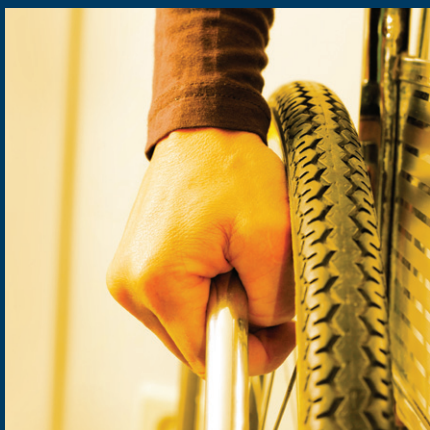




Annual Report 2014



FUNDING RESEARCH TO **CURE SPINAL CORD INJURY**

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This Report conveys information about the activities of the Company, with particular reference to:

- Administration
- Financial position
- Research outreach
- Trends in the development of the Company

This Report covers the year from 1 July 2013 to 30 June 2014

CHAIR'S REPORT

During this year we were pleased to announce the establishment of The David Prast Research Establishment Fellowship in partnership with Spinal Cord Injuries Australia (SCIA) and the Royal Australasian College of Physicians (RACP). It commemorates the work of our highly valued colleague, the late David Prast, and aims through research to improve the practical outcomes of those living with a spinal cord injury. It is hoped the program will help promote exchange of international knowledge and help develop future leaders in clinical research.

With the University of Queensland, our continued funding for Dr. Ruitenberg and his team led to remarkable new insights into the complex inflammatory response to spinal cord injury showing the spleen is a major source of blood cells that destructively invade the spinal cord lesion site early after injury. This unexpected news was published in the journal 'Experimental Neurology' receiving enthusiastic international praise. Ongoing experiments are now focused on therapeutic approaches that can manipulate the inflammatory response to spinal cord injury and promote recovery.

We were delighted to support SCIA's Walk On scholarship for a further year enabling more research on the important area of exercise physiology as well as continue our backing of Dr Bryce Vissel's important work at the Garvan Institute through the generous funding from a private philanthropist.

Fundraising-wise, SpinalCure was honoured to be chosen as one of the beneficiaries of the 2013 international ICAP's Charity Day and we welcomed the huge efforts of global insurance broker Gallagher Australia, thanks to the efforts of long time SpinalCure supporter Andrew Quartermaine, and with the generous backing of CEO Andrew Goddard.

Our thanks also go to all of the sponsors and attendees at our 4th Oscars Lunch at Sydney's fashionable Ivy, as well as the fabulous team at Merivale for their impeccable service, and to Holysmoke for putting on such a well-executed event that achieved so much publicity.

This was the 15th year that the unstinting Macarthur Lions Club has organised and hosted its successful local Charity Golf Day, and again it is very much appreciated.

There have been a number of other outstanding sporting pursuits from individuals and their teams, not least that of Xander Beccari who cycled from Brisbane to Wollongong over two weeks. Inspired by a friend with a SCI his superb effort generated significant interest and funds. Thanks to Xander and also to runners Raymond Luxa who competed in Sydney's 'City2Surf', and Stephanie Chandra who ran the 'Bridge to Brisbane' with SpinalCure research Fellow Dr Marc Ruitenberg and team!

I wish to thank our board of seven for donating their considerable time for another year. Thanks to our colleagues at SCIA and to the many researchers, medicos and organisations like the RACP and QBI for their ongoing support and advice. Finally, my appreciation to and on behalf of all SpinalCure supporters for the work carried out by our CEO Duncan Wallace and Ops Manager Merilyn Bullen. That cure is getting closer!



Joanna Knott, Chair 2014



OUR COMPANY

Spinal Cure Australia (SpinalCure), founded in 1994, is a Company Limited by Guarantee and Incorporated pursuant to the provisions of the Corporations Law.

The primary aim of SpinalCure is to end the permanence of paralysis caused by spinal cord injury, and to achieve this through:

- **Promoting and funding research**
- **Fostering co-operation between all disciplines engaged in central nervous system research, regeneration and direct relief**
- **Monitoring progress of all research projects funded by or through the Company**
- **Co-operation with international efforts in the field**
- **Dissemination of information about developments in research.**

The Australian Taxation Office has advised us that we have been endorsed as an income tax exempt charitable entity under Subdivision 50-B of the Income Tax Assessment Act 1997.

We have also received advice from the Australian Taxation Office that we are endorsed as a deductible gift recipient under Subdivision 30-BA of the Income Tax Assessment Act 1997. In both cases the date of effect of the endorsement is 1st July 2000.

THE BOARD

A Board of Directors governs Spinal Cure Australia. The Directors have overall responsibility for corporate governance and oversight of the company's research and funding objectives. This is achieved in accordance with the Constitution and relevant legislation, so as to provide optimum outcomes in the search for a cure for paralysis caused by spinal cord injury.

