

Opinion

In our opinion:

- (a) the financial report of Women and Infants Research Foundation (Inc) is in accordance with the *Associations Incorporation Act of WA 1987*, including:
 - (i) giving a true and fair view of the Association's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Associations Incorporation Act of WA 1987*; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.



CROWE HORWATH PERTH



CYRUS PATELL
Partner

Signed at Perth, 31 October 2011

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Report

We have audited the accompanying financial report of Women and Infants Research Foundation Inc ("the Association"), which comprises the statement of financial position as at 30 June 2011, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the members of the board of management.

Board's Responsibility for the Financial Report

The Board of Management of the Association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Associations Incorporation Act of WA 1987*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements Australian professional ethical pronouncements.

**WOMEN & INFANTS RESEARCH FOUNDATION INC.
STATEMENT BY MEMBERS OF THE BOARD OF MANAGEMENT**

In the opinion of the Board of Management, the financial report as set out on pages 3 to 20:

1. Presents a true and fair view of the financial position of the Women & Infants Research Foundation Inc. as at 30 June 2011 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that the Women & Infants Research Foundation Inc. will be able to pay its debts as and when they fall due.
3. The financial statements and notes comply with Accounting Standards which, as stated in the accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with Australian equivalents to International Financial Reporting Standards (AIFRS).

This statement is made in accordance with a resolution of the Board of Management and is signed for and on behalf of the Board of Management by:



Mr Alan Good
Chairperson



Ms Rowena Smith
Treasurer

Dated this 27th day of October 2011

WOMEN & INFANTS RESEARCH FOUNDATION INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2011

Note 19: Foundation Details

The principal place of business of the Foundation is:

Carson House
King Edward Memorial Hospital
374 Bagot Road
SUBIACO WA 6008

WOMEN & INFANTS RESEARCH FOUNDATION INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2011

Note 16: Financial instruments (cont'd)

(c) Net Fair Value (cont'd)

Consolidated Group	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total \$000
2011				
Financial assets				
Available-for-sale financial assets:				
- listed investments	4,092,688	-	-	4,092,688
- unlisted investments	-	-	-	-
	4,092,688	-	-	4,092,688
2010				
Financial assets				
Available-for-sale financial assets:				
- listed investments	4,028,943	-	-	4,028,943
- unlisted investments	-	-	-	-
	4,028,943	-	-	4,028,943

Note 17: Subsequent Events

No events have occurred and no facts have been discovered since balance date which would make the financial statements for the period materially inaccurate or misleading, nor are any matters pending which might have such an effect, which have not already been disclosed in the financial statements.

Note 18: Related Parties

(a) The following persons were members of the Board of the Association during the year:

Ms Anne Payne – Chairperson (Resigned Mar 2011)
Mr Alan Good – Chairperson
Professor Peter Hartmann (Resigned Mar 2011)
Mr Peter Hawkins
Mr Gerald Major (Resigned Aug 2011)
Professor John Newnham
Ms Jann Rowley
Mr Jim Davies
Dr Craig Pennell
Mr Graeme Boardley
Ms Rowena Smith – Treasurer
Ms Sally Bianchini (Appointed Nov 2010)
Professor Brendan Waddell (Appointed Apr 2011)

(b) Remuneration of the Board

No amounts have been paid as remuneration to Board Members

(c) Transactions with Related Parties

There have been no transactions with related parties requiring disclosure in the financial report.

