

ANNUAL REPORT 2019

60
YEAR
MDA 1959-2019
ANNIVERSARY



Muscular Dystrophy
New Zealand

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For year ended 31 December 2019.



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About Us

Freedom beyond limits

The Muscular Dystrophy Association of New Zealand (MDANZ) is a member-led organisation established by New Zealanders with lived experience of neuromuscular conditions and those who support them. We began in the late 1950s as a support group for families affected by muscular dystrophy. Since then we have broadened our scope to include many other neuromuscular conditions and have become a leading source of information and support to our community.

Our logo is a person shown in the form of DNA. The double helix represents the genetic component to many of our conditions and acknowledges the whakapapa or family histories, which are woven through the stories of our members.

Neuromuscular conditions

We provide support for people with all types of muscular dystrophy, spinal muscular atrophies, myotonic dystrophy, inherited ataxias and spastic parapareses, metabolic muscle disorders including mitochondrial disorders, Charcot-Marie-Tooth disease and all types of hereditary motor and sensory neuropathies as well as neurocutaneous conditions such as neurofibromatosis.

Our members are of all ages and backgrounds, as symptoms can appear at birth or, for others, not until much later in life. Neuromuscular conditions are unpredictable, with limited treatment options.

What we offer

We have four regional branches that are supported by the national office based in Auckland. Together, we support individuals, families and whānau by providing information, practical resources, a fieldwork service, advocacy and peer to peer networks.

We campaign to improve public awareness of rare neuromuscular conditions and work with clinicians and

researchers to improve pathways to diagnosis and care standards for our members. Through our research trust, we offer hope for the future by funding research and facilitating access to clinical trials and potential new treatments.



Vision

Freedom beyond limits

Mission

Promoting freedom of choice
and a responsive society

Values

Sustainable *Toitūtanga*
Empowering *Whakamanatanga*
Proactive *Kōkiritanga*
Connected *Tūhonotanga*



Chairperson's Report 2019

From humble beginnings in the 1950s, as a support group for families affected by muscular dystrophy, to the national association of four branches and the NRFT research arm we are today, our common purpose and vision remains the same: freedom beyond limits.

The 2019 year was one of pride and joy as we united together to celebrate 60 wonderful years of the association. We reflected often on the past to acknowledge all those who have come before us, giving selflessly for decades to position us to be able to truly make a difference.

I wholeheartedly thank each and every one of you who have been involved with our association and the commitment to our cause.

From humble beginnings in the 1950s, as a support group for families affected by muscular dystrophy, to the national association of four branches and the NRFT research arm we are today, our common purpose and vision remains the same: freedom beyond limits.

The 60th Jubilee

Despite it being yet another tough year economically, we still achieved our fundraising targets as well as hosting a key Education Seminar and the 60th Jubilee event in August.

This was a memorable and fun evening showcasing our wonderfully diverse community. It also celebrated the ongoing commitment of our long-term partners and supporters who provide us with a strong foundation.

This strong foundation is supported wholeheartedly by our National Council and I wish to thank them for their time and efforts during 2019.

Their professionalism and diverse range of skills has now been complemented by new members Matthew Willetts and Joy Jenkin. The National Council's talent and diversity

sees us well positioned to deliver our 2020–2025 Strategic Plan and continue serving our community to the highest level possible.

Accessibility to new treatments

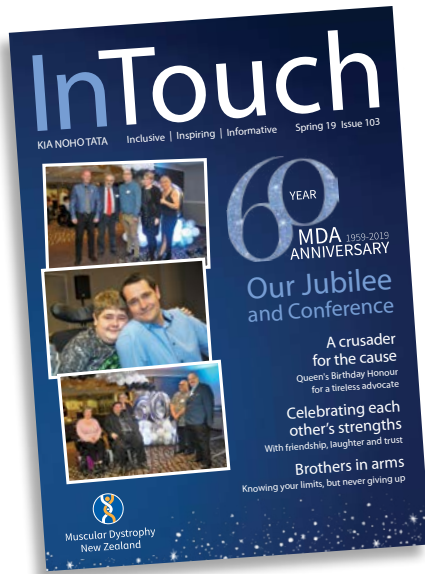
Promoting accessibility to new treatments for SMA and other neuromuscular conditions was a continued focus for 2019.

We are fortunate to have an array of supporters, both in New Zealand and overseas, across the neuromuscular community pushing for this accessibility on our behalf.

There are exciting scientific breakthroughs being achieved, and the number of clinical trials available to people with neuromuscular conditions is increasing.



Speaking at our Education Seminar.



The work of the Registry is critical to providing a pathway for New Zealanders to access clinical trials and, given this, National Council committed funding to help the Registry continue its work into 2020.

A special mention must go to the Neuromuscular Research Foundation Trust and the trustees who are responsible for distributing funding for projects that address MDANZ's four current research priorities:

- Standards of care.
- Habilitation, and rehabilitation.
- New Zealand prevalence and incidence of neuromuscular conditions.
- Treatments and cures.

Despite a busy and celebratory year, we have concentrated on our core mission, which is promoting freedom of choice and a responsive society.

We take a member-focused approach as we recognise that if we encourage our members, their whānau, and their community to share our vision, then we get the best outcomes.

Prioritising initiatives that deliver maximum benefit for our members remains one of our key challenges. We are acutely aware our work here is far from done!

Taking into consideration the challenges within the health and disability sector, it's critical that we are innovative, visionary and agile with our members' needs at the centre of all considerations.

Planning in 2019 reflected this and while we may not fill all service needs, we are committed to ensuring we link our members with services that will support their needs.

Our members are continuously supported by our branches and staff and I would like to thank all branch, National Office staff and the NRFT for their continued service, positive commitment and hard work to deliver our services.

Volunteers are also key supporters of MDANZ and I wish to salute the many volunteers who have sacrificed many unpaid hours, particularly in the governance structures of our organisation.

***Taking into consideration
the challenges within the health
and disability sector, it's critical
that we are innovative, visionary
and agile with our members'
needs at the centre of
all considerations.***

As a member-led organisation we ask a lot of our members, and I truly wish to honour and thank all who have stepped up to give time and resources to our organisation this year. I am humbled by your efforts and could not do my job without you.

In closing, my sincere thanks goes out to the community we serve. For 60 years we have had a strong focus - we truly are dedicated and motivated to support you.

Trevor Jenkin
National Executive Chairperson

Our People

Patrons



Judy Bailey



Dame Susan Devoy

National Council



Trevor Jenkin
Chairperson

Trevor is a longtime member and supporter of MDANZ and is also Chairperson of the Northern Branch of the Muscular Dystrophy Association of New Zealand. He is self-employed and in his spare time enjoys working with other community organisations.



Scott Laurensen

Scott Laurensen lives in the sunny far north of New Zealand. He has been running an IT/computer shop for the past 12 years and has lived experience of disability with sepn1 myopathy which is an extremely rare condition. Scott says he is dedicated to advocating for muscular dystrophy treatments.



Jan Daly

Timaru-based Jan is a qualified Early Childhood Educator and has several years of experience working with special needs children in primary schools. Jan credits MDANZ with helping her better understand her own condition.



Joy Jenkin

Joy is a long time member and volunteer of MDANZ and is also the Secretary of the Northern Branch. She is a dedicated advocate for members, especially the DMD community, and works hard in the community helping others.



Brent Walker

Hamilton-based Brent has SMA and lives independently, managing his own supports and funding through the development of Enabling Good Lives. Brent believes it is valuable to bring this unique experience to his governance position, alongside a youth perspective.



Dr Tristram Ingham

As a qualified doctor, Tristram has clinical experience in the fields of neurology, internal medicine, and rehabilitation and works at the University of Otago, as a Senior Research Fellow. He is keen to utilise his skills for systems improvement and to address health inequalities and outcomes for marginalised groups.



Scott Boyle

Scott, an avid writer who is working on a novel and web-series, became involved in the association's governance after realising he should be doing more for others. 2018 was the beginning of his MDANZ voyage, joining Council and the Canterbury Committee. He considers it a privilege to be the Rangatahi Representative.



Michael Schneider

Michael works in the disability sector and is a passionate advocate for families and individuals living with impairment. Since their son's diagnosis with Duchenne muscular dystrophy, Michael and his wife have worked hard to provide opportunities for their son and to support other families on their journey after diagnosis. He is the Northern Branch representative.



Matthew Willetts

Matt Willetts, who is 25 years old, hails from in Oamaru. Like his brother, Andrew, he was diagnosed with muscular dystrophy as a baby. He's currently MDANZ's Southern Branch representative on the National Council. Matt is passionate about human rights, for people to be heard and believes that with knowledge we can be our own best advocate.



Bernadette Ingham

Bernadette has lived experience of disability and her husband Tristram and his wider family live with MD. She is a nurse and proud mother of three wonderful young adult children. She works as a health and disability researcher and is passionate about our society becoming truly inclusive of disabled people. She is Secretary of the Central Region Branch and its representative.



Andrew Willetts

Andrew lives in Oamaru and has lived experience of disability. He's been involved with MDANZ since 1995 and became Chair of the Southern Branch last year. Andrew studied education at Canterbury University and works as a teachers' aide. He hopes MDANZ's work continues to raise awareness of the vast range of neuromuscular conditions it covers. He represents Southern Branch.

With many thanks to the previous National Council members: Rebecca Poad and Kerry Stephenson.

Our Member Feedback

"Funding through the Bradley Jenkin Memorial Fund has enabled me to provide care for [my mobility dog's] needs and I am very grateful for that."

"I just wanted to say a big thank you for the funding I received from the last funding round. This was for a hot water urn which has been a wonderful help for me, making things less difficult and safer. I am so grateful to MDANZ for this and other support."

"I accessed the fieldworker service because I needed support. Having been discharged from the hospital system and from ACC rehabilitation, I was on my own. Without someone who knows how the system works to guide me, it felt like a maze at the time."