The Board comprises seven non-executive directors and, at 30 June 2012 the directors are:

- **Mr Stewart Yesner** AM, BA (Hons) Law
FOUNDER
- **Ms Joanna M. Knott** OAM, MBA, BA (Hons)
CO-FOUNDER, CHAIR
- **Professor Perry F. Bartlett** FAA
CO-FOUNDER, SCIENTIFIC CHAIR
- **Mr Gary F. Allsop**
- **Dr Stella Engel** MBBS DPRM FAFRM
- **Mr Gabriel McDowell** BA
- **Mr Duncan Adams** BFA
SECRETARY

During the year under review, State Committees were operating in New South Wales, Queensland and Victoria. These committees provide a focal point for the development of the Company, and fundraising activities at a state and local level.

THE SCIENTIFIC PANEL

The Scientific Committee performs a pivotal role in the peer-review and critical assessment of all research funding applications received by the company. In addition, the committee has the responsibility to monitor and obtain progress reports from all research institutes that subsequently receive funding by or through the auspices of the company. The committee, under the chairmanship of Professor Perry Bartlett is charged with making recommendations to the Board with regard to funding of research.

At 30th June 2012 the committee comprised the following persons:

NEW SOUTH WALES

Assoc Prof John D. Yeo AO MB MS DPRM FRACS FACRM FAFRM. North Shore Medical Centre.

Dr Sue Rutkowski AM MBBS FAFRM(RACP) MHA
Past Director and Honorary Consultant, Royal North Shore Spinal Unit.

Dr Stella Engel MBBS DPRM FAFRM
Director, Rehabilitation and Spinal Medicine, Prince Henry and Prince of Wales Hospitals.

Dr Bryce Vissel PhD
Head of Research into Regeneration and Neural Plasticity, Garvan Institute of Medical Research

QUEENSLAND

Professor Perry F. Bartlett FAA
Director, Queensland Brain Institute, University of Queensland.

SOUTH AUSTRALIA

Dr Ida Llewellyn-Smith AB PhD
Principal Research Fellow, Flinders University. Dept of Medicine, Flinders Medical Centre.

VICTORIA

Professor Mary Galea PhD
Professor of Clinical Physiotherapy, Director, Rehabilitation Sciences Research Centre, The University of Melbourne and Austin & Repatriation Medical Centre.

WESTERN AUSTRALIA

Dr Byron Kakulas AO MD(Hons) FRACP FROpath FRCPA
Professor of Neuropathology, Royal Perth Hospital.

Professor Alan Harvey MA PhD
School of Anatomy & Human Biology, and Red's Spinal Cord Research Laboratory, CTEC, The University of Western Australia.

Professor Lyn Beazley MA PhD
Principal Research Fellow NH&MRC, Chairman Medical & Scientific Committee, ABF (WA) Department of Zoology, University of Western Australia.

Mr John Ker MB Bch(Hons) FRCS FACRM FAFRM
Director, Sir George Bedbrook Spinal Unit.

GERMANY

Professor Mellita Schachner-Camartin PhD
Institute of Biosynthesis, University of Hamburg.

UNITED KINGDOM

Professor James W. Fawcett FRCP, PhD, MRCP, MB, BA
Cambridge University Centre for Brain Repair.

UNITED STATES OF AMERICA

Professor Dennis D. O'Leary PhD
Molecular Neurobiology Laboratory, The Salk Institute, California.

DAVID PRAST LEADERSHIP PROGRAM

In partnership with Spinal Cord Injuries Australia (SCIA) and the Royal Australasian College of Physicians (RACP) we are proud to have launched the David Prast Leadership Program. The first offering under this umbrella is The David Prast Research Establishment Fellowship, valued at up to \$450,000 over three years. This will fund research into spinal cord injuries and aim to:

- Improve the outcomes of those living with a spinal cord injury
- Promote practical, translatable research into spinal cord injuries
- Invest in and develop future leaders in clinical research
- Promote exchange of international knowledge towards the goal of achieving better outcomes for people with spinal cord injuries

The Program commemorates the work of the late spinal injuries advocate David Prast, a director of both SpinalCure and SCIA who despite a spinal cord injury used his drive and determination to focus on better initiatives in the spinal field, particularly in medical research, until his death in late 2011.

The Fellowship will be of interest to RACP physicians and trainees in a wide range of areas of medicine. Applicants must aim to demonstrate how research outcomes will improve functional outcomes for people living with SCI in a 3–5 year timeframe. Its focus is on promoting practical, translatable research into spinal cord injuries and invest in and develop future leaders in clinical research.



PHOTO: THE LATE DAVID PRAST

RESEARCH FUNDED



\$100,000 GARVAN INSTITUTE DR BRYCE VISSEL PHD

2013 – 2014

Dr Visser's team continue their exploration into the roles neurogenesis and the inflammatory response in spinal cord injury and other neurodegenerative conditions. Neurogenesis is the formation of new neurons from neural stem cells. Evidence suggests that this process is impaired in spinal cord injury (SCI) and other neurodegenerative disorders. Furthermore, these conditions are associated with strong inflammatory responses and glial scarring (gliosis) which inhibit neurogenesis and subsequent nerve growth across the injury site. Therefore, approaches that stimulate neurogenesis whilst inhibiting harmful inflammatory and gliotic responses may be of therapeutic significance in spinal cord injury.

