INTRODUCTION

Our Research Priorities
The Foundation’s priority is to continue to fund research that is likely to directly benefit people with dementia, their families and carers. Previous grants have been awarded to projects that largely investigate psychosocial and clinical aspects of dementia rather than to projects based in the lab, and the vital importance of these focus areas is reinforced by the rich array of applicants we have each year. In consultation with the Alzheimer’s Australia Vic Consumer Advisory Committee and others, five priority research areas were identified soon after the Foundation’s inception and these were again promoted to researchers for the 2015 grants program. They are:

- The less common forms of dementia (including frontotemporal dementia and Lewy body disease)
- Assistive technologies to improve the quality of life of people with dementia and their families
- Support for families and carers
- Improving care of people with dementia in hospitals
- Translational research (moving evidence into practice)

Funded Projects
In this year’s grants round, it was possible for the Foundation to support four researchers, each of whom were awarded $50,000 in funding to undertake work commencing in 2015. The four projects span such diverse areas as exploration of a new imaging technique to detect Alzheimer’s disease pathology in the eye; a new oxytocin therapy to improve emotion recognition, social interactions and neuropsychiatric symptoms in people with Alzheimer’s disease; trial of a 3D Virtual World program for people with dementia living in residential care; and testing of a Virtual Learning Environment for communication skills training for professional and family carers. These research areas strongly complement the projects funded in previous grant rounds and ensure that research diversity is maintained.

Alzheimer’s Australia Dementia Research Foundation – Victoria

The Alzheimer’s Australia Dementia Research Foundation – Victoria was established in 2012 to distribute funds generously donated to Alzheimer’s Australia Vic for the purpose of research. These funds are used to provide grants to dementia researchers based in Australia, with priority given to Victorian projects as well as those with potential benefits for the more than 81,000 Victorians living with dementia and their families and carers. By supporting these national and international collaborations, the Foundation is able to contribute to the discovery of improved treatments for dementia to ensure that people living with dementia have the best quality of life possible.

The Dementia Grants Program
The annual research grants program continues to be managed and administered by the national Alzheimer’s Australia Dementia Research Foundation on our behalf.

In the first quarter of each year, early career researchers are invited to apply with the aim of helping to build Australia’s research capacity. The grant applications received are subject to a rigorous external assessment process and are further considered by the Alzheimer’s Australia Dementia Research Foundation’s Scientific and Medical Panel. Researchers are notified of the outcomes in the last quarter of the year and funding commences the following January.

Details of the grants program are available at https://vic.fightdementia.org.au/vic/dementiaresearchfoundation-vic

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Details of the grants program are available at https://vic.fightdementia.org.au/vic/dementiaresearchfoundation-vic
Associate Professor Michael Woodward
MB, BS, MD, FRACP
Chair
Since May 2012

Michael is currently Director of Aged Care Research at the Heidelberg Repatriation Hospital, Austin Health; Director, Memory Clinic and Director, Wound Management Clinic, Austin Health. Michael’s clinical specialties are geriatric, general and rehabilitation medicine, with a particular interest in Alzheimer’s disease and other cognitive disorders. Michael is Chair of Alzheimer’s Australia Dementia Research Foundation – Victoria and until recently was Chair of the Australasian Consortium of Centres for Clinical Cognitive Research.

Daniel Byrne
B Bus (RMIT), FCA, CPA, AFAIM, MAICD
Treasurer
Since November 2014

Daniel is a Partner in the Business Advisory and Assurance division of Pitcher Partners. He started with the firm in 2000 and was appointed as a Partner in 2010. Daniel has significant experience within infrastructure and major projects in the public and private sectors, undertaking financial analysis and assurance services, due diligence reviews and commercial advisory services in relation to capital infrastructure and program of works. Daniel advises a number of project boards, governance teams and steering committees.

Associate Professor Amy Brodtmann
MBBS, FRACP, PhD
Since June 2012

Amy is Co-Division Head of Behavioural Neuroscience at the Florey Institute for Neuroscience and Mental Health. She is a Neurologist at Austin Health and Director of the Eastern Cognitive Disorders Clinic. She has received many awards and grants for her work in stroke and dementia and was recently the recipient of a 2015 NHMRC Dementia Research Team Grant. Amy sits on the editorial boards of international journals, is an inaugural member of the Wicking Strategic Review Panel, and is the founding director of the Australian Frontotemporal Dementia Association.