"Being a part of the Duke of Eds programme has been amazing. I have really enjoyed setting myself challenges/goals and not only working towards them but accomplishing them, which has been big for me as at first thought I couldn't do it."

"I think the programme is just so awesome as it taught me that I can get out there and do things just like my peers although it might look a bit different and that's perfectly okay! Thank you so much to all who have made it possible for us to be able to join the programme and for youth who are wanting to push themselves and learn new things, I would definitely recommend giving the Duke of Eds a go."

"After being diagnosed we felt very much on our own, but this soon changed when we became members of MDANZ. We have somewhere we feel like we belong and can contribute to help others with neuromuscular conditions. It's so much better now because when someone receives a diagnosis they are directed to MDANZ for support straight away..."

Our year in numbers

A snapshot of the year 2019



13,000

In Touch magazines printed for members, GPs, specialists and supporters



15,272

visits to our website for information



1,147

members visited by a fieldworker at least once

SIX

new Life Members

FOUR

research projects funded



18

members reimbursed for the pneumococcal vaccine

ONE

GP e-learning module developed and published



26

members utilised our counselling services



173

attendees at our Jubilee & seminar

60
YEAR
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96

new members supported



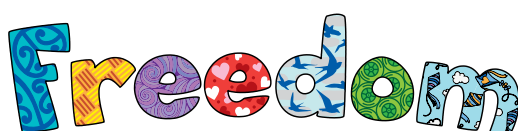
44

members given new opportunities thanks to funding from our discretionary fund

FIVE



young members receive Bronze Duke of Edinburgh Awards



Muscular Dystrophy Association NZ

Our month-long Freedom Campaign in September 2019 celebrated the triumphs and challenges that our members face while we worked to raise both awareness of neuromuscular conditions and funds for local services.

The campaign included our annual Freedom Appeal, which ran from September 6, and was an intensive week of activities focused on national fundraising with big pushes on social media, on the crowdfunding platform Givealittle and through a variety of branch events.

We celebrated our strong and courageous members by sharing their stories on social media to ensure that New Zealanders were aware of the conditions that our members live with. We wanted to facilitate open conversations about how our members' lives can be enhanced through advocacy, changes in legislation and better care and knowledge.



Trevor Jenkin was busy out fundraising.



Members had a chance to try their luck at Northern's tenpin bowling event.

Busy collecting

Some of the highlights around the country included Northern Branch members undertaking collections at Auckland Airport, Milford Mall and in Tokoroa. At the end of the month the branch hosted a tenpin bowling event for its members.

Accessible wildlife park

Meanwhile Central Branch was involved with a number of member-led events across the region including Wairarapa members spending a day together at the accessible Pūkaha, Wildlife Park, Mt Bruce.

Central Branch members and

whānau across the greater Wellington region also undertook collections at Wellington airport, the railway station, school mufti days and at supermarkets.

Members from Gisborne, Napier, Tamatea and Havelock North held a number of morning teas and supermarket collections during the appeal month.

And down South

As part of its Freedom Appeal, Southern Branch held a sausage sizzle at Bunnings in Dunedin and sold out in record time. The region also held a very successful quiz night with raffles.



The Southern team all set to go.



Muscular Dystrophy Association NZ

Support Kiwis living with neuromuscular conditions



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www.mda.org.nz

What our branches are doing

A roundup of the news from each of our four branches



The Northern team at Family Camp.

Northern

MDANZ Northern can report we have had another busy and successful year.

Our annual Family Camp held in November at Ngāruawāhia Christian Camp was a highlight with 60 members attending and taking part in all the activities and games.

Other member events in 2019 included our monthly coffee group in Hamilton; Armageddon Auckland; 'Wheels on Ice' Ice Skating and, of course, our AGM.

As part of our fundraising and awareness events we had the HOG Poker Run; HOG Bottle Auction; 'Freedom' collections at Auckland Airport and Milford Mall (which raised \$2,214); the Enabling Recreation & Leisure Expo in Whangarei along with the Paediatric Conference in Auckland.

At the Northern office in Albany we employ one full-time Fieldworker (Darian Smith) and one part-time Fieldworker (Rachel Woodworth). Our part-time Office Manager (Denise Ganley) does all of our funding and grant applications as well as running the office. Thank you to them for

their hard work and dedication to the branch and its members.

Thanks also to our pro-bono accountant Raema Inglis who has been working with us for many years. We are very appreciative of Raema's time in doing our accounts.

Without any government funding to cover the work that we do, including the Fieldworker Service, we rely heavily on fundraising, donations and grants.

Thank you to all of the trusts who have supported our Fieldworker Service in 2019. They are: Bodmin Charitable Trust, COGS, Lottery Grants Board, Foundation North, Bay Trust, The Trusts Community Foundation, Trust Waikato, CR Stead Trust, James Searle Say Trust, LW Nelson Trust, JM Thompson Trust, Lion Foundation, North Shore Presbyterian Hospital Trust, Pub Charity, Hamilton City Council, JA Redwood Trust, Len Reynolds Trust, JM Thompson Trust, Bluesky Community Trust.

I would also like to thank Outsource IT for their pro bono IT support and the Auckland HOG Chapter who have continued to be wonderful supporters of the branch.

Our two Fieldworkers have continued to attend specialist clinics, relevant expos and events and provide in service training to health and educational professionals.

Our other supporters are: Harley Owners Group – Auckland Chapter, Auckland Harley Davidson – Mount Wellington, ASB Bank.

We are governed by an elected volunteer committee who donate their time to ensure our branch runs smoothly and I would like to thank them for the work they have done in the past year.

Joy Jenkin – Secretary, Andrea Clive – Treasurer, Lew Pulman, Michael Schneider, Chloe Hovell, Yaz Dolbel-Neville, Naomi Vailima, Melanie Hopley, Alexandra Heke, Megan Aspin.

We now have 676 followers on our Facebook page and continue to get a lot of engagement through our posts.

Trevor Jenkin, Chairperson

Central

Muscular Dystrophy Central Region had a very busy and successful year in 2019.

We were delighted to bring onboard two new part-time staff members who also live with muscular dystrophy conditions and bring a wealth of lived experience with them. Michelle Smith, our community coordinator, is based in the Hawkes Bay and is passionate about supporting other members so they can get access to the supports they need and be active in their communities.

Talitha Vial (nee Vandenberg), leads the Myasthenia Gravis Reference group, is based in Manawatu and says this new Fieldworker role is her dream job and she loves building relationships with other members. We are very grateful to have their expertise and dedication to supporting members in our Central Region.

During the year we have continued to build our presence across the districts by partnering with members and volunteer agencies, community groups, and disabled persons organisations in Taranaki, Whanganui, Palmerston North, Gisborne (special thanks to Hilary Pickering), Wellington and Wairarapa. We conducted a survey to get feedback from members so they could have a say in directing activities they wanted. As a result, we held a range of member activities and events including member engagement groups, and thanks to Wairarapa member Faye Leveridge we had an inspiring accessible tour exploring the wonders of the Pūkaha National Wildlife Centre. Members took part in morning teas and lunches, September fundraising street collection days, a craft stall and Christmas parties across the Central Region.

As a member-led organisation we have a dedicated governance Executive Committee comprised of the following volunteer MDA members, Tristram Ingham (Chairperson), John Hawkins (Vice-Chair), Jan Beerworth (Life Member), Lyn Hawkins (Life Member) and Bernadette Ingham (Secretary), who give very generously of their time each year. We are grateful to our dedicated volunteer treasurer, Urmit Patel who gives generously of his time and expertise while providing invaluable financial advice and guidance. We have had

increasing success with grants and are well placed to continue to build on engaging and supporting our Central Region members in the future.

The volunteer Central Committee want to thank all our members, volunteers, sponsors and donors for your unwavering support during 2019 and contributing to one of our best-ever years.

Dr Tristram Ingham, Chairperson

Canterbury

2019 has been a difficult year for MDANZ Canterbury Branch, with committee changes, financial difficulty and staffing changes. However, we must push on for our members and the support we can provide.

This year we welcomed Vivienne Fitzgerald to the South Island Co-Ordinator Role. Viv has revitalized our funding applications and has made a significant impact on our financial stability. As we rely solely on donations and grants Viv's job is a vital part of providing our fieldwork service.

Sadly, we were unable to form a constituted committee this year with limited attendance to our Annual General Meeting, which was disappointing.

Since then we have been under the management of the National Council which has been there supporting the branch every step of the way.

A big thank you to our committee members Scott Boyle and Kimmy and Mike Nolan for your continued support.

We say goodbye this year to Marty Price who has finished as Fieldworker. We thank Marty for his great work over his time with us and wish him the best with his next venture.

Andrew Willetts, Appointed Chairperson



Sausage sizzling in the south.

Southern

2019 has been a fantastic year here in the Southern Regions.

We have had some great fundraising opportunities this year, with sausage sizzles, quiz nights and the use of the donation boxes.

First and foremost, I must thank all our members and volunteers who have given us support for these events and a hope that we can continue the fantastic work within the region.

This year we welcomed Vivienne Fitzgerald to the South Island Co-Ordinator role. Viv has revitalised our funding applications and has made a significant impact on our financial stability. As we rely solely on donations and grants Viv's job is a vital part of providing our fieldwork service.

This year we also have said goodbye to Jo Smith our outgoing Fieldworker. She has worked hard with our members over the last couple of years. We wish Jo luck with her future endeavours and thank her warmly for the support we have received during her employment.

We also warmly welcome our new Fieldworker Jackie Stewart, who is starting shortly after our AGM. We look forward to working together to support our members.

Andrew Willetts, Chairperson

Celebrate

Here we celebrate the achievements of just a few of our inspirational and ambitious members who shared their stories with *In Touch* readers throughout 2019.