Of particular significance, the team has identified growth factors/anti-inflammatory agents FGF-2 and activinA, as potential therapeutic agents for inducing neurogenesis and subsequent functional recovery in SCI and other neurodegenerative disorders.

PHOTO DR BRYCE VISSEL



\$216,000 THE UNIVERSITY OF QUEENSLAND – DR MARC RUITENBERG PHD

2012 – 2015

SpinalCure fellow, Dr. Marc Ruitenbergh at The University of Queensland, is pushing ahead with his research to better understand the role of inflammation in SCI. His team is following up on their earlier discovery that the spleen appears to play a major role in the inflammatory response to spinal cord injury. The lab is also pursuing a number of promising leads for new anti-inflammatory treatments to improve recovery from SCI. The most exciting one here is perhaps 'intravenous immunoglobulin' (IVIG) therapy. As IVIG is already in clinical use for the treatment of a variety of other conditions, it could see rapid translation to human trials.

PHOTO L TO R - PHD CANDIDATE FAITH BRENNAN, DR MARC RUITENBERG

RESEARCH FUNDED CONTINUED



\$70,000 WALK ON SCHOLARSHIP UNIVERSITY OF SYDNEY

2010-2013

It is now generally accepted that intensive exercise programs are likely to be a part of any successful treatment for spinal cord injury. In order to investigate the physiological and psychosocial benefits of the Walk On exercise program, SpinalCure and Spinal Cord Injuries Australia (SCIA) are jointly funding a PhD scholarship to Ms Camila Quel de Oliveira, a Brazilian physiotherapist from Sao Paulo. Camila, working at the Walk On centre in Sydney, is studying changes in function, mobility and quality of life, and identifying any associated economic benefits experienced by participants in the program. Encouragingly, early results seem to back up the anecdotal evidence that the program is good for you, in mind, body and soul.



\$4,000 SPINALCURE TRAVEL GRANTS

2014

During November Dr Michelle Rank PhD will be presenting a paper entitled "*Changes in electrophysiological properties of interneurons over time following incomplete spinal cord injury*" at The Society for Neuroscience 44th Annual Meeting in Washington DC. She has been awarded a SpinalCure Travel Grant of \$2000 to assist with her expenses. Dr Rank's current research, at the University of Newcastle, examines how exercise training alters the properties of nerve cells in the injured spinal cord.

Ganga Hospital, Coimbatore, India, was the host of the 2013 International Spine and Spinal Injuries (ISSICON) and Asian Spinal Cord Network (ASCON) joint conferences. SCIA won the ASCON prize for best paper at the conference and donated the prize money to fund a representative from India to come to Australia. SCIA and SpinalCure provided additional resources to make this a reality. Mr Vignesh Gunasekaran from Ganga Hospital, travelled to Australia in September 2014.

PHOTO DUNCAN WALLACE AND CAMILA QUEL DE OLIVEIRA

THE OSCARS® LUNCH

2014



February 4th saw the red carpet rolled out at Sydney's Ivy Ballroom for the fourth annual SpinalCure Oscars® Luncheon.

The event brought together a host of high profile guests, media personalities, and SpinalCure supporters to watch a live broadcast of the Academy Awards® on four enormous screens while they wine and dined the afternoon away.

Hosted by Renee Brack, and attended by many of Sydney's brightest young stars including SpinalCure Ambassador Rodger Corser, Sami Lukis, Magdalena Roze and Matt Day, the event was reported as one of the "hottest tickets in town".

Ongoing sponsor OK! Magazine was joined this year by sponsors Empire Magazine and E! Channel, with numerous other companies and individuals graciously donating prizes for the silent auction and raffle. Guests were greeted on arrival with cocktails courtesy of Vodka O, while Fine Wine Partners provided wine and beer for the afternoon.

We are very grateful to all of the sponsors and attendees at the 2014 Lunch, as well as the team at Merivale for their impeccable service, and to all at 6DC for putting on such a well-executed event.

PHOTOS, TOP ROW: LEFT THE IVY BALLROOM **MIDDLE** RODGER CORSER, LISA FRENCH & SACHA HORLER **RIGHT** MAGDALENA ROSE
BOTTOM ROW: LEFT TIM DAVIES & SAMI LUKIS **MIDDLE** RENÉE BRACK, DR BRYCE VISSEL, JANINE SHEPHERD, DR. ADRIAN COHEN & MATT SPEAKMAN (SITTING) **RIGHT** KRISTEN DEMAGGIO, GEORGIE FROLICH & GEORGIA KNOTT

FUNDRAISING AND COMMUNITY



SpinalCure relies on the generosity of both corporate and private supporters to make our research funding possible. These friends find many ways to contribute to the cause, from participation in organised sponsored events such as fun runs, to creating unique fundraisers of their own or volunteering their time to help with our administration and marketing work. Many supporters use SpinalCure's links to fundraising sites Everyday Hero and Just Giving to assist their efforts.

Of note in this last year was the impressive effort of Alexander (Xander) Beccari whose solo, unassisted 1000km cycle raised over \$20,000 for research. Xander was inspired by a close friend who was injured in a snow boarding accident.



