASB 134; and
- sundry editorial amendments to various Standards and interpretations.

This Standard is not expected to impact the Foundation.

- AASB 2010-5: Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042] (applicable for annual reporting periods beginning on or after 1 January 2011).

This Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. However, these editorial amendments have no major impact on the requirements of the respective amended pronouncements.

- AASB 2010-6: Amendments to Australian Accounting Standards - Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7] (applicable for annual reporting periods beginning on or after 1 July 2011).

This Standard adds and amends disclosure requirements about transfers of financial assets, especially those in respect of the nature of the financial assets involved and the risks associated with them. Accordingly, this Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards, and AASB 7: Financial Instruments: Disclosures, establishing additional disclosure requirements in relation to transfers of financial assets. This Standard is not expected to impact the Foundation.

- AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applies to periods beginning on or after 1 January 2013).

This Standard makes amendments to a range of Australian Accounting Standards and Interpretations as a consequence of the issuance of AASB 9: Financial Instruments in December 2010.

Accordingly, these amendments will only apply when the entity adopts AASB 9.

This Standard is not expected to impact the Foundation.

- AASB 2010-8: Amendments to Australian Accounting Standards - Deferred Tax: Recovery of Underlying Assets [AASB 112] (applies to periods beginning on or after 1 January 2012).

This Standard makes amendments to AASB 112: Income Taxes.

The amendments brought in by this Standard introduce a more practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model under AASB 140: Investment Property.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The amendments brought in by this Standard also incorporate Interpretation 121 into AASB 112.

The amendments are not expected to impact the Foundation.

- AASB 2010-9: Amendments to Australian Accounting Standards - Severe Hyperinflation and Removal of Fixed Date for First-time Adopters [AASB 1] (applies to periods beginning on or after 1 July 2011).

This Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards.

The amendments brought in by this Standard provide relief for first-time adopters of Australian Accounting Standards from having to reconstruct transactions that occur before their date of transition to Australian Accounting Standards.

Furthermore, the amendments brought in by this Standard also provide guidance for entities emerging from severe hyperinflation either to resume presenting Australian-Accounting-Standards financial statements or to present Australian-Accounting-Standards financial statements for the first time.

This Standard is not expected to impact the Foundation.

- AASB 2010-10: Further Amendments to Australian Accounting Standards - Removal of Fixed Dates for First-time Adopters [AASB 2009-11 & AASB 2010-7] (applies to periods beginning on or after 1 January 2013).

This Standard makes amendments to AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9; and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).

The amendments brought in by this Standard ultimately affect AASB 1: First-time Adoption of Australian Accounting Standards and provide relief for first-time adopters from having to reconstruct transactions that occurred before their transition date.

[The amendments to AASB 2009-11 will only affect early adopters of AASB 2009-11 (and AASB 9: Financial Instruments that was issued in December 2009) as it has been superseded by AASB 2010-7.]

This Standard is not expected to impact the Foundation.



Financial Statements

NOTE 2: REVENUE	2011 \$	2010 \$
Operating activities		
Sale of goods (net)	101,330	35,355
- Seminar fees	1,005,159	856,960
- Membership fees	184,995	170,887
- Donations	115,364	45,733
- Miscellaneous fundraising	137,872	180,039
	1,544,720	1,288,974
Non-Operating activities		
- Investment Income - Cash at Bank	9,288	6,596
- Term Deposits / Investments	68,717	72,304
	78,005	78,900
TOTAL REVENUE	1,622,725	1,367,874

NOTE 3: PROFIT FROM ORDINARY ACTIVITIES	2011 \$	2010 \$
Profit / (loss) from ordinary activities before income tax expense (income tax revenue) has been determined after.		
(a) Expenses		
Cost of sales	574,994	623,576
Finance costs:		
- External	1,311	2,096
Grants Paid	167,356	32,463
Depreciation of non-current assets		
- Office Equipment	10,192	10,536
- Motor Vehicles	5,819	7,509
	16,011	18,045

NOTE 4: CASH ASSETS	2011 \$	2010 \$
Cash on hand	700	700
Cash at bank	303,581	221,022
Total Cash & Cash equivalents as stated on the statement of financial position	304,281	221,722
Total Cash & Cash equivalents as stated on the statement of cash funds	304,281	221,722

NOTE 5: TRADE AND OTHER RECEIVABLES	2011 \$	2010 \$
CURRENT		
Trade debtors	15,925	9,829
GST receivable	29,443	14,949
	45,368	24,778

- (i) **Provision for Impairment of Receivables**
Current trade receivables are generally on 14-day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. When impairment is raised the amounts are included in other expenses. At year end, no impairment provision was required.
- (ii) **Credit Risk - Trade and Other Receivables**
The Foundation does not have any material credit risk exposure to any single receivable or group of receivables.