WOMEN & INFANTS RESEARCH FOUNDATION INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2011

Note 16: Financial instruments (cont'd)

(b) Interest Rate Risk

The Foundation's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	Weighted Ave Effective Interest Rate		Floating Interest Rate		Non-Interest Bearing	
	2011 %	2010 %	2011 \$	2010 \$	2011 \$	2010 \$
Financial Assets						
Cash and cash equivalents	0.05	0.05	58,497	629,107	-	-
Short term deposits						
- Bankwest	-	3.1	-	50,000	-	-
- Bank of Queensland	5.05	4.4	61,997	156,651	-	-
- Citi Bank	-	4.7	-	99,945	-	-
- Commonwealth Bank	4.88	-	141,359	-	-	-
Financial assets					4,092,688	4,028,943
Total Financial Assets			261,853	935,703	4,092,688	4,028,943
Financial Liabilities						
Trade and other payables			-	-	1,435,925	1,817,153
Total Financial Liabilities			-	-	1,435,925	1,817,153

Trade and sundry payables are expected to be paid as follows:

- less than 6 months	1,435,925	1,817,153
	1,435,925	1,817,153

(c) Net Fair Value

Method and assumptions used in determining net fair value

The net fair values of listed investments have been valued at the quoted market bid price at balance date. For other assets and other liabilities the net fair value approximates their carrying value, as disclosed in the statement of financial position. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial assets and in the notes to the financial statements.

The financial instruments recognised at fair value have been classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurement. The hierarchy consists of the following levels:

- quoted prices in active markets for identical assets.

Included within level 1 of the hierarchy are listed investments classified as available for sale financial assets. The fair value of these financial assets has been based on the closing quoted bid prices at the end of the reporting period, excluding transaction costs.

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

Derivative instruments are included in the hierarchy with the fair values being determined using valuation techniques incorporating observable market data relevant to the hedged position.

WOMEN & INFANTS RESEARCH FOUNDATION INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2011

Note 16: Financial instruments (cont'd)

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date of recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

The Foundation does not have any material credit risk exposure to any single debtor or group of debtors.

Price risk

The Foundation is exposed to equities securities price risk. This arises from investments held by the Foundation and classified on the balance sheet as available-for-sale. The Foundation is not exposed to commodity price risk.

To manage its price risk arising from investments in equity securities, the Foundation diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Board of Management.

The majority of the Foundation's equity investments are publicly traded and are included in the ASX 200 Index. The table below summarises the impact of increases / decreases of this index on the Foundation's equity. The analysis is based on the assumption that the equity index had increased by 7% (2010 increased by 9%) with all other variables held constant and all the Foundation's equity instruments moved according to the historical correlation with the index.

Index	Impact on Equity	
	2011 \$	2010 \$
ASX 200	282,026	253,265

WOMEN & INFANTS RESEARCH FOUNDATION INC.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Note 16: Financial Instruments

(a) Financial Risk Management

The Foundation's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and accounts payable.

The Foundation does not have any derivative instruments at 30 June 2011.

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2011 \$	2010 \$	2011 \$	2010 \$	2011 \$	2010 \$	2011 \$	2010 \$
Financial liabilities due for payment								
Trade and other payables (excluding annual leave and grants receivable in advance)	586,306	1,100,465	-	-	-	-	586,306	1,100,465
Financial lease liabilities	4,548	4,548	2,716	7,264	-	-	7,264	11,812
Total contractual outflows	590,854	1,105,013	2,716	7,264	-	-	593,570	1,112,277
Total expected outflows	590,854	1,105,013	2,716	7,264	-	-	593,570	1,112,277
Financial assets – cash flows realisable								
Cash and cash equivalents	261,853	935,703	-	-	-	-	261,853	935,703
Trade and other receivables	311,558	196,623	-	-	-	-	311,558	196,623
Available-for-sale investments	4,092,688	4,028,943	-	-	-	-	4,092,688	4,028,943
Total anticipated inflows	4,666,099	5,161,269	-	-	-	-	4,666,099	5,161,269
Net (outflow) / inflow on financial instruments	4,075,245	4,056,256	(2,716)	(7,264)	-	-	4,072,529	4,048,992

Financial assets pledged as collateral

No financial assets have been pledged as security for any financial liability.