2013 was the 15th year that the unstinting Macarthur Lions Club has organised and hosted its Charity Golf Day in aid of SCI research. Once again held at the Lakeside Country Club at Catherine Field, south of Sydney, the event is faithfully supported by many local businesses and Lions supporters.

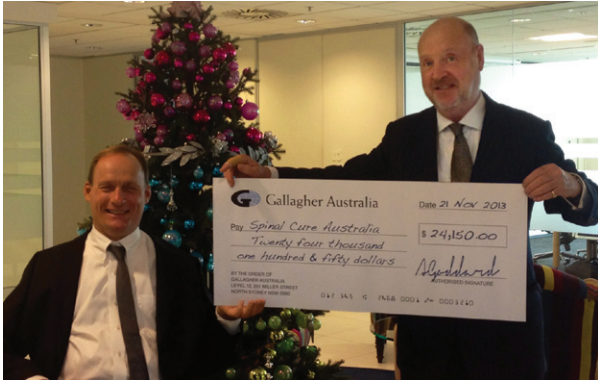


TOP XANDER BECCARI AND DEAN MARTELOZZO

MIDDLE 15TH ANNUAL MACARTHUR LIONS CHARITY GOLF DAY

BOTTOM KRISTY BANKS IN THE ARMS OF HER HUSBAND DALE GROVES PRIOR TO HIS "GREAT SHAVE" FUNDRAISER

PHOTO SPINALCURE FELLOW DR MARC RUITENBERG AND HIS RESEARCH TEAM RUNNING IN THE BRIDGE TO BRISBANE



GALLAGHER \$24,000 GOLF DAY

International insurance broker Gallagher Australia held their inaugural Golf Day at Sydney's verdant Killara course in October 2013. Thanks to the efforts of long time SpinalCure supporter Andrew Quartermaine, and with the generous backing of Gallagher CEO Andrew Godden, SpinalCure was chosen as the beneficiary for the day. 18 holes of golf were followed by dinner, prize presentations and an auction of generously donated lots. SpinalCure CEO Duncan Wallace gave a short after dinner talk thanking everyone and telling them of the important work their generosity is helping to support. Later, on a visit to Gallagher's North Sydney offices Duncan was presented with a cheque for the proceeds of the day—over \$24,000 for SpinalCure's research funding.

PHOTO DUNCAN WALLACE AND ANDREW QUARTERMAINE



\$30,000 BOOST FROM ICAP CHARITY DAY

SpinalCure was very honoured to be chosen as one of the beneficiaries of the 2013 ICAP Charity Day. ICAP is the world's largest provider of post trade risk services, globally transacting an enormous amount of funds on a daily basis. Each year, on Charity Day, 100% of all revenue and commission from a full day of trading at all ICAP offices is donated to worthy causes. An astounding \$220 million has been raised since Charity Day's inception 21 years ago.

Charity Day at the ICAP offices has a unique and boisterous character, with each trading team choosing a fancy dress theme, and decorating their part of the trading floor accordingly. Charity ambassadors have the chance to man the phones and facilitate deals in the tens and even hundreds of millions of dollars!

The SpinalCure team visited ICAP's Sydney office again in February to be presented with a cheque for the superb sum of \$30,000.

PHOTO MERILYN BULLEN, SAM BLOOM & DUNCAN WALLACE WITH ICAP TRADERS. PHOTO CREDIT: CAMERON BLOOM PHOTOGRAPHY

VALUED FRIENDS



**Ballyus Designs & Ballyus
Propagators**

Banks, Kristy

Becarri, Alexander

Bushell, Dianne

Buttsworth, Christine

Bond, Eileen "Red"

Cameron, John

Casabene, Angela

Dodd, Georgia

Dodd, Kingsford and Jane

Dodd, Katherine

Earl-Smith, Guy

Freemantle, Lachlan

Frohlich, Georgie

Front Design

Gallagher Australia

Gately, Suzette

**Genesee & Wyoming
Australia**

Gibson, Bill & Geraldine

Gootjes. Jan

Groves, Dale

Hart, Geoffrey A.

Haslewood, Claire

Hatch, Sarah

Hawkins, Daniel

Hore, Jessica B.

Howland-Rose Foundation

Howorth, Mike and Vikki

ICAP

James, Karen

Knott, Jude

Laverty, Julia

Lindley, Michelle

O'Hara, Maureen

Prast, Kim & Chris

Prast, Maria

Quartermaine, Andrew

Redshaw, Chris

Retallack, Kate

**Rosalind Elaine Nicholson
Trust**

Rowland, Pamela E.

Russell, Kim

Scarpino, Aldo

Shook, Sue-Ellen

Slechta, Joan

Smith, Joanne

Sparkes, Allan

Therese, Stefan

**The Carlo & Roslyn Salteri
Foundation**

The Profield Foundation

TressCox Lawyers

Turner, Bob & Garda

Walters, Vera L.

Weedon, Rebekah

White, Ross

Wiggly Tail Butchery

Wormald, Nick & Jo



2014 FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2014

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DIRECTORS' REPORT

The directors present this report on Spinal Cure Australia ("the entity") for the financial year ended 30 June 2014.