Ian Knight
B Bus (RMIT), FCA, CPA, AFAIM, MAICD
Since May 2012

Ian is Managing Director of KIAD Partners Pty Ltd, a private investment group, and is an Executive Director/Partner of nem Australasia Pty Ltd an Australian and New Zealand advisory group. Ian also sits on a number of private and public company boards. Ian has had an extensive career in investment banking for over 40 years and was a Partner at KPMG (Chartered Accountants) from 1995 to his retirement in June 2012.

Graeme Samuel AC
LLB, LLM
Since October 2013

Prof Graeme Samuel AC is President of Alzheimer’s Australia. His varied roles in health include Chair of the South Eastern Melbourne Primary Health Network, Council member of the National Health and Medical Research Council, and the Chair of the National Institute for Dementia Research. He is Chair of the Victorian Taxi Services Commission and a former Chair of the Australian Competition and Consumer Commission. In 2010 he was appointed a Companion of the Order of Australia.

Neil Samuel
Since May 2012

Neil is Managing Director of Dryen Australia Pty Ltd, a large domestic linen importer and wholesaler. Neil has served in leadership positions on numerous not for profit boards, specialising in governance and finance. He is Secretary on the board of Alzheimer’s Australia Dementia Research Foundation – Victoria and also sits on the board of Alzheimer’s Australia Dementia Research Foundation. Neil was reappointed to the Alzheimer’s Australia board in 2014, having previously served as Vice President from 2007 to 2013.
CHAIR’S REPORT

The power of partnerships underpins the theme of this year’s annual report and I am struck every year by the richness of the collaborations between researchers, people living with dementia, families and carers, donors, board members and staff at Alzheimer’s Australia. The shared, unswerving commitment to improving the lives of people living with dementia, their families and carers is truly remarkable and ensures that our capacity to support meaningful research in Australia continues to grow.

The impetus for action is clear: dementia is now the second leading cause of death in Australia and yet research investment continues to lag behind that of cancer, diabetes, heart disease and other chronic conditions. We still lack a treatment or intervention that can prevent or reverse the disease and the number of people impacted by dementia continues to grow.

The recent establishment of a National Institute for Dementia Research represents an important new element in research coordination, collaboration and support, but smaller Foundations such as ours continue to ensure that many more researchers are able to implement projects that will directly benefit people living with dementia.

It is in this context that I congratulate the recipients of this year’s research grants as well as acknowledging the invaluable contributions of research participants and the generous donors who made realising the projects possible. Since its establishment in 2012, the Foundation has distributed 11 research grants with a total value of $530,000 and the projects continue to reflect a broad array of research priorities and innovations. In addition to the four researchers supported in this year’s grant round we continue to see positive results from previously supported research, including projects on cognitive training in older people with mild cognitive impairment; the benefits of exercise for people with diabetes; the development of a social cognition screening tool, the use of robotics to support people with dementia and a study of memory support systems.

Through the generosity and commitment of our donors, the value of grants we are able to provide to researchers continues to grow each year. I would like to thank every person who has donated to the Foundation this year for helping us to achieve this. It is clear that active investment in research remains a priority for many Victorians and we are greatly encouraged by this.

I would like to thank my fellow Board members for their dedication to supporting the ongoing development of the Foundation and the growth of our annual grants program. In particular, I would like to recognise Ian Knight, our now retired inaugural Treasurer, who has established a sound financial system to support our ongoing work. I would also like to thank the national Alzheimer’s Australia Dementia Research Foundation for their administration of the grants program. Finally, I would like to acknowledge Dr Maree Farrow for her superb work managing the Foundation since its inception, and the valuable contribution of Maree McCabe and her team at Alzheimer’s Australia Vic.

Michael Woodward
Associate Professor Michael Woodward
Chair
Dr Hamid Sohrabi is a Research Fellow at the Centre of Excellence for Alzheimer’s Disease Research and Care at Edith Cowan University. He completed his PhD in Psychiatry and Clinical Neurosciences in 2010. In the last five years, Dr Sohrabi has published or co-authored 26 papers in peer-reviewed journals and he has also presented his findings in several national and international conferences.