(i) Treasury Risk Management

An investment committee consisting of Board of Management members meet on a regular basis to analyse interest rate exposure and to evaluate investment management strategies in the context of the most recent economic conditions and forecasts.

(ii) Financial Risks

The main risk the Foundation is exposed to through its financial instruments is interest rate risk and liquidity risk.

Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating rates.

Foreign currency risk

The Foundation is not exposed to fluctuations in foreign currencies.

Liquidity risk

The Foundation manages liquidity risk by monitoring forecast cash flow.

WOMEN & INFANTS RESEARCH FOUNDATION INC.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
Note 14: Capital and Leasing Commitments		
Operating Lease Commitments		
Operating leases contracted for but not capitalised in the financial statements.		
Payable – minimum lease payments		
- not later than 12 months	4,548	4,548
- between 12 months and 5 years	2,716	7,264
	7,264	11,812

The above property leases for outgoings on Carson House and the Café and Gift Shop have five and ten-year terms, with outgoings charges payable monthly in advance. The leases are cancellable on six months notice in writing being given to the lessor.

Note 15: Cash Flow Information

Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities

Loss from ordinary activities	(131,924)	(240,504)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
- Depreciation	189,086	154,342
- Net loss on disposal of property, plant and equipment	1,407	-
- Net gain on disposal of listed investments	(86,397)	-
- Dividends reinvested	(152,755)	(133,653)
Changes in assets and liabilities:		
- Increase / (decrease) in trade and term debtors	(114,935)	118,527
- Increase / (decrease) in inventories	(4,697)	14,736
- Increase / (decrease) in other current assets	(13,309)	12,029
- Increase / (decrease) in trade and other payables	(381,228)	177,180
- Increase / (decrease) in provisions	2,478	22,238
	(692,274)	124,895

The Foundation has no credit, stand-by or financing facilities.

During the financial year dividends received were reinvested. The value in 2011 was \$152,755, as disclosed in note 15 (2010: \$133,653)

WOMEN & INFANTS RESEARCH FOUNDATION INC.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
Note 11: Trade and Other Payables		
CURRENT		
Trade payables	471,706	948,194
Research grant approved not yet paid	114,600	152,271
Grant received in advance	849,619	716,688
	1,435,925	1,817,153
 Note 12: Provisions		
a. Liabilities		
CURRENT		
Short-term employee benefits	95,642	108,755
	95,642	108,755
 NON-CURRENT		
Long-term employee benefits	45,531	29,940
	45,531	29,940
 Number of employees at year end	 24	 25
 b. Reconciliation		
The overall movement in the long-term employee benefits account is as follows:		
Opening balance	29,940	29,624
Charge / (credit) to income statement	15,591	316
Closing balance	45,531	29,940

Note 13: Reserves

RL Hutchinson Visiting Professor Fellowship Fund

The RL Hutchinson Visiting Professor Fellowship Fund reserve records funds set aside for visiting professors.

Telethon Permanent Endowment Fund

The Telethon Permanent Endowment Fund reserve records funds set aside for future activities.

Financial Assets Reserve

The financial assets reserve records revaluation of financial assets.

WOMEN & INFANTS RESEARCH FOUNDATION INC.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011 \$	2010 \$
Note 10: Property, Plant and Equipment		
Leasehold Improvements:		
At cost	369,210	369,210
Accumulated amortisation	<u>(369,210)</u>	<u>(369,210)</u>
	-	-
Motor Vehicles:		
At cost	54,909	-
Accumulated depreciation	<u>(2,226)</u>	<u>-</u>
	<u>52,683</u>	<u>-</u>
Computer Equipment:		
At cost	314,295	310,951
Accumulated depreciation	<u>(275,632)</u>	<u>(249,719)</u>
	<u>38,663</u>	<u>61,232</u>
Furniture and Fittings:		
At cost	60,572	56,797
Accumulated depreciation	<u>(37,499)</u>	<u>(29,910)</u>
	<u>23,073</u>	<u>26,887</u>
Other Equipment:		
At cost	1,802,903	1,665,169
Accumulated depreciation	<u>(981,302)</u>	<u>(829,536)</u>
	<u>821,601</u>	<u>835,633</u>
Total Property, Plant & Equipment	<u>936,020</u>	<u>923,752</u>