DIRECTORS

The names of each person who has been a director during the year and to the date of this report are:

| | |
|----------------------------|---------------------|
| Mr Stewart Yesner | Mr Gary F Allsop |
| Ms Joanna M. Knott | Dr Stella Engel |
| Professor Perry F Bartlett | Mr Gabriel McDowell |
| Mr Duncan Adams | |

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

PRINCIPAL ACTIVITIES

The principal activity of the entity during the financial year was to continue working towards ending the permanence of paralysis caused by spinal cord injury ("SCI"), and to achieve this through:

- Promoting and funding research
- Fostering co-operation between all disciplines engaged in central nervous system research, regeneration and direct relief
- Monitoring progress of all research projects funded by or through the entity
- Co-operation with international efforts in the field
- Dissemination of information about developments in research.

The entity's short term objective is to fund SCI related research fellowships and other relevant SCI related projects. The entity's long term objective is to find a cure for the physical consequences of SCI.

To achieve the objectives, the entity has adopted the following strategies:

- Increase our donor base through marketing and dissemination of SCI relevant information
- Raise funds and awareness through fund raising events
- Cultivate partnerships with business and corporations
- Lobby State and Federal government in matters relating to funding and legislation of neurological research and SCI treatment.

The entity's Key Performance Indicators include:

- Net percentage of received money that is actually applied to appropriate projects
- Increase in number of people opting to receive newsletters, electronic mailings and social media feeds
- Amount of funds allocated by governments to neurological medical research.

MEETINGS OF DIRECTORS

During the financial year 4 meetings of directors were held. Attendances by each director were as follows:

| Directors | Directors' Meetings | |
|----------------------------|---------------------------|-----------------|
| | Number eligible to attend | Number attended |
| Mr Stewart Yesner | 4 | 3 |
| Ms Joanna M. Knott | 4 | 3 |
| Professor Perry F Bartlett | 4 | 4 |
| Mr Gary F Allsop | 4 | 4 |
| Dr Stella Engel | 4 | 3 |
| Mr Gabriel McDowell | 4 | 3 |
| Mr Duncan Adams | 4 | 4 |

INFORMATION ON DIRECTORS

| Name | Qualifications, Experience & Occupation | Director since |
|------------------------|---|----------------|
| Mr Stewart Yesner | AM, BA(Hons) law, Solicitor | 24/9/98 |
| Ms Joanna M. Knott | BA, MBA; MPRIA, OAM, Chair, SpinalCure | 10/12/97 |
| Prof. Perry F Bartlett | FAA, Director of Queensland Brain Institute; Foundation Chair of Molecular Neuroscience, University of Queensland | 8/12/97 |
| Mr Gary F Allsop | Advocate, Lobbyist | 9/8/00 |
| Dr Stella Engel | MBBS, DPRM, FAFRM Director, Rehabilitation and Spinal Medicine, Prince Henry and Prince of Wales Hospitals | 29/9/08 |
| Mr Gabriel McDowell | BA, Managing Director Res Publica Public Relations | 29/9/08 |
| Mr Duncan Adams | BFA, FFSIA. Chartered Accountant; Secretary, SpinalCure; Director, Astra Apartments Canberra | 5/12/12 |

MEMBERS' GUARANTEE

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$25 each towards meeting any outstanding obligations of the entity. At 30 June 2014, the total amount that members of the entity are liable to contribute if the entity is wound up is \$350 (2013:\$350).

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2014 has been received and can be found below.

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



Ms Joanna M. Knott
Director – Chairperson
Dated this 2nd day of December 2014



Mr Duncan Adams
Director – Company Secretary
Dated this 2nd day of December 2014

AUDITOR'S INDEPENDENCE DECLARATION

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2014, there have been:

- a) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit

Name of Firm: Thomas GLC, Chartered Accountants



Name of Partner: Glenn McEwen
Dated this 10th day of November 2014

STATEMENT OF COMPREHENSIVE INCOME

| | NOTE | 2014 \$ | 2013 \$ |
|--|------|----------------|-----------------|
| REVENUE | | | |
| Revenue | 2 | 627,674 | 640,731 |
| EXPENDITURE | | | |
| Employee benefits expense | | (168,195) | (153,247) |
| Research grant expense | | (123,500) | (403,000) |
| Fundraising expense | | (53,786) | (27,925) |
| Occupancy expense | | (3,709) | (7,559) |
| Depreciation and amortisation expense | | (1,202) | (1,923) |
| Other expenses | | (96,366) | (73,467) |
| Total expenses | | | |
| Profit/ (loss) before income tax | 3 | 180,916 | (26,390) |
| Income tax expense | | - | - |
| Profit/ (loss) for the year | | 180,916 | (26,390) |
| Other comprehensive income for the year | | - | - |
| Total comprehensive income for the year | | 180,916 | (26,390) |
| Profit/(loss)/ attributable to members of the entity | | 180,916 | (26,390) |
| Total comprehensive income attributable to members of the entity | | 180,916 | (26,390) |

THE ACCOMPANYING NOTES FORM PART OF THESE FINANCIAL STATEMENTS.