Melanie Eggers: Living life on the edge

Melanie Eggers likes to live life on the edge and encourages others to do so too. In her view: "You have got to take your chances and if you want to do something, do it. Just live life to the max and do what you like."

And she follows her own advice. Palmerston North based Melanie undertook her first sky dive five years ago, jumping 13,000 ft, while on the same day she saw the legendary Bruce Springsteen in concert.

A more recent sky dive, this time from 20,000 feet, was late 2018 and again on the same day she saw a major international act – Def Leppard.

"Concerts and sky diving are what I do," she told *In Touch* in our Winter 2019 issue.



High above Auckland city on the Sky Walk. Nothing is too high for Melanie.

Melanie has glycogen storage disease, which is an inherited condition that impairs the body's ability to breakdown a complex sugar called glycogen in the body's cells.

Melanie credits a major brain operation for taking away her fear heights and completely changing her life. In 2005, when she was 26, Melanie had a right temporal lobe lobectomy, to help the extreme epilepsy she had been suffering from since she was 13.

Until that point the epilepsy had meant "I couldn't even cross the street on my own". Her seizures have not only gone but she now drives, has a full-time job and, as *In Touch* spoke to her, was planning her wedding.

"As long as I can walk or jump, I will keep doing it. Having been invalided all my teenage years and in my 20s, I am living life now."

Oliver Groom and Nicole Grimme: Celebrating each other's strengths

Friendship, laughter and deep mutual trust and respect lie at the heart of what makes the team of Kerikeri-based Oliver Groom and his support person, Nicole Grimme so successful.

The close friendship they have forged over the past 10 years is



Oliver Groom and his support person Nicole Grimme out for lunch in Kerikeri with Nicole's dad, Stuart.

obvious as they talk about how their shared sense of humour helped them click straight away.

But there is also real respect as Nicole talks about Oli's inner strength after a recent major medical event and his strong musical talent.

"Our focus is on not what he can't do. Instead we work around things and work on ways to make something happen. We don't let things stop us," she told *In Touch* in our Spring 2019 issue.

And they have gone somewhat out of Oli's comfort zone in recent years, including a cruise around the Pacific and a South Island motorhome trip, with Oli saying Nicole is good at encouraging him a bit further. "In a good way; most of the time".

They also point out that the mutual trust they've built up means Oli has undertaken adventures he

might not have done with other people because they know each other so well.

Oli, who has Duchenne muscular dystrophy, keeps very busy with his great passion, music. He released his first album in 2014 called *Lucid Frequency* under the name *State of Flux* (See soundcloud.com/state-of-f).

In their 10 years working together, Nicole has also become Oli's advocate around issues like funding and other support services. But, most importantly, his friend.



Brennan Massey.

Brennan Massey: At the top of his game

Playing at the top level of his sport has seen 17-year-old Brennan Massey's whole attitude to life change, and now the Australians want him for one of their teams.

When *In Touch* spoke to Brennan and his mother Vivienne, for our Summer 2019 issue, the family had just returned from a powerchair football tournament in Sydney. Since Brennan took up the sport, it has become a family affair, as his dad Paul is the co-coach of the national squad and Viv had recently stepped down from the national committee after six years.

Brennan, who has Duchenne muscular dystrophy, was introduced to the sport when he was 11.

Once he went to have a look and see what it was like, he stepped straight in and joined there and then.

And the introduction to powerchair football came at a good time for Brennan. He was feeling low about his DMD at the time and the move into the sport saw him "come straight out of that". As to the benefits of playing powerchair football, Viv says that it gives kids in powerchairs the chance to get involved in a team sport, it gives them confidence, gets the adrenalin flowing and means they are out and about.

"Playing powerchair football has really helped Brennan's self-confidence and it has changed his whole attitude to life because of the friends he has made."

Brennan had been asked to play for the Sydney Football Club in their Australian Premiere A league as a marquee player. When *In Touch* says this must mean he is really good, Brennan doesn't want to comment, but Viv admits he is. "... he is definitely one of New Zealand's top players and he puts a lot into it".

Hamish Taylor: California dreaming

Hamilton-based Hamish Taylor has always dreamed of going to the United States. And three years ago, Hamish and his family celebrated his 21st birthday by visiting all the spots Hamish had dreamed about.

Hamish told *In Touch* in our Winter issue that his first goal was to see the Golden Gate Bridge in San Francisco

and as they began planning their two-week family trip, the goals broadened considerably.

His dad Steve says as they began to map out the trip, Hamish pointed out that once they were in San Francisco, LA was only five hours drive away; and from there Las Vegas was just down the road and then it wasn't that much further to the Grand Canyon.

Hamish's mother Sharon and sister Lucy were on board for the trip but Hamish's younger brother Austin couldn't go at that time. Both Hamish and Austin have Duchenne muscular dystrophy (DMD) and as a result Hamish has severe scoliosis in his back which makes it hard to sit for long periods.

That could have been a problem on the 12-hour flight, but Hamish says the family found an option where a row of seats fold down, which meant that Hamish could lie down. The MDANZ Discretionary Fund helped pay for the extra seats needed.

Hamish says the US hotels were very good and more advanced in catering for wheelchair access. The trip, he says was everything he expected.



Hamish Taylor.

Neuromuscular Research New Zealand

The NZ Neuromuscular Disease Registry responded to 20 research-related enquiries over the course of 2019, including global feasibility studies and recruitment to local and Australian-based clinical trials.

Neuromuscular Research New Zealand* continued as the principle funder of the New Zealand Neuromuscular Disease (NZ NMD) Registry throughout 2019. The Registry achieved enrolments of more than 1200 people with neuromuscular conditions and is credited with facilitating almost all neuromuscular related research in New Zealand.

The Registry responded to 20 research-related enquiries over the course of 2019, including global feasibility studies as well as recruitment to local and Australian-based clinical trials.

The Curator of the NZ NMD Registry, Miriam Rodrigues, has a lead role with an international group, TREAT NMD, developing a global patient registry network for patients with spinal muscular atrophy.

Three other research projects were funded by NRFT in the 2019 year.

- Professor Kathryn Stowell, Massey University, continued her investigations into the functional characterisation of ryanodine receptor variants associated with malignant hyperthermia.
- Dr Fiona Graham, University of Otago, using a mixed-methods study, has investigated wheelchair and seating assessments delivered via tele-health.
- PhD candidate Sophie Burling, Massey University, has investigated



Dr Meredith Perry, University of Otago.

innervated muscle-on-a-chip for improved diagnostics of malignant hyperthermia.

The 2019 call for research applications for funding in the 2020 year netted four applications for research projects, three of which were considered by the Trustees.

The Trust is utilising revenue received in 2019 from The Richdale Trust, The Stern Foundation, and private donations.

One of the three applications received was able to be fully funded. Dr Meredith Perry from the School of Physiotherapy at the University of Otago will lead a validation study to determine the acceptability, repeatability, and effectiveness of using surface Electromyograph (sEMG) muscle activation as a proxy for muscle strength in healthy adults.

The aim of this study is to determine the acceptability, repeatability, and correlation between

surface Electromyograph (sEMG) and muscle force in healthy adults in the upper arm, thigh, and muscles of the forearm.

Using a proxy for muscle strength is helpful in an array of clinical uses and particularly for people with muscular dystrophy.

The normalised value of sEMG if correlated to muscle strength could give an additional proxy to examine the strength of a muscle without the need of complex, expensive, and clinic-based outcome measures such as dynamometry.

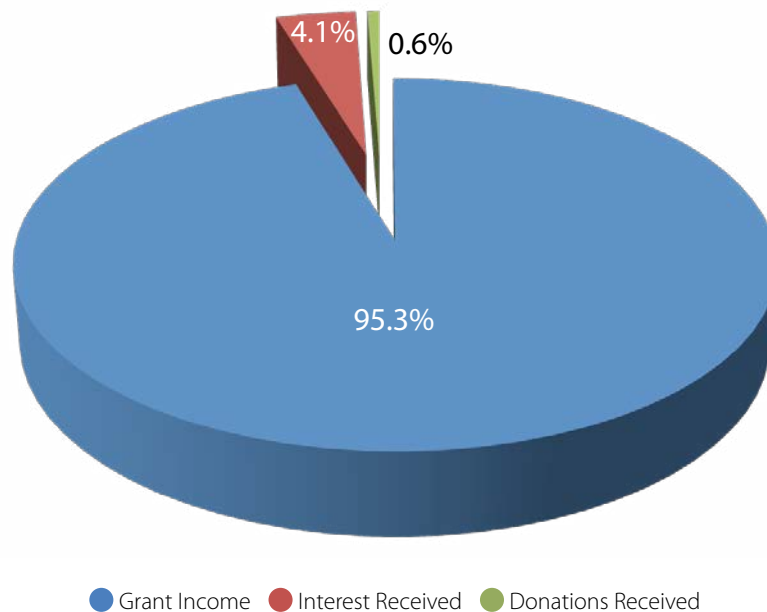
Surface EMG technology has been advancing in recent years and potentially poses, if successfully validated, an important potential clinical trial endpoint or quantitative outcome measure.

*Trustees of Neuromuscular Research New Zealand: Arthur Young (Chair), Professor Leigh Hale, Associate Professor Graeme Hammond-Tooke, Associate Professor Richard Roxburgh, Dr Tristram Ingham (MDANZ National Council representative), Dr Alexa Kidd, Dr Gemma Poke.