Movements in carrying amounts

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

	Leasehold Improve \$	Motor Vehicles \$	Computer Equipment \$	Furniture & Fittings \$	Other Equipment \$	Total \$
Balance at beginning of year	-	-	61,232	26,887	835,633	923,752
Additions	-	54,909	3,343	3,775	140,734	202,761
Disposals	-	-	-	-	(1,407)	(1,407)
Depreciation expense	-	(2,226)	(25,912)	(7,589)	(153,359)	(189,086)
Carrying amount at end of year	-	<u>52,683</u>	<u>38,663</u>	<u>23,073</u>	<u>821,601</u>	<u>936,020</u>

**WOMEN & INFANTS RESEARCH FOUNDATION INC.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011**

<u>Note 5: Cash and Cash Equivalents</u>	2011	2010
	\$	\$
Cash in hand	950	950
Cash at bank	57,547	628,157
Short-term bank deposits	203,356	306,596
	261,853	935,703

The effective interest rate on short-term bank deposits was 5.03% (2010: 4.3%); these deposits have an average maturity of 58 days.

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:	261,853	935,703
Cash and cash equivalents	261,853	935,703

Note 6: Trade and Other Receivables

CURRENT		
Other receivables	311,558	196,623
	311,558	196,623

Note 7: Inventories

CURRENT		
At cost		
- Café and Gift Shop stock	34,136	23,201
	34,136	23,201

Note 8: Other Current Assets

CURRENT		
Prepayments	19,434	15,381
Accrued income	9,841	3,726
Fundraising stock	-	3,097
	29,275	22,204

Note 9: Financial Assets

Available-for-sale financial assets	4,092,688	4,028,943
	4,092,688	4,028,943

Available-for-sale financial assets comprise:

Listed investments, at fair value	4,092,688	4,028,943
	4,092,688	4,028,943

WOMEN & INFANTS RESEARCH FOUNDATION INC.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011 \$	2010 \$
<u>Note 2: Revenue</u>		
<i>Operating activities:</i>		
- Medical & Health Research Infrastructure Fund grant	200,570	186,692
- Research donations and sponsorship	323,225	457,981
- Other donations and general fundraising	186,822	167,740
- Miscellaneous other income	523,370	735,552
- Trading activities - sales	1,409,077	1,434,135
- Dividends received – other persons	250,852	205,884
- Interest received – other persons	17,004	34,330
	2,910,920	3,222,314
Total Revenue	2,910,920	3,222,314

Note 3: Profit

(a) Expenses

Trading activities – cost of sales & other expenses	1,036,974	1,068,503
Rental expense on operating leases – minimum lease payments	8,838	8,838

(b) Significant Revenue and Expenses

Cost of research grants approved		
- Dr C Pennell (Capacity Building Grant)	35,000	35,000
- Dr M Kemp (Capacity Building Grant)	35,000	-
- Dr G Musk	15,000	13,785
- Dr G Deshpande	-	13,700
- Dr M Kemp	-	15,000
- Dr H Kent	-	12,750
- Dr N McDonnell	-	14,277
- Dr S Minocchieri	15,000	-
- Prof R Hart	15,000	-
- Dr Y Song	15,000	-
- Dr N French	14,913	-
- Dr H Atkinson	14,980	-
WIRF PhD / BMed Science Scholarships approved	63,350	-
Less: Medical Equipment purchased	(13,916)	(18,466)
Less: Starter grants approved in prior years not spent	(20,449)	(30,705)
	188,878	55,341

Note 4: Auditors' Remuneration

Remuneration of the auditor for:		
- auditing or reviewing the financial report	Nil	Nil

WOMEN & INFANTS RESEARCH FOUNDATION INC.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Note 1: Statement of Significant Accounting Policies (cont'd)

New Accounting Standards for Application in Future Periods

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

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

This Standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1031: Materiality. However, these editorial amendments have no major impact on the requirements of the respective amended pronouncements.