STATEMENT OF FINANCIAL POSITION

| | NOTE | 2014 \$ | 2013 \$ |
|--------------------------------|------|------------------|------------------|
| Current assets | | | |
| Cash and cash equivalents | 4 | 1,679,683 | 1,749,087 |
| Trade and other receivables | 5 | 16,526 | 6,187 |
| Other assets | 6 | 19,622 | 16,666 |
| TOTAL CURRENT ASSETS | | 1,715,831 | 1,771,940 |
| Non-current assets | | | |
| Property, plant and equipment | 7 | 2,002 | 3,204 |
| TOTAL NON-CURRENT ASSETS | | 2,002 | 3,204 |
| TOTAL ASSETS | | 1,717,833 | 1,775,144 |
| Current Liabilities | | | |
| Trade and other payables | 8 | 34,564 | 278,269 |
| Provisions | 9 | 15,945 | 13,197 |
| TOTAL CURRENT LIABILITIES | | 50,509 | 291,466 |
| Non-current liabilities | | | |
| Provisions | 9 | 7,045 | 4,315 |
| TOTAL NON-CURRENT LIABILITIES | | 7,045 | 4,315 |
| TOTAL LIABILITIES | | 57,554 | 295,781 |
| NET ASSETS | | 1,660,279 | 1,479,363 |
| Equity | | | |
| Retained earnings | | 1,660,279 | 1,479,363 |
| TOTAL EQUITY | | 1,660,279 | 1,479,363 |

THE ACCOMPANYING NOTES FORM PART OF THESE FINANCIAL STATEMENTS.

STATEMENT OF CHANGES IN EQUITY

| | Retained earnings \$ | Total equity \$ |
|---|-------------------------|--------------------|
| Balance at 1 July 2012 | 1,505,753 | 1,505,753 |
| Comprehensive income for the year | | |
| Loss attributable to members of the entity | (26,390) | (26,390) |
| Other comprehensive income for the year | - | - |
| Total comprehensive income attributable to members of the entity | (26,390) | (26,390) |
| Balance at 30 June 2013 | 1,479,363 | 1,479,363 |
| Comprehensive income for the year | | |
| Profit attributable to members of the entity | 180,916 | 180,916 |
| Other comprehensive income for the year | - | - |
| Total comprehensive income attributable to members of the entity | 180,916 | 180,916 |
| Balance at 30 June 2014 | 1,660,279 | 1,660,279 |

STATEMENT OF CASH FLOWS

| | Note | 2014 \$ | 2013 \$ |
|---|------|------------------|------------------|
| Cash flow from operating activities | | | |
| Receipts of donor and supporters | | 576,363 | 619,585 |
| Payments to suppliers and employees | | (357,654) | (256,072) |
| Payments to research grants | | (323,500) | (203,000) |
| Interest Received | | 35,387 | 96,788 |
| Net cash provided by (used in) operating activities | | (69,404) | 257,301 |
| Cash flow from investing activities | | | |
| Proceeds from sale of property, plant and equipment | | - | - |
| Payments for property, plant & equipment | | - | - |
| Net cash provided by (used in) investing activities | | - | - |
| Net increase (decrease) in cash held | | (69,404) | 257,301 |
| Cash at the beginning of the financial year | | 1,749,087 | 1,491,786 |
| Cash at the end of the financial year | | 1,679,683 | 1,749,087 |

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

Spinal Cure Australia applies the Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards* and AASB 2010-2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements were authorised for issue on 31 October 2014 by the directors of the entity.

Accounting Policies

(a) Revenue

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue is deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor,

otherwise the grant is recognised as income on receipt.

Revenue from rendering of service is recognised upon the delivery of the service to the customers.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective rate method, which for floating rate financial assets is the rate inherent in the instrument.

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

(b) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

| Class of Fixed Asset | Depreciation Rate |
|----------------------|-------------------|
| Office equipment | 37.50% |

NOTES TO THE FINANCIAL STATEMENTS

(continued)

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income.

(d) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(e) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instruments. For financial assets, this is equivalent to the date that the entity commits itself to either purchase or sell the asset (ie trade date accounting). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit and loss' in which case transaction costs are expensed to profit and loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at 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 adopted.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between the initial amount and the maturity amount calculated using the effective interest method.

Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, where they are

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 amounts being included in profit or loss.

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.

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 entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

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 investment in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (ie gains or losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains and 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 and loss.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the entity 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 the 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.

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 which is 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.

(f) Impairment of Assets

At the end of each reporting period, the entity 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 recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

(g) Employee Benefits

Short-term employee benefits

Provision is made for the entity's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The entity's obligation for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

The entity classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the entity's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The entity's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which the obligations are presented as current liabilities.

(h) Provisions

Provisions are recognised when the entity 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) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, and other short-term highly liquid investments with original maturities of six months or less.

(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 (ATO).

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 receivable or payables in the statement of financial position.

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

NOTES TO THE FINANCIAL STATEMENTS

(continued)

cash flows included in receipts from customers or payments to suppliers.

(k) Critical accounting estimates and judgments

The directors 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 entity.