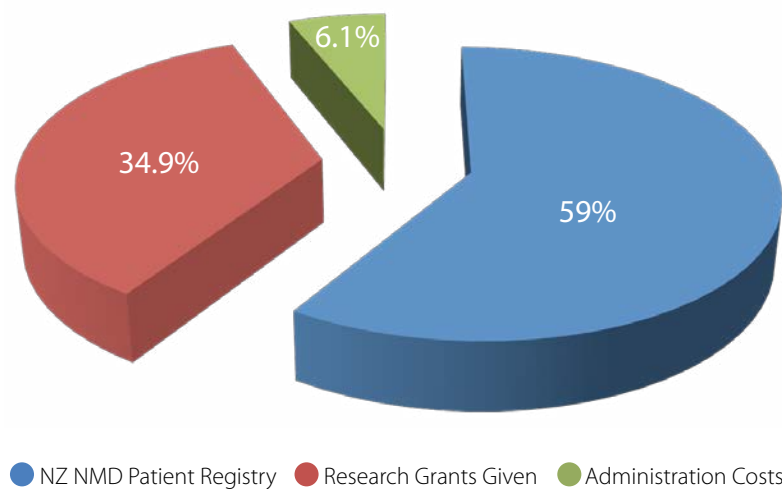


Neuromuscular Research New Zealand

2019 Income

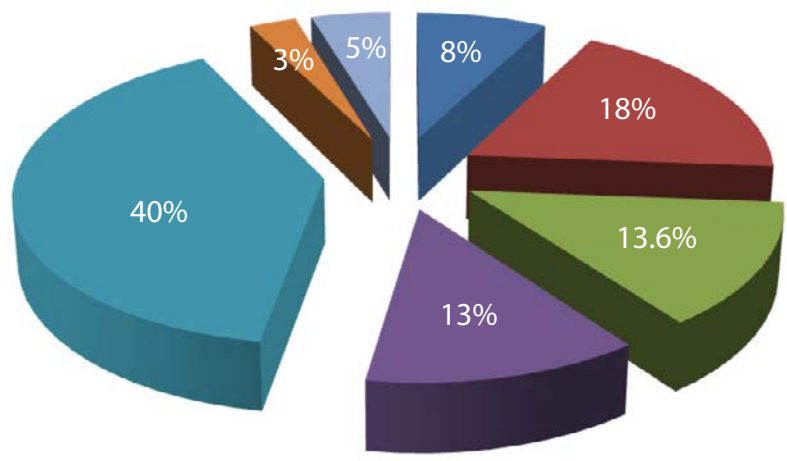


2019 Expense



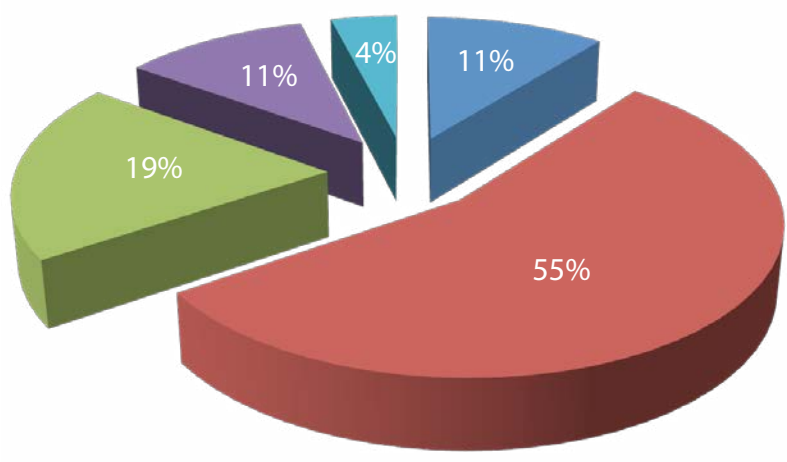
Muscular Dystrophy Association Group

2019 Income



- Donations
- Telemarketing
- Bequests
- Government Contracts
- Grants
- Interest & Dividends
- Other Revenue

2019 Cash Expense



- Awareness & Marketing
- Member Services
- Administration & Infrastructure
- Research
- Governance

Note: Annual costs incurred for telemarketing have been off-set against telemarketing income.

Muscular Dystrophy Association of New Zealand Inc. Annual Financial Report

For Year Ended 31 December 2019

Muscular Dystrophy Association of New Zealand Inc.
Consolidated Financial Statements
for the year ended 31 December 2019

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Muscular Dystrophy Association of New Zealand Inc.

Directory

For the Year Ended 31 December 2019

Registered office	419 Church Street East Penrose Auckland 1061
Nature of business	Charitable service provider for clients affected by neuromuscular conditions
Councillors	Trevor Jenkin - Chairperson Tristram Ingham - Vice Chairperson (appointed 26 April 2019) Elected members: Jan Daly Joy Jenkin (appointed 26 April 2019) Scott Laurensen Kerry Stephenson (resigned 26 April 2019) Brent Walker (resigned 28 September 2019) Andrew Willetts (appointed 26 April 2019) Branch Representatives: Michael Schneider - Northern Branch Bernadette Ingham - Central Branch Rebecca Poad - Canterbury Branch (resigned 12 April 2019) Matthew Willetts - Southern Branch Young (Rangatahi) Representative: Scott Boyle
Executive Chairperson	Trevor Jenkin
Registered Charities Number	CC31123
Independent auditor	RSM Hayes Audit 1 Broadway Newmarket, Auckland
Bankers	ASB Bank Limited Bank of New Zealand Westpac Banking Corporation
Solicitors	Chapman Tripp

Muscular Dystrophy Association of New Zealand Inc.

**Approval of the Consolidated Financial Statements
For the Year Ended 31 December 2019**

Approval

The National Council are pleased to present the Annual Financial Report of the Muscular Dystrophy Association of New Zealand Incorporated, including the Consolidated Financial Statements contained therein for the year ended 31 December 2019.

Statement of Compliance

The National Council and management of Muscular Dystrophy Association of New Zealand Incorporated confirm that all the statutory requirements in relation to these consolidated financial statements, as outlined in the Incorporated Societies Act 1908 and the Charities Act 2005, have been met.

Statement of Responsibility

The National Council are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information.

The independent external auditors, RSM Hayes Audit have audited the consolidated financial statements and their report appears on pages 19-21.

The National Council are also responsible for the systems of internal control. These are designed to provide reasonable but not absolute assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability for assets, and to prevent and detect material misstatements.

Appropriate systems of internal control have been employed to ensure that all transactions have been executed in accordance with authority and correctly processed and accounted for in the financial records. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the National Council to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The consolidated financial statements are prepared on a going concern basis. Nothing has come to the attention of the National Council to indicate that the Group will not remain a going concern in the foreseeable future.

In the opinion of the National Council:

- The Statement of consolidated comprehensive revenue and expense is drawn up so as to present fairly, in all material respects, the financial result of the Group for the year ended 31 December 2019;
- The statement of consolidated financial position is drawn up so as to present fairly, in all material respects, the state of affairs of the Group as at 31 December 2019;
- There are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due.

Signed for and on behalf of the National Council:



Chairperson
Trevor Jenkin

14th August 2020

Date



Vice-Chairperson
Tristram Ingham

14th August 2020

Date



RSM Hayes Audit

PO Box 9588
Newmarket, Auckland 1149
Level 1, 1 Broadway
Newmarket, Auckland 1023

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www.rsmnz.co.nz

Independent Auditor's Report

To the Members of Muscular Dystrophy Association of New Zealand Incorporated

Opinion

We have audited the consolidated and separate financial statements of Muscular Dystrophy Association New Zealand Incorporated ('Society') and its controlled entities ('group'), which comprise:

- the consolidated and separate statement of financial position as at 31 December 2019;
- the consolidated and separate statement of comprehensive revenue and expense for the year then ended;
- the consolidated and separate statement of changes in net assets/equity for the year then ended;
- the consolidated and separate statement of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements on pages 22 to 37 present fairly, in all material respects, the financial position of the group and its controlled entities as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report.

We are independent of the Society and Group in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other than in our capacity as auditor we have no relationship with, or interests in, the group or any of its controlled entities.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Hayes Audit is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.



Other information

The National Council is responsible for the other information. The other information comprises pages 1 to 18 and pages 38 to 39 of the 2019 Annual Report (but does not include the consolidated and separate financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report. Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the National Council for the consolidated and separate financial statements

The National Council are responsible, on behalf of the society, for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime, and for such internal control as the National Council determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the National Council are responsible, on behalf of the society and group, for assessing the society and group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those charged with governance either intend to liquidate the society and group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this consolidated and separate financial statements. A further description of the auditor's responsibilities for the audit of the consolidated and separate financial statements is located at the XRB's website at:

https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page7.aspx



Who we report to

This report is made solely to the members, as a body, in accordance with the rules of the society. Our audit has been undertaken so that we might state to the members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the society and members as a body, for our work, for this report, or for the opinions we have formed.

A handwritten signature in blue ink that reads 'RSM'.