Dr Sohrabi’s project is founded in the principle that, if Alzheimer’s disease is diagnosed at an earlier stage, preventive and ameliorative interventions can be utilised prior to irreversible changes in the brain. In Alzheimer’s disease, normal brain physiology is disrupted as many as two decades before clinical signs and symptoms. Preliminary studies have provided strong evidence of retinal changes in people with Alzheimer’s disease.

Research by Dr Sohrabi and his team has shown associations of retinal vascular parameters, pupil flash response and Alzheimer’s disease incidence.

His project investigates if ocular imaging using curcumin (from turmeric) as a tracer can detect retinal beta amyloid beta plaques in people who have preclinical and clinical Alzheimer’s disease diagnoses. Participants include cognitively normal individuals, mild cognitively impaired people and people with Alzheimer’s disease.

If this research provides clinical evidence to utilise non-invasive retinal imaging as an accurate screening measure, it will create opportunities for accurately recruiting participants into drug trials and therefore, increasing our chances of delaying or preventing Alzheimer’s disease.

The research team for this project also includes Professor Ralph Martins AO, Dr Tejal Shah and Dr Sunil Gupta.
Dr Donna McCade is a Clinical Neuropsychologist at NSW Health and an Honorary Associate of the Brain and Mind Centre, University of Sydney.

Research suggests that individuals with dementia are less accurate in their ability to recognise emotions such as anger, fear and sadness. This can have a devastating impact on the social behaviour of individuals with dementia and their social relationships. For example, poor emotion recognition predicts increased impact amongst those caring for loved ones with dementia.

Oxytocin is a hormone which has been found to improve emotion recognition ability and enhance trust.

Together with her colleagues at the Brain and Mind Centre at University of Sydney, Dr McCade is working on an intervention program aimed at individuals with Alzheimer’s disease to improve the accuracy in their emotion recognition and also to reduce caregiver burden in family members and significant others. This is achieved via an intranasal administration of oxytocin over a one week period.

The research team for this project also includes Professor Sharon Naismith, Haley LaMonica, Dr Rebekah Ahmed, Dr Loren Mowszowski, Louise Barrett, Amelia English, Associate Professor Adam Guastella and Stacey West.

A therapeutic intervention in Alzheimer’s disease: Intranasal oxytocin administration to enhance emotion processing and reduce impact on caregivers

DR DONNA MCCADE, UNIVERSITY OF SYDNEY
Dr Amir Ghapanchi is a senior lecturer at the School of Information and Communication Technology, Griffith University. Amir has published over 70 referred publications including more than 45 journal articles in prestigious journals and conferences. Dr Ghapanchi’s research interests include medical informatics, information systems adoption and evaluation, and software project management.

3D Virtual Worlds are graphical computer applications which can simulate real life. Users can interact with these worlds via their own digital and graphical self-representations, known as ‘avatars’. These worlds are accessible to users via Internet-connected personal computers.

This technology enables people with lower mobility, such as people with dementia, to be able to experience things that they have experienced in their past life but are no longer able to experience. For people living with dementia in long-term care, engagement in pleasurable activities and a feeling of control over their lives are essential for good quality of life, while depression is associated with poor quality of life. Consistent with this, when long-term care residents are actively engaged, they report improved quality of life and reduced depression.

This project seeks to determine whether the use of 3D virtual world technology by residents living with dementia in long-term care is meaningful and feasible, and if it can contribute to a higher quality of life for people with dementia.

The research team includes Professor Wendy Moyle, Professor Michael Blumenstein and Dr Siobhan O’Dwyer.
Dr Janet Beilby is a Senior Lecturer at the School of Psychology and Speech Pathology, Curtin University. She has been a lecturer, researcher and clinician in the field of stuttering for over 30 years and has been recognised for her innovation in education for her work on teaching health students to master essential interpersonal and rapport-building skills.