(l) Comparative Figures

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

| | Note | 2014 \$ | 2013 \$ |
|-------------------------------------|------|------------------|------------------|
| 2 REVENUE | | | |
| Donations received | | | |
| General | | 358,365 | 133,926 |
| Fellowships | | 150,000 | 110,000 |
| Bequest | | - | 284,985 |
| | | 508,365 | 528,911 |
| Revenue from fundraising activities | | 66,292 | 40,985 |
| Interest received | | 52,467 | 70,035 |
| Voting membership | | 550 | 800 |
| Total revenue | | 627,674 | 640,731 |
| 3 (LOSS)/PROFIT FOR THE YEAR | | | |
| Expenses | | | |
| Depreciation and amortisation | | | |
| Office equipment | | 1,202 | 1,923 |
| Rental expenses on operating leases | | 3,709 | 3,709 |
| 4 CASH AND CASH EQUIVALENTS | | | |
| Current | | | |
| Petty cash | | - | 38 |
| Cash at bank | | 655,058 | 749,049 |
| Term deposit | | 1,024,625 | 1,000,000 |
| | 11 | 1,679,683 | 1,749,087 |

The effective rate on the term bank deposits is 3.90% (2013: 4.20%); they have average maturity of 7 months.

| | Note | 2014 \$ | 2013 \$ |
|---|------|------------------|------------------|
| Reconciliation of cash | | | |
| Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows: | | | |
| Cash and Cash equivalents | | 1,679,683 | 1,749,087 |

5 TRADE AND OTHER RECEIVABLES

Current

| | | |
|----------------------|---------------|--------------|
| Accounts receivables | 5,785 | 1,120 |
| GST receivable | 8,268 | 2,192 |
| Other receivables | 2,473 | 2,875 |
| | 16,526 | 6,187 |

11

6 OTHER ASSETS

Current

| | | |
|------------------|---------------|---------------|
| Accrued interest | 17,079 | - |
| Prepayments | 2,543 | 16,666 |
| | 19,622 | 16,666 |

7 PROPERTY, PLANT AND EQUIPMENT

Office equipment

| | | |
|--|--------------|--------------|
| At cost | 9,893 | 9,893 |
| Accumulated Depreciation | (7,891) | (6,689) |
| | 2,002 | 3,204 |
| Total property, plant and equipment | 2,002 | 3,204 |

Movements in carrying amounts

Movement in carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year

| | Office equipment \$ | Total \$ |
|---|------------------------|--------------|
| 2014 | | |
| Balance at the beginning of the year | 3,204 | 3,204 |
| Additions | - | - |
| Disposals | - | - |
| Depreciation expense | (1,202) | (1,202) |
| Carrying amount at the end of year | 2,002 | 2,002 |

NOTES TO THE FINANCIAL STATEMENTS

(continued)

| | Note | 2014 \$ | 2013 \$ |
|--|------|---------------|----------------|
| 8 TRADE AND OTHER PAYABLES | | | |
| Current | | | |
| Trade Creditors | | 20,589 | 216,820 |
| Unearned income | | - | 50,000 |
| Accrued expenses | | 5,300 | 5,000 |
| PAYG Withheld | | 7,538 | 5,312 |
| CAMRA | | 1,137 | 1,137 |
| | | 34,564 | 278,269 |
| Financial liabilities at amortised cost classified as trade and other payables | | | |
| Total current | | 34,564 | 278,269 |
| Total non-current | | - | - |
| | | 34,564 | 278,269 |
| Less: Unearned Income | | - | 50,000 |
| Financial liabilities as trade and other payables | 11 | 34,564 | 228,269 |

CAMRA

CAMRA stands for the Coalition for the Advancement of Medical Research Australia. Funds contributed will be used to lobby governments on issues relating to Spinal Research. Any funds remaining (if any) upon cessation of the group will be returned to the contributors.

9 PROVISIONS

Current

| | | |
|---------------------------------|---------------|---------------|
| annual leave entitlements | 15,945 | 13,197 |
| long service leave entitlements | - | - |
| | 15,945 | 13,197 |

Non-current

| | | |
|---------------------------------|---------------|---------------|
| long service leave entitlements | 7,045 | 4,315 |
| | 22,990 | 17,512 |

Analysis of total provision

| | 2014 Employee Provisions \$ |
|---|-----------------------------------|
| Opening balance 1 July 2013 | 17,512 |
| Additional provision raised during the year | 14,468 |
| Amount used | (8,990) |
| Balance at 30 June 2014 | 22,990 |

Provision for Long-term employee benefits

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the entity does not expect the full amount of annual leave or

long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

10 RELATED PARTY TRANSACTIONS

| | 2014 \$ | 2013 \$ |
|---|----------------|----------------|
| (i) Key management Personnel | | |
| Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel. | | |
| key management personnel compensation | 153,973 | 153,956 |

(ii) Other related parties

Other related parties include close family members of key management personnel, and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

11 FINANCIAL RISK MANAGEMENT

The entity's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements are as follows:

| | Note | 2014 \$ | 2013 \$ |
|---|------|------------------|------------------|
| Financial Assets | | | |
| Cash and cash equivalents | 4 | 1,679,683 | 1,749,087 |
| Loans and receivables | 5 | 16,526 | 6,187 |
| Total Financial Assets | | 1,696,209 | 1,755,274 |
| Financial liabilities | | | |
| Financial liabilities at amortised cost | | | |
| - Trade and other payables | 8 | 34,564 | 228,269 |
| Total Financial Liabilities | | 34,564 | 228,269 |

Net Fair Values

The net fair values of financial assets and liabilities approximates their recognised carrying values. The aggregate carrying amounts of financial assets and liabilities are disclosed in the balance sheet and in the notes to the financial statements. No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying amount exceeds net fair values have not been written down as the entity intends to hold these assets to maturity.