RSM Hayes Audit
Auckland

19 August 2020

[Muscular Dystrophy Association of New Zealand Inc.](#)
Statement of Consolidated Comprehensive Revenue and Expense
For the Year Ended 31 December 2019

	Notes	2019		2018	
		Group	Parent	Group	Parent
Revenue from exchange transactions	15	12,620	5,017	37,672	18,138
Revenue from non-exchange transactions	15	1,962,839	1,602,479	1,863,582	1,801,547
Total Revenue		1,975,459	1,607,496	1,901,254	1,819,685
Expenses					
Employee Related Costs		728,768	581,852	784,208	729,703
Fundraising		510,680	509,461	610,028	601,074
Contracted Services		55,109	14,991	53,059	53,059
Grants made		59,228	31,412	35,068	227,126
Depreciation	9	60,078	35,622	70,815	39,594
Audit Fees		30,721	21,060	26,389	16,638
Bad Debt	8	-	49,188	-	-
Other Expenses	18	425,480	272,822	402,074	328,225
Total expenses		1,870,064	1,516,408	1,981,641	1,995,419
Finance income					
Interest Received	16	37,730	25,267	39,528	28,189
Dividends Received	16	7,700	7,700	1,060	1,060
Fair value gain or loss on investments		61,936	61,936	- 7,605	- 8,605
Net surplus (deficit) for the year		212,761	185,991	(47,404)	(155,090)
Other comprehensive revenue and expense		-	-	-	-
Total comprehensive revenue and expense for the year		212,761	185,991	(47,404)	(155,090)

[Muscular Dystrophy Association of New Zealand Inc.](#)
**Statement of Consolidated Changes in Net Assets/Equity
For the Year Ended 31 December 2019**

	Note	Capital Reserve	Accumulated Funds	Income Fluctuation Reserve	Total
Parent					
Total equity 1 January 2019		65,191	662,286	1,034,053	1,761,530
Total consolidated comprehensive revenue and expense		-	185,991	-	185,991
Closing equity 31 December 2019		65,191	848,277	1,034,053	1,947,521
Group					
Total equity at 1 January 2019		185,191	978,429	1,034,053	2,197,673
Total consolidated comprehensive revenue and expense		-	212,761	-	212,761
Closing equity 31 December 2019		185,191	1,191,190	1,034,053	2,410,434
Parent					
Total equity at 1 January 2019		65,191	817,376	1,034,053	1,916,620
Total consolidated comprehensive revenue and expense		-	(155,090)		(155,090)
Transfer to Income Fluctuation Reserve	17	-	-	-	-
Closing equity 31 December 2019		65,191	662,286	1,034,053	1,761,530
Group					
Total equity at 1 January 2019		185,191	1,025,833	1,034,053	2,245,077
Total consolidated comprehensive revenue and expense			(47,404)		(47,404)
Transfer to Income Fluctuation Reserve	17	-	-	-	-
Closing equity 31 December 2019		185,191	978,429	1,034,053	2,197,673

Muscular Dystrophy Association of New Zealand Inc.

Statement of Consolidated Financial Position As at 31 December 2019

	Notes	2019		2018	
ASSETS		Group	Parent	Group	Parent
Current assets					
Cash and cash equivalents	5	456,332	230,154	612,939	419,257
Short term investments	6	874,826	508,910	724,572	328,719
Receivables from exchange transactions	7	350	350	6,283	6,283
Receivables from non-exchange transactions	7	60,010	25,510	30,482	30,482
Portfolio Investments - current	11	-	-	-	-
Related Party Receivables	8	-	30,658	-	33,038
Prepayments		23,170	21,400	17,456	14,303
Goods and Services Tax		26,747	6,066	55,700	19,138
Inventory	12	22,148	22,148	25,915	25,915
		1,463,583	845,196	1,473,347	877,135
Non-current assets					
Property plant and equipment	9	787,727	699,331	798,283	735,438
Portfolio Investments - non-current	11	562,713	562,713	300,948	300,948
		1,350,440	1,262,044	1,099,231	1,036,386
TOTAL ASSETS		2,814,023	2,107,240	2,572,578	1,913,521
LIABILITIES					
Current liabilities					
Payables (from exchange transactions)	13	100,401	59,316	105,006	80,879
Payables (from non- exchange transactions)	13	246,412	44,254	237,593	36,201
Related Party Payable	8	-	617	-	2,605
Employee benefits	14	56,776	55,532	32,306	32,306
		403,589	159,719	374,905	151,991
TOTAL LIABILITIES		403,589	159,719	374,905	151,991
TOTAL NET ASSETS		2,410,434	1,947,521	2,197,673	1,761,530
Equity					
Accumulated comprehensive revenue and expense	17	1,191,190	848,277	978,429	662,286
Income Fluctuation Reserve	17	1,034,053	1,034,053	1,034,053	1,034,053
Capital Contribution Reserve	17	185,191	65,191	185,191	65,191
Total equity		2,410,434	1,947,521	2,197,673	1,761,530

[Muscular Dystrophy Association of New Zealand Inc.](#)
Statement of Consolidated Cash Flows
For the Year Ended 31 December 2019

	Notes	2019		2018	
		Group	Parent	Group	Parent
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts		2,005,164	1,579,646	1,889,721	1,821,719
Interest received	16	37,730	25,267	39,528	28,189
Dividends received	16	7,700	7,700	1,060	1,060
GST		24,453	13,072	3,647	(3,476)
Grants Paid		(59,228)	(27,757)	-	-
Cash paid to suppliers and employees		(1,760,782)	(1,407,011)	(1,910,413)	(1,952,430)
Net cash inflow/(outflow) from operating activities		255,037	190,917	23,543	(104,938)
CASH FLOWS FROM INVESTING ACTIVITIES					
(Increase) Decrease in short term investments		(150,254)	(180,191)	109,012	109,012
(Increase) Decrease in investments		(199,629)	(199,829)	164,517	202,590
Disposal of property, plant and equipment		-	-	-	36,067
Purchase of property, plant and equipment	9	(61,761)	-	(10,930)	-
Net cash inflow/(outflow) from investing activities		(411,644)	(380,020)	262,599	347,669
Net increase/(decrease) in cash and cash equivalents		(156,607)	(189,103)	286,142	242,731
Cash and cash equivalents at 1 January		612,939	419,257	326,797	176,526
Cash and cash equivalents at 31 December	5	456,332	230,154	612,939	419,257

[Muscular Dystrophy Association of New Zealand Inc.](#)

Notes to the consolidated financial statements

For the Year Ended 31 December 2019

1. REPORTING ENTITY

The reporting entity is Muscular Dystrophy Association of New Zealand Inc. (the "Society"). The Society is domiciled in New Zealand, and is a charitable organisation registered under the Incorporated Societies Act 1908 and the Charities Act 2005. DIA Charities Registration Number, CC31123.

These consolidated financial statements for the year ended 31 December 2019 comprise Muscular Dystrophy Association of New Zealand Inc. (the "Society") and its controlled entities;

Entity Name and DIA Charities Number

Neuromuscular Research Foundation Trust, CC30217
Muscular Dystrophy Northern Branch, CC29049
Muscular Dystrophy Association Tūātarā I Central Region Inc., CC41097
Muscular Dystrophy Canterbury Branch, CC20105
Muscular Dystrophy Southern Branch, CC33429

The entities together are referred to as the "Group".

These financial statements were authorised for issue by the National Council on the date indicated on page 18.

2. BASIS OF PREPARATION

a) Statement of compliance

The consolidated group financial statements have been prepared in accordance with the Charities Act 2005 which requires compliance with generally accepted accounting practice in New Zealand ("NZ GAAP").

The consolidated group financial statements comply with the Public Benefit Entity Accounting Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not-for-profit public benefit entities.

All reduced disclosure regime exemptions have been adopted.

b) Measurement basis

The consolidated financial statements have been prepared on the historical cost basis.

c) Functional and presentation currency

The consolidated financial statements are presented in New Zealand Dollars (\$), which is the functional and presentation currency, rounded to the nearest dollar.

There has been no change in the functional currency of the Group during the year.

d) Changes in accounting policy

There has been no change to accounting policy for the Group for the year ended 31 December 2019.

3. SIGNIFICANT JUDGMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements:

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

[Muscular Dystrophy Association of New Zealand Inc.](#)

Notes to the consolidated financial statements

For the Year Ended 31 December 2019

3. SIGNIFICANT JUDGMENTS AND ESTIMATES (CONT'D)

i. Classification of non-financial assets as cash generating assets or non-cash-generating assets

For the purpose of assessing impairment indicators and impairment testing, the Group classifies non-financial assets as non-cash-generating assets as the primary objective of the assets are not to generate commercial return.

ii. Whether non-exchange revenue is subject to conditions or restrictions

For the purpose of assessing the timing of revenue recognition, the Group has assessed whether stipulations in the funding contracts represent conditions or restrictions. Conditions applied to funding would require the funds to be returned where the conditions have not been met. Restrictions applied to funding do not have return clauses.

iii. Classification of lease arrangements

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. Whether a lease is a finance lease or an operating lease depends on the substance of the transaction rather than the form of the contract and the classification of lease arrangements are performed on a lease-by-lease basis.

b) Assumptions and estimation uncertainties

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i. Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment by the board on experience with similar assets.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

4. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of consolidation

Controlled entities are entities controlled by the Society, being where the Society has power to govern the financial and operating policies of the entity so as to benefit from that entity's activities. Control also exists when the Society can either direct the activities of, or appoint a majority of board members to the other entity.

The consolidated group is defined in Note 1.

The financial statements of the Group's controlled entities are included in the group's consolidated financial statements from the date that control commences until the date that control ceases.

The financial statements of the controlled entities are prepared for the same reporting period as the Society, using consistent accounting policies.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the group's consolidated financial statements.

b) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The specific recognition criteria described below must also be met before revenue is recognised.

Muscular Dystrophy Association of New Zealand Inc.**Notes to the consolidated financial statements****For the Year Ended 31 December 2019****4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)***ij) Revenue from exchange transactions*Interest received

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate. Effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

Interest income is included in finance income in the statement of comprehensive revenue and expense.

Services Rendered

Revenue from services rendered is recognised in surplus or deficit in proportion to the stage-of-completion of the transaction at the reporting date. The stage of completion is assessed by reference to the proportion of time remaining under the original service agreement at reporting date.

Other gains and losses

Other gains and losses includes fair value gains and losses on financial instruments at fair value through surplus or deficit and realised gains and losses on the sale of PP&E held at cost.

*ii) Revenue from non-exchange transactions*Grant Revenue, including Bequests

Grant Revenue, including bequests from the Government, Philanthropic organisations, Estates of Individuals and other organisations is recognised when the Group obtains control of the transferred asset, and:

- it is probable that the economic benefits or service potential related to the asset will flow to the Group and can be measured reliably; and
- the transfer is free from conditions that require the asset to be refunded or returned to the funding party if the conditions are not fulfilled.

To the extent that there is a condition attached that would give rise to a liability to repay the grant amount or to return the granted asset, a deferred revenue liability is recognised instead of revenue. Revenue is then recognised only once the Group has satisfied these conditions.