Communication difficulties are some of the most significant challenges experienced by health professionals and family members when interacting with and caring for people with dementia. This study addresses the critical need for new, evidence-based communication training to support quality of care and to optimise quality of life outcomes for people living with dementia. It will evaluate the use and feasibility of a highly innovative virtual learning environment (VLE) that addresses the limitations of traditional training approaches.

Thirty adults, comprising a range of health professionals and family members who communicate with and care for people with dementia, will engage with a virtual resident (avatar) with dementia in a simulated, yet realistic communication exchange. This will provide a safe environment in which to practice communication facilitation techniques to improve communication and manage frustration and agitation in the person with dementia.

The use of the avatar in the VLE allows for supported, repeated and realistic skills training. It is a practical way to practice strategies and improve communication techniques that can then be generalised and used in real-world contexts. The study will assess the feasibility of VLE use by health professionals and family members, evaluate whether improvements in interpersonal communication self-efficacy (confidence) and satisfaction occur, and whether the VLE is positively received by these communication partners. The findings will support future research that aims to embed the VLE into communication training packages and explore further application of this innovative technological approach to training in the field of dementia.

The research team includes Dr Jade Cartwright, Dr Shelley Brundage, Dr Josh Spitalnick and Ms Ann-Marie Haygarth.
ACKNOWLEDGEMENTS

We gratefully acknowledge the support of the following:

– Alzheimer’s Australia Vic for management of the Foundation and our funds
– The Alzheimer’s Australia Vic Consumer Advisory Committee for helping to set research priorities
– The Alzheimer’s Australia Dementia Research Foundation for administering our grants program
– The Alzheimer’s Australia Dementia Research Foundation Scientific and Medical Panel and external assessors for assessing the applications for our grants

We would like to express our gratitude to the following for their generous financial support:

**In Memoriam**

Annie & Bob Travers
B & P Pascoe
Barry & Heather Walker
Beaconsfield Baptist Church
Beryl Patullo
Beth’s Girls
Betty Tout
Clover Dulcie
Dr & Mrs Alex & Janet Starr
Keith Loats
Lynette Tout
Mr & Mrs Andrew & Haya Davis
Mr & Mrs Geoffrey & Pauline Green
Mr & Mrs Karl & Natalie Vogel
Mrs Marilyn Pearce
Mrs Ruth Neicho
Mrs W Nattestad
Rory Carmichael

Ruth & Margo
Spa Electrics
W Burrows
Yarraville-Footscray Bowling Club Inc

**Individuals**

Alison Kirk
Antonio Zelada
Chen Huang
Dr Kerry Landman
Dr Kerry O’Sullivan
E B Buckland
Joe Zita
Jonah Vitetta and Family
Lissette Zelada
Miss Hong Nguyen
Miss Jordon Bourke
Miss Sabrina Duchenne
Mr & Mrs David & Rae Rogers
Mr & Mrs Peter & Cathy Rogers
Mr & Mrs R Turnbull
Mr Alan Morris
Mr Andrew Burns
Mr Andrew Turner
Mr Anthony Truong
Mr Barry Sautry
Mr Bob Passmore
Mr Carlos Zelada
Mr Cesar Zelada
Mr Daniel Empeigne
Mr Donald Deighton
Mr Edward Le
Mr Edward McGain
Mr John Webb
Mr Loc Nguyen
Mr Mark Graham
Mr Michael Le
Mr Patrice Sew Hee
Mr Shingo Gibson-Suzuki
Mr Simon Lansbury
Mr Stefan Gigacz
Mr Thomas Geurens

Mrs Andrea George
Mrs Chantal Jodun
Mrs Delwyn Lane
Mrs Enid Telford
Mrs Janice Jenkyn
Mrs Janina H E Labsvirs
Mrs Jayne Ford
Mrs Jenny Thomas
Mrs Jill Gray
Mrs Joyce Beckwith
Mrs Lorraine Komsky
Mrs Mary Sydekum
Mrs Noeleen McKenry
Mrs Rachel Mansson
Mrs Yvonne Tyler
Ms Dolores Grace Makris
Ms Heather Thorne
Ms Lovely Api
Ms Sue O’Neill
Russell Smith
Wendy Whitney