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

This Standard details numerous non-urgent but necessary changes to various Accounting Standards, including AASB 101 and AASB 108, arising from the IASB's annual improvements project. These changes are not expected to have a major impact on the presentation of the company's financial report. Key changes include:

- clarifying the application of AASB 108 prior to an entity's first Australian-Accounting-Standards financial statements; and
 - amending AASB 101 to the effect that disaggregation of changes in each component of equity arising from transactions recognised in other comprehensive income is required to be presented, but is permitted to be presented in the statement of changes in equity or in the notes.
- AASB 2010-5: Amendments to Australian Accounting Standards (October 2010) [AASBs 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042] (applicable for annual reporting periods beginning on or after 1 January 2011).

This Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including AASB 101 and AASB 107. However, these editorial amendments have no major impact on the requirements of the respective amended pronouncements.

The association does not anticipate early adoption of any of the above Australian Accounting Standards.

WOMEN & INFANTS RESEARCH FOUNDATION INC.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Note 1: Statement of Significant Accounting Policies (cont'd)

j. Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

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

k. Comparative Figures

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

Critical Accounting Estimates and Judgements

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

Key Estimates – Impairment

The Foundation assesses impairment at each reporting date by evaluating conditions specific to the Foundation that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Adoption of New and Revised Accounting Standards

During the current year, the association adopted the following revised Australian Accounting Standards to the extent they affect the mandatory Australian Accounting Standards applicable to entities reporting under the *Corporations Act 2001*.

AASB 2009–5: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (applicable for annual reporting periods commencing from 1 January 2010).

This standard made amendments to various AASB standards including AASB 101: Presentation of Financial Statements and AASB 107: Statement of Cash Flows.

Some of the amendments arising from AASB 2009–5 resulted in accounting changes for presentation, recognition or measurement purposes, whereas others only related to terminology and editorial changes. The following principal amendment is considered to be applicable to the company, although these changes are not expected to materially affect the company's financial statements.

AASB 107: Classification of expenditures on unrecognised assets:

Under this amendment, in classifying cash flows arising from investing activities, only those expenditures that result in a recognised asset in the statement of financial position are eligible for classification as investing activities.

WOMEN & INFANTS RESEARCH FOUNDATION INC.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Note 1: Statement of Significant Accounting Policies (cont'd)

e. Financial Instruments (cont'd)

Impairment

At each reporting date, the Foundation assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

Derecognition

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

f. Employee benefits

Provision is made for the Foundation's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries and annual leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

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

g. Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at bank and on deposit.

h. Revenue

Revenue from the sale of goods is recognised upon the delivery of those goods to customers.

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

Dividend revenue is recognised when the Foundation has established that it has a right to receive a dividend.

Grant revenue is recognised as the associated expenditure is incurred. Grant revenue received in advance is recognised as deferred income.

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

i. Research Grants Expenditure

Research grants are awarded annually and are recognised as expenditure in the year of approval. Approved but unpaid grants are recognised as a liability.

**WOMEN & INFANTS RESEARCH FOUNDATION INC.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011**

Note 1: Statement of Significant Accounting Policies (cont'd)

Plant and equipment (cont'd)

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

Depreciation

The depreciable amount of all property, plant and equipment is depreciated on a straight-line basis or reducing balance method, over the useful lives of the assets to the Foundation commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the estimated useful lives of the improvements.