Donations

Donations received by the group include donations from the general public and donations received for specific programmes. Revenue is recognised at the point at which cash is received.

Government Contract Revenue

Income from government contract funding is recognised when it is probable that the associated future economic benefit or service potential will flow to the entity, the fair value is reliably measurable, and there is no associated liability in respect of the same inflow.

c) Employee benefits*i. Wages, salaries, annual leave and sick leave*

Liabilities for wages and salaries (including non-monetary benefits), annual leave and accumulating sick leave are recognised in surplus or deficit during the period in which the employee rendered the related services, and are generally expected to be settled within 12 months of the reporting date. The liabilities for these short-term benefits are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are determined at the rates paid or payable.

d) Financial instruments

The Group initially recognises financial instruments when the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when there has been significant changes to the terms and/or the amount of contractual payments to be received/paid, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

[Muscular Dystrophy Association of New Zealand Inc.](#)

Notes to the consolidated financial statements

For the Year Ended 31 December 2019

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The Group also derecognises financial assets and financial liabilities when there has been significant changes to the terms and/or the amount of contractual payments to be received/paid.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group's financial assets include: cash and short term deposits, trade and other receivables, and quoted financial instruments.

The Group classifies financial liabilities at amortised cost.

i. Initial recognition

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through surplus or deficit, transaction costs that are attributable to the acquisition of the financial asset.

Financial liabilities are classified, at initial recognition as loans and borrowings. They are recognised initially, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables.

ii. Subsequent measurement

Subsequent measurement is dependent on the classification of the financial instrument, and is specifically detailed in the accounting policies below.

Fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include financial assets designated upon initial recognition at fair value through surplus or deficit.

Financial assets at fair value through surplus or deficit are carried in the statement of consolidated financial position at fair value with net changes in fair value presented as other losses (negative net changes in fair value) or other gains (positive net changes in fair value) in the statement of comprehensive revenue and expense.

The Group's Investment Portfolio falls within this category. Refer to Note 11 for this disclosure.

Loans and receivables

This category generally applies to trade and other receivables and cash and cash equivalents. Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. This category of financial assets is the most relevant to the Group.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

The effective interest rate amortisation is included in finance income in the statement of consolidated comprehensive revenue and expense.

Cash and cash equivalents represent highly liquid investments that are readily convertible into a known amount of cash with an insignificant risk of changes in value, with maturities of 3 months or less.

Financial liabilities at amortised cost:

This is the category of financial liabilities that is most relevant to the Group. After initial recognition, trade and other payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method.

Trade and other payables are unsecured and are usually paid within 30 days of recognition. Due to their short-term nature they are not discounted.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

Muscular Dystrophy Association of New Zealand Inc.**Notes to the consolidated financial statements****For the Year Ended 31 December 2019****4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****e) Impairment of non-derivative financial assets**

A financial asset not subsequently measured at fair value through surplus or deficit is assessed at each reporting date to determine whether there is objective evidence that it is impaired.

f) Property, plant and equipment**i) Initial recognition and measurement**

Property, plant and equipment is measured initially at cost. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of property, plant and equipment is recognised only when it is probable that future economic benefit or service potential associated with the item will flow to the Group, and if the item's cost or fair value can be measured reliably.

Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in surplus or deficit.

ii. Subsequent measurement

Subsequent to initial recognition, property, plant and equipment are measured using the cost model

iii) Depreciation

For property, plant and equipment, depreciation is based on the cost of an asset less its residual value.

Significant components of individual assets that have a useful life that is different from the remainder of those assets, those components are depreciated separately.

Depreciation is recognised in surplus or deficit on a straight-line basis or diminishing value method over the estimated useful lives of each component of an item of property, plant and equipment.

The estimated useful lives are:

	Rate	Method
Buildings and Buildings Fit-out	2% - 39.6%	DV
Plant and equipment	10% - 30%	DV & SL
Office Equipment	14.4% - 67%	DV
Database	24% - 50%	DV
Website: www.mda.org.nz	50%	DV
Motor Vehicles	30%	DV

Land does not depreciate.

Depreciation methods, useful lives, and residual values are reviewed at reporting date and adjusted if appropriate.

Gains and losses on disposal of assets are taken into account in determining the operating result for the year.

g) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell.

Impairment losses are recognised in surplus or deficit. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

h) Equity

Equity is measured as the difference between total assets and total liabilities. Equity is made up of the following components:

Accumulated comprehensive revenue and expense

Accumulated comprehensive revenue and expense is the Group's accumulated surplus or deficit since the formation of the Group adjusted for transfers to/from specific reserves.

Muscular Dystrophy Association of New Zealand Inc.

Notes to the consolidated financial statements

For the Year Ended 31 December 2019

Reserve for Income Fluctuation

The Group is reliant on continued fundraising, grants and donations in order to provide the level of services it currently provides. Whilst the Society is confident of retaining similar levels of public support the nature of this fundraising means it is not guaranteed. This reserve is for the provision of running costs of the organisation should there be a downturn in future income. This is further explained in Note 17.

Capital Reserve

The Capital Contribution Reserve represents the initial capital contributed by founding members of the Society.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

i) Income Tax

The Group is exempt from income tax due to its charitable status.

j) Goods and services tax

All amounts are shown exclusive of goods and services tax (GST), except for receivables and payables that are stated inclusive of GST.

k) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date. The substance of the arrangement depends on whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

i. Operating leases

Leases that are not finance leases are classified as operating leases.

Operating leases are not recognised in the Group's statement of financial position. Payments made under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

l) Inventories

Inventory is initially measured at cost, except items acquired through non-exchange transactions which are instead measured at fair value as their deemed cost at initial recognition.

Inventories are subsequently measured at the lower of cost and net realisable value. The cost of inventories is based on first-in first-out principle includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less selling expenses.

Muscular Dystrophy Association of New Zealand Inc.

Notes to the consolidated financial statements For the Year Ended 31 December 2019

	2019		2018	
	Group	Parent	Group	Parent
5. CASH AND CASH EQUIVALENTS				
Cash and cash equivalents include the following components:				
Bank accounts	456,011	229,854	612,618	418,957
Cash on hand	321	300	321	300
	456,332	230,154	612,939	419,257

6. SHORT TERM INVESTMENTS						
Current	Interest rate	Maturity date	Group	Parent	Group	Parent
ASB Term Deposits	2.60%-2.80%	9-12 months	311,666	211,522	301,425	204,635
Westpac Term Deposits	3.00%	4-12 months	166,654	-	39,723	-
BNZ Term Deposits	2.70%-3.35%	6-12 months	396,506	297,388	383,424	124,084
			874,826	508,910	724,572	328,719

7. RECEIVABLES				
Receivables from exchange transactions	Group	Parent	Group	Parent
Office for Disability Issues	-	-	6,283	6,283
SA Plumbing Supply Ltd	350	350	-	-
	350	350	6,283	6,283
Receivables from non-exchange transactions	Group	Parent	Group	Parent
Spark Limited	25,510	25,510	30,482	30,482
Ministry of Health	34,500	-	-	-
Smith Hairdresser	-	-	-	-
	60,010	25,510	30,482	30,482

8. RELATED PARTY TRANSACTIONS AND BALANCES

Parent		2019	2018
Receivable		\$	\$
Canterbury Branch		10,146	7,706
NRFT		230	-
Northern Branch		15,149	14,476
Southern Branch		2,131	2,888
Central Branch		3,002	7,968
		30,658	33,038
Payable			
Canterbury Branch			2,605
Central Branch		617	-

A parent receivable amount of \$49,188 owing from Canterbury Branch has been written off as a debt forgiveness.

Related Party Transactions	\$	\$
The Parent charges other branches for wages and expenses. The following is a breakdown of these charges.		
Canterbury Branch - wages	94,237	114,992
NRFT - expenses	15,993	18,407
Northern Branch - wages	160,643	148,344
Southern Branch - wages	32,354	31,274
Central Branch - wages	22,353	70,395
	325,580	383,412

The Parent gave grant funding to the following branches:

Canterbury Branch	2,709	50,000
Central Branch	2,343	40,000
NRFT	-	40,000
Northern Branch	5,148	-
Southern Branch	557	-
	10,757	130,000

Management Fee charges to Neuromuscular Research Foundation Trust (NRFT)

Inter-group transactions have been eliminated on consolidation.

Key management personnel compensation

Key management personnel include the National Council and senior management personnel

Remuneration and benefits are as follows:

	2019		2018	
Salaries and other short term benefits:	FTE	Remuneration	FTE	Remuneration
Senior Management	1	100,029	2	228,558
Council members	1.25	-	0.6	-

9. PROPERTY, PLANT AND EQUIPMENT

Group - 2019

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
Land and buildings	547,417	-	-	-	6,748	540,669
Building fit out	151,370	-	-	-	18,171	133,199
Furniture and fittings	12,316	-	200	-	1,828	11,913
Plant and equipment	18,503	25,913	483	-	6,658	25,493
Office Equipment	14,983	4,521	8	-	7,891	12,561
Database	771	-	-	-	236	535
Website: www.mda.org.nz	2,651	-	-	-	1,325	1,326
Vehicles	50,273	28,978	-	-	17,221	62,030
Balance as at 31 December 2019	798,284	59,412	691	-	60,078	787,726

Parent - 2019

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
Land and buildings	547,417	-	-	-	6,748	540,669
Building fit out	151,370	-	-	-	18,172	133,198
Furniture and fittings	11,350	-	-	-	1,720	9,630
Plant and equipment	13,397	-	484	-	3,570	9,343
Office Equipment	8,482	-	-	-	3,852	4,630
Database	771	-	-	-	236	535
Website: www.mda.org.nz	2,651	-	-	-	1,325	1,326
Vehicles	-	-	-	-	-	-
Balance as at 31 December 2019	735,438	-	484	-	35,623	699,331

Included in the property plant and equipment is National Office premises, Unit A, 419 Church Street, Penrose, Auckland which is recognised on a cost basis consistent with the stated accounting policy. However a valuation was carried out by Seagars registered valuers on 28 November 2017 to confirm the market value for the National Council. This assessed the market value of this property as \$1,050,000 exclusive of GST.