**Organisations**

BB & A Miller Foundation
Beta Sigma Phi Vic
Beta Sigma Phi Laureate Gamma Chapter
Country Women’s Association - Drouin
Country Women’s Association - Greensborough
Indo-Chinese Elderly Refugee Association
Inner Wheel Club of Narre Warren
PSN Family Charitable Trust
The Elizabeth and Barry Davies Charitable Foundation
The Barbara Luree Parker Foundation Ltd
Venus Hartung
As stated in last year’s Annual Report our goal is to maintain invested funds of approximately $2,000,000 through which we can generate a minimum of at least $100,000 per annum, thereby funding two $50,000 grants. Surplus funds above this will be assessed for additional grants should the quality of applications justify consideration.

I am pleased to report that our targets were again met with income, excluding donations, of $128,985 ($101,401 in 2014). In addition, we received donations and bequests of $156,855 ($297,209 in 2014).

This income level has enabled us to make the payments in 2015 for the four $50,000 grants committed to in late 2014. This is consistent with our desire to use donations and bequests immediately for research and includes the awarding of additional grants above our minimum target of two per annum.

Operating costs are kept to a minimum as we manage our assessment process through the assistance of the national Alzheimer’s Australia Dementia Research Foundation for a nominal additional cost over the grants issued.

Overall financial performance reported a Comprehensive Income of $27,953 ($129,547 in 2014). This decrease is primarily due to a reduction in donations received during the 2015 financial year.

As we continue to build awareness of our grant program and we gain further financial support, we look forward to pursuing an even greater diversity of research through the ability to award both larger and additional grants.

The 2015 year included the appointment of external fund managers to advise us on establishing a conservative investment portfolio, including both domestic and international blue chip shares and fixed interest investments.

Knowing there will be some level of volatility in any portfolio approach to investment outside of cash holdings, our conservative portfolio was designed to minimise short-term risk, with a significant portion held in domestic fixed interest investments. $2.0 million was provided to Evans & Partners in July 2014 but most of this remained in cash until the opportune time was identified to implement the portfolio strategy. By 30 June 2015, the portfolio value had increased to $2.07 million, generating capital growth of 3.55% in less than 12 months.

Daniel Byrne
Treasurer
30 September 2015
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2015

Alzheimer's Australia Dementia Research Foundation - Victoria
ABN 51 158 180 477

Directors' Report

Alzheimer's Australia Dementia Research Foundation - Victoria ("the company") was registered on 4 May 2012. Your directors present this report on the company for the year ended 30 June 2015.

Directors

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

- Associate Professor Michael Woodward
- Mr Daniel Byrne (appointed in October 2014)
- Mr Ian Knight
- Mr Graeme Samuel AC
- Mr Neil Samuel
- Associate Professor Amy Brodtmann

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

Principal Activities

The principal activity of the company during the financial period was to support Dementia Research through the provision of Research Grants.

Short-term and Long-term Objectives

The company's short-term objectives are to:
- support Dementia Research through the development of a corpus of funds from which Research grants can be allocated.

The company's long-term objectives are to:
- continue to grow the investment pool and to utilise the returns earned on the funds to provide Research grants; and
- become a major contributor to the Dementia Research field through the expansion of fundraising activities to increase the pool of funds available.

Strategies

To achieve its stated objectives, the company has adopted the following strategies:
- the company has determined that in any given year it will calculate the amount of Research grants to be offered in that year by using a figure of 5% of the investment funds available on the 1st of January of that year; and
- the company will maintain a minimum investable funds balance of approximately $2m to ensure that funds are always available to offer annually as grants.
Meetings of Directors

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

<table>
<thead>
<tr>
<th>Director</th>
<th>Number eligible to attend</th>
<th>Number attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Associate Professor Michael Woodward</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Mr Daniel Byrne</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Mr Ian Knight</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Mr Graeme Samuel AC</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Mr Neil Samuel</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Associate Professor Amy Brodsmann</td>
<td>4</td>
<td>3</td>
</tr>
</tbody>
</table>

Members' Guarantee

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of $100 each towards meeting any outstanding obligations of the entity. At 30 June 2015, the total amount that the member of the company is liable to contribute if the company is wound up is $100 (2014: $100).