The following table details the Foundation's trade and other receivables exposed to credit risk prior to collateral and other credit enhancements) with ageing analysis and impairment

provided for thereon. Amounts are considered as "past due" when the debt has not been settled within the terms and conditions agreed between the Foundation and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

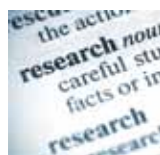
	Gross amount \$	Past due and impaired \$	Past due but not impaired (days overdue)				Within initial trade terms \$
			<30 \$	31-60 \$	61-90 \$	>90 \$	
2011							
Trade and term receivables	15,925	-	-	-	-	150	15,775
Other receivables	29,443	-	-	-	-	-	29,443
Total	45,368	-	-	-	-	150	45,218
2010							
Trade and term receivables	9,829	-	-	-	-	-	9,829
Other receivables	14,949	-	-	-	-	-	14,949
Total	24,778	-	-	-	-	-	24,778

The Foundation does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

NOTE 6: INVENTORIES	2011 \$	2010 \$
CURRENT		
Office Supplies	-	-

NOTE 7: OTHER ASSETS	2011 \$	2010 \$
CURRENT		
Prepayments	21,026	5,099
Accrues revenue	42,744	25,082
	63,770	30,181

NOTE 8: OTHER FINANCIAL ASSETS - INVESTMENTS	2011 \$	2010 \$
Unlisted investments, at fair value through profit or loss:		
Managed funds - Vanguard investments	1,174,779	1,132,612
(a) Financial assets at fair value through profit or loss. Managed funds are held for trading purposes to generate capital gains and to generate income through the receipt of distributions.	1,174,779	1,132,612



NOTE 9: PROPERTY, PLANT AND EQUIPMENT	2011 \$	2010 \$
(a) Plant and equipment		
At cost	128,222	175,737
Less accumulated depreciation	(95,537)	(139,801)
	32,685	35,936
(b) Motor vehicles		
At cost	74,545	74,545
Less accumulated depreciation	(54,467)	(48,648)
	20,078	25,897
Total property, plant and equipment	52,763	61,833

(c) Movements in carrying amounts Movement in the carrying amounts for each class of property plant and equipment between the beginning and end of the current financial year			
	Plant & Equipment	Motor Vehicles	Total
Balance at the beginning of the year	35,936	25,897	61,833
Additions	10,440	-	10,440
Depreciation	(10,192)	(5,819)	(16,011)
Disposals	(3,499)	-	(3,499)
Carrying Amount at year end	32,685	20,078	52,763

NOTE 10: TRADE AND OTHER PAYABLES	2011 \$	2010 \$
Unsecured liabilities:		
Trade creditors	41,888	6,969
Accruals	7,548	9,798
Payroll liabilities	11,415	8,954
GST payable	47,832	13,887
	108,683	39,608

NOTE 11: FINANCIAL LIABILITIES	2011 \$	2010 \$
CURRENT		
Secured liabilities		
Finance lease liability	24,298	8,137
NON-CURRENT		
Finance lease liability	-	24,298
Total Finance Lease Liability	24,298	32,435

Finance liabilities are secured over assets under which the finance lease relates to.

NOTE 12: PROVISIONS	Short-term Employee Benefits	Long-term Employee Benefits	Total
Opening balance at 1 July 2010	44,382	10,502	54,884
Additional provisions raised during the year	29,047	15,808	44,855
Amounts used	(30,948)	-	(30,948)
Balance at 30 June 2011	42,481	26,310	68,791

	2011 \$	2010 \$
Analysis of total provisions		
CURRENT		
Employee benefits	42,481	44,382
NON CURRENT		
Employee benefits	26,310	10,502
Aggregate employee benefits liability	68,791	54,884

Provision for long term Employee Benefits

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee have been included in Note 1 (h) to these financial statements.