Muscular Dystrophy Association of New Zealand Inc.

Notes to the consolidated financial statements
For the Year Ended 31 December 2019

9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group - 2018

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
Land and buildings	554,303	-	-	-	6,886	547,417
Building fit out	172,509	-	-	-	21,139	151,370
Furniture and fittings	14,596	-	-	-	2,280	12,316
Plant and equipment	24,057	-	-	-	5,555	18,502
Office Equipment	7,747	12,028	11	-	4,781	14,983
Database	1,150	-	-	-	379	771
Website: www.mda.org.nz	5,302	-	-	-	2,651	2,651
Vehicles	78,504	6,100	7,187	-	27,144	50,273
Balance as at 31 December 2018	858,168	18,128	7,198	-	70,815	798,283

Parent - 2018

Land and buildings	554,303	-	-	-	6,886	547,417
Building fit out	172,509	-	-	-	21,139	151,370
Furniture and fittings	13,413	-	-	-	2,063	11,350
Plant and equipment	17,479	-	-	-	4,082	13,397
Office Equipment	4,569	6,318	11	-	2,394	8,482
Database	1,150	-	-	-	379	771
Website: www.mda.org.nz	5,302	-	-	-	2,651	2,651
Vehicles	42,374	-	42,374	-	-	-
Balance as at 31 December 2018	811,099	6,318	42,385	-	39,594	735,438

Group

	2019 Cost	2019 Accumulated Depreciation	2019 Net Book Value
Land and buildings	600,000	59,331	540,669
Building fit out	377,274	244,075	133,199
Furniture and fittings	54,286	42,373	11,913
Plant and equipment	147,701	122,207	25,494
Office Equipment	137,579	125,017	12,562
Database - Raisers Edge	57,517	56,982	535
Website: www.mda.org.nz	17,166	15,840	1,326
Vehicles	253,701	191,672	62,029
	1,645,224	857,497	787,727

Parent

	Cost	Accumulated Depreciation	Net Book Value
Land and buildings	600,000	59,331	540,669
Building fit out	377,274	244,076	133,198
Furniture and fittings	48,214	38,584	9,630
Plant and equipment	99,345	90,002	9,343
Office Equipment	90,591	85,961	4,630
Database - Raisers Edge	57,517	56,982	535
Website: www.mda.org.nz	17,166	15,840	1,326
Vehicles	-	-	-
	1,290,107	590,776	699,331

Group

	2018 Cost	2018 Accumulated Depreciation	2018 Net Book Value
Land and buildings	600,000	52,583	547,417
Building fit out	377,274	225,904	151,370
Furniture and fittings	54,286	41,970	12,316
Plant and equipment	157,758	139,255	18,503
Office Equipment	133,058	118,075	14,983
Database - Raisers Edge	57,517	56,746	771
Website: www.mda.org.nz	17,166	14,515	2,651
Vehicles	333,463	254,741	50,273
	1,730,522	903,789	798,284

Parent

	Cost	Accumulated Depreciation	Net Book Value
Land and buildings	600,000	52,583	547,417
Building fit out	377,274	225,904	151,370
Furniture and fittings	48,214	36,864	11,350
Plant and equipment	110,441	97,044	13,397
Office Equipment	90,591	82,109	8,482
Database - Raisers Edge	57,517	56,746	771
Website: www.mda.org.nz	17,166	14,515	2,651
Vehicles	-	-	0
	1,301,203	565,765	735,438

Muscular Dystrophy Association of New Zealand Inc.

Notes to the consolidated financial statements
For the Year Ended 31 December 2019

10. FINANCIAL INSTRUMENTS

The table below shows the carrying amounts of the Group's financial assets and financial liabilities.

i. Classification and fair values of financial instruments

2019

	Group			Parent		
	Financial Assets		Financial liabilities	Financial Assets		Financial Liabilities
	Fair Value through Surplus/Deficit	Loans and receivables	Amortised cost	Fair Value through Surplus/Deficit	Loans and receivables	Amortised cost
Cash and cash equivalents	-	456,332	-	-	230,154	-
Receivables from exchange transactions	-	350	-	-	350	-
Receivables from non-exchange transactions	-	60,010	-	-	25,510	-
Related Party Receivables	-	-	-	-	30,658	-
Short term investments	-	874,826	-	-	508,910	-
Investments	562,713	-	-	562,713	-	-
Payables	-	-	100,401	-	-	59,316
Related Party Payable	-	-	-	-	-	617
	562,713	1,391,518	100,401	562,713	795,582	59,316

2018

	Group			Parent		
	Financial Assets		Financial liabilities	Financial Assets		Financial Liabilities
	Fair Value through Surplus/Deficit	Loans and receivables	Amortised cost	Fair Value through Surplus/Deficit	Loans and receivables	Amortised cost
Cash and cash equivalents	-	612,939	-	-	419,257	-
Receivables from exchange transactions	-	6,283	-	-	6,283	-
Receivables from non-exchange transactions	-	30,482	-	-	30,482	-
Related Party Receivables	-	-	-	-	33,038	-
Short term investments	-	724,572	-	-	328,719	-
Investments	300,948	-	-	300,948	-	-
Payables	-	-	105,006	-	-	80,879
Related Party Payable	-	-	-	-	-	2,605
	300,948	1,374,276	105,006	300,948	817,779	83,484

11. INVESTMENTS

	No. held	2019	
		Group	Parent
<i>Fair Value through Surplus & Deficit Financial Assets</i>			
Goodman Property Trust Units PIE	5,000	11,100	11,100
Freightways Ltd Common Stock	1,100	9,350	9,350
Meridian Energy Ltd Common Stock	3,400	17,000	17,000
Fisher & Paykel Healthcare Corp Ltd Common Stock	625	13,875	13,875
Kiwi Property Group Bonds 4.00% mature 07/09/2023	20,000	20,870	20,870
Z Energy Bond 4.00% mature 03/09/2024	20,000	21,137	21,137
Property for Industry Ltd Bond 4.25% mature 01/10/2025	20,000	21,152	21,152
Westpac Banking Corp Bonds 4.695% mature 01/09/2026	30,000	30,898	30,898
Berkshire Hathaway Inc. USA Class B Common Stock	40	13,574	13,574
Sydney Airport Australia Stapled Securities	1,400	12,619	12,619
Amcort Ltd CDI Common Stock	625	10,128	10,128
CSL Ltd Australia Common Stock	50	14,351	14,351
Auckland International Airport Ltd Bonds 3.51% mature 10/10/2024	15,000	15,816	15,816
Auckland International Airport Ltd Common Stock	1,550	13,563	13,563
Port of Tauranga Ltd Common Stock	1,800	14,310	14,310
Property for Industry Ltd REIT Units PIE	5,000	12,200	12,200
Summerset Group Holdings Ltd Common Stock	1,375	12,238	12,238
Bank of NZ Bonds Coupon 5.314% mature 17/12/2025	30,000	30,727	30,727
Transurban Group Australia Stapled Securities	800	12,415	12,415
Australia & NZ Banking Group Ltd Australia Common Stock	350	8,972	8,972
Invesco S&P500 Equal Weight Health Care ETF	40	13,185	13,185
Chorus Ltd Bond 4.35% mature 06/12/2028	30,000	31,383	31,383
Spark NZ Ltd Common Stock	2,700	11,691	11,691
Ebos Group Ltd Common Stock	500	12,125	12,125
Precinct Properties NZ Ltd Common Stock	6,000	11,010	11,010
APA Group Australia Stapled Securities	1,000	11,553	11,553
Chorus Ltd Bond 4.12% mature 06/12/2021	30,000	30,684	30,684
Trustpower Bond 4.01% mature 15/12/2022	25,000	25,927	25,927
NYSEAR SPDR S&P 500 ETF Trust SPDRS Units	30	14,482	14,482
NYSEAR EWJ Ishares MSCI Japan Exchange Traded Fund	130	11,563	11,563
Genesis Energy Ltd Common Stock	4,000	12,100	12,100
Vector Bond 3.45% mature 27/05/2025	25,000	25,557	25,557
Mercury NZ Ltd Bond 3.60% mature 11/07/2024	15,000	15,221	15,221
Synlait Milk Sub MTN Bond 3.83% mature 17/12/2024	20,000	19,937	19,937
		562,713	562,713
<i>Total Assets</i>			
Current		-	-
Non-current		562,713	562,713
		562,713	562,713

Muscular Dystrophy Association of New Zealand Inc.**Notes to the consolidated financial statements
For the Year Ended 31 December 2019****11. INVESTMENTS (continued)**

		2018	
	No. held	Group	Parent
<i>Fair Value through Surplus & Deficit Financial Assets</i>			
Goodman Property Trust Units PIE	5,000	7,650	7,650
Freightways Ltd Common Stock	1,100	8,085	8,085
Meridian Energy Ltd Common Stock	3,400	11,577	11,577
Fisher & Paykel Healthcare Corp Ltd Common Stock	625	8,125	8,125
Kiwi Property Group Bonds 4.00% mature 07/09/2023	20,000	20,384	20,384
Z Energy Bond 4.00% mature 03/09/2024	20,000	20,102	20,102
Property for Industry Ltd Bond 4.25% mature 01/10/2025	20,000	20,235	20,235
Westpac Banking Corp Bonds 4.695% mature 01/09/2026	30,000	30,601	30,601
Berkshire Hathaway Inc. USA Class B Common Stock	40	12,172	12,172
Sydney Airport Australia Stapled Securities	1,400	9,917	9,917
Amcort Ltd Australia Common Stock	625	8,716	8,716
CSL Ltd Australia Common Stock	50	9,744	9,744
Auckland International Airport Ltd Bonds 3.51% mature 10/10/2024	15,000	15,163	15,163
Auckland International Airport Ltd Common Stock	1,550	11,129	11,129
Port of Tauranga Ltd Common Stock	1,800	9,000	9,000
Property for Industry Ltd REIT Units PIE	5,000	9,050	9,050
Summerset Group Holdings Ltd Common Stock	1,375	8,759	8,759
Bank of NZ Bonds Coupon 5.314% mature 17/12/2025	30,000	30,825	30,825
Transurban Group Australia Stapled Securities	800	9,809	9,809
Australia & NZ Banking Group Ltd Australia Common Stock	350	9,011	9,011
Invesco S&P500 Equal Weight Health Care ETF	40	10,583	10,583
Chorus Ltd Bond 4.35% mature 06/12/2028	20,000	20,311	20,311
		<u>300,948</u>	<u>300,948</u>
<i>Total Assets</i>			
Current		-	-
Non-current		<u>300,948</u>	<u>300,948</u>
		<u>300,948</u>	<u>300,948</u>

Muscular Dystrophy Association of New Zealand Inc.