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2015 has been received and can be found on page 4 of the financial report.

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

Michael Woodward

Associate Professor Michael Woodward
Chair

Dated this 30th day of September 2015
AUDITOR’S INDEPENDENCE DECLARATION
UNDER SECTION 60-40 OF THE AUSTRALIA CHARITIES AND NOT-FOR-PROFITS COMMISSION
ACT 2012 TO THE DIRECTORS OF ALZHEIMER’S AUSTRALIA DEMENTIA RESEARCH
FOUNDATION - VICTORIA

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Australian Charities
and Not-for-profits Commission Act 2012; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

[Signature]
McLean Delmo Bentleys Audit Pty Ltd

Martin Fensome
Partner
Hawthorn
30 September 2015
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

<table>
<thead>
<tr>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surplus for the period</td>
<td>50,793</td>
<td>133,671</td>
</tr>
</tbody>
</table>

Other comprehensive income:

**Items that will be reclassified subsequently to profit or loss when specific conditions are met**

Transfer to/(from) financial asset revaluation reserve on sale of available-for-sale financial assets | - | (4,124) |
Fair value losses on available-for-sale financial assets | (22,840) | - |
Total other comprehensive income for the period | (22,840) | (4,124) |
Total comprehensive income for the period | 27,953 | 129,547 |

The accompanying notes form part of the financial statements.
## STATEMENT OF FINANCIAL POSITION

**AS AT 30 JUNE 2015**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Note</td>
<td>$</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>4</td>
<td>290,075</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>5</td>
<td>43,556</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td></td>
<td>333,631</td>
</tr>
<tr>
<td><strong>Non-Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td>6</td>
<td>2,071,052</td>
</tr>
<tr>
<td><strong>Total Non-Current Assets</strong></td>
<td></td>
<td>2,071,052</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td></td>
<td>2,404,683</td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>7</td>
<td>5,500</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td></td>
<td>5,500</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td></td>
<td>5,500</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td>2,399,183</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserves</td>
<td>9</td>
<td>1,916,204</td>
</tr>
<tr>
<td>Retained surplus</td>
<td></td>
<td>482,979</td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td></td>
<td>2,399,183</td>
</tr>
</tbody>
</table>

The accompanying notes form part of the financial statements.
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

<table>
<thead>
<tr>
<th>Research Reserve $</th>
<th>Financial Assets Reserve $</th>
<th>Retained Surplus $</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 July 2013</td>
<td>1,939,044</td>
<td>4,124</td>
<td>238,515</td>
</tr>
<tr>
<td>Surplus for the period</td>
<td>-</td>
<td>-</td>
<td>133,571</td>
</tr>
<tr>
<td>Other comprehensive income for the period</td>
<td>-</td>
<td>(4,124)</td>
<td>-</td>
</tr>
<tr>
<td>Balance at 30 June 2014</td>
<td>1,939,044</td>
<td>-</td>
<td>432,186</td>
</tr>
<tr>
<td>Surplus for the period</td>
<td>-</td>
<td>-</td>
<td>50,793</td>
</tr>
<tr>
<td>Other comprehensive income for the period</td>
<td>-</td>
<td>(22,840)</td>
<td>-</td>
</tr>
<tr>
<td>Balance at 30 June 2015</td>
<td>1,939,044</td>
<td>(22,840)</td>
<td>482,979</td>
</tr>
</tbody>
</table>

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

<table>
<thead>
<tr>
<th>Note</th>
<th>2015 $</th>
<th>2014 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Flows from Operating Activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts from donations</td>
<td>211,900</td>
<td>239,480</td>
</tr>
<tr>
<td>Receipts from investments</td>
<td>101,758</td>
<td>523</td>
</tr>
<tr>
<td>Payments to suppliers</td>
<td>(245,169)</td>
<td>(262,284)</td>
</tr>
<tr>
<td>Interest received</td>
<td>22,845</td>
<td>96,602</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>8</td>
<td>91,334</td>
</tr>
<tr>
<td>Cash Flows from Investing Activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Payment for) Proceeds from sale of available-for-sale financial assets</td>
<td>(2,101,449)</td>
<td>40,058</td>
</tr>
<tr>
<td>Net cash (used in) provided by investing activities</td>
<td>(2,101,449)</td>
<td>40,058</td>
</tr>
<tr>
<td>Net (decrease) increase in cash held</td>
<td>(2,010,115)</td>
<td>94,379</td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the financial period</td>
<td>2,380,190</td>
<td>2,205,811</td>
</tr>
<tr>
<td>Cash and cash equivalents at the end of the financial period</td>
<td>4</td>
<td>290,075</td>
</tr>
</tbody>
</table>