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

Class of Fixed Asset	Straight Line	Reducing Balance
Leasehold Improvements	20%	-
Computer Equipment	30%	30%
Furniture & Fittings	20%	7.5 – 20%
Other Equipment	15 – 20%	10 – 20%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date. An asset's carrying amount is written immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

d. Leases

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

e. Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Available-for-sale financial assets

Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

WOMEN & INFANTS RESEARCH FOUNDATION INC.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Note 1: Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Act (WA) 1987.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply.

The financial report of the Women & Infants Research Foundation Inc. ("the Foundation") complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS), in their entirety. Compliance with AIFRS ensures that the financial report also complies with International Financial Reporting Standards (IFRS) in their entirety.

The financial report covers the Women & Infants Research Foundation Inc. as an individual entity. The Women & Infants Research Foundation Inc. is an association incorporated in Western Australia under the Associations Incorporation Act (WA) 1987.

Basis of preparation

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Accounting Policies

a. Income Tax

The Foundation is endorsed as an income tax exempt charitable entity under section 50-100 of the Income Tax Assessment Act 1997.

b. Inventories

Inventories relate to the Café and Gift Shop and consist of foodstuffs, newspapers, magazines, cards, gift-wrap, baby clothing, toys, and other gift and sundry articles. Inventories are measured at the lower of cost and net realisable value. Cost is determined on the basis of first-in, first-out or average, whichever is the most appropriate in each case.

c. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less any accumulated depreciation and impairment of losses.

Plant and equipment

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

**WOMEN & INFANTS RESEARCH FOUNDATION INC.
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Donations and fundraising receipts		246,679	269,121
Operating grants received		255,207	488,189
Research donations received		550,000	737,000
Research grants received		345,672	530,285
Receipts from Café and Gift Shop sales		1,470,709	1,506,926
Payments to suppliers and employees		(3,517,155)	(3,370,396)
Dividends received		98,097	72,231
Interest received		17,935	36,853
Research grants paid		<u>(159,418)</u>	<u>(145,314)</u>
Net cash provided by / (used in) operating activities	15	<u>(692,274)</u>	<u>124,895</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(202,761)	(478,958)
Payment for other investments purchased		(905,444)	(864,850)
Proceeds on sale of investments		<u>1,126,629</u>	<u>-</u>
Net cash provided by / (used in) financing activities		<u>18,424</u>	<u>(1,343,808)</u>
Net increase \ (decrease) in cash held		(673,850)	(1,218,913)
Cash at the beginning of the financial year		935,703	2,154,616
Cash at the end of the financial year	5	<u>261,853</u>	<u>935,703</u>

The accompanying notes form part of this financial report.

**WOMEN & INFANTS RESEARCH FOUNDATION INC.
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2011**

	Retained Earnings \$	RL Hutchinson Visiting Professor Fellowship Fund \$	Telethon Permanent Endowment Fund \$	Financial Assets Reserve \$	Total \$
Balance at 1 July 2009	3,585,803	179,410	404,217	29,262	4,198,692
Total comprehensive income	(240,504)	-	-	216,390	(24,114)
Transfer to reserves	(46,632)	27,808	18,824	-	-
Balance at 30 June 2010	3,298,667	207,218	423,041	245,652	4,174,578
Total comprehensive income	(131,924)	-	-	45,778	(86,146)
Transfer to reserves	(36,046)	26,317	9,729	-	-
Balance at 30 June 2011	3,130,697	233,535	432,770	291,430	4,088,432

The accompanying notes form part of this financial report.