Notes to the consolidated financial statements For the Year Ended 31 December 2019

12. Inventory	2019		2018	
	Group	Parent	Group	Parent
Inventory	22,148	22,148	25,915	25,915
Inventory consists of printed envelopes and other promotional material held for annual appeals to the public.				
13. PAYABLES	2019		2018	
	Group	Parent	Group	Parent
Exchange transactions				
Trade Payables	100,401	59,316	105,006	80,879
Non-exchange transactions				
Grants and other funding received in advance with conditions attached	246,412	44,254	237,593	36,201
14. EMPLOYEE BENEFITS	2019		2018	
	Group	Parent	Group	Parent
Holiday Pay Accrual	56,776	55,532	32,306	32,306
15. REVENUE	2019		2018	
	Group	Parent	Group	Parent
Revenue from exchange transactions				
Rental Revenue	-	-	-	-
Services Rendered	12,620	5,017	37,672	18,138
	12,620	5,017	37,672	18,138
Revenue from non-exchange transactions				
Government Contract Revenue	206,787	94,143	105,189	94,546
Bequests	220,582	197,418	26,455	21,455
General Donations	927,321	903,830	1,254,407	1,150,346
Branch Wages Reimbursement	-	309,587	-	365,005
Grant Revenue	608,149	97,501	477,531	170,195
	1,962,839	1,602,479	1,863,582	1,801,547
16. FINANCE INCOME	2019		2018	
	Group	Parent	Group	Parent
Interest Received	37,730	25,267	39,528	28,189
Dividends Received	7,700	7,700	1,060	1,060
Fair value gain or loss on investments	61,936	61,936	(7,605)	(8,605)
	107,366	94,903	32,983	20,644
17. EQUITY AND RESERVES	2019		2018	
	Group	Parent	Group	Parent
Capital Reserve				
Capital Reserve at Beginning of the Year	185,191	65,191	185,191	65,191
Capital Reserve at Year End	185,191	65,191	185,191	65,191
Reserve for Income Fluctuation				
Reserve at Beginning of the Year	1,034,053	1,034,053	1,034,053	1,034,053
Transfer to Branches	-	-	-	-
Reserve at Year End	1,034,053	1,034,053	1,034,053	1,034,053
Retained Earnings				
Retained Earnings at Beginning of the Year	978,429	662,286	1,025,833	817,376
Net Surplus/(Deficit)	212,761	185,991	(47,404)	(155,090)
Transfer to Income Fluctuation Reserve	-	-	-	-
Retained Earnings at Year End	1,191,190	848,277	978,429	662,286
Total Equity and Reserves	2,410,434	1,947,521	2,197,673	1,761,530

Reserve for Income Fluctuation

The National Council considered it prudent to nominally allocate an amount of \$500,000 in December 2007 from Equity as a Reserve for Income Fluctuation. This is for the provision of running costs of the organisation should there be a downturn in future income. This was further increased to \$1.03m in October 2013.

Capital Reserve

The Capital Reserve represents funds received from the initial sale of a property, which was transferred by the founding members of the Society.

Muscular Dystrophy Association of New Zealand Inc.

Notes to the consolidated financial statements For the Year Ended 31 December 2019

18. INCLUDED IN OPERATIONAL EXPENSES

	2019		2018	
	Group	Parent	Group	Parent
Other operating expenses include the following items:				
In-Touch Magazine	46,619	46,619	49,802	49,802
Occupancy Costs	51,606	28,998	52,817	24,279
Printing, Postage & Stationery	28,526	22,354	26,570	17,857
Telephone & Tolls	18,655	9,992	22,511	13,797
Conferences/Workshops/Staff Training/Education Costs	68,223	40,658	35,019	12,994
Travel Expenses	72,629	30,426	71,589	37,268
Other Expenses	139,222	93,775	143,766	172,228
	425,480	272,822	402,074	328,225

19. CAPITAL COMMITMENTS

The Group had a capital commitment of \$15,000 for a cloud upgrade at the reporting date (2018: Nil).

20. CONTINGENT ASSETS AND LIABILITIES

There are no contingent assets or liabilities at the reporting date. (2018: \$Nil).

21. EVENTS AFTER THE REPORTING DATE

COVID-19

Subsequent to balance date, the COVID-19 pandemic has resulted in the New Zealand government announcing a number of measures to contain the spread of the virus. At the date of signing MDA group and parent's core functions remain operating with staff operating remotely, however some site based activities have been suspended temporarily. The National Council have assessed that the disruption caused by COVID-19 pandemic is likely to cause reduction of revenue in the short term, however at the time of authorising the financial statements are unable to quantify the extent of that reduction. As much of the Association's revenue arises from grants, donations and other similar variable income streams, the full impact might not be able to be understood for several months. The National Council consider the resulting short-term cash shortfall will be able to be met out of existing reserves of the parent which currently stand at \$404,999 Cash and \$510,338 Short Term Bank Deposits which include the support from the government wage subsidy of \$210,710 received in March 2020. Should those reserves be extinguished, there are a range of further options available to the group and parent, including realisation of a portion of the parent's Investment Portfolio which currently has a market value of \$549,988 and the reduction or deferral of costs. The National Council intend for the group and parent to continue to operate and believe that the group and parent are able to meet their obligations as they fall due for a period of at least 12 months from the date of these financial statements being authorised.

On the 15th of February 2020 the parent took over, for an initial six months, the entity and operation of O4A (2004) Ltd Palmerston North (O4A) which was gifted to it by the then owner. O4A employs 18 staff but has ceased operations during the COVID-19 alert level 4 lockdown and \$112,384 has been received through the government wage subsidy. It is intended that O4A will resume operation on Tuesday the 28th of April with Covid-19 moving to Level 3. O4A contributed a net donation income of \$300 033 in 2019 (2018: \$Nil)

22. OPERATING LEASE COMMITMENTS

Lease of Fuji Xerox copier

Future minimum rentals payable under non-cancellable operating leases are as follows:

	2019		2018	
	Group	Parent	Group	Parent
No Later than One Year	7,079	7,079	7,079	7,079
Later than One Year and no Later than Five Years	2,950	2,950	10,029	10,029
Later than Five Years	-	-	-	-
	10,029	10,029	17,108	17,108

23. GOING CONCERN

The National Council intend for the group and parent to continue to operate and, believe that the group and parent are able to meet their obligations as they fall due for a period of at least 12 months from the date of these financial statements being authorised. The Group remains heavily reliant on funding from donations, grants and bequests and as presented in note 21, there is doubt over the level of income that will be able to be received from those revenue streams in the future. However, given the financial position and liquid assets the group owns at the date of authorising these financial statements, the governing body believe the group will be able to meet its financial and regulatory obligations for the foreseeable future and that the going concern assumption adopted in the preparation of these financial statements is appropriate.

Our Future

This annual report has shown the progress and consolidation achieved in 2019.

We look forward to continuing our role as a trusted source of information for rare genetic neuromuscular conditions, and to serving our community even further.

We will continue our work in the area of developing learning opportunities for General Practitioners to assist them to identify symptoms, know when to refer for specialist input and how to better manage neuromuscular conditions at a community level. Through these efforts we aim to improve timeframes and experience of diagnosis, as well as overall symptom management in primary care.

Our commitment to growing a better future and investing in our community increased in 2019, with sustained momentum around the members' discretionary fund and full operationalisation of the Duke of Edinburgh's Hillary Award programme. We also supported our members to have vaccinations against viruses that can cause pneumonia, through providing funding for the pneumococcal vaccine, while lobbying PHARMAC to increase funded access for our community.

This is a tangible example of a preventative health measure which can make a difference to our lives and life expectancy. In 2019 we also focused on our role as a DPO Partner. Transformational change occurring in the disability support sector offers many opportunities for MDANZ. We must continue to bring the collective voice of our members with progressive conditions to the table, because our needs are different to many other disability-related groups.

We want the interface between health, disability and community services to be strengthened and for resources to increase and move flexibly with us, as our needs change over time. We want to be well, live well and have resources that support our independence and help us to contribute our talents in ways that matter. We also want access to appropriate health care, therapies and emerging treatments. Working in partnership with decision makers,

and enhancing our voice and contribution in the sector is therefore a top priority for 2020.

Strong collaboration and leadership will be vital for achieving both our short and long-term goals, as we grapple with making decisions that ensure the sustainability of our organisation in order to deliver positive outcomes for our members both now and in the future.

Working in partnership with decision makers, and enhancing our voice and contribution in the sector is therefore a top priority for 2020.



Our Supporters

Muscular Dystrophy Association of New Zealand is grateful for the support received from individuals, sponsors, trusts and foundations, and government this year.

Auckland Harley Davidson
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Working Together More Fund - My Life My Voice



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