The accompanying notes form part of the financial statements.
NOTES TO SUMMARY FINANCIAL STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015

The financial statements cover Alzheimer’s Australia Dementia Research Foundation – Victoria as an individual entity, incorporated and domiciled in Australia. Alzheimer’s Australia Dementia Research Foundation – Victoria is a company limited by guarantee. Alzheimer’s Australia Dementia Research Foundation – Victoria was registered on 4 May 2012.

Note 1: Summary of Significant Accounting Policies

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Corporations Act 2001 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue by the directors of the company on the date of the Director’s report.

Accounting Policies

(a) Income Tax

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

(b) Revenue

Interest revenue is recognised as it accrues using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Donations and bequests are recognised as revenue when received.

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

Grant revenue is recognised in profit or loss when it is controlled. When there are conditions attached to grant revenue relating to the use of the those grants for the specific purposes it is recognised in the statement of financial position as a liability until such conditions are met or services provided.

(c) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.
Note 1: Summary of Significant Accounting Policies (cont’d)

(d) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e., trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified ‘at fair value through profit or loss’, in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. When available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

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

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

Fair value is determined based on current bid prices for all quoted investments.

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

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

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company’s intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.
Note 1: Summary of Significant Accounting Policies (cont'd)

(d) Financial Instruments (cont'd)

(iv) Available-for-sale investments

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

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains or losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial instruments, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtor or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.
Note 1: Summary of Significant Accounting Policies (cont’d)

(d) Financial Instruments (cont’d)

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire 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 discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(e) Critical Accounting Estimates and Judgments

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

Key estimates – Impairment

The company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the company that may be indicative of impairment triggers.

(f) New Accounting Standards for Application in Future Periods

The AASB has issued new and amended accounting standards and interpretations that have mandatory applicable dates for future reporting periods and which the company has considered the effects and decided not to early adopt. Due to the nature of the company’s activities, it does not expect them to significantly impact the company’s financial statements.
### Note 2: Revenue

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations</td>
<td>158,955</td>
<td>297,209</td>
</tr>
<tr>
<td>Dividends and franking credits</td>
<td>101,768</td>
<td>523</td>
</tr>
<tr>
<td>Interest income</td>
<td>22,845</td>
<td>98,602</td>
</tr>
<tr>
<td>Profit on sale of available-for-sale financial assets</td>
<td>4,382</td>
<td>4,276</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>285,840</td>
<td>398,610</td>
</tr>
</tbody>
</table>

### Note 3: Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit fees</td>
<td>5,500</td>
<td>5,250</td>
</tr>
<tr>
<td>Loss on sale of available-for-sale financial assets</td>
<td>11,939</td>
<td>-</td>
</tr>
<tr>
<td>Printing and ASIC fees</td>
<td>3,358</td>
<td>2,189</td>
</tr>
<tr>
<td>Research grants</td>
<td>200,000</td>
<td>250,000</td>
</tr>
<tr>
<td>Administration fees</td>
<td>14,250</td>
<td>7,500</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>235,047</td>
<td>264,939</td>
</tr>
</tbody>
</table>

### Note 4: Cash and Cash Equivalents

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank</td>
<td>290,075</td>
<td>2,300,190</td>
</tr>
<tr>
<td><strong>Total cash and cash equivalents</strong></td>
<td>290,075</td>
<td>2,300,190</td>
</tr>
</tbody>
</table>