**WOMEN & INFANTS RESEARCH FOUNDATION INC.
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2011**

	Note	2011 \$	2010 \$
CURRENT ASSETS			
Cash and cash equivalents	5	261,853	935,703
Trade and other receivables	6	311,558	196,623
Inventories	7	34,136	23,201
Other current assets	8	29,275	22,204
TOTAL CURRENT ASSETS		636,822	1,177,731
NON-CURRENT ASSETS			
Financial assets	9	4,092,688	4,028,943
Property, plant and equipment	10	936,020	923,752
TOTAL NON-CURRENT ASSETS		5,028,708	4,952,695
TOTAL ASSETS		5,665,530	6,130,426
CURRENT LIABILITIES			
Trade and other payables	11	1,435,925	1,817,153
Short term provisions	12	95,642	108,755
TOTAL CURRENT LIABILITIES		1,531,567	1,925,908
NON-CURRENT LIABILITIES			
Long term provisions	12	45,531	29,940
TOTAL NON-CURRENT LIABILITIES		45,531	29,940
TOTAL LIABILITIES		1,577,098	1,955,848
NET ASSETS		4,088,432	4,174,578
EQUITY			
Retained Earnings		3,130,697	3,298,667
Reserves		957,735	875,911
TOTAL EQUITY		4,088,432	4,174,578

The accompanying notes form part of this financial report.

**WOMEN & INFANTS RESEARCH FOUNDATION INC.
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
Revenue	2	2,910,920	3,222,314
Depreciation expenses		(189,086)	(154,342)
Research grants approved	3	(188,878)	(55,341)
Other research expenses		(1,385,275)	(1,833,760)
Administration expenses		(318,656)	(342,685)
Trading Activities – Cost of Goods Sold & other expenses	3	(1,036,974)	(1,068,503)
Finance Costs		(8,965)	(8,187)
Profit on disposal of investments		84,990	-
Loss before income tax		(131,924)	(240,504)
Income tax expense	1(a)	-	-
Loss from operations		(131,924)	(240,504)

**WOMEN & INFANTS RESEARCH FOUNDATION INC.
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
Loss for the year		(131,924)	(240,504)
Other comprehensive income:			
Movement in fair value for available for sale investments		45,778	216,390
Other comprehensive income for the year		45,778	216,390
Total comprehensive income for the year		(86,146)	(24,114)
Total comprehensive income attributable to members of the entity		(86,146)	(24,114)

The accompanying notes form part of this financial report.

**WOMEN AND INFANTS RESEARCH FOUNDATION INC.
BOARD OF MANAGEMENT'S REPORT**

Your Board of Management members submit the financial report of the Women and Infants Research Foundation Inc. for the financial year ended 30 June 2011.

BOARD OF MANAGEMENT MEMBERS

The names of Board of Management members throughout the year and as at the date of this report are:

Ms Anne Payne – Chairperson (Resigned Mar 2011)
Mr Alan Good – Chairperson
Professor Peter Hartmann (Resigned Mar 2011)
Mr Peter Hawkins
Mr Gerald Major (Resigned Aug 2011)
Professor John Newnham
Ms Jann Rowley
Mr Jim Davies
Dr Craig Pennell
Mr Graeme Boardley
Ms Rowena Smith – Treasurer
Ms Sally Bianchini (Appointed Nov 2010)
Professor Brendan Waddell (Appointed Apr 2011)

PRINCIPAL ACTIVITIES

The principal activities of the Foundation during the financial year were to:

- Conduct research aimed at improving the health of women and infants.
- Promote, sponsor and conduct high quality research, and inform the scientific, clinical and broader communities of the results and implications of this research.
- Provide training and education in the theory and practice of scientific research.

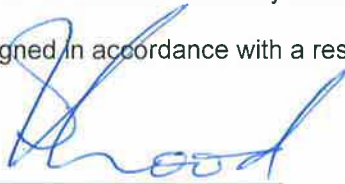
SIGNIFICANT CHANGES

No significant change in the nature of these activities occurred during the year.

OPERATING RESULT

The net loss from ordinary activities amounted to \$131,924 (2010 net loss \$240,504).

Signed in accordance with a resolution of the Members of the Board of Management.



Mr Alan Good
Chairperson



Ms Rowena Smith
Treasurer

Dated this 27th day of October 2011

**WOMEN & INFANTS RESEARCH
FOUNDATION INC.**

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2011**