NOTE 13: OTHER CURRENT LIABILITIES	2011 \$	2010 \$
CURRENT		
Advance Membership Fee	100,708	79,415
Unearned income	2,318	-
	103,026	79,415

NOTE 14: CAPITAL AND LEASING COMMITMENTS	2011 \$	2010 \$
Finance Lease Commitment		
Represented by:		
0 - 12 Months	25,964	10,468
1 - 5 Years	-	25,964
Minimum lease payments	25,964	36,432
Less: Future finance charges	(1,666)	(3,997)
Present value of minimum lease payments	24,298	32,435

The chattel mortgage of motor vehicle commenced in June 2010, for a 3 year lease period. The hire purchase agreement is financed through Esanda Finance, with rental repayable at 7.88% p.a.

Lease expenditure contracted for at balance date but not provided for:

Operating leases:

Non cancellable with a term of more than one year payable:

	2011 \$	2010 \$
Lease commitments payable between:		
0 - 12 Months	48,365	46,504
1 - 5 Years	173,506	221,870
	221,871	268,374

Operating lease commitment relate to the lease of the premises at 15 Dennis Road, Springwood, Queensland.

The property lease commitments are non-cancellable operating leases contracted in but not recognised in the financial statements with a four year term. Increase in lease commitments occurs at a risk of 4% fixed per year.



Financial Statements

NOTE 15: CASH FLOW INFORMATION	2011 \$	2010 \$
(a) Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash on hand	700	700
Cash at bank	303,581	221,022
	304,281	221,722
(b) Reconciliation of cash flow from operations with loss from ordinary activities after income tax		
Profit / (loss) from ordinary activities after income tax	71,379	55,516
Non cash flows in profit from ordinary activities		
Depreciation	16,011	18,045
Loss on disposal of assets	3,499	
Changes in net market values of investments	(42,167)	(101,901)
Changes in assets and liabilities		
Decrease / (increase) in receivables	(6,094)	(18,220)
Decrease / (increase) in other assets	(33,590)	26,205
Decrease / (increase) in inventory	-	827
Increase / (decrease) in payables	58,740	(293,819)
Increase / (decrease) in net GST payable	19,451	(30,820)
Increase / (decrease) in provisions	13,907	13,320
Cash flow provided by / (used in) operations	101,136	(330,847)

NOTE 16: FINANCIAL RISK MANAGEMENT	Note	2011 \$	2010 \$
The Foundation's financial instruments consist mainly of cash and cash equivalents, financial assets at fair value through profit or loss, accounts receivable and payable, and leases.			
Financial Assets			
Cash and cash equivalents	4	304,381	221,722
Trade and other receivables	5	45,368	24,778
Other Assets	7	63,770	38,181
Financial assets at fair value through profit or loss			
-investments in unit trust, held for trading	8	1,174,779	1,132,612
Total Financial Assets		1,588,298	1,417,293
Financial Liabilities			
Financial liabilities at amortised cost			
-trade and other payables	10	108,683	39,608
-Financial liabilities	11	24,298	8,137
-Other	13	103,025	79,415
Total Financial Liabilities		236,006	127,160

(a) Financial Risk Management Policies

The main purpose of non-derivative instruments is to raise finance for the Foundation's operations. The Foundation does not have any derivative instruments at 30 June 2011.

(i) Treasury Risk Management

The Board of Governors meet on a regular basis to analyse financial risk exposure and to evaluate the financial impact on the Foundation. Strategies are developed to ensure that adequate funds are available for current operations and provision of research grants.

(ii) Financial Risk Exposures and Management

The main risks the Foundation is exposed to through its financial instruments are interest rate risk, liquidity risk, credit risk, and market risk.

Interest Rate Risk

Interest rate risk is managed with a mixture of fixed and floating term deposits. The Foundation is not exposed to interest rate risk as its interest bearing liabilities are fixed and does not change when movements in official interest rates occur.

Foreign Currency Risk

The Foundation is not exposed to fluctuations in foreign countries.

Liquidity Risk

The Foundation manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security (if applicable), at balance date to recognise financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and notes to the financial statements.

There are no material amounts of collateral held as security at 30 June 2011.

Credit risk is reviewed regularly by the Board. It arises from exposures to customers as well as through certain derivative financial instruments and deposits with financial institutions.

The finance committee monitors credit risk by actively assessing the rating quality and liquidity of counter parties:

- only banks and financial institutions with a strong rating are utilised;
- all potential customers are rated for credit worthiness taking into account their size, market position and financial standing; and
- customers that do not meet the Foundation's credit policies may only purchase in cash or using recognised credit cards.

The Foundation does not have any material credit risk exposure to any single receivable or group under financial instruments entered into by the Foundation.

The trade receivables balances at 30 June 2011 and 30 June 2010 do not include any counter parties with external credit ratings. Customers are assessed for credit worthiness before credit terms are provided.

Market Risk

i. *Interest rate risk*

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The company is also exposed to earnings volatility on floating rate instruments.

At 30 June 2011 approximately 100% of company debt is fixed rate. It is the policy of the company to fix interest rates.



ii. **Price risk**

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held.

The company is exposed to securities price risk on investments held for trading or for medium to longer terms. Such risk is managed through diversification of investments across industries and geographical locations comprising cash and diversified funds.

(b) **Financial Instrument Composition and Maturity Analysis**

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the Statement of Financial Position.

	Fixed Interest Rate Maturing					Effective / Weighted Average Effective Interest Rate
	Non- Interest Bearing	1 Year or Less	1 to 5 Years	Floating Interest Rate	Total	
At 30 June 2011	\$	\$	\$	\$	\$	
Financial Assets:						
Cash Assets	700	-	-	303,581	304,281	2.85%
Managed Funds	1,174,779	-	-	-	1,174,779	
	1,175,479	-	-	303,581	1,479,060	
Financial Liabilities:						
Interest bearing liabilities	-	(24,298)	-	-	(24,298)	7.88%
Trade payables	(108,683)	-	-	-	(108,683)	
Other current liabilities	(103,026)	-	-	-	(103,026)	
	(211,709)	(24,298)	-	-	(236,007)	
Net Financial Assets / (Liabilities)	963,770	(24,298)	-	303,581	1,243,053	

	Fixed Interest Rate Maturing					Effective / Weighted Average Effective Interest Rate
	Non- Interest Bearing	1 Year or Less	1 to 5 Years	Floating Interest Rate	Total	
At 30 June 2010	\$	\$	\$	\$	\$	
Financial Assets:						
Cash Assets	700	-	-	221,022	221,722	0.01%
Managed Funds	1,132,612	-	-	-	1,132,612	
	1,133,312	-	-	221,022	1,354,334	
Financial Liabilities:						
Interest bearing liabilities	-	(8,137)	(24,298)	-	(32,435)	7.88%
Trade payables	(39,608)	-	-	-	(39,608)	
Other current liabilities	(79,415)	-	-	-	(79,415)	
	(119,023)	(8,137)	(24,298)	-	(151,458)	
Net Financial Assets / (Liabilities)	1,014,289	(8,137)	(24,298)	221,022	1,202,876	

(c) **Net Fair Values**

The Foundation's financial assets and liabilities included in the Statement of Financial Position are carried at amounts that approximate net fair value. There are no material variations between fair value and carrying value in the Foundation's financial instruments.

Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value.

Managed funds are carried at quoted bid prices at the end of the reporting period which is equivalent to fair value.

Financial Instruments Measure at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements.

The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs)(Level 3)

2011	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets:				
Available assets at fair value through profit or loss:	1,174,779	-	-	1,174,779
Finance lease liability	1,174,779	-	-	1,174,779
2010	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets:				
Available assets at fair value through profit or loss:	1,132,612	-	-	1,132,612
Finance lease liability	1,132,612	-	-	1,132,612

Included within Level 1 of the hierarchy are listed investments. The fair values of these financial assets have been based on the closing quoted bid prices at the end of the reporting period, excluding transaction costs.

In valuing unlisted investments, included in Level 2 of the hierarchy, valuation techniques such as those using comparisons to similar investments for which market observable prices are available have been adopted to determine the fair values of these investments.

(d) **Sensitivity Analysis****Market Risk**

The Foundation has performed a sensitivity analysis relating to market risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in this risk.

At 30 June 2011, the effect on profit and equity as a result of changes in the market price, with all other variables remaining constant, would be as follows:



Financial Statements

	2011 \$	2010 \$
Change in Profit		
- Increase in market price by 10%	117,480	113,261
- Decrease in market price by 10%	(117,480)	(113,261)
Change in Equity		
- Increase in market price by 10%	117,480	113,261
- Decrease in market price by 10%	(117,480)	(113,261)

The above market rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

Interest Rate Risk

The Foundation has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in this risk.

Interest Rate Risk Sensitivity Analysis

At 30 June 2011, the effect on profit and equity as at result of changes in the interest rate, with all other variables remaining constant, would be as follows:

	2011 \$	2010 \$
Change in Profit		
- Increase in interest rate by 2%	6,072	4,420
- Decrease in interest rate by 2%	(6,072)	(4,420)
Change in Equity		
- Increase in interest rate by 2%	6,072	4,420
- Decrease in interest rate by 2%	(6,072)	(4,420)

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remained unchanged. No sensitivity analysis has been performed on foreign exchange risk, as the entity is not exposed to foreign currency fluctuations.

NOTE 17: CAPITAL MANAGEMENT

The Governors control the capital of the Foundation to ensure that adequate cash flows are generated to fund its operations and continue as a going concern.

Risk management policies are approved and reviewed by the Governors on a regular basis. These include credit risk policies and future cash flow requirements.

The Foundation's debt consists of financial liabilities, supported by financial assets.

The Governors effectively manage the Foundation's capital by assessing the Foundation's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

There have been no changes to the strategy adopted by the Governors to control the capital since the previous year.

The gearing ratios for the year ended 30 June 2011 and 30 June 2010 are as follows:

	2011 \$	2010 \$
Financial liabilities	24,298	32,435
Trade and other payables	108,683	39,608
Other current liabilities	103,026	79,415
Less:		
Cash and cash equivalents	(304,281)	(221,722)
Financial assets	(1,174,779)	(1,132,612)
Net debt	(1,243,053)	(1,202,876)
Total equity	1,336,136	1,264,784
Total capital	93,110	61,908
Gearing ratio	N/A	N/A

NOTE 18: MEMBER'S GUARANTEE

The Foundation is limited by guarantee. In the event of a winding up of the Foundation and the assets of the Foundation being insufficient to meet the liabilities of the Foundation, the Constitution provides that the responsibility of individual members to meet the excess liabilities is limited to no more than \$10. At 30 June 2011 the number of members was 879 (2010: 845).

NOTE 19: CONTINGENT LIABILITIES

No contingent liabilities exist at the year end.

NOTE 20: FUTURE GRANTS FUNDING

	2011 \$	2010 \$
Grants approved by the Governors but not funded at 30 June	76,670	63,152
	76,670	63,152

NOTE 21: SEGMENT REPORTING

Throughout the year the Australian Spinal Research Foundation has conducted activities in one industry and geographical segment being charitable activities throughout Australasia.

NOTE 22: RELATED PARTY TRANSACTIONS

Apart from those matters dealt elsewhere in the notes to the financial statements, namely note 24 Key Management Personnel, there have been no transactions with any related parties during the current or prior financial year.

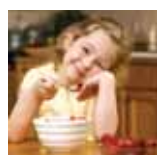
NOTE 23: AUDITORS' REMUNERATION

Remuneration of the auditor of the Foundation for:

	2011 \$	2010 \$
- auditing of the financial statements	10,750	9,500
- assistance with the preparation of the financial statements / accounting advice	3,500	3,000
- taxation services	550	500
	14,800	13,000

NOTE 24: KEY MANAGEMENT PERSONNEL

Key management personnel comprise of those individuals who have the authority and responsibility for planning, directing and controlling the activities of the Foundation. For the year ended 30 June 2011, key management personnel consisted of the Company's Governors and Chief Executive Officer. During the year, the key management personnel of the Foundation were remunerated as follows:



	Short-term Benefits	Post-Employment Benefits	Total
2011 Total Compensation	128,635	32,797	161,432
2010 Total Compensation	128,718	30,524	159,242

NOTE 25: EVENTS AFTER THE REPORTING PERIOD

There have been no significant events after the reporting period that would warrant reporting in the notes to these financial statements.

NOTE 26: COMPANY DETAILS

The registered office and principle place of business of the Foundation is:

Australian Spinal Research Foundation
Plaza Chambers
15 Dennis Road
SPRINGWOOD QLD 4127

GOVERNORS' DECLARATION

The Governors of the Foundation declare that:

- The financial statements and notes, as set out on pages 13 to 25 are in accordance with the *Corporations Act 2001*:
 - comply with Accounting Standards, which as stated in Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS) and the Corporations Regulations 2001; and
 - give a true and fair view of the financial position as at 30 June 2011 and of the performance for the financial year ended on that date.
- In the governors' opinion there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Governors.



Dr M Harvey
Governor
12 October 2011
Springwood

Independent Audit Report to the Members of the Australian Spinal Research Foundation

Report on the Financial Statements

We have audited the accompanying Financial Statements of Australian Spinal Research Foundation (the Foundation), which comprises the statement of financial position as at 30 June 2011 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Governors' declaration.

Governors Responsibility for the Financial Statements

The governors of the Foundation are responsible for the preparation and fair presentation of the Financial Statements that give a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and

maintaining internal control relevant to the preparation and fair presentation of the Financial Statements that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the governors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the Financial Statements, comprising the financial statements and notes, complies with IFRS.

Auditors Responsibility

Our responsibility is to express an opinion on the Financial Statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Financial Statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Financial Statements.

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

Independence

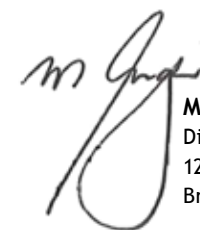
In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

We confirm that the independence declaration required by the *Corporations Act 2011*, which has been given to the Governors of the Foundation, would be in the same terms if given to the Governors as at the time of this auditor's report.

Auditor's Opinion

In our opinion:

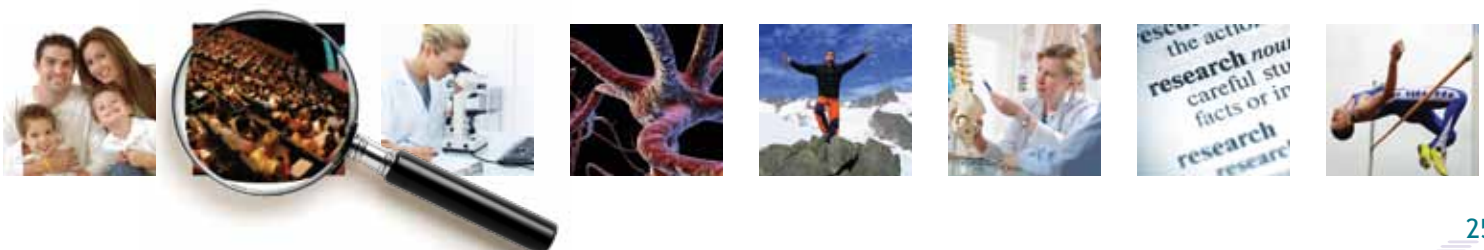
- the Financial Statements of Australian Spinal Research Foundation are in accordance with the *Corporations Act 2001*, including:
 - giving a true and fair view of the Foundation's financial position as at 30 June 2011 and its financial performance for the year ended on that date; and
 - complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Regulations 2001*.
- the Financial Statements also complies with International Financial Reporting Standards as disclosed in Note 1.



M A Georghiou
Director
12 October 2011
Brisbane

MGI Brisbane Pty Ltd.

MGI Brisbane Pty Ltd



Our Bona Fides

Australian Spinal Research Foundation a company limited by guarantee under Australian Corporations Law. The Foundation is an approved Deductible Gift Recipient (DGR) under the Australian Income Tax Assessment Act 1997 (Section 30-15, Research Institute) and an Income Tax Exempt Charity (Section 50-5). The Foundation is registered as Charity No. 1193 under the Queensland Collections Act and is exempt from Stamp Duty under the Duties Act 2001.

Australian Spinal Research Foundation

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