### Note 5: Trade and Other Receivables

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables</td>
<td>6,045</td>
<td>-</td>
</tr>
<tr>
<td>GST receivable</td>
<td>20,831</td>
<td>25,750</td>
</tr>
<tr>
<td>Receivable from Alzheimer's Australia Vic</td>
<td>16,680</td>
<td>50,540</td>
</tr>
<tr>
<td><strong>Total Trade and Other Receivables</strong></td>
<td>43,556</td>
<td>76,290</td>
</tr>
</tbody>
</table>

### Note 6: Financial Assets

#### Non-Current

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available-for-sale financial assets at fair value:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Listed investment</td>
<td>735,505</td>
<td>-</td>
</tr>
<tr>
<td>Unlisted investment</td>
<td>1,335,547</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total available-for-sale financial assets</strong></td>
<td>2,071,052</td>
<td>-</td>
</tr>
</tbody>
</table>
Note 7: Trade and Other Payables
Current

Accrued expenses

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5,500</td>
<td>5,250</td>
</tr>
</tbody>
</table>

Note 8: Cash Flow Information
Reconciliation of cash flow from operations with surplus for the period
Surplus for the period
(Profit)/loss on sale of available-for-sale financial assets
Changes in assets and liabilities:
  Decrease (increase) in trade and other receivables
  Increase (decrease) in trade and other payables
Net cash provided by operating activities

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>60,793</td>
<td>133,671</td>
</tr>
<tr>
<td></td>
<td>7,597</td>
<td>(4,276)</td>
</tr>
<tr>
<td></td>
<td>32,734</td>
<td>(75,324)</td>
</tr>
<tr>
<td></td>
<td>250</td>
<td>250</td>
</tr>
<tr>
<td></td>
<td>91,334</td>
<td>54,321</td>
</tr>
</tbody>
</table>

Note 9: Reserves
Research reserve
Financial assets reserve
Total reserves

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,939,044</td>
<td>1,939,044</td>
</tr>
<tr>
<td></td>
<td>(22,840)</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>1,916,204</td>
<td>1,939,044</td>
</tr>
</tbody>
</table>

Research reserve
The research reserve records the initial contribution of research funds from Alzheimer’s Australia Vic.

Financial assets reserve
The financial assets reserve records revaluation of financial assets.

Note 10: Entity Details
The registered office and principal place of business of the company is:
Alzheimer’s Australia Dementia Research Foundation – Victoria
155 Oak Street
Parkville VIC 3052
Directors' Declaration

In accordance with a resolution of the directors of Alzheimer's Australia Dementia Research Foundation - Victoria, the directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 5 to 14, are in accordance with the Corporations Act 2001 and the Australian Charities and Not-for-profits Commission Act 2012 and:
   a. comply with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Regulation 2013; and
   b. give a true and fair view of the company’s financial position as at 30 June 2015 and of its performance for the year ended on that date in accordance with policies described in Note 1 to the financial statements.

2. In the directors’ opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

_______________________________
Associate Professor Michael Woodward
Chair

Dated this 30th day of September 2015
INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF ALZHEIMER’S AUSTRALIA DEMENTIA RESEARCH FOUNDATION – VICTORIA

We have audited the accompanying financial report, being a special purpose financial report of Alzheimer’s Australia Dementia Research Foundation – Victoria, which comprises the statement of financial position as at 30 June 2015, the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes and the directors’ declaration.


The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with the accounting policies described in Note 1 to the financial statements and for such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a fair and true view and is free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial 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 judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company’s preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian Charities and Not-for-profits Commission Act 2012. We confirm that the independence declaration required by the Australian Charities and Not-for-profits Commission Act 2012, which has been given to the directors of Alzheimer’s Australia Dementia Research Foundation – Victoria, would be the same terms if given to the directors as at the time of this auditor’s report.
INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF ALZHEIMER’S AUSTRALIA DEMENTIA RESEARCH FOUNDATION – VICTORIA (CONT’D)

Opinion

In our opinion, the financial report of Alzheimer’s Australia Dementia Research Foundation – Victoria has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

   a) giving a true and fair view of the company’s financial position as at 30 June 2015 and of its performance for the year ended on that date, and

   b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors’ financial reporting responsibilities under the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose.

McLean Delmo Bentleys Audit Pty Ltd

Martin Fensome
Partner

Hawthorn 16 October 2015