NOTES TO THE FINANCIAL STATEMENTS

(continued)

| | 2014 \$ | 2013 \$ |
|--|------------|------------|
|--|------------|------------|

12 EVENTS SUBSEQUENT TO REPORTING DATE

There have been no significant events subsequent to the reporting date.

13 ADDITIONAL INFORMATION REQUIRED UNDER THE CHARITABLE FUNDRAISING ACT 1991 (NSW)

(a) Details of aggregate gross income and total expenditure of fundraising appeals

| | | |
|---------------------------------|----------------|----------------|
| Gross income from fundraising | | |
| Unsolicited Donations | 358,365 | 133,926 |
| Bequests | - | 284,985 |
| Fellowships | 150,000 | 110,000 |
| Fundraising Events | 66,292 | 40,985 |
| Gross proceeds from fundraising | 574,657 | 569,896 |
| Less: Total cost of fundraising | (53,786) | (27,925) |
| Net surplus from fundraising | 520,871 | 541,971 |

(b) Application of funds for charitable purposes

| | | |
|-----------------|---------|---------|
| Research grants | 123,500 | 403,000 |
|-----------------|---------|---------|

(c) Comparison of monetary figures and percentages

| | 2014 \$ | % |
|--|-----------------|-------|
| Total cost of fundraising / gross income from fundraising | 53,786/574,657 | 9.36 |
| Net surplus from fundraising / gross income from fundraising | 520,871/574,657 | 90.64 |
| Total costs of services / total expenditure | 123,500/446,758 | 27.64 |
| Total costs of services / gross income received | 123,500/627,674 | 19.68 |

(d) Fundraising appeals as classified by the Charitable Fundraising Act 1991 conducted during the year

For the purposes of reporting under the requirements of the Charitable Fundraising Act 1991, Spinal Cure Australia's fundraising activities conducted during the year ended 30 June 2014 relates predominantly to the collection of unsolicited donations and the conduct of Fundraising Corporate Events.

| | Lions Club Golf day \$ | Oscars Luncheon \$ | Total of Events \$ |
|----------------------------------|---------------------------|-----------------------|-----------------------|
| Proceeds from corporate events | 8,000 | 58,292 | 66,292 |
| Costs of corporate event | 1,210 | 52,187 | 53,397 |
| Net Surplus from corporate event | 6,790 | 6,105 | 12,895 |

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Spinal Cure Australia, the directors of the entity declare that:

1. The financial statements and notes as set out on pages 4 to 18 are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 30 June 2014 and of the performance for the year ended on that date of the entity;
2. In the directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

Declaration in respect of fundraising appeals

In the opinion of the council:

- (a) the accounts give a true and fair view of all income and expenditure with respect to fundraising appeals for the financial year ended 30 June 2014;
- (b) the statement of financial position gives a true and fair view of the state of affairs of the company with respect to fundraising appeals as at 30 June 2014;
- (c) the provisions of the Charitable Fundraising Act 1991 (NSW), the Regulations under the Act and the conditions attached to the authority have been complied with for the financial year ended 30 June 2014; and
- (d) the internal controls exercised by the company are appropriate and effective in accounting for all income received and applied by the entity from any of its fundraising appeals.

This statement is signed for and on behalf of the Board by:



Ms Joanna M. Knott
Director – Chairperson

Dated this 2nd day of December 2014



Mr Duncan Adams
Director – Company Secretary

Dated this 2nd day of December 2014

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Report

We have audited the accompanying financial statements of Spinal Cure Australia (the entity) which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those 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 report are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments,

the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 report.

We believe 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 2001*, provided to the directors of Spinal Cure Australia would be in the same terms if given to the directors as at the date of this auditor's report.

Auditor's Opinion

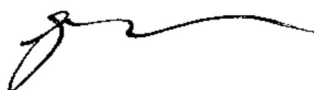
In our opinion, the financial report of Spinal Cure Australia is in accordance with the *Corporations Act 2001*, including:

- (i). giving a true and fair view of the entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (ii). complying with Australian Accounting Standards- Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

We also report that:

- (a) the financial statements show a true and fair view of the financial result of fundraising appeals conducted during the year;
- (b) the accounting and associated records have been properly kept during the year in accordance with the *Charitable Fundraising Act 1991* and the Regulations;
- (c) money received as a result of fundraising appeals conducted during the year has been properly accounted for and applied in accordance with the *Charitable Fundraising Act 1991* and the regulations; and
- (d) at the date of this report, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

Name of Firm: Thomas GLC
Chartered Accountants



Name of Partner: Glenn McEwen
Address: Suite 3 Level 1, 16-20
Edgeworth David Avenue,
Hornsby NSW 2077

Dated this 10th day of November 